



ST. JOHNS RIVER STATE COLLEGE

JOE H. PICKENS, J.D., PRESIDENT
5001 ST. JOHNS AVENUE | PALATKA, FL 32177-3807
(386) 312-4113 | JoePickens@SJRstate.edu

PALATKA CAMPUS 5001 ST. JOHNS AVENUE
PALATKA, FL 32177-3807 | (386) 312-4200

ST. AUGUSTINE CAMPUS 2990 COLLEGE DRIVE
ST. AUGUSTINE, FL 32084-1197 | (904) 808-7400

ORANGE PARK CAMPUS 283 COLLEGE DRIVE
ORANGE PARK, FL 32065-7639 | (904) 276-6800

SJRstate.edu

EQUAL OPPORTUNITY/EQUAL ACCESS COLLEGE

MEMORANDUM

TO: All Trustees

FROM: Joe H. Pickens, J.D.

DATE: May 11, 2023

RE: May Board Meeting

The St. Johns River State College District Board of Trustees Meeting will be held on **Monday, May 22, 2023**, at the **St. Augustine Campus** in the Viking Center Multipurpose Room (V-112).

Please note the times:

2:30 pm – Budget Workshop

3:30 pm – Regular Board Meeting

Please review the enclosed material and if you have any questions, do not hesitate to call me. If you are unable to attend, please call me before noon on that date.

Thank you.

JHP/sms

Enclosure

ST. JOHNS RIVER STATE COLLEGE DISTRICT BOARD OF TRUSTEES

Meeting, Monday, May 22, 2023,
3:30 p.m., **St. Augustine Campus**,
Viking Center Room V-112

MISSION STATEMENT

St. Johns River State College, an open-access, public institution of higher education in Northeast Florida, promotes excellence in teaching and learning to enrich the lives of its students and strengthen its community. The College offers certificates, associate and baccalaureate degrees, and provides high-quality education, training, and cultural opportunities to encourage scholarly achievement. St. Johns River State College delivers high-quality instruction through face-to-face and distance education modalities and creates a supportive learning environment that includes services and resources to enable all students to reach their educational goals.

**Note: At the discretion of the Chair or any other Board member, items may be taken out of order for action and/or discussion.*

- I. Call to Order
- II. Public Comment
- III. Viking Spotlight – Dr. Melanie Brown will introduce Incoming Dean of the Florida School of the Arts, Emily Schafer
- IV. Old Business
- V. New Business

A. Consent Agenda – Chairperson Wendell Davis

Action

The items on the consent agenda are routine business and are not expected to require discussion before action. Items will be enacted by one motion. Any Trustee can request a topic to be removed from the consent agenda and discussed further for separate action.

1. Minutes

- a. Approval of Minutes of April 17, 2023, Workshop and Board Meeting

2. Senior V.P./Chief Business Officer – Dr. Lynn Powers

- a. Facilities Usage Report – April 2023
- b. Approval of Write-offs of Tangible Personal Property
- c. Approval of Monthly Financial Report – April 2023
- d. Approval of Personnel Matters

B. Senior Vice President/Chief Business Officer – Dr. Lynn Powers – Action Agenda Items

1. Financial Items

- a. Action to Approve Transfers from Board Designated Operating Reserves to the Unexpended Plant Fund

Action

- | | | |
|-------|---|-------------|
| | b. Action to Approve Course Fee and Full Cost of Instruction Fee Changes | Action |
| | 2. Facilities Item | |
| | a. Change Order #1 to Thomas May Construction Contract for Thrasher-Horne Project | Information |
| VI. | President's Report | |
| | A. Student Housing Project Update | Information |
| | B. Amendments Approved at April 17 Meeting to Ground SubLease Agreement from Student Housing DSO to Developer | Information |
| | C. New Amendment to Ground SubLease Agreement from Student Housing DSO to Developer to Allow Tenant to substitute a \$500K irrevocable letter of credit or similar document, the nature and content of which is to be approved by the Board, in lieu of a Performance and Payment Bond. | Action |
| VII. | Trustees' Comments | |
| VIII. | Adjournment | |



PALATKA CAMPUS 5001 ST. JOHNS AVENUE
PALATKA, FL 32177-3807 | (386) 312-4200


ST. AUGUSTINE CAMPUS 2990 COLLEGE DRIVE
ST. AUGUSTINE, FL 32084-1197 | (904) 808-7400

ORANGE PARK CAMPUS 283 COLLEGE DRIVE
ORANGE PARK, FL 32065-7639 | (904) 276-6800

SJRstate.edu

EQUAL OPPORTUNITY/EQUAL ACCESS COLLEGE

TO: Joe Pickens, J.D.
College President

FROM: Melanie Rosen Brown, Ph.D. 
Senior Vice President/Chief Academic Officer

DATE: May 11, 2023

RE: **VIKING SPOTLIGHT** Agenda Item
May 22, 2023, District Board of Trustees Meeting

The following item is submitted for the Board of Trustees' consideration at the May 22, 2023, meeting:

VIKING SPOTLIGHT:

Introduction of incoming Dean of the Florida School of the Arts, Emily Schafer.

ST. JOHNS RIVER STATE COLLEGE
DISTRICT BOARD OF TRUSTEES
BOARD BUDGET WORKSHOP

April 17, 2023

MEMBERS PRESENT:

Mr. Wendell Davis, Chairperson
Mr. Rich Komando, Vice-Chairperson
Ms. Makayla Buchanan
Ms. Jan Conrad
Mr. Jim Reid
Mr. Jud Sapp

OTHERS PRESENT:

Joe H. Pickens, J.D., Executive Secretary
Mr. Ron Brown, Attorney for the Board

The workshop was held at the Orange Park Campus in the Thrasher-Horne Center Suites C & D.

Chairperson Davis called the workshop to order at 1:00 p.m. President Pickens informed the Board that Dr. Lynn Powers is ill in the hospital and Randy Peterson, Assistant Vice President for Finance, will present the Budget Workshop information.

Mr. Peterson began by overviewing the workshop topics and the FY 23-24 Budget Timeline. He discussed the College's budget process.

Mr. Peterson discussed the potential Legislative budget impacts for the Florida College System and SJR State College. President Pickens expounded on several items. Next, Mr. Peterson discussed the history of State appropriations, tuition/fee revenue, student FTE enrollment trends, and the history of operating revenues.

Mr. Peterson overviewed the operating revenue categories. Next, he discussed the history of operating expenses and a 10-year comparison of the major expense area increases. He then discussed the operating expense comparison between the FY 22-23 original budget and the FY 21-22 actual expenses. He overviewed the operating expenditures by function.

Mr. Peterson discussed the personnel goals for the FY 23-24 budget.

President Pickens stated that the College will continue to pay for the full cost of health insurance for employees. He noted that the College also supplements dependent health insurance - family, child, or spouse. Even though only some employees receive this benefit, there is a cost to the College. He stated this may be a potential point of friction since every employee does not receive the supplement and the College is sensitive to the needs of all employees in this regard.

Mr. Peterson concluded the presentation by discussing the next steps in the budget planning process.

The Workshop was adjourned at 1:45 p.m.

ST. JOHNS RIVER STATE COLLEGE
DISTRICT BOARD OF TRUSTEES

April 17, 2023

MEMBERS PRESENT:

Mr. Wendell Davis, Chairperson
Mr. Rich Komando, Vice-Chairperson
Ms. Makayla Buchanan
Ms. Jan Conrad
Mr. Jim Reid
Mr. Jud Sapp

OTHERS PRESENT:

Joe H. Pickens, J.D., Executive Secretary
Mr. Ron Brown, Attorney for the Board

Chairperson Davis called the meeting to order at 2:00 pm.

Meeting Call to Order

There were no public comments.

Public Comment

Dr. Melanie Brown introduced Michelle Sjogren, Executive Director of Strategic Communications, who gave an update on Marketing and Public Relations, Web Strategies, Digital Marketing and Social Media, and Student Recruitment.

Viking Spotlight

There was no Old Business.

Old Business

Chairperson Davis requested approval of the Consent Agenda Items A.1-2:

Consent Agenda
Items

1.a: Minutes of March 22, 2023, Board Meeting

2.a-e – Senior V.P./Chief Business Officer: Facilities Usage Report for March 2023; Write-offs of Tangible Personal Property; Monthly Financial Report – March 2023; Budget Amendments - Operating Fund 1, Restricted Fund 2, Auxiliary Fund 3, and Capital Outlay / Plant Fund 7; and Personnel Matters.

Mr. Komando moved approval of the Consent Agenda Items and Ms. Buchanan seconded the motion. Motion carried (Buchanan, Conrad, Davis, Komando, Reid, Sapp - Yes).

Approved Consent
Agenda Items A.1-2

On behalf of Dr. Lynn Powers, Randy Peterson reviewed and requested approval of Facilities Item to Accept St. Augustine Campus Chiller Replacement Project as complete and approve final pay application.

Mr. Komando moved, seconded by Ms. Conrad, to approve Chief Business Officer Facilities Item B.1.a, as submitted (a detailed listing is contained in the material submitted by the Office of the Chief Business Officer). Motion carried (Buchanan, Conrad, Davis, Komando, Reid, Sapp - Yes).

Approved Chief
Business Officer
Facilities Item
B.1.a

On behalf of Dr. Lynn Powers, Randy Peterson reviewed and requested approval of Facilities Item to Award the Bid for the Thrasher-Horne Center Interior Refurbishment Project. He explained that due to various reasons the bid is higher than expected. He requested approval to move forward with the project, pending a change order that will be brought to the next Board meeting reducing the amount for textured wall panels that will not be replaced as originally thought. President Pickens stated that the additional costs will be paid from the Auxiliary Fund 3, which includes revenues produced by the Thrasher-Horne Center. Discussion followed.

Mr. Komando moved approval for the difference to be paid from the Auxiliary fund and to award the bid to contractor Thomas May Construction, without the change order, in the amount of \$718K. The motion was seconded by Ms. Conrad (a detailed listing is contained in the material submitted by the Office of the Chief Business Officer). Motion carried (Buchanan, Conrad, Davis, Komando, Reid, Sapp - Yes).

Approved Chief
Business Officer
Facilities Item
B.1.b

On behalf of Dr. Lynn Powers, Chuck Romer reviewed and requested approval of Personnel Item Annual Equity Update Report 2022-2023.

Mr. Komando moved, seconded by Ms. Buchanan, to approve Chief Business Officer Personnel Item B.2.a, as submitted (a detailed listing is contained in the material submitted by the Office of the Chief Business Officer). Motion carried (Buchanan, Conrad, Davis, Komando, Reid, Sapp - Yes).

Approved Chief
Business Officer
Personnel Item
B.2.a

President Pickens reviewed and requested approval of the Ground Lease Agreement to the Student Housing DSO. He recapped that contemporaneously with the independent construction of the housing facility by the tenant, the college will relocate and improve the service/emergency vehicle access road which extends to the baseball field and softball field, including stabilizing and paving. The college will also replace the old makeshift parking area that was converted from the old tennis courts with a new parking area to the east of

the housing project and south of the gymnasium and locker rooms which will be available to all students. The college will also need to provide the engineering and ground work for the ground water changes, which will impact the entire College and are being done with a vision of a more campus wide stormwater management plan. \$2.5m is being allocated for these campus improvements/enhancements.

Mr. Komando asked will the housing be ready by August 2024. President Pickens explained that that is the current plan/schedule but that the lease may need to be amended to provide for opening in July 2025 instead of 2024 if circumstances dictate pushing the opening date back a year. If the structural engineering to start the foundation is not completed by May 15, the project will have to be postponed for a year. Discussion followed. Trustee Komando discussed the length of the sublease and the value of the contract.

Mr. Komando moved, seconded by Ms. Conrad, to approve President's Report Item A.1, as submitted (a detailed listing is contained in the material submitted by the President). Motion carried (Buchanan, Conrad, Davis, Komando, Reid, Sapp - Yes).

Approved President's
Report Item A.1

President Pickens then reviewed and requested approval of the Ground SubLease Agreement from the Student Housing DSO to the Developer.

Ron Brown informed the Board that Trustee Reid had questioned Article 2, Section 2.2 Renewal. He recommended amending this by adding the word "Commencing" at the beginning of the sentence "On the fifth anniversary...".

Mr. Reid moved and Mr. Komando seconded the motion to approve the Ground SubLease Agreement with the amendment.

Trustee Conrad asked if the tenant breaks a covenant with its lender do they have to notify the College. Discussion followed on another amendment to the SubLease. Trustee Komando recommended the wording "Sublease requires sublessor to ensure that the Board of Trustees has the opportunity to review and approve any lending agreement related to the lease or to the property".

The original motion by Mr. Reid, seconded by Mr. Komando was withdrawn.

Mr. Reid then moved approval of the first amendment to add the word “Commencing” at the beginning of the sentence “On the fifth anniversary” in Article 2, Section 2.2. Mr. Komando seconded the motion to amend. Motion carried (Buchanan, Conrad, Davis, Komando, Reid, Sapp - Yes).

First Amendment to Item A.2

Mr. Komando moved approval of the second amendment to add the wording “Sublease requires sublessor to ensure that the Board of Trustees has the opportunity to review and approve any lending agreement related to the lease or to the property.” to the SubLease. Ms. Conrad seconded the motion to amend. Motion carried (Buchanan, Conrad, Davis, Komando, Reid, Sapp - Yes).

Second Amendment to Item A.2

Mr. Reid moved to approve the SubLease as amended, seconded by Mr. Komando, to approve President’s Report Item A.2, as amended (a detailed listing is contained in the material submitted by the President). Motion carried (Buchanan, Conrad, Davis, Komando, Reid, Sapp - Yes).

Approved President’s Report Item A.2

President Pickens noted that Graduation will be held on May 5 and Van Royal is the guest speaker.

Chair Davis led the discussion on the results of the Board Self-Evaluation. He recommended approval. Mr. Komando recommended conducting an external evaluation also.

Mr. Komando moved, seconded by Mr. Reid, to approve the Results of the Board Self-Evaluation, as submitted. Motion carried (Buchanan, Conrad, Davis, Komando, Reid, Sapp - Yes).

Approved District Board of Trustees Self-Evaluation

Chairperson Wendell Davis referred Trustees to the proposed 2023-2024 District Board of Trustees Meeting schedule.

Mr. Komando moved, seconded by Mr. Reid, to set the Date, Time, and Place for fiscal year 2023–2024 District Board of Trustees meetings as the third Wednesday of each month at 2:00 p.m., Palatka Campus, with the following exceptions:

Approved Date, Time, and Place of Board Meetings for 2023-2024

- July 2023 and November 2023 - No Meeting
- August 9, 2023 (second Wednesday)
- December 6, 2023 (first Monday)

- March 27, 2024 (fourth Wednesday)
- October 2023, March 2024, and May 2024, Thrasher-Horne Conference Center, Suites C & D, Orange Park Campus
- September 2023, January 2024, and April 2024, Viking Center, Room V-112, St. Augustine Campus

Motion carried (Buchanan, Conrad, Davis, Komando, Reid, Sapp - Yes).

Trustee comments were made.

Chairperson Davis adjourned the meeting at 3:20 p.m.

Trustees' Comments

Adjournment



PALATKA CAMPUS 5001 ST. JOHNS AVENUE
PALATKA, FL 32177-3807 | (386) 312-4200


ST. AUGUSTINE CAMPUS 2990 COLLEGE DRIVE
ST. AUGUSTINE, FL 32084-1197 | (904) 808-7400

ORANGE PARK CAMPUS 283 COLLEGE DRIVE
ORANGE PARK, FL 32065-7639 | (904) 276-6800

SJRstate.edu

EQUAL OPPORTUNITY/EQUAL ACCESS COLLEGE

TO: Joe Pickens, J.D.
President

FROM: Lynn Powers, CPA, Ed.D. 
Senior Vice President/Chief Business Officer

DATE: May 11th, 2023

RE: Consent Agenda Items: May 22nd, 2023, District Board of Trustees Meeting

The following **Consent** items are submitted for the Board of Trustees' consideration at the May 22nd, 2023, meeting:

CONSENT AGENDA ITEMS:

1. Facilities Usage Report – April 2023
2. Approval of Write-offs of Tangible Personal Property
3. Approval of Monthly Financial Report – April 2023
4. Approval of Personnel Matters



ST. JOHNS RIVER

S T A T E C O L L E G E

MEMORANDUM

To: Dr. Lynn Powers
Sr. Vice President / Chief Business Officer

From: Travas Sheridan
Property and Risk Manager *TS*

Date: May 10, 2023

Subject: Report on Facilities Use for April 2023

For the month of April 2023:

Putnam Republican Club	Palatka
Daytona State College – DCF exams	Palatka
Fellowship of Christian Athletes	Palatka
CC's Motorcycle Training	Palatka
United Way – Northeast FL (Vita Tax)	Orange Park
River Volleyball	Palatka
College Drive Initiative	Orange Park
Mission Trace HOA	St. Augustine
Boys and Girls Club of Northeast FL	Orange Park



ST. JOHNS RIVER

S T A T E C O L L E G E

MEMORANDUM

To: Dr. Lynn Powers
Sr. Vice President / Chief Business Officer

From: Travas Sheridan
Property and Risk Manager *TS*

Date: May 10, 2023

Subject: Action on Write-Off of Tangible Personal Property

The write-off of tangible personal property must be approved by the Board of Trustees at the May 22, 2023, Board Meeting. I recommend write-off approval for the listed tangible personal property items from the college's property system. Please let me know if you have any questions on these items.

<u>Property #</u>	<u>Description</u>	<u>Reason for Write-Off</u>	<u>Acquisition Date</u>
30172	Classroom Technology	Item Obsolete	3/22/2010
30404	Infrastructure	Item Obsolete	10/13/2010
31601	Desktop	Item Obsolete	10/6/2014
32040	Laptop-Apple	Item Obsolete	5/18/2017
32173	Laptop	Item Obsolete	6/19/2018
32218	StarLeaf 3351-1023 Group Telepresence Codec w/2035 Touch	Item Obsolete	8/21/2018
32219	StarLeaf 0100-1200 Sony SRG-120 PTZ Camera w/1 Yr Warranty	Item Obsolete	3/8/2019
32220	StarLeaf 0100-1200 Sony SRG-120 PTZ Camera w/1 Yr Warranty	Item Obsolete	3/8/2019
32221	Sound Control Technologies RC4-S12-K Project Pack	Item Obsolete	3/8/2019
32222	Sound Control Technologies RC4-S12-K Project Pack	Item Obsolete	3/8/2019
32234	Sound Control Technologies RC4-S12-K Project Pack	Item Obsolete	3/8/2019
32436	Desktop	Item Obsolete	7/23/2019
32668	Laptop	Item Obsolete	5/7/2020
32802	Laptop	Item Obsolete	9/23/2020
32804	Laptop	Item Obsolete	9/23/2020
32806	Laptop	Item Obsolete	9/23/2020
32807	Laptop	Item Obsolete	9/23/2020
32874	Laptop	Item Obsolete	9/23/2020
32876	Laptop	Item Obsolete	9/23/2020
32879	Laptop	Item Obsolete	9/23/2020

32883	Laptop	Item Obsolete	9/23/2020
33092	Desktop	Item Obsolete	4/15/2021
29453	Kid/Pedi Vitalsim Manikin	Item Obsolete	11/9/2007
31701	Physio-Control Lifepak 12 Defib	Item Obsolete	4/8/2015
31274	Nursing Anne w/ Simpad System	Item Obsolete	5/13/2013
30699	Nursing Kelly (VitalSim) w/ Control box	Item Obsolete	4/15/2011
30698	Nursing Kelly (VitalSim) w/ Control box	Item Obsolete	4/15/2011
28741	Advanced Geri Manikin DS	Item Obsolete	3/11/2005
31275	Nursing Anne w/ Simpad System	Item Obsolete	5/13/2013
30993	Nursing Kelly, VitalSim w/ control box	Item Obsolete	2/21/2012
30697	Nursing Kelly (VitalSim) w/ Control box	Item Obsolete	4/15/2011
32910	Laptop	Item Obsolete	8/12/2020



ST. JOHNS RIVER
S T A T E C O L L E G E

Monthly Financial Report

April 2023

ST. JOHNS RIVER STATE COLLEGE
BALANCE SHEET
As of April 30, 2023

			FUND TYPE					
			GENERAL CURRENT	RESTRICTED CURRENT	AUXILIARY	SCHOLARSHIP	AGENCY	UNEXPENDED PLANT
	TOTAL							
Assets								
1 Cash	\$ 25,024,948	\$ 5,252,681	\$ 586,996	\$ 7,878,685	\$ 29,077	\$ 2,132,097	\$ 9,145,412	
2 Cash Equivalents	211,968	211,968	-	-	-	-	-	-
3 Certificate of Deposit	8,000,000	8,000,000	-	-	-	-	-	-
4 Accounts Receivable	1,859,958	1,587,598	83,235	12,143	42,935	-	134,047	
5 Inventories	493,245	-	-	493,245	-	-	-	-
6 Due From Component Unit	-	-	-	-	-	-	-	-
7 Prepaid Assets	-	-	-	-	-	-	-	-
8 Other Assets	2,600	2,600	-	-	-	-	-	-
9 Due from State	6,347,085	-	-	-	-	-	-	6,347,085
10 Total Assets	41,939,804	15,054,847	670,231	8,384,073	72,012	2,132,097	15,626,544	
11 Deferred Outflow of Resources	7,288,188	7,288,188	-	-	-	-	-	-
Liabilities								
12 Net Pension Liability	10,125,215	10,125,215	-	-	-	-	-	-
13 Compensated Absences Payable	2,141,354	2,141,354	-	-	-	-	-	-
14 Other Post Employment Benefit Payable	2,569,454	2,569,454	-	-	-	-	-	-
15 Deferred Revenue	161,935	-	-	161,935	-	-	-	-
16 Payables	2,216,910	10,513	-	31,659	1,280	2,132,097	41,361	
17 Due to Other Funds	-	-	-	-	-	-	-	-
18 Total Liabilities	17,214,868	14,846,536	-	193,594	1,280	2,132,097	41,361	
19 Deferred Inflow of Resources	12,774,930	12,774,930	-	-	-	-	-	-
20 Fund Balance	19,238,194	(5,278,431)	670,231	8,190,479	70,732	-	15,585,183	
21 Amount Expected to be Financed in Future Years	20,258,460	20,258,460	-	-	-	-	-	-
22 Adjusted Fund Balance	\$ 39,496,654	\$ 14,980,029	\$ 670,231	\$ 8,190,479	\$ 70,732	-	\$ 15,585,183	

ST. JOHNS RIVER STATE COLLEGE
SUMMARY OF INCOME AND EXPENDITURES
UNRESTRICTED CURRENT FUND
For the Month Ended April 30, 2023

CURRENT YEAR 2022-2023				FY % 83.3%	PRIOR YEAR 2021-2022
	Current Budget	Year to Date Activity	Unobligated Balance	Act %	Year to Date Activity
Revenue:					
1 Tuition and Fees	\$ 9,690,168	\$ 9,249,083	\$ 441,085	95.4%	\$ 9,609,874
2 State Support	27,211,436	21,718,391	5,493,045	79.8%	20,315,468
3 Local Support	1,200,000	1,620,623	(420,623)	135.1%	1,312,123
4 Other Sources **	254,500	1,954,230	(1,699,730)	767.9%	219,161
5 Total Revenue	38,356,104	34,542,327	3,813,777	90.1%	31,456,626
Expenditures:					
6 Salaries	23,215,980	19,078,358	4,137,622	82.2%	18,692,816
7 Benefits	7,284,419	5,668,611	1,615,808	77.8%	5,792,062
8 Total Salaries & Benefits	30,500,399	24,746,969	5,753,430	81.1%	24,484,878
9 Materials and Supplies	2,223,335	1,549,931	673,404	69.7%	1,518,792
10 Contracted Non Instructional	1,669,800	1,235,569	434,231	74.0%	1,165,211
11 Utilities	1,191,591	1,014,489	177,102	85.1%	821,627
12 Repairs and Maintenance	1,232,284	820,087	412,197	66.6%	754,459
13 Professional Fees	231,716	149,564	82,152	64.5%	112,624
14 Insurance	937,318	937,317	1	100.0%	811,789
15 Technology Services	185,388	140,903	44,485	76.0%	127,943
16 Travel	267,182	155,806	111,376	58.3%	76,295
17 Advertising	127,303	91,019	36,284	71.5%	106,549
18 Other Services	763,626	559,688	203,938	73.3%	459,375
19 Other Current Charges	801,232	646,363	154,869	80.7%	608,985
20 Total Current Expenses	9,630,775	7,300,736	2,330,039	75.8%	6,563,649
21 Capital Outlay	1,297,119	743,805	553,314	57.3%	242,998
22 Transfers	-	-	-	0.0%	600,000
23 Total Expenditures	41,428,293	32,791,510	8,636,783	79.2%	31,891,525
24 Net Revenues and Expenditures	\$ (3,072,189)	\$ 1,750,817			\$ (434,899)
25 Budgeted Ending Adjusted Fund Balance *	\$ 10,157,023				
* Excludes Amount to be Financed in Future Years of \$20,258,460					
** Removed \$1.5 million SPIA prior year unrealized loss. Investments moved to CD's and Money Market account.					

ST. JOHNS RIVER STATE COLLEGE
SUMMARY OF INCOME AND EXPENDITURES
RESTRICTED CURRENT FUND
For the Month Ended April 30, 2023

CURRENT YEAR 2022-2023					FY % 83.3%	PRIOR YEAR 2021-2022
	Current Budget	Year to Date Activity	Unobligated Balance	Act %		Year to Date Activity
Revenue:						
1 Federal Support	\$ 2,260,378	\$ 1,527,695	\$ 732,683	67.6%	\$	8,173,595
2 Student Fees	633,560	646,883	(13,323)	102.1%		673,584
3 State Support	179,922	103,512	76,410	57.5%		117,186
4 Other Sources	127	127	-	100.0%		172
5 Total Revenue	3,073,987	2,278,217	795,770	74.1%		8,964,537
Expenditures:						
6 Salaries	696,198	531,896	164,302	76.4%		782,616
7 Benefits	195,496	143,027	52,469	73.2%		231,844
8 Total Salaries & Benefits	891,694	674,923	216,771	75.7%		1,014,460
9 Materials and Supplies	396,848	142,951	253,897	36.0%		283,414
10 Contracted Non Instructional	-	-	-	0.0%		1,271
11 Repairs and Maintenance	8,580	9,490	(910)	110.6%		-
12 Professional Fees	26,181	26,740	(559)	102.1%		-
13 Technology Services	23,093	22,111	982	95.7%		22,111
14 Travel	171,366	75,610	95,756	44.1%		75,610
15 Advertising	-	-	-	0.0%		-
16 Other Services	140,231	80,116	60,115	57.1%		147,255
17 Other Current Charges	7,700	7,287	413	94.6%		6,190,760
18 Total Current Expenses	773,999	364,305	409,694	47.1%		6,720,421
19 Capital Outlay	1,484,354	1,091,186	393,168	73.5%		1,069,822
20 Total Expenditures	3,150,047	2,130,414	1,019,633	67.6%		8,804,703
21 Net Revenues and Expenditures	\$ (76,060)	\$ 147,803			\$	159,834

PERSONNEL MATTERS

NAME	JOB CLASSIFICATION	TYPE OF PAY OR ACTION	PAY SCALE OR RATE	DATES
Lisa Brasiel	FT - Faculty	Resign	N/A	04/30/23
Patricia Crotty	FT - Faculty	Retire	N/A	04/30/23
Brittany Johnson	FT - Faculty	Hire	12 Month - Masters	05/01/23
John Monsalve	FT - Faculty	Contract Non-Renewal	N/A	07/31/23
Douglas Rider	FT - Faculty	Hire	12 Month - Masters	05/01/23
Susan Ross	FT - Faculty	Retire	N/A	04/30/23
Catherine Wright	FT - Faculty	Retire	N/A	05/31/23

NAME	JOB CLASSIFICATION	TYPE OF PAY OR ACTION	PAY SCALE OR RATE	DATES
Brian Cigic	FT - Career Service	Hire	CS - Grade 106	05/08/23
Makena Freeman	FT - Career Service	Resign	N/A	04/18/23
James Givines	FT - Career Service	Hire	CS - Grade 110	05/08/23
Tonya Shook	FT - Career Service	Hire	CS - Grade 107	05/15/23




ST. JOHNS RIVER

S T A T E C O L L E G E

Memorandum

TO: Joe H. Pickens, J.D. President

FROM: Lynn M. Powers, CPA, Ed.D. 
Senior Vice President/Chief Business Officer

DATE: May 11th, 2023

RE: Action/Informational Agenda Items: May 22nd, 2023, District Board of Trustees Meeting

The following Action/Informational items are submitted for the Board of Trustees' approval at the May 22nd, 2023 meeting:

ACTION/INFORMATIONAL AGENDA ITEMS:

1. FINANCIAL ITEMS:

- a. Action to Approve Transfers from Board Designated Operating Reserves to the Unexpended Plant Fund
- b. Action to Approve Course Fee and Full Cost of Instruction Fee Changes

2. FACILITIES ITEMS:

- a. Information: Change Order #1 to Thomas May Construction Contract for Thrasher Horne Project



Memorandum

TO: Joe H. Pickens, J.D.
President

FROM: Dr. Lynn M. Powers
Senior Vice President, Chief Business Officer

DATE: May 11, 2023

SUBJECT: Transfers from Board Designated Operating Reserves to the Unexpended Plant Fund

Pursuant to SBE Rule 6A-14.0716, College Board of Trustees are authorized to amend budgets and transfer funds from the Current Unrestricted Fund (Operating Fund). Transfers from the Operating Fund to the Unexpended Plant Fund require review by the Chancellor.

College Administration is requesting Board approval to process two transfers from designated reserves that were approved by the Board at the September 2022 Board meeting.

1. Deferred Maintenance and related capital needs: \$1,000,000
2. Palatka Campus Renovations: \$2,000,000

A recap of Board Designated Reserves prior to these two transfers are as follows:

	OPERATING FUND-BOARD DESIGNATED RESERVES		
	(In thousands)		
Designated Fund Category:	Carryfwd from 21-22	Used in 22-23	Balance
Catastrophic Deductible Contingency (60 days expenditure reserves)	\$ 3,501		\$ 3,501
Weather related contingencies	\$ 1,530		\$ 1,530
Enrollment Declines/Lost Revenue	\$ 450		\$ 450
Marketing/Student Success Campaign	\$ 100	(36)	\$ 64
Nonrecurring Comp Adjustments-FT 2 years	\$ 956	(897)	\$ 59
Nonrecurring Comp Adjustments-PT 2 years	\$ 58	(33)	\$ 25
Palatka Campus Renovations	\$ 2,000		\$ 2,000
EMT Contingency	\$ 100	(56)	\$ 44
Collective Bargaining Contingency	\$ 5		\$ 5
Replacement Vehicles	\$ 79	(58)	\$ 21
Deferred Maint/Cap Needs	\$ 1,000		\$ 1,000
Workforce Programs	\$ 594	(23.8)	\$ 570
Total Board Designations	\$ 10,373	\$ (1,104)	\$ 9,269

BUDGET AMENDMENT REQUEST

COLLEGE: St. Johns River State College

FISCAL YEAR: 2022-23

Be it resolved that the District Board of Trustees, St. Johns River State College, in meeting assembled, pursuant to Section 1011.30, Florida Statutes, and Rule 6A-14.0716(3)(b), Florida Administrative Code, hereby requests the State Board of Education to approve amendments to the college budget for the fiscal year as follows:

REASONS FOR BUDGET AMENDMENT: Place an "X" by the applicable reason for amendment.

x

(1) **JUSTIFICATION:** Budget transfer from General Fund 1 to Plant Fund 7

Fund	Amount	Explanation
7-Unexpended Plant Fund	\$1,000,000	To supplement deferred maintenance (unfunded from PECO)
	\$2,000,000	To accomplish minor renovations on the Palatka Campus due to aging infrastructure to include roadway/parking needs

(2) CHANGE IN FUND BALANCE: Notification necessary only if New Fund Balance is less than 5%
New Fund Balance _____ %

**CERTIFIED AS
APPROVED BY
BOARD:**

BOARD APPROVAL DATE:

President (as Secretary of the Board)

DEPARTMENT OF EDUCATION

**CERTIFIED AS
APPROVED BY
DEPARTMENT
OF EDUCATION:**

DATE:

CHANCELLOR, THE FLORIDA COLLEGE SYSTEM




ST. JOHNS RIVER

S T A T E C O L L E G E

Memorandum

TO: Joe H. Pickens, J.D.
President

FROM: Dr. Lynn M. Powers 
Senior Vice President, Chief Business Officer

DATE: May 11, 2023

RE: Course Fee and Full Cost of Instruction Fee Changes

Pursuant to Florida Statute 1009.23 and College Policy 4.22, the college charges course user fees (laboratory or special fees) to recoup the cost of goods or services that may be specific to a particular course or that covers materials and supplies used in the classroom or in a particular program. The Workforce Education Division is requesting a number of fee updates to be effective with the 2023 Fall Term as listed on the following report.

Florida Statute 1009.285 states “a student enrolled in the same undergraduate college-credit course more than twice shall pay tuition at 100 percent of the full cost of instruction.” The full cost of instruction is calculated by using the Florida College System average per credit hour cost based upon the annual cost analysis reports submitted by all 28 colleges in the system.

Current Fee

New Fee

Advanced/Professional Lower Level	\$221/per credit hour	\$248/credit hour
Advanced/Professional Upper Level	\$235/per credit hour	\$260/credit hour

The College has complied with public notice and student notification for these proposed fee increases as required by FS 1009.23(20). Please place the course fee changes on the May 2023 Board of Trustees agenda.

MEMORANDUM

TO: Lynn Powers, Ed.D.
Chief Business Officer

FROM: Nate Southerland, Ph.D.
Assistant Vice President for Workforce Development

DATE: April 4, 2023

RE: Revised Lab Fees – Workforce Development

Following are the course lab fees recommended for implementation in the 2023-2024 academic year in the Division of Workforce Development. The existing fees for all Business Education, Organizational Management, Computer Education & Information Technology, Law Enforcement, Engineering Technology, Allied Health, and Nursing courses were reviewed and documented during the 2022-2023 academic year, and fee changes have been recommended to align with changes in the unusual costs associated with these courses, including the increasing cost of consumables, pre-licensure and licensure testing, and electronic systems used by students (such as clinical exchange systems used in Nursing and Allied Health).

Course #	Course Name	Previous Fee	New Fee	Change	Notes
Business Education					
N/A	(no lab fees)	---	---	---	---
Organizational Management					
MAN 4900	Capstone – Org. Management	\$16.00	\$16.00	---	---
Computer Education & Information Technology					
N/A	(no lab fees)	---	---	---	---

Law Enforcement					
CJK 0002	Introduction to Law Enforcement	\$316.00	\$316.00	---	---
CJK 0018	Legal	\$44.00	\$47.00	3.00	Increased cost of FL Law Enforcement Handbook.
CJK 0020	Law Enforcement Vehicle Operations	\$190.00	\$208.00	\$18.00	Increased fuel costs.
CJK 0031	First Aid for Criminal Justice Officers	\$15.00	\$9.00	(\$6.00)	Reduction in consumables used.
CJK 0040	Criminal Justice Firearms	\$663.00	\$615.00	(\$48.00)	Reduction in rifle and shotgun ammo use.
CJK 0051	Criminal Justice Defensive Tactics	\$173.00	\$250.00	\$77.00	Change in instructor/student ratio.
CJK 0079	Crime Scene Follow-up Investigations	\$3.00	\$3.00	---	---
CJK 0300	Introduction to Corrections	\$313.00	\$313.00	---	---
CJK 0400	Traffic Incidents	\$8.00	\$7.00	(\$1.00)	Reduction in consumables used.
Engineering Technology					
EET 1084C	Introduction to Electricity & Electronics	---	\$45.00	\$45.00	Access to Festo user manual library.
ETI 1420C	Manufacturing Processes & Materials	---	\$45.00	\$45.00	Access to Festo user manual library.
Emergency Medical Technician					
EMS 1119	Emergency Medical Technician	\$320.00	\$320.00	---	---
EMS 1119L	Emergency Medical Technician Lab	\$40.00	\$41.00	\$1.00	Increased cost of supplies.
EMS 1431	EMT/Hospital Field Experience	\$52.00	\$73.00	\$21.00	Addition of new clinical scheduling software.
Paramedic					
EMS 2603	Paramedic I	\$235.00	\$235.00	---	---
EMS 2603L	Paramedic I Lab	\$60.00	\$64.00	\$4.00	Increased cost of supplies.
EMS 2604L	Paramedic II Lab	\$38.00	\$37.00	(\$1.00)	Reduction in consumables used.
EMS 2605L	Paramedic III Lab	\$38.00	\$41.00	\$3.00	Increased cost of supplies.
EMS 2666	Paramedic I Clinical Experience	\$173.00	\$214.00	\$41.00	Addition of new clinical scheduling software.
EMS 2920	Paramedic Seminar	\$284.00	\$296.00	\$12.00	Increased cost of required PHTLS books.

Health Information Technology					
HIM 1282C	ICD Diagnostic Coding	\$20.00	\$114.00	\$94.00	Addition of AHIMA VLAB virtual environment & AHIMA medical coding software license.
HIM 2723C	ICD Procedure Coding	\$20.00	\$39.00	\$19.00	Addition of AHIMA VLAB virtual environment.
HIM 2729C	Advanced Coding and Reimbursement	\$20.00	\$39.00	\$19.00	Addition of AHIMA VLAB virtual environment.
HIM 2800	Professional Practice Experience I	\$84.00	\$103.00	\$19.00	Addition of AHIMA VLAB virtual environment.
HIM 2820	Professional Practice Experience II	\$153.00	\$116.00	(\$37.00)	RHIT exam fee now included in textbook price.
Medical Assisting					
HSC 0003	Basic Healthcare Worker	\$20.00	\$22.00	\$2.00	Increased cost of BLS books.
MEA 0521C	Phlebotomy	\$140.00	\$140.00	---	---
MEA 0543C	EKG	\$10.00	\$12.00	\$2.00	Increased cost of supplies.
MEA 0573C	Laboratory Office Procedures	\$77.00	\$44.00	(\$33.00)	Reduction in consumables used.
MEA 0581C	Clinical Assisting	\$32.00	\$33.00	\$1.00	Increased cost of supplies.
MEA 0942	Practicum Experience	\$13.00	\$13.00	---	---
Respiratory Care					
RET 1024C	Fundamentals of Respiratory Care	\$94.00	\$61.00	(\$33.00)	Reduction in consumables used.
RET 1027C	Respiratory Therapeutics & Diagnostics	\$34.00	\$32.00	(\$2.00)	Reduction in consumables used.
RET 1264C	Introduction to Respiratory Critical Care	\$15.00	\$16.00	\$1.00	Increased cost of supplies.
RET 1284C	Cardiac Diagnostics	\$48.00	\$52.00	\$4.00	Increased cost of ACLS books.
RET 1874L	Clinical Education I	\$119.00	\$193.00	\$74.00	Addition of new clinical scheduling/tracking systems.
RET 2280C	Advanced Respiratory Critical Care	\$27.00	\$15.00	(\$12.00)	Reduction in consumables used.
RET 2714C	Pediatric and Neonatal Respiratory Care	\$69.00	\$74.00	\$5.00	Increased cost of supplies.
RET 2877	Clinical Education IV	\$52.00	\$143.00	\$91.00	Addition of new clinical scheduling/tracking systems.
RET 2878L	Clinical Education V	\$325.00	\$345.00	\$20.00	Addition of new 3-day third-party exam review.
Radiologic Technology					
RTE 1000C	Introduction to Patient Care	\$31.00	\$29.00	(\$2.00)	Reduction in consumables used.

RTE 1503C	Radiologic Positioning I	\$6.00	\$5.00	(\$1.00)	Reduction in consumables used.
RTE 1513C	Radiologic Positioning II	\$31.00	\$18.00	(\$13.00)	Reduction in consumables used.
RTE 1804	Clinical Education I	\$114.00	\$263.00	\$149.00	Addition of new clinical scheduling/tracking systems.
RTE 1814	Clinical Education II	\$39.00	\$49.00	\$10.00	Increase in dosimeter costs.
RTE 1824	Clinical Education III	\$20.00	\$24.00	\$4.00	Increase in dosimeter costs.
RTE 2061	Radiologic Science Seminar	\$57.00	\$67.00	\$10.00	Increase in cost of HESI RT exam.
RTE 2844	Clinical Education IV	\$72.00	\$167.00	\$95.00	Addition of new clinical scheduling/tracking systems.
RTE 2854	Clinical Education V	\$42.00	\$52.00	\$10.00	Increase in dosimeter costs.
Nursing Assistant (CNA)					
HCP 0120C	Nursing Assistant	\$43.00	\$43.00	---	---
Nursing (RN)					
NUR 1005	LPN Transition	\$250.00	\$272.00	\$22.00	Increase in price of HESI exam & prep materials.
NUR 1020	Foundations of Nursing Practice	\$171.00	\$193.00	\$22.00	Increase in price of HESI exam & prep materials.
NUR 1020L	Foundations of Nursing Practice Lab	\$104.00	\$104.00	---	---
NUR 1210C	Adult Health Nursing I	\$45.00	\$45.00	---	---
NUR 1212C	Adult Health II	\$72.00	\$112.00	\$40.00	Addition of new clinical scheduling software.
NUR 1521C	Mental Health Nursing	\$159.00	\$181.00	\$22.00	Increase in price of HESI exam & prep materials.
NUR 2244C	Adult Health III	\$204.00	\$226.00	\$22.00	Increase in price of HESI exam & prep materials.
NUR 2251C	Adult Health IV	\$148.00	\$170.00	\$22.00	Increase in price of HESI exam & prep materials.
NUR 2460C	Parent Child Nursing	\$146.00	\$168.00	\$22.00	Increase in price of HESI exam & prep materials.
NUR 2943	Transitional Nursing	\$118.00	\$140.00	\$22.00	Increase in price of HESI exam & prep materials.
Nursing (BSN)					
NUR 4949	Capstone Management Practicum	\$53.00	\$54.00	\$1.00	Increase in cost of supplies.
Practical Nursing (LPN)					
PRN 0098C	Practical Nursing Foundations I	\$275.00	\$281.00	\$6.00	Increase in price of HESI exam & prep materials.
PRN 0099C	Practical Nursing Foundations II	\$75.00	\$75.00	---	---
PRN 0290C	Medical Surgical Nursing I	\$37.00	\$37.00	---	---

PRN 0291C	Medical Surgical Nursing II	\$15.00	\$15.00	---	---
PRN 0690C	Comprehensive Nursing & Trans. Skills	\$290.00	\$296.00	\$6.00	Increase in price of HESI exam & prep materials.
Exploratory Courses					
HSC 1004	Professions of Caring	\$38.00	---	(\$38.00)	No longer using fee-based personal inventories.
Inactive Courses					
*HCP 0001	Health Career Core	\$43.00	---	(\$43.00)	Course no longer taught.
*HSA 4850	Internship/Capstone	\$15.00	---	(\$15.00)	Course no longer taught.




ST. JOHNS RIVER

S T A T E C O L L E G E

MEMORANDUM

To: Dr. Lynn Powers
Sr. Vice President/Chief Business Officer

From: Terry Thomas 
Director of Capital Assets and Risk Management

Date: May 11, 2023

Subject: Information Item: Change Order #1 to Thomas May Construction Contract

This is an information item for the Board of Trustees at their meeting on May 22, 2023. This month, Change Order #001 was executed by the College to the Thomas May Construction Company contract for the Thrasher Home Center Interior Refurbishment Project on the Orange Park campus.

Change Order #001 was a deductive change order in the amount of \$48,731.00. This change order included the deduction of the textured wall panels at the Mezzanine floor lobby area.

Please let me know if I may answer any questions regarding this agenda item.

Attachment (1)



Document G701® – 2017

Change Order

PROJECT: (Name and address)
Thrasher Home Center
Interior Refurbishment Project -
Orange Park Campus
22063.00

CONTRACT INFORMATION:
Contract For: General Construction

CHANGE ORDER INFORMATION:
Change Order Number: 001

Date: 04/24/2023

Date: May 8, 2023

OWNER: (Name and address)
St. Johns River State College
5001 St. Johns Avenue
Palatka, FL 32177

ARCHITECT: (Name and address)
Harvard Jolly, Inc.
6196 Lake Gray Boulevard, Suite 105
Jacksonville, FL 32244

CONTRACTOR: (Name and address)
Thomas May Construction Company
310 College Drive
Orange Park, FL 32065

THE CONTRACT IS CHANGED AS FOLLOWS:

(Insert a detailed description of the change and, if applicable, attach or reference specific exhibits. Also include agreed upon adjustments attributable to executed Construction Change Directives.)

Item 1: All labor, material and equipment required to complete work associated w/ deleting textured wall panels at the mezzanine floor of the theater lobby area.

The original Contract Sum was	\$ 718,520.00
The net change by previously authorized Change Orders	\$ 0.00
The Contract Sum prior to this Change Order was	\$ 718,520.00
The Contract Sum will be decreased by this Change Order in the amount of	\$ 48,731.00
The new Contract Sum including this Change Order will be	\$ 669,789.00

The Contract Time will be unchanged by Zero (0) days.

The new date of Substantial Completion will be July 26, 2023

NOTE: This Change Order does not include adjustments to the Contract Sum or Guaranteed Maximum Price, or the Contract Time, that have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.

Harvard Jolly, Inc.

ARCHITECT (Firm name)

SIGNATURE

Dattatraya Sonavadekar
Director

PRINTED NAME AND TITLE

DATE

Thomas May Construction Company

CONTRACTOR (Firm name)

SIGNATURE

Keith R. Ward, President

PRINTED NAME AND TITLE

5/10/23

DATE

St. Johns River State College

OWNER (Firm name)

SIGNATURE

Joe H. Pickens, President

PRINTED NAME AND TITLE

5/10/2023

DATE



ST. JOHNS RIVER STATE COLLEGE

JOE H. PICKENS, J.D., PRESIDENT
5001 ST. JOHNS AVENUE | PALATKA, FL 32177-3807
(386) 312-4113 | JoePickens@SJRstate.edu

PALATKA CAMPUS 5001 ST. JOHNS AVENUE
PALATKA, FL 32177-3807 | (386) 312-4200

ST. AUGUSTINE CAMPUS 2990 COLLEGE DRIVE
ST. AUGUSTINE, FL 32084-1197 | (904) 808-7400

ORANGE PARK CAMPUS 283 COLLEGE DRIVE
ORANGE PARK, FL 32065-7639 | (904) 276-6800

SJRstate.edu

EQUAL OPPORTUNITY/EQUAL ACCESS COLLEGE

MEMORANDUM

DATE: May 15, 2023

TO: District Board of Trustees
St. Johns River State College

FROM: President Joe H. Pickens, J.D.

SUBJECT: Amendments to Ground SubLease Agreement from
Student Housing DSO to Developer

Attached for your information is the Ground SubLease Agreement as amended and approved at the April 17 Board of Trustees Meeting. For your reference, the two amendments are:

Page 10 – Section 2.2 Renewal – Amended by adding the word “Commencing” at the beginning of the sentence.

Page 50 – New Section 35.3 – Board Consent to Lending Documents - Second amendment to add the wording that Trustee Conrad requested to the SubLease:

“Section 35.3 Board Consent to Lending Documents. Board shall have the right to review and approve all agreements between tenant and any lease-hold mortgagee, which said approval shall not be unreasonably withheld. Tenant acknowledges that any lease-hold mortgage must require that Landlord and Board receive notification of any breach or default by the Tenant of the terms and conditions of such said lease-hold mortgage.”

New Amendment: New Section 5.3.d (ii) - This also requests to further amend the Lease to allow the Tenant to substitute a \$500K irrevocable letter of credit or similar document, the nature and content of which is to be approved by the Board, in lieu of a Performance and Payment Bond.

GROUND SUBLEASE AGREEMENT

between

ST. JOHNS RIVER STATE COLLEGE STUDENT HOUSING CORPORATION

and

BECK SLOAN PROPERTIES OR ASSIGNS

STUDENT HOUSING DEVELOPMENT PROJECT

TABLE OF CONTENTS

ARTICLE 1. DEFINITIONS AND RULES OF INTERPRETATION	2
Section 1.1 Defined Terms.	2
Section 1.2 Rules of Interpretation.	9
ARTICLE 2. TERM	10
Section 2.1 Agreement Term; Lease Term.....	10
Section 2.2 Renewal.	10
Section 2.3 Return of Property and Project.	10
ARTICLE 3. PROJECT.....	10
Section 3.1 Project Development.....	10
Section 3.2 Commencement of Lease.....	10
Section 3.3 Permitted Use of Project.....	11
Section 3.4 Title to Improvements and Personalty.....	11
Section 3.5 Ownership of Project Improvements.	12
Section 3.6 Landlord Access Rights.	12
ARTICLE 4. RENT AND OTHER FINANCIAL COVENANTS.....	12
Section 4.1 Rent.	12
Section 4.2 Net Lease.....	12
ARTICLE 5. DESIGN AND CONSTRUCTION OF THE IMPROVEMENTS	13
Section 5.1 Minimum Requirements.....	13
Section 5.2 Design.	13
Section 5.3 Construction.	14
Section 5.4 Utility Lines.	18
Section 5.5 Utility Charges.....	18
Section 5.6 Construction Access.....	19
Section 5.7 Other Easements, Licenses or Rights of Way.....	19
Section 5.8 Changes to Plans and Specifications.	19
ARTICLE 6. USE AND CARE OF THE PROJECT BY TENANT	20
Section 6.1 Tenant's Use of Property.....	20
Section 6.2 Nature of Use.	20
Section 6.3 Aesthetic and Operational Standards.	21
Section 6.4 Manager Selection; Management Agreement; Manager Performance.	21
Section 6.5 Insurance Requirements During Construction.....	22
Section 6.6 Insurance Requirements During Operation.	22
Section 6.7 Payment of Taxes.	22
Section 6.8 Signs or Other Advertising.....	23
Section 6.9 Parking.....	23
Section 6.10 Allocation of Responsibility and Provision of Services.....	24
ARTICLE 7. OPERATIONS AND MANAGEMENT COMMITTEE.....	25
Section 7.1 Management Committee.	25
Section 7.2 Annual Plan and Annual Budget.....	25
Section 7.3 Financial Statements, Access to Tenant's Books, and Audits.	27
ARTICLE 8. ALTERATIONS OR IMPROVEMENTS BY TENANT	27
Section 8.1 Alterations.....	27
ARTICLE 9. REMOVAL OF PERSONALTY AND OTHER PERSONAL PROPERTY FROM THE IMPROVEMENTS	28
Section 9.1 Personalty.	28
Section 9.2 Fixtures.	28
Section 9.3 Project Removal.	28
ARTICLE 10. ACCESS TO PROPERTY	28
Section 10.1 Access.	28

Section 10.2	Emergency	29
ARTICLE 11. ALL MAINTENANCE AND REPAIRS BY TENANT		29
Section 11.1	General Obligations	29
Section 11.2	Repair and Rehabilitation; Maintenance.....	29
Section 11.3	Facilities Condition Report	30
Section 11.4	Handback Reserve	30
ARTICLE 12. NO REPAIRS BY LANDLORD		31
Section 12.1	Landlord's Obligations	31
Section 12.2	Tenant's Obligations	31
ARTICLE 13. DEFAULT		31
Section 13.1	Events of Default	31
Section 13.2	Notice and Remedies During Tenant's Default	32
Section 13.3	Landlord's Optional Cure Rights	33
Section 13.4	Performance by Landlord of Tenant's Obligation; Interest	33
Section 13.5	Waiver	33
Section 13.6	No Damages	33
Section 13.7	Landlord Events of Default	33
Section 13.8	Notice and Remedies During Landlord's Default	33
ARTICLE 14. DAMAGE AND DESTRUCTION		34
Section 14.1	Damage	34
ARTICLE 15. ASSIGNMENT AND SUBLETTING; CHANGE IN OWNERSHIP		34
Section 15.1	General Prohibition	34
Section 15.2	Change in Ownership of Tenant	35
Section 15.3	Qualified Purchaser Right of First Refusal	35
Section 15.4	Notice of Intent to Market	36
ARTICLE 16. MECHANICS AND MATERIALMEN'S LIENS		36
Section 16.1	Liens	36
Section 16.2	Landlord Rights	36
Section 16.3	No Waiver	36
ARTICLE 17. LEASEHOLD ENCUMBRANCES		37
Section 17.1	Leasehold Encumbrances	37
Section 17.2	Secured Party	37
ARTICLE 18. WAIVER		40
ARTICLE 19. WAIVER OF LIABILITY/INDEMNIFICATION.....		40
Section 19.1	Limitation of Liability	40
Section 19.2	Indemnification by Tenant	41
Section 19.3	Indemnification by Landlord	41
Section 19.4	Tenant Personalty	41
Section 19.5	Violation of Requirements.....	41
Section 19.6	Survival	42
ARTICLE 20. SURRENDER AND HOLDING OVER		42
ARTICLE 21. CONDEMNATION		42
Section 21.1	Condemnation	42
Section 21.2	Lease Termination	43
Section 21.3	Demolition of Project Improvements	43
Section 21.4	Award	43
ARTICLE 22. EXCEPTIONS TO DEMISE.....		44
Section 22.1	Pre-Existing Recordings	44
Section 22.2	Subordination	44
ARTICLE 23. LEASE INURES TO BENEFIT OF ASSIGNEES		44
ARTICLE 24. QUIET ENJOYMENT		45
ARTICLE 25. NO PARTNERSHIP		45

ARTICLE 26. NOTICES	45
ARTICLE 27. LANDLORD’S AND TENANT’S MARKS	46
Section 27.1 Landlord’s Marks and Naming Rights.	46
Section 27.2 Tenant’s Mark’s.	46
ARTICLE 28. INTEREST	46
ARTICLE 29. DISPUTE RESOLUTION	46
Section 29.1 Dispute Resolution.	46
ARTICLE 30. GOVERNING LAW	47
Section 30.1 Governing Law; Venue.....	47
ARTICLE 31. FORCE MAJEURE.....	47
ARTICLE 32. ENVIRONMENTAL MATTERS	48
Section 32.1 Environmental Site Assessment.	48
Section 32.2 Environmental Compliance Requirements.....	48
Section 32.3 Landlord’s Representations.	49
ARTICLE 33. RADON GAS	49
ARTICLE 34. BROKERS.....	49
ARTICLE 35. LANDLORD’S APPROVALS.....	50
Section 35.1 Landlord Review.	50
Section 35.2 Landlord Consent; Estoppel Certificates.....	50
Section 35.3 Board Consent to Lending Documents.	50
ARTICLE 36. OFAC	50
ARTICLE 37. RIGHTS OF WAY AND LICENSES	50
ARTICLE 38. REPRESENTATIONS AND WARRANTIES	51
Section 38.1 Tenant.	51
Section 38.2 Landlord.	51
ARTICLE 39. MISCELLANEOUS	52
Section 39.1 Entire Agreement.....	52
Section 39.2 Amendments.....	52
Section 39.3 Severability.	52
Section 39.4 Compliance.	52
Section 39.5 Remedies.	53
Section 39.6 Recitals.	53
Section 39.7 Headings.....	53
Section 39.8 Waiver of Landlord’s Lien.....	53
Section 39.9 Time of Essence.	53
Section 39.10 No Merger of Title.....	53
Section 39.11 No Third Party Beneficiary.....	54
Section 39.12 Anti-Bribery Provision.	54
Section 39.13 No Option.....	54
Section 39.14 Survival.	54
Section 39.15 No Guarantees.	54
Section 39.16 Counterparts.....	55
Section 39.17 Future Development.	55
Section 39.18 Sovereign Immunity.....	55
Section 39.19 No Pledge.	55

EXHIBITS

Exhibit A	Legal Description of Property
Exhibit B	Ground Lease
Exhibit C-1	Construction Period Insurance
Exhibit C-2	Operating Period Insurance

GROUND SUBLEASE AGREEMENT

This **GROUND SUBLEASE AGREEMENT** (this “**Lease**”) is entered into on April 17, 2023 (the “Effective date”), by and between **ST. JOHNS RIVER STATE COLLEGE STUDENT HOUSING CORPORATION**, a Florida not for profit (“**Landlord**”) and certified as a direct support organization of The District Board of Trustees of St. Johns River State College, public body corporate (the “**Board**”), and Beck Sloan Properties or Assigns (“**Tenant**”), a [Florida limited liability company]. Landlord and Tenant are each referred to herein as a “**Party**” and together, the “**Parties**.”

RECITALS:

WHEREAS, the Board is interested in the well-being of its students, and believes there is both a need and demand for student housing facilities to further the Board’s mission, including to enhance (a) the Board’s recruitment and retention of well-qualified students, and (b) the academic success and social development of these students;

WHEREAS, the Board believes it is in its best interests to facilitate the development of a new student housing facility (the “Project”) to be located on its Palatka campus (“Campus”) through the engagement of an experienced and well-qualified private developer;

WHEREAS, the Board does not have student housing facilities available on the Campus to meet the current or projected needs and demand for student housing facilities;

WHEREAS, the Board caused the establishment of Landlord and certified Landlord as a direct support organization in order to undertake the Project;

WHEREAS, the Board is the owner certain lands comprising the Campus and has ground leased the land upon which the Project is to be located, as described in **Exhibit A** hereto (the “Property”) to Landlord pursuant to that certain Ground Lease Agreement dated as of April 17, 2023, (“Lease”), a copy of which is attached hereto as **Exhibit B** and incorporated by reference;

WHEREAS, the Board, in an effort to use its resources in an efficient and effective manner, has determined that it is in the Board’s best interest to have Landlord pursue an arrangement whereby a qualified private entity shall provide planning, programming and financial analysis, permitting, financing, design, construction, management, operation, maintenance and repair of state-of-the-art student housing and other facilities and related infrastructure and improvements on the Property;

WHEREAS, Landlord and Tenant desire to enter into this Lease to set forth terms and conditions for the development, design, permitting, financing, construction, operation and maintenance of the Project;

WHEREAS, Landlord is authorized to enter into this Lease pursuant to the provisions of the Lease and Section 1013.15, Florida Statutes.

NOW THEREFORE, for and in consideration of the covenants and agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE 1.
DEFINITIONS AND RULES OF INTERPRETATION

Section 1.1 Defined Terms. The capitalized terms are defined as follows:

“Affected Residents” is defined in Section 5.3(i)(iii).

“Affiliate” means, with respect to any Person, any other Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such Person. As used in this definition, “control” (including, with its correlative meanings, “controlled by” and “under common control with”) shall mean possession, directly or indirectly, of the power to direct or cause the direction of management or policies (whether through ownership of securities or partnership or other ownership interests, by contract or otherwise) of a Person.

“Affiliate Loan” means Project indebtedness (including subordinated indebtedness) arising from loans by any Affiliate of Tenant or its Tenant Members.

“Annual Budget” is defined in Section 7.2(b).

“Annual Meeting” is defined in Section 7.1(c).

“Annual Period” means a one-year period commencing on July 1st and ending on the subsequent June 30. The first Annual Period shall commence on the Substantial Completion Date; provided, that, if the Substantial Completion Date shall occur on a date other than July 1st, all amounts due and payable for the partial Annual Period ending June 30 of the subsequent year, will be prorated to reflect the actual number of days in the partial Annual Period.

“Annual Plan” means a plan prepared by Tenant and approved by Landlord which meets the requirements described in Section 7.2.

“Architect’s Agreement” means any contract or agreement between Tenant and an Architect for services related to the planning, design and construction of any Improvement, element or component of the Project.

“Base Rent” is defined in Section 4.1.

“Board” means The District Board of Trustees of St. Johns River State College and its successors and assigns.

“Building Systems” means the HVAC, mechanical, electrical and plumbing components of each Improvement, element and component of the Project, including any fixture portions of any audio/visual system, any telephone system, any internet system and any security/alarm system in the Project.

“Business Day” means any day that Landlord is not closed for business and is neither a Saturday, a Sunday nor a day observed as a holiday in the State of Florida.

“Campus” means Board’s campus in Palatka, Florida.

“Capital Assets” means the equipment, machinery, structures, facilities, installations, fixtures and furnishings incorporated into, affixed to or otherwise installed at the Project characterized as capital assets under generally accepted accounting standards.

“Capital Expenses” means, for any Annual Period, the aggregate of all costs and expenses of the Project paid or incurred by Tenant during that same Annual Period that (a) are incurred in connection with the acquisition of a prior non-existing Capital Asset or the repair or replacement of a pre-existing Capital Asset, (b) not characterized as an operating cost or expense under generally accepted accounting principles, (c) contributes to maintaining or enhancing the value of the Capital Asset or the Project over its useful life, and (d) does not include the cost of personal property (other than furniture, furnishings, fixtures or Building Systems), removable trade fixtures or routine repairs, but does include the cost of structural repairs or replacements to the roof, and structural repairs, replacements or improvements to the Building Systems installed on the Property as part of the Project.

“Change in Control” means (a) with respect to a Person, the transfer of the power directly or indirectly to direct or cause the direction of management and policy of such Person, whether through ownership of voting securities, by contract, management agreement, or common directors, officers, managers or trustees or otherwise, to a Person or group of Persons or Tenant Member and (b) the merger, consolidation, amalgamation, business combination or sale of substantially all of the assets of such Person.

“Change of Law” means (a) the adoption of any Law after the date of execution of this Lease, or (b) any change in any Law or in the interpretation or application thereof by any Governmental Authority after the date of execution of this Lease.

“Construction Contracts” is defined in Section 5.3(c).

“Consultant” shall mean an independent firm which is a nationally recognized professional management consultant (which may be an accounting firm) selected by the Tenant and reasonably acceptable to the Landlord and having the skill and experience necessary to render the particular report required by the provision hereof in which such requirement appears.

“Damage” is defined in Section 14.1.

“Default” is defined in Section 13.1.

“Default Rate” is defined in Article 28.

“Development Work Product” is defined in Section 5.2(d).

“Eligible Residents” means persons eligible for occupancy of the Project and shall mean, (i) students registered in an academic program at the College; (ii) students registered in an academic program at the Florida School of the Arts (“FloArts”); (iii) persons or groups participating in any activity, conference, or program sponsored by the College or FloArts, (iv) persons or groups participating in any activity, conference, or program sponsored by a third party that Landlord has pre-approved the date and time in writing, and (v) staff of Tenant that Landlord has preapproved in writing. In all of the above instances “Eligible Residents” shall include prospective students who have accepted admission into the College or FloArts prior to registering; provided, such prospective student’s right to occupy the Project shall commence at such time as is customary for occupancy of student housing prior to commencement of classes at the College and such other students as Landlord may from time to time deem appropriate.

“Environmental Law” means any Laws applicable to the Property, any Improvement of the Project regulating or imposing requirements, limitations, restrictions, liability or standards of conduct concerning or relating to the regulation, use, conservation or protection of human health, air, soil, water and other natural resources, the environment or Hazardous Materials.

“Equity Participant” means any Person who holds any capital stock or membership interest of the Tenant Member.

“Event of Default” is defined in Section 13.1.

“Exclusive Agreements” means those contracts, agreements, concessions, franchises or other arrangements with third parties entered from time to time for the sale, lease, rental, delivery, performance or furnishing of any (a) goods, services or rights or (b) interests in intellectual property rights on an exclusive basis.

“Force Majeure” is defined in Article 31.

“Good Industry Practice” means those means, methods, techniques, practices and procedures used by prudent contractors in the design, construction, operation, maintenance, sustainability, repair, rehabilitation, replacement and renovation of buildings, structures, facilities, systems and improvements comparable in size, use and function to the Project.

“Governmental Authority” means any federal, state, local or foreign government, department, commission, board, bureau, agency, court or other regulatory, administrative, judicial, tax, governmental or quasi-governmental authority, excluding the Landlord.

“Governmental Authorization” means any approval, authorization, consent, waiver, variance, exemption, declaratory order, exception, license, filing, registration, permit or other requirement of any Governmental Authority that is applicable to the Campus, the Property, the Improvements, the Project or either of the Parties.

“Government Official” is defined in Section 39.12.

“Handback Reserve Account” means the account to be established and funded by Tenant during the last three (3) Annual Periods of this Lease in accordance with Section 11.4.

“Hazardous Materials” means any solid, liquid, gas, odor, heat, sound, vibration, radiation or other substance or emission which is a contaminant, pollutant, dangerous substance, radioactive substance, toxic substance, hazardous waste, subject waste, hazardous material or hazardous substance which is or becomes regulated by applicable Environmental Laws or which is classified as hazardous or toxic under applicable Environmental Laws (including gasoline, diesel fuel or other petroleum hydrocarbons, polychlorinated biphenyls, asbestos and urea formaldehyde foam insulation).

“Improvement” means any building, structure, fixture, equipment, machinery, Building System, appurtenance or element or component thereof and related utility, communication, information technology, cable, safety, security and infrastructure installations comprising the Project.

“Indemnified Parties” is defined in Section 19.2.

“Landlord” is defined in the first paragraph.

“Landlord Delay” means a delay caused by (i) the failure of Landlord to fulfill any of its material obligations under this Lease, subject to notice and cure (ii) any requested change, modification or alteration by Landlord to the Plans and Specifications after final approval, (iii) the failure of Landlord to approve or provide the basis for non-approval of the proposed Plans and Specifications in accordance with the applicable schedule therefore.

“Landlord Taxes” means any federal, state, or local taxes which are assessed or incurred during the Lease Term, with respect to the collection of Base Rent or the use or operation of the Project.

“Landlord’s Marks” is defined in Section 27.1.

“Law” means any order, writ, injunction, decree, judgment, law, ordinance, decision, principle of common law, ruling that has the force of law or any treaty, constitution, statute, code, rule or regulation of any Governmental Authority.

“Leasehold Mortgage” means any indenture, mortgage, deed of trust or other security agreement or arrangement securing the repayment of Project Debt and encumbering Tenant’s leasehold interest in the Property and interest in the Project, in each case that satisfies all of the conditions in Section 17.2.

“Leasehold Mortgage Transfer” is defined in Section 17.2(e).

“Leasehold Mortgagee” means the holder or beneficiary of a Leasehold Mortgage and defined in Section 17.2.

“Lender” means each bank or financial institution or any other holder of a beneficial interest in a Security Document, including any financial guarantor, which is a provider of Project Debt or any guaranty or credit enhancement in respect thereof, and any participating parties, trustees and agents together with their respective successors and assigns.

“Management Agreement” means any property management agreement by and between the Tenant and the Manager, as amended from time to time.

“Management Committee” is defined in Section 7.1(a).

“Manager” means a third party (other than an Affiliate of Tenant) engaged to provide all or a substantial portion of the Tenant’s obligations hereunder.

“Operating Expenses” means, for any Annual Period, the aggregate of all costs and expenses of the Project paid or incurred by Tenant during that same Annual Period or accrued from prior Annual Periods (to the extent not previously paid from Operating Revenues), in connection with the ownership, possession, use, leasing, management, operation, maintenance, repair, marketing, promotion and furnishing of the Project, which shall include without limitation (i) the cost and expense of utility service, telephone, internet, cable television or any other service to the Project paid by Tenant; (ii) payments made into any reserves required or permitted under the terms of this Lease or under the terms of any Funding Agreements, including without limitation the Reserve Accounts; (iii) Taxes; (iv) any amounts payable under the Management Agreement; (v) all Capital Expenses funded through sources other than through loans obtained by Tenant to pay for Capital Expenses or reimburse Tenant for Capital Expenses; (vi) all costs and expenses incurred by Tenant in connection with the preparation of any tax returns and any audits; (vii) all amounts due Landlord pursuant to Article 4 hereof, (viii) Base Rent, and (ix) all other operating costs and expenses incurred by Tenant with respect to the ownership and operation of the Project. Operating Expenses shall not include depreciation and amortization, debt service payments on Project Debt, Affiliate Loans or any other form of indebtedness.

“Operating Revenues” means, for any Annual Period, the gross amount of all rents and all other revenues received, by Tenant in any way or manner arising from or relating to the ownership, possession, occupancy, use, leasing, management, operation, repair, rehabilitation, or renovation of the Project during

such Annual Period, excluding, however, (i) any tenant security deposits not recognized as income, (ii) extraordinary receipts arising from condemnation awards or proceeds received from insurance policies, (iii) capital contributions to Tenant, (iv) the proceeds of any Project Debt or Additional Debt, (v) the proceeds from any sale of any interest of Tenant in this Lease or any membership or ownership interest of Tenant, or (vi) a release of funds from any reserves required or permitted under the terms of this Lease or under the terms of any Funding Agreements, including without limitation the Reserve Accounts.

“Ownership Transfer” shall mean a transfer of an interest in the membership or ownership interests of Tenant.

“P&P Bonds” is defined in Section 5.3(d).

“Permitted Delay” means any delay arising out of or resulting from (i) Force Majeure, (ii) adverse site conditions that could not have been reasonably foreseen by Tenant, or (iii) a Landlord Delay.

“Permitted Ownership Transfer” shall mean, with respect to a transfer of an interest in the membership or ownership interests of Tenant (i) transfers among Persons holding Tenant Common Equity, (ii) following the fifth (5th) anniversary of Substantial Completion of the Project, any transfer of direct ownership interests in Tenant, provided that, after giving effect to such Transfer, (1) Tenant is managed by a Person meeting the requirements of a Qualified Purchaser and (2) Tenant Members continues to directly hold at least fifty-one percent (51%) of the initial percentage of Tenant Common Equity following the Financial Closing (as measured by the right to receive residual distributions upon final liquidation) or (iii) any reorganization, merger or consolidation of a Tenant Member with any corporation or legal entity, in which as the result of such reorganization, merger or consolidation, the surviving entity succeeds to substantially all of the assets or business of such Tenant Member, (including its rights and obligations under this Lease and the Project) and Tenant and Tenant Member are managed by a Person meeting the requirements of a Qualified Purchaser.

“Permitted Project Transfer” means, with respect to a transfer of Tenant’s interest in this Lease, a transfer to any Affiliate of Tenant or Tenant Member; provided, that, following such transfer (i) the successor Tenant shall have the same Tenant Members as the transferor Tenant, (ii) the transferor Tenant shall be the sole member of the successor Tenant, and no transfer of Tenant Members’ ownership interests shall have occurred in the transferor Tenant, or (iii) if the successor Tenant has a sole member entity other than the transferor Tenant, that sole member entity shall have as its member or members either (1) the Tenant Members of the transferor Tenant, or (2) the transferor Tenant, in which instance, no transfer of Tenant Members’ ownership interests shall have occurred in the transferor Tenant.

“Permitted Transfer” means (i) a Leasehold Mortgage, (ii) a Leasehold Mortgage Transfer, and/or (iii) the leasing or licensing of residence units or beds to Eligible Residents in the Project in accordance with the terms and conditions of this Lease.

“Permitted Uses” is defined in Section 3.3.

“Personalty” is defined in Section 3.4(b).

“Person” means any individual, corporation, partnership, joint venture, business, trust, limited liability company, limited partnership, joint stock company, unincorporated association or other entity or any Governmental Authority.

“Project Building Permits” is defined in Section 5.2(e).

“Project Debt” means bona fide indebtedness (including mezzanine and subordinated indebtedness) for funds borrowed or for the value of goods or services rendered or received, the repayment of which is secured by one or more Security Documents. Project Debt includes, without limitation, principal (including accreted principal), accrued interest (including capitalized interest), lender, agent, trustee and monoline fees, costs and expenses payable to Lenders with respect thereto, premiums or reimbursement obligations with respect to any insurance or financial guaranty with respect thereto, all payment obligations under any hedging agreements with respect thereto, including (without double counting) current pay and accreting swaps, lease financing obligations, and Breakage Costs. Project Debt excludes equity participant debt and any other indebtedness of Tenant or any equity participant, member, partner or joint venturer of Tenant (or Affiliate thereof) that is secured by anything less than Tenant’s entire interest in this Lease or all of the equity interest in Tenant and Tenant Member, such as but not limited to indebtedness secured only by an assignment of economic interest in Tenant or of rights to cash flow or dividends from Tenant.

“Property” means, together the real property on which the Project will be constructed as described in Exhibit A.

“Qualified Purchaser” means, subject to the prior approval of Landlord as set forth below, a Person that has the financial condition, qualifications and experience in the capital asset management, repair and rehabilitation of student housing and commercial facilities of comparable size and quality as the Project and the experience in the operations of student housing and commercial facilities of comparable size and quality as the Project (or will engage a Manager with all such expertise, or is controlled by a Person with all such expertise) and is thereby eligible to acquire the Tenant's interest in this Lease and assume, perform and discharge Tenant's obligations and covenants under this Lease in connection with a transfer described under Sections 15.1 or 15.3. The Landlord may withhold approval of whether a Person is a Qualified Purchaser only if the proposed transferee is, in the reasonable judgment of the Landlord, not capable of performing the obligations and covenants of the Tenant under this Lease, which determination may be based upon factors including the following: (1) the financial strength of the proposed transferee and its direct or indirect beneficial owners; (2) the capitalization of the proposed transferee; (3) the experience of the proposed transferee, in the event the Project would not be independently managed, or the property manager to be engaged by the proposed transferee, in managing and maintaining assets and facilities of the same type as, and otherwise comparable in size and nature to, the Project; and (4) Landlord has a reasonable basis for concern that approving such proposed transferee would potentially have a negative reputational effect on Landlord, including as a result of any quality of any such transferee's or its Affiliates' past or present pattern of behavior or performance on other projects, the chief executives or directors of the proposed transferee having been convicted of crimes or entered into any agreed settlements related to fraud, securities violations or moral turpitude, or having been subject to any civil penalties or fines as a result of any of the foregoing. Any institutional lender that provides Project Debt or any purchaser or transferee at the foreclosure of the mortgage and security interests or transfer in lieu of foreclosure under the Security Documents arising out of an event of default by Tenant under the Funding Agreements, as set forth in Section 17.2(e), shall constitute a Qualified Purchaser approved by Landlord for purposes of Section 17.2(e).

“Rates CPI Adjustment” means the product obtained from multiplying the Base Rent and Rental Rates, as applicable, for the current Annual Period by the fraction whose numerator is equal to the Current Index Number and whose denominator is equal to the Base Index Number. If the Index is not in existence at the time the determination is to be made, the parties shall use such equivalent price index as is published by a successor government agency in lieu of the Index; or, if no such price index is published, then the parties shall use a mutually acceptable equivalent price index as is published by a non-governmental agency. The “Index” means the unadjusted Consumer Price Index for all Urban Consumers, All Items (1982-84 = 100) published by the Bureau of Labor Statistics of the United States Department of Labor.

With respect to adjustments to Rental Rates, the Index for July of the immediately preceding Annual Period shall be the “Base Index Number,” and the Index for July of the current Annual Period shall be the “Current Index Number”. With respect to adjustments to Base Rent, the Index for July of the Annual Period which is five years prior to the current Annual Period shall be the “Base Index Number,” and the Index for July of the current Annual Period shall be the “Current Index Number”.

“Rental Rates” means the rental rates and other standard rent-included charges.

“Repair and Replacement Account” means the separate reserve account established and funded by Tenant into which Tenant will deposit and maintain funds in accordance with Section 11.2 for the performance of Tenant Services with respect to the Project.

“Repair and Replacement Component” is defined in Section 11.2(b)(i).

“Scheduled Substantial Completion Date” means July 1, 2024 as such date may be amended from time to time as expressly provided herein.

“Secured Party Lease” is defined in Section 17.2(f).

“Security Documents” means any mortgage, deed of trust, pledge, lien, indenture, trust agreement, hypothecation, assignment, collateral assignment, financing statement under the Uniform Commercial Code of any jurisdiction, security instrument or other charge or encumbrance of any kind, including any lease in the nature of a security instrument, given to any Lender as security for Project Debt or Tenant’s obligations pertaining to Project Debt and encumbering Tenant’s interest in the Lease and/or an interest in Tenant.

“Significant Changes” is defined in Section 5.8(b).

“Stabilization” means the completion of the first five (5) consecutive Annual Periods during which Tenant shall have entered into leases from Eligible Tenants.

“Standards” means the performance of the applicable work in a good and workmanlike manner in accordance with the standards required by applicable Laws, Governmental Authorizations, College Standards, Good Industry Practice.

“Substantial Completion” is defined in Section 5.3(k).

“Substantial Completion Deadline” means ninety (90) days after the Scheduled Substantial Completion Date.

“Taking” is defined in Section 21.1.

“Tax” means any federal, state, local or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, permit fees, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated or other tax, levy, impost, assessment, stamp tax, duty, fee, withholding or similar imposition of any kind whatsoever payable, levied, collected, withheld or assessed at any time, including any interest, penalty or addition thereto, whether disputed or not, which are due and owing during the Lease Term relating to this Lease, transactions contemplated by this Lease, Tenant’s leasehold interest, Tenant’s interest in any Improvement and Tenant’s Personalty of any kind owned, leased, installed and located in

the Property, the construction, occupancy or use of the Project, or any materials purchased in connection therewith, and on any other transactions, property or assets related to the Project which are assessed or incurred during the Lease Term, excluding, however, any Landlord Taxes.

“Tenant Asset Management Services” means the life cycle maintenance, replacement, repair, rehabilitation, renovation and refitting services, including the upgrading and/or repair services to be performed by Tenant in accordance the terms of this Agreement.

“Tenant Common Equity” means the common equity contributed by an equity participant, plus the principal amount of any Affiliate Loans, in an amount not less than twenty percent (20%) of the total development costs of the Project.

“Tenant Maintenance Services” means routine and preventative maintenance services to be performed by Tenant or a Manager with respect to the Project.

“Tenant Member” means individually and collectively, the individuals, trusts or other corporate entities, any replacement trusts or estate-planning entities therefore, and their successors and family assigns, including, without limitation the heirs/beneficiaries and/or trustees of said trusts; ***provided, that***, in the event of the acquisition of the Project and Tenant’s rights and obligations under this Lease by a Qualified Purchaser, the term ‘Tenant Member’ shall be deemed to mean, individually and collectively, the holders of direct or indirect ownership interests therein as of the date of closing of such acquisition transaction; ***provided, further, that***, if requested by such Qualified Purchaser or Landlord, a list or organizational chart reflecting each such Tenant Member will be approved in writing by such parties and/or attached as a replacement exhibit to this Lease.

“Tenant Services” means, Tenant Maintenance Services and Tenant Asset Management Services.

“Tenant's Marks” is defined in Section 27.2.

“Tenant’s Related Parties” is defined in Section 39.4 (b).

“Termination Notice” means the notice to be delivered by Landlord to Tenant pursuant to which Landlord exercises its Buyout Option, which notice shall contain the proposed Termination Payment Date.

“Transfer Notice” is defined in Section 15.3.

“Utility Lines” is defined in Section 5.4(a).

Section 1.2 Rules of Interpretation. The headings of Articles and Sections in this Lease are provided for convenience of reference only and will not affect the construction, meaning or interpretation of this Lease. All references to “Articles,” “Sections,” or “Exhibits” refer to the corresponding Articles, Sections or Exhibits of or to this Lease. All Exhibits to this Lease are hereby incorporated by reference. All words used in this Lease will be construed to be of such gender or number as the circumstances require. Unless otherwise expressly provided, the words “include,” “includes” and “including” shall be interpreted to mean “including without limitation.” Unless otherwise stated, any reference to a Person, whether or not a Party, includes its permitted successors and permitted assigns and, in the case of any Government Authority, any Person succeeding to its functions and capacities. Other grammatical forms of defined words or phrases have corresponding meanings. A reference to a writing includes any mode of representing or reproducing words, figures or symbols in a lasting and visible form, including electronic. Unless otherwise provided, a reference to a specific time of day for the performance of an obligation is a reference to the time

in the place where that obligation is to be performed. A reference to a document, law, code, contract or agreement, including this Lease, includes a reference to that document, code, contract or agreement as novated, amended, modified, revised, supplemented, replaced or restated from time to time in accordance with the relevant provisions thereof. If any payment, act, matter or thing hereunder would occur on a day that is not a Business Day, then such payment, act, matter or thing shall, unless otherwise expressly provided for herein, occur on the next succeeding Business Day. The words “hereof,” “herein” and “hereunder” and words of similar import shall refer to this Lease as a whole and not to any particular provision of this Lease.

ARTICLE 2. TERM

Section 2.1 Agreement Term; Lease Term. This Lease shall be effective from the Effective Date through June 30 of the thirtieth (30th) full Annual Period after the Substantial Completion Date occurs (the “**Lease Term**”). On the Effective Date Tenant shall have and hold its Leasehold interest in the Property, subject to the conditions, covenants, and agreements set forth in this Lease.

Section 2.2 Renewal. On the fifth anniversary of the Substantial Completion of the Project the Tenant may request an extension of the Lease Term for a period of no longer than an additional twenty (20) years at the Board’s sole and absolute discretion.

Section 2.3 Return of Property and Project. At expiration of the Lease, the Improvements comprising the Project shall be in a good and operable condition, considering ordinary wear and tear, casualty and condemnation excepted. Tenant acknowledges and agrees as of the date hereof that the building structure and Building Systems of the Improvements are being designed such that they will have at least twenty-five percent (25%) of their useful life remaining at the expiration of the Lease Term.

ARTICLE 3. PROJECT

Section 3.1 Project Development. This Lease sets forth the terms and conditions pursuant to which Landlord will lease to Tenant the Property for the design, permitting, funding, financing, construction, furnishing, management, operation, maintenance, repair, renovation, and rehabilitation of the Project.

Section 3.2 Commencement of Lease.

(a) Landlord does hereby agree (A) to lease, demise and let unto Tenant, and Tenant shall lease, rent and hire from Landlord, the Property, and (B) to grant Tenant the right to access and use the Property for the Permitted Uses on the terms and subject to the conditions set forth herein.

(b) The Property leased by Landlord to Tenant hereunder shall be leased and made available in its then-current condition, “AS-IS, WHERE-IS, AND WITH ALL FAULTS” except for any express representations and warranties from Landlord set forth herein and adverse site conditions that could not have been reasonably discovered or foreseen by Tenant. Tenant hereby acknowledges and agrees that prior to the Financial Closing, Tenant will have the opportunity to reasonably and in good faith inspect, assess, evaluate, survey and appraise the Property, obtain, review, analyze and evaluate title documents, public records, maps, plans, documents, data and information relating to the Property, and take samples and conduct tests and otherwise ascertain the nature and condition of the Property, Utility Lines and equipment on and serving the Property, and Tenant accepts the Property and all such buildings, structures, facilities, installations, utility lines and equipment “AS-IS, WHERE-IS, AND WITH ALL FAULTS,” except for any express representations and warranties from Landlord set forth herein.

Section 3.3 Permitted Use of Project. During the Lease Term, Tenant shall lease, use and occupy the Property only for the following “**Permitted Uses**” in accordance with the provisions of this Lease: (a) removal, relocation, adjustment, construction and installation of utility, emergency, security, communication, cable and information technology and infrastructure systems, networks, lines and equipment on and/or serving the Property and adjacent areas on the Campus; (b) development, planning, design, permitting, financing, funding, equipping, construction and furnishing the Project; (c) using the Project to house Eligible Residents, unless otherwise approved in writing by the Landlord in its discretion, and entering into housing agreements or contracts for the Project with Eligible Residents in a form to be approved by Landlord, which approval shall not be unreasonably withheld, (d) management, operation, and occupancy the Project; (e) performance of the Tenant Services, and (f) such other ancillary activities and uses as may be reasonably necessary to effectuate the foregoing uses and purposes.

Section 3.4 Title to Improvements and Personalty.

(a) During the Lease Term, Tenant shall hold a leasehold interest in the Property. During the Lease Term Tenant shall own the Project. In no event shall Tenant be deemed to hold a fee simple interest or any interest in the Property other than a leasehold interest under the terms of this Lease.

(b) Landlord acknowledges and agrees that title to the following is and shall remain the sole property of Tenant during the Lease Term: (i) all Improvements acquired, constructed and installed by Tenant for the Project which comprise the Project, including all Building Systems, fixtures, equipment, pipes, cables, conduits, and connections, but excluding utility, emergency, security, communication, internet, wireless, cable and information technology systems, networks, equipment, lines, connections and other infrastructure; and (ii) any and all equipment, furniture, furnishings, appointments and trade fixtures which are not affixed to the Project, and other personal property acquired by Tenant and located on the Property by Tenant, regardless of whether such items are affixed or attached to the Property in any manner (collectively, the “**Personalty**”), whether acquired before or during the Lease Term. Tenant has the sole right to claim all depreciation with respect to the Improvements comprising the Project and related Personalty during the Lease Term. Personal property located on the Property or in the Project by Landlord, utility providers, residents and subtenants do not constitute Personalty.

(c) Upon the expiration or the earlier termination of this Lease, Tenant's leasehold interest in the Property will terminate and possession, occupancy, control and use of the Property shall unconditionally and automatically revert to the Landlord and title to the Improvements located on the Property shall be automatically transferred to Landlord without any act, notice, payment or compensation. Any Personalty that Tenant has not removed from the Property within thirty (30) days after expiration of the Lease or other time period permitted for such removal hereunder may be disposed of by Landlord at Tenant's cost, expense and risk, or, at Landlord's election, shall be transferred to Landlord at no cost or expense.

(d) In connection with the reversion and transfer of any portion of the Project or Property to Landlord, Tenant shall represent and warrant the following to Landlord as of the transfer date: (i) Tenant is the sole leasehold owner of the Project (except for any Eligible Residents in the Project); (ii) no person or entity holds a mortgage, lien, deed of trust, security interest, encumbrance or any other interest related to the Project; and (iii) the Project and the Property shall be in the condition required pursuant to the last sentence of this subsection. Upon expiration of this Lease, amounts on deposit shall be transferred to Tenant. At the expiration or early termination of the Lease, the Improvements and capital assets, fixtures, furnishings and equipment comprising the Project which are not then owned by Landlord and will become the property of Landlord shall be in a good and operable condition, ordinary wear and tear, casualty and condemnation excepted.

(e) Upon the expiration or early termination of this Lease at any time prior thereto and following written request of the Landlord, Tenant shall promptly provide Landlord with copies of all Governmental Authorizations, construction plans, specifications and drawings, material contracts, operating manuals and maintenance records relating to the construction, operation, maintenance, repair, rehabilitation, replacement and any alteration of the Improvements located on such Property performed by or at the direction of Tenant in Tenant's possession or control and any documents or information in Tenant's possession or control relating to the non-compliance of the Property or the Improvements with applicable Laws or Governmental Authorizations.

Section 3.5 Ownership of Project Improvements. During the Lease Term, Tenant shall own, occupy, manage, use and possess the Project.

Section 3.6 Landlord Access Rights. Landlord further reserves unto itself from this Lease (and from Tenant's leasehold interest under this Lease), for the use of Landlord and its employees, representatives, agents, subtenants, licensees, guests, contractors and vendors, and their respective invitees, unlimited rights of access to (and the right to use) hallways, restrooms and other common amenities located upon (or within) the Property and the Improvements located on the Property as are reasonable and appropriate in connection with the accomplishment of the College's mission and purpose and the safety and security of persons and property on the Campus, provided that Landlord shall not unreasonably interfere with the operations of the Project and shall comply with Tenant's reasonable instructions. The aforesaid access rights include the right to have access to all necessary information technology, cable, data, communication and telephone systems, networks and lines and Building Systems serving the Project; provided that such access and use shall not adversely impact the access to or use of the Project and shall be at no cost to Tenant.

ARTICLE 4. RENT AND OTHER FINANCIAL COVENANTS

Section 4.1 Rent.

(a) Beginning on May 1, 2023, and continuing throughout the Lease Term, Tenant covenants and agrees to pay to Landlord as **Base Rent** in the amount equal to One Dollar (\$1). Base Rent shall be payable by Tenant to Landlord in one annual payment in advance of each applicable Annual Period.

Section 4.2 Net Lease.

(a) This Lease is a net lease. The Parties acknowledge and agree that, subject to Landlord's express obligations hereunder, Landlord would not enter into this Lease if the payments to Landlord hereunder were not absolutely net to Landlord or if Landlord were obligated or required to incur any current or future cost, expense, assessment, imposition, fee or liability whatsoever, foreseen or unforeseen, relating to the following: (i) planning developing, designing, permitting, funding, financing, insuring, acquiring, equipping, furnishing and constructing the Project; (ii) leasing, possession, occupancy or use of the Property or any portion thereof; (iii) utility service to the Project; (iv) the entitlement of the Property; (v) use, operation, maintenance, rehabilitation, repair, replacement or renovation of the Improvements comprising the Project or any portion thereof; (vi) marketing and subleasing residential units of the Project; and (vii) Tenant's exercise of any other rights under this Lease. Accordingly, unless otherwise expressly provided by the terms of this Lease, Tenant shall pay all expenses, costs, Taxes, fees licenses, and charges of any nature whatsoever arising in connection with or attributable to the Property or the Project or in any manner whatsoever arising as a result of Tenant's exercise of the rights of Tenant set forth in this Lease, including costs of design, permitting, construction, management, operation, maintenance, repair, replacement,

rehabilitation, or renovation of the Project, reasonable accounting and attorney's fees, capacity charges, connection fees, impact fees, utility charges, surety bonds and insurance premiums.

ARTICLE 5. DESIGN AND CONSTRUCTION OF THE IMPROVEMENTS

Section 5.1 Minimum Requirements.

(a) Authorizations. Tenant will ensure that all Binding Agreements and other contracts, agreements, purchase orders and other arrangements it enters into in connection with the planning, design, construction of the Project comply, in all material respects, with the Standards and the Permitted Exceptions and are consistent with the terms of this Lease. Tenant shall ensure that all contracts and agreements it enters into in connection with the performance of Tenant Services comply, in all material respects, with the Standards and Permitted Exceptions and are consistent with the terms of this Lease.

(b) Project Description. Tenant shall at its sole cost and expense, develop, plan, design, permit, fund, finance, acquire, equip, furnish, install and construct the Project in accordance with the Plans and Specifications.

Section 5.2 Design.

(a) Design Services. Tenant shall select and contract with architects, space planners, engineers, and other design personnel to perform design services and produce design and construction plans, drawings, specifications and documents necessary for the equipping, installation and construction of the Project. Such persons shall have experience, expertise, training and applicable licenses, certifications and registrations necessary to do business and the design work to be performed by them. All design work will be performed by an architect or firm of architects licensed by the State of Florida (the "**Architect**"). The cost, fees and expenses of all professional engineering, surveying, design, and architectural services required by Tenant to prepare Plans and Specifications and oversee construction of the Project in accordance with the Plans and Specifications will be paid by Tenant, with the exception of those costs expressly agreed to be paid by Landlord or Board by separate agreement.

(b) Standards for Design. The design of the Project shall meet the Florida Building Code. In its original design of the Project and any alteration thereafter (subject to Landlord approval), Tenant shall take into account architectural designs and ambiance of the Campus, the location of the Project, the necessity that the final design complements other buildings and facilities on the Campus and other aspects agreed upon by the Parties.

(c) Submittal Process. Plans and Specifications and any other documents relating to the design or construction of the Project shall be submitted to Landlord in connection with permitting of the Project and for purposes of demonstrating compliance of all design and construction work and the Project with the applicable Standards. Design and construction documents for the original construction of the Project shall be submitted to Landlord. Tenant shall submit proposed Plans and Specifications to the College's Facilities Planning and Construction Department personnel to review and provide recommendations. The final Plans and Specifications shall be substantially consistent with the most recent design documents and construction plans, and layouts, arrangements, massing, techniques, systems, utility service arrangements, principles, renderings, drawings and specifications proposed by Tenant, except as otherwise expressly agreed upon by the Parties. Notwithstanding anything herein to the contrary, the scope of review of Landlord shall be limited to providing comments to or disapproval of any proposed Plans and Specifications.

(d) Development Work Product. Tenant hereby grants a security interest in, and collaterally assigns to the Landlord, any and all of Tenant's and its Affiliates right, title and interest in and to all Plans and Specifications, intellectual property, drawings, renderings, studies, contracts and marketing material of any kind produced, utilized, acquired, granted, obtained or existing at any time in connection with the performance of site due diligence and investigation activities and during the term of this Lease relating to the design, permitting, equipping, construction, management, operation, maintenance, alteration, repair, rehabilitation, replacement and renovation of the Project (collectively, "**Development Work Product**"), effective automatically and without further action. This Lease shall constitute a security agreement with respect to such security interest. Landlord's security interests in the Development Work Product are subordinate to the security rights in favor of any Leasehold Mortgagee. Tenant shall grant or cause to be granted to Landlord a perpetual, non-exclusive, irrevocable, royalty-free and transferrable right and license to use the Development Work Product and sublicense it only in connection with the Project, without further approval or compensation, and Tenant hereby authorizes Landlord's use of same subject in connection with the Project. Promptly upon request of the Landlord from time to time, Tenant shall execute such assignments and assurances as the Landlord may request to perfect the assignment of the Development Work Product to the Landlord. Tenant will indemnify, defend and hold harmless the Landlord and the Board from and against any and all claims, demands, actions, proceedings, losses, liabilities, costs and expenses, including attorney's fees, relating to the Development Work Product, including infringement or misappropriation claims, mechanic's and materialmen's liens, claims caused by the failure of Tenant to fully pay for all Development Work Product or any adverse claim to or lien upon the Development Work Product or the Project. Notwithstanding anything herein to the contrary, in no event shall Landlord be permitted to use any of the Development Work Product for any reason other than in connection with the design, permitting, equipping, construction, management, operation, maintenance, alteration, repair, rehabilitation, replacement and renovation of the Project and other improvements located on the Campus.

(e) Governmental Authorizations. Tenant is required to obtain all zoning, land use and other Governmental Authorizations from every Governmental Authority having jurisdiction over the Project which are necessary to install and construct the Project and thereafter occupy, use, operate, maintain, repair, rehabilitate and replace any Improvement and utility installations on or serving the Property, and each element and component of the Project for its intended purposes (collectively, the "**Project Building Permits**"). Landlord shall reasonably cooperate to support the efforts of Tenant to obtain the Project Building Permits.

Section 5.3 Construction.

(a) Permits. Tenant shall use commercially reasonable efforts to obtain all required Project Building Permits as soon as reasonably practicable at tenant's sole expense. All applications and related materials to be presented to the Governmental Authorities in connection with the application for Project Building Permits must be submitted to Landlord for review and comment no later than five (5) Business Days prior to being submitted to the applicable Governmental Authorities. No less frequently than every other week and at any time upon reasonable request by Landlord, during such time as any application for any Project Building Permits are pending, Tenant shall submit to Landlord a report of progress and status of the applications for Project Building Permits such that Landlord is reasonably informed about the subject matter, status and specifics of the submittals and application for each Project Building Permit.

(b) Construction. Tenant shall issue a notice to proceed to Contractors to commence full-scope construction work for the Project as and when required by the Financing Documents. Tenant shall at all times assure that adequate personnel and resources are utilized to perform construction of the Project in accordance with the Project Baseline Schedule.

(c) General Contractor. All construction work for the Project will be performed by one or more general contractors or design-builders selected by Tenant who are licensed by the State of Florida (the “**Contractors**”) and execute a construction contract (the “**Construction Contracts**”) with Tenant. In the event Tenant determines to replace the primary Contractor Tenant shall give notice to Landlord not less than ten (10) Business Days prior thereto including with such notice an explanation for the change and describing the capability of the replacement contractors to perform work and services at the Project. Landlord shall have the right to approve any replacement primary Contractor.

(d) Bonds.

(i) On or before commencement of construction of the Project, Tenant shall provide Landlord with performance and payment bonds issued by a surety and in an amount as required under Florida Statutes Section 255.05 and approved in advance by Landlord as compliant with Landlord’s policies and procedures (“**P&P Bonds**”). Such P&P Bonds shall be procured by the Contractors. All P&P Bonds shall be issued on behalf of Tenant and recorded and certified in accordance with Florida Statutes Section 255.05. The P&P Bonds shall cover the faithful performance of each Construction Contract by the applicable Contractor and any subcontractors performing a portion of the construction work, strict compliance of the construction work with the Plans and Specifications, completion of the Project in accordance with the Project Baseline Schedule, completion of Tenant’s obligation to repair and restore the Property in the event this Lease is terminated as provided herein, and payment of all costs, fees, charges and amounts for labor, work, services, supplies, materials, equipment or other items incorporated into or used in construction of the Project. All P&P Bonds will inure to the benefit of Landlord to indemnify it against any loss or damage in connection with the construction, including reasonable attorney’s fees, through appeal if necessary.

(ii) Tenant may substitute a \$500K irrevocable letter of credit or similar document, the nature and content of which to be approved by the Board in lieu of a Performance and Payment Bond.

(e) Release. On or before commencement of construction at the Property, Tenant shall cause each Contractor to deliver to Landlord, in a form reasonably acceptable to Landlord and its counsel, a waiver and release, the substance of which shall be a waiver of any right such Contractor may have to a claim of lien of any kind or nature upon any part of Landlord’s interest in the Property, and a release of Landlord and the Board from all claims that such Contractor might at any time have arising out of or relating to the applicable Construction Contract or the Project.

(f) Construction and Testing. Tenant is required to make or arrange for all site inspections and to be responsible for monitoring or arranging for quality assurance, quality control, sampling, testing and reporting relating to the design, demolition and construction work. Tenant shall keep Landlord informed of the schedule of such inspections, sampling and tests in order that representatives of Landlord may observe them and receive any test results or reports prepared on the basis thereof.

(g) Disruption to Adjacent Properties. Tenant shall take all reasonable action and precaution to avoid and minimize disruption to traffic, parking and activities on or in the vicinity of the Campus during performance of work relating to the Project. Landlord shall cooperate with Tenant upon Tenant’s reasonable request to provide access over portions of the Campus to the Property which is necessary for performance of any such work. During the course of the work, Tenant shall cause all Contractors, subcontractors and personnel performing work on or making deliveries or pick-ups at the Property to park trucks and vehicles solely on the Property or in a designated parking or staging site reasonably agreed upon by Landlord and

Tenant. All tools, equipment, supplies, materials and other items used in the performance of the work shall be stored on the Property or a designated staging area at the cost and risk of Tenant, Contractors and subcontractors. Tenant shall also cooperate and coordinate with Landlord to minimize any interference with the use and enjoyment of the residences, buildings and areas in the vicinity of the Property by faculty, students and staff, and the contractors, customers, invitees, guests and patrons of Landlord. Tenant shall promptly pay for any and all damage to any building, equipment, installation, roadway, sidewalk, curb, parking area or landscaping arising out of or resulting from Tenant's, Contractors' or subcontractors' activities on the Property or relating to the Project, and repair and restore all portions of property damaged to a condition substantially equal to or superior to the condition that existed immediately prior to the commencement of the construction work (including removal of all equipment, tools, vehicles, supplies and materials located, stored or installed on the Campus). Any such repair or restoration shall be performed at the sole cost and expense of Tenant in accordance with generally accepted construction practices and the Standards.

(h) Insurance Requirements.

(i) Prior to commencing any activities on the Property, Tenant shall deliver to Landlord a certificate verifying the insurance coverage required hereunder. Tenant shall require each Contractor to procure and maintain the insurance coverages and shall require all Contractors to require all subcontractors and vendors providing labor, services, equipment or material in relation to the Project to carry any and all insurance coverage that adequately covers each subcontractor's exposure based on the type of labor, work or services each will provide. All policies shall be with insurance companies authorized to do business in the State of Florida and meeting the requirements for insurance companies set forth in this Lease. Tenant agrees to furnish a current certificate(s) of insurance to Landlord prior to commencement of the construction work and thereafter upon written request of Landlord as evidence that the coverages remain in effect.

(ii) It is the responsibility of Tenant, each Contractor and each subcontractor to secure and maintain all insurance policies that may be necessary or advisable in connection with the respective Construction Contracts and the work related to the Project. The absence of a requirement herein for any type of insurance policy or insurance coverage, or for higher coverage limits shall not be construed as a waiver of Tenant's, Contractors' and all subcontractor's obligations to carry and maintain the types of insurances at limits that are appropriate to the liability exposure associated with design, equipping and construction of the Project. Landlord makes no representation or warranty, express or implied, that the coverage and limits accepted will be adequate to cover Tenant's, Contractors' and all subcontractors' liability and otherwise satisfy Tenant's other obligations under this Lease. Tenant waives and shall cause insurers of each Contractor and subcontractors to waive all rights and claims against Landlord and the Board for all claims, losses or damages covered by such policies of insurance, and all rights of subrogation of its insurers. Tenant hereby represents and warrants that Tenant's insurance policies and those of contractors and subcontractors shall be endorsed so that such waiver of subrogation shall not affect Tenant's rights to recover thereunder.

(i) Completion Deadline.

(i) Tenant shall use all commercially reasonable efforts to prosecute the Project design and construction work with diligence. The Tenant shall provide Landlord prompt notice of the occurrence of a delay that will have or potentially have an adverse effect on the completion following such time as Tenant has knowledge of the same. Such notice shall provide a sufficiently

detailed description of the event or cause that constitutes the delay and the proposed number of days that the delay will affect work on the path to completion.

(ii) Tenant shall provide access, information and documents reasonably requested by Landlord to enable Landlord to monitor the performance, progress and status of the development activities, design work, permitting, procurement and the construction work and compliance with the Project Baseline Schedule. Landlord shall be notified in advance of and shall have the right to attend development team meetings relating to the Project and the performance, progress and status of the design and construction work. Tenant shall promptly notify Landlord in the event of the occurrence of any fact, event, condition or circumstance reasonably likely to adversely impact the cost or schedule for performance of development activities, design work, construction work or the completion of any Improvement, element or component of the Project or the occurrence of a Permitted Delay upon Tenant obtaining knowledge thereof.

(iii) If Tenant has not received a temporary or permanent certificate of occupancy or its equivalent permitting the use and occupancy of the Project for the Permitted Uses no later than August 1, 2024] or if after completion of the Project, all or any portion thereof is not habitable, then Tenant shall provide temporary housing for Eligible Residents who have executed housing contracts or agreements with respect to the project (“**Affected Residents**”). Tenant will endeavor to provide temporary housing of a quality and condition comparable to the Project within the area within a radius of approximately five miles of the Project.

(j) Outside Completion Deadline. If Tenant has not achieved Substantial Completion of the Project on or before the Substantial Completion Deadline, then Landlord may, in addition to its other rights and remedies, (i) perform or procure performance of the work to complete construction of all or any portion of the Project as Landlord determines in its absolute and sole discretion; and (ii) execute on any payment and/or performance bond or other security. Landlord will reasonably refrain from the potential exercise of the right to perform or procure performance of the work through completion of the Project subject to the diligent and continuous effort by any Lender and payment and performance sureties to step-in, perform and complete the design work and the construction work and to achieve Substantial Completion, final acceptance and occupancy and use of the Project on a timely basis. If Tenant or Landlord reasonably determines that Tenant will not achieve Substantial Completion of any Improvement or portion of the Project by the applicable Scheduled Substantial Completion Date, Tenant shall provide Landlord with a remedial plan to re-sequence and/or accelerate performance of the work to achieve completion of each Improvement and the Project in accordance with the Project Baseline Schedule.

(k) Substantial Completion. The term “**Substantial Completion**” means with respect to the Project (i) the Architect executes and delivers, for the benefit of Tenant and Landlord, a Certificate of Substantial Completion in the form of the American Institute of Architects document G704, certifying substantial completion of the Project and each of the Improvements in accordance with the Plans and Specifications; and (ii) Tenant has obtained from the applicable Governing Authority a temporary or permanent certificate of occupancy or its equivalent allowing occupancy of the Project and each of the Improvements exclusive of immaterial “punch list” work that does not prevent Tenant from safely possessing, occupying and using, on a continuous and uninterrupted basis, the Improvements for the intended purposes and uses permitted by this Lease. The term “**Substantial Completion Date**” means with respect to each Improvement, as applicable, the date on which Substantial Completion occurs. Tenant shall diligently accomplish performance and completion of all punch list work and achieve final completion of the Project within ninety (90) days after the applicable Substantial Completion Date. Within ninety (90) days after the Substantial Completion Date, Tenant shall provide Landlord with a complete set of the “as built” Plans and Specifications in the form and medium reasonably requested by Landlord. To the extent

such rights may be granted/assigned by Tenant, Landlord shall be granted and shall have and possess an absolute, perpetual, non-exclusive, royalty-free, assignable and sub-licensable license and right to use the “as-built” Plans and Drawings solely in connection with the Project located on the Campus.

(l) **Landlord Step-In.** In the event of the breach, failure, non-performance or default by any Architect or any Contractor in connection with the performance of design work or construction work, Tenant shall diligently exercise its rights and remedies available to Tenant under the applicable agreement in consultation with Landlord. If Tenant shall be in breach or default under a Construction Contract or an Architect’s Agreement, and a breach is not cured with the applicable cure period, if any, under the applicable agreement or contract, and the Lender, Leasehold Mortgagee and/or the performance bond surety fail to promptly commence performance of the affected work and diligently prosecute the work to completion Landlord may elect by notice to Tenant, the Lender and the Leasehold Mortgagee, at Landlord’s absolute and sole discretion, and at the cost and expense of the Tenant, to exercise and assert the rights and remedies of Tenant under the terms of the Construction Contracts or the Architect’s Agreements without assuming the obligations of Tenant thereunder, as applicable.

Section 5.4 Utility Lines.

(a) The Project includes the installation of new infrastructure and facilities and may include the enhancement, extension, replacement, removal, relocation, upsizing, repairing, interconnecting to or improving portions of Landlord’s existing infrastructure and facilities to the extent necessary for the construction and operation of the Project, for utility service, fire protection, information technology systems, access control, security monitoring, emergency notifications, telephone, wireless, cable television and/or other communications facilities, servicing the Project and other portions of the Campus affected by the construction of the Project, for which Tenant is responsible during the construction of the Project (collectively, the “**Utility Lines**”). Tenant shall pay for the costs of all labor, services, equipment, machinery, conduits, pipes, valves, fiber, wires, materials, supplies, systems and items related thereto, including any concurrency obligations, and on-site infrastructure improvements, payable with respect to the Utility Lines, except as agreed to by Landlord or College .

(b) Tenant shall be solely responsible for the cost of all reservation charges, capacity charges, connection fees, tap fees and any other rents, rates, assessments, surcharges, fees, taxes and charges incurred in connecting the Project to existing utility infrastructure and receiving utility service at the Project, except as expressly agreed to by Landlord or College.

(c) Tenant will design, install and construct the Project and Utility Lines such that the required capacity for all utilities necessary to service the Project will be installed using all commercially reasonable efforts to limit any reductions, curtailments or disruptions in service to other improvements, buildings and facilities on or in the vicinity of the Campus. Tenant will at its cost (i) relocate existing utility facilities and lines serving the Campus as necessary to maintain continuity of service; (ii) install and connect new Utility Lines, facilities, meters and infrastructure for delivery of service to the Property; and (iii) procure and maintain delivery of utility service to the Project throughout the Lease Term.

Section 5.5 Utility Charges. Tenant shall pay for all rates, fees, charges and surcharges for utility, information technology, communication, cable, telephone and data service for any Improvement located on the Project, including all utility service used in the construction of the Project and the operation, maintenance, repair and rehabilitation of the Project. If Tenant intends to receive any utility service from Landlord instead of contracting with a third party utility, Tenant shall compensate Landlord for any capacity, resources, credits or other entitlements which would be utilized in order for Landlord to provide such utility service, in addition to all rents, deposits, charges, surcharges, fees and other amounts charged

by Landlord for delivery, consumption or use of service at standard rates charged for similarly situated users located on the Campus.

Section 5.6 Construction Access.

(a) Access. Landlord shall reasonably cooperate with Tenant in defining and coordinating the specific ingress and egress routes that all construction traffic must use to access the Property. Until the construction of the Project has been finally completed, at the reasonable request of Tenant, Landlord shall provide to Tenant non-exclusive licenses and rights of ways over designated sidewalks, parking lots and roadways on the Campus in order to provide ingress and egress of pedestrians and vehicles to and from the Property and/or to and from a duly open public street. Landlord has the right to change the locations of any such licenses or rights of way at any time and from time to time in its sole discretion as long as a change does not unreasonably interfere with the performance of the construction work or prohibit Tenant's access to an open public street.

(b) Construction Related Parking. Tenant's employees, representatives, vendors, invitees, guests, agents, and contractors (including contractors, subcontractors and vendors of all tiers, performing work or supplying any goods, supplies or materials related to the Project) must comply with all rules and regulations of Landlord and the College Standards with regard to operation and parking of vehicles and mobile equipment on the Campus.

Section 5.7 Other Easements, Licenses or Rights of Way.

(a) The Project may require easements, licenses or rights of way for utility infrastructure and surface water drainage, detention and retention over and on portions of the Campus, in order to comply with requirements of the Landlord and Governmental Authorities having jurisdiction over the Property and the Campus or as necessary for the use, access or operation of the Project. Landlord shall grant (or cause to be granted by the Board) temporary construction easements, licenses, rights of way, or easements for utilities or surface water drainage, detention and retention or as necessary for the use, access or operation of the Project, co-terminus with this Lease, upon the reasonable request by Tenant and on terms reasonably acceptable to the Parties, consistent with this Lease and any other existing easements, licenses or rights of way.

(b) Landlord shall have the right at any time and from time to time to grant, modify or cancel licenses, easements and rights of way to third parties and to change the locations of any easements, licenses or rights of way granted to Tenant, as it sees fit, in its reasonable discretion after consultation with Tenant and at no cost to Tenant, as long as such grants, modification or cancellations do not interrupt, interfere with and/or materially impair Tenant's ability to construct, access, operate, maintain, repair, rehabilitate and use the Project. Subject to the applicable terms of the Financing Documents, Tenant agrees to cooperate with Landlord in connection with any such grant, modification or cancellation of any license, easement or right of way.

Section 5.8 Changes to Plans and Specifications.

(a) No Significant Changes shall be made to the Plans and Specifications or any Improvements without the prior written consent of Landlord. The Project as constructed in accordance with the Plans and Specifications must comply in all material respects with the requirements of this Lease. Within five (5) Business Days after written request from Tenant (or such longer period reasonable under the circumstances with respect to Significant Changes), accompanied by (i) the proposed changes to the Plans and Specifications; (ii) information regarding the impact of the proposed changes on the affected Improvement

and the Project, including the cost and schedule for performance of any related work, the structural integrity, useful life, functionality, maintenance, capital asset repair, replacement, and sustainability of the affected Improvements; as well as (iii) other documents and information requested by Landlord, Landlord shall either reject or approve the proposed changes to the Plans and Specifications. If Landlord rejects the proposed changes, Landlord shall specify the reason for Landlord's rejection or any particular changes which must be made to such document(s) for them to be reasonably acceptable to Landlord, in which case Tenant shall have the right to re-submit its request at any time thereafter.

(b) For the purposes hereof “**Significant Changes**” shall mean a change in: (1) any material respect with regard to (i) with respect to buildings, structures and facilities, any change affecting exterior walls and elevations, building bulk, coverage or floor area ratio or number of floors from the Plans and Specifications, as applicable; (ii) the colors, size or design or use of exterior finishing materials substantially affecting architectural appearance from those shown and specified in the Plans and Specifications, as applicable; (2) any material adverse respect with regard to (i) the functionality, use and operation, useful life or cost of operation, maintenance, repair or rehabilitation of the Improvement from those shown and specified in the Plans and Specifications; or (ii) the placement, capacity, size or rating of any Building System or service facilities or in the number of elevators, or stairs or changes in general pedestrian, bicycle or vehicular circulation in, around or through the Project from the Plans and Specifications, as applicable.

ARTICLE 6.

USE AND CARE OF THE PROJECT BY TENANT

Section 6.1 Tenant's Use of Property.

(a) Tenant shall occupy and use the Property and the Project solely and exclusively for the Permitted Use. Tenant shall manage, operate and maintain the Property during the Term under such names for Improvements or areas of the Project as designated by Landlord in its absolute and sole discretion. Landlord has the unconditional right to initially name and subsequently modify the name of each Improvement and area of the Project. Tenant shall pay the costs of all initial signage located on or in the Project, and such signage shall conform to the College's signage design and location requirements. Landlord shall pay the cost of any replacement or additional signage at the Project as a result of Landlord's modifying the name of any Improvement or any area of the Project. All compensation or gifts received by Landlord from the sale of naming rights of any Improvement or area of the Project shall inure to the benefit of the Landlord.

Section 6.2 Nature of Use.

(a) Housing Facilities. During the Lease Term, Tenant shall at its cost and expense own, possess, use, occupy, manage, repair, rehabilitate and renovate the Project in compliance with the requirements of this Lease. Tenant shall keep and maintain the Project in a clean, orderly and safe condition. Tenant shall not do or permit any act or thing which would materially impair the financial performance, value, useful life, functionality, operability, maintenance and repair of the Project, the Campus, or any part thereof, or which constitutes a public or private nuisance.

(b) Building Systems and Exterior Elements. Tenant shall perform the Tenant Services with respect to any sidewalks, roadways, service drive areas or infrastructure supporting any Improvement of the Project which is constructed or installed by Tenant in, on or under the Property; provided however that Tenant is not required to perform any Tenant Services with respect to any roadway, service road, driveway, parking lot or sidewalk which is not located on the Property, except to the extent of any damage caused by Tenant or Tenant's employees, Affiliates, agents, contractors, vendors, licensees or invitees (excluding any students of the College or Eligible Residents). Tenant shall keep the Project and Property reasonably

lighted, and equipped with safety and security equipment and devices at all times as required by the College and applicable Laws and maintain the Project and the Property reasonably clear of waste, trash, debris and litter.

Section 6.3 Aesthetic and Operational Standards. Tenant acknowledges and agrees that a material condition to Landlord's entering into this Lease is the obligation of an agreement by Tenant to perform the Tenant Services in compliance with the requirements of this Lease and Good Industry Practice, and Tenant agrees to perform the Tenant Services in accordance with such requirements of the Good Industry Standard and applicable warranties and manufacturer's instructions. Tenant shall maintain the Project in good working condition, subject to ordinary wear and tear, casualty and condemnation. Tenant shall not use or permit the Project to be used for any purpose other than the Permitted Use and shall not use the Project for any unlawful, disreputable or other purpose or in any way which may adversely reflect upon the name, reputation or standing of the Landlord or the College.

Section 6.4 Manager Selection; Management Agreement; Manager Performance.

(a) At any time during the Lease Term, Tenant shall have the right to contract with a third party or Landlord (as such party may change from time to time, the "Manager") for the performance of all or any portion of the Tenant Services, and such Manager shall have the right to subcontract with a third party or Landlord for the performance of all or any portion of the Tenant Services. Tenant shall provide the Landlord at least 30 days prior written notice prior to the termination of the Manager; provided, notice to Landlord shall not be required for termination of the Manager in accordance with the terms of the Management Agreement (e.g. if in default).

(b) The performance of the Manager will be evaluated on a quarterly basis (excluding the Resident Satisfaction Surveys, which shall be evaluated on an annual basis) using the following:

(i) The Management Committee shall from time to time review and approve: (a) the form and content of a survey to be distributed to and solicited from the Eligible Residents of the Project (the "Resident Satisfaction Survey"); and (b) the methodologies and schedule for the distribution, collection, review and tabulation of Resident Satisfaction Survey results. The Management Committee shall approve the preparation and administration of Resident Satisfaction Surveys. Notwithstanding the foregoing, in the event Tenant's approved Manager shall conduct (or cause to be conducted) a periodic Resident Satisfaction Survey established by such Manager, and in form and substance reasonably acceptable to the Management Committee, the Management Committee may elect to use (but shall not be required to use), Manager's Resident Satisfaction Survey for the basis of the review contemplated hereunder.

(ii) The Management Committee shall from time to time review and approve (a) either an independent third party facility condition inspection firm, a Tenant representative or a College representative (the "Inspector") to inspect and evaluate the physical condition of the Project on a basis that is no more frequent than semi-annually nor less frequently than annually (the "Periodic Inspection"); (b) the form and content of an inspection form, and accompanying evaluation guidelines, to be used by the Inspector for the Periodic Inspection (each such form, together with any accompanying evaluation guidelines, a "Project Inspection Evaluation Form"); and (c) the particular timing of the Periodic Inspection.

(c) Tenant and Landlord shall work cooperatively to review Manager's performance.

(d) Tenant and Landlord shall meet no more frequent than quarterly nor less frequently than semi-annually to review the performance of Manager. In the event Landlord identifies deficiencies in Manager's performance for two consecutive quarters or two consecutive measuring periods, if longer than calendar quarters, than Tenant shall cause Manager to present to Landlord a corrective action plan to remediate the deficiencies in Manager's performance. If after two subsequent, consecutive calendar quarters Manager's performance reviews do not result in corrective action being taken to Landlord's satisfaction then, unless otherwise agreed to by Tenant and Landlord, Landlord may cause Tenant to commence replacing the Manager by providing Tenant written notice of such request or Tenant may commence replacing the Manager; provided, however, no termination of the Manager shall occur without at least one additional meeting of Tenant and Landlord to address the performance reviews and corrective action.

Section 6.5 Insurance Requirements During Construction. Tenant agrees to furnish a current Certificate(s) of Insurance to Landlord as evidence of the coverages listed in Exhibit C-1 "Construction Period Insurance."

Section 6.6 Insurance Requirements During Operation. Tenant shall, after the Project is constructed, obtain and maintain at its expense, the policies of insurance contained in Exhibit C-2, "Operating Period Insurance," covering activities performed under and contractual obligations undertaken during the Lease Term.

Section 6.7 Payment of Taxes.

(a) Tenant covenants and agrees to pay prior to delinquency all Taxes. In the event that notwithstanding the efforts of the Parties to have all Tax bills delivered directly to Tenant a Tax bill is delivered to Landlord, Landlord agrees to forward to Tenant any such Tax bill received by Landlord, provided that the failure or delay by Landlord in delivery of such bill shall not be a breach by Landlord hereunder. Tenant shall provide Landlord, upon Landlord's request, with evidence of payment of all Taxes which may be due. Tenant shall have the right, at its sole cost and expense, following consultation with Landlord, to contest or review by legal, administrative, appellate or other proceedings the validity and amount of any Taxes relating to the Project. Tenant may make such challenge upon the conditions that (i) Landlord shall not be at risk of any civil or criminal fine, fees, penalty, interest, charge, sanction or liability for the challenged Taxes during the pendency of the challenge; and (ii) the Property and the Project shall not be subject to the imposition of any lien as a result of such noncompliance or the challenge. Landlord may elect to intervene and join in such proceedings, at its sole cost and expense.

(b) In the event the Parties are notified that the Property or any portion of the Tenant's interest in this Lease or the Improvements are subject to real property taxes by Putnam County, Florida Landlord may have the Improvements assigned separate tax parcel ID numbers to facilitate Tenant's payment of such Taxes directly. If Tenant fails to pay any Taxes which are not the subject of a challenge conducted by Tenant in accordance with the requirements of this Section 6.6 prior to delinquency without interest, fee, charge or penalty, Landlord in its discretion may pay the Taxes, together with any and all interest, fees, charges and penalties, at its option in its sole discretion if Tenant fails to make such payment prior to the expiration of a ten (10) day cure period following written notice by Landlord. All amounts so paid by Landlord shall bear interest at the Default Rate from the date Landlord makes such payment, and such amounts with all interest accrued thereon shall become Additional Sums and be payable promptly upon written demand by Landlord.

(c) Tenant's obligation under this Section 6.6 shall terminate with respect to Taxes which accrue after the expiration or termination of the Lease Term, provided that Tenant does not hold over and

timely vacates the Property and the Project and executes all agreements, deeds, instruments and documents requested by Landlord in connection with transfer of ownership of the Project and Tenant's Personality in accordance with this Lease. Expiration or earlier termination of the Lease Term shall not release or discharge Tenant from the payment of any Taxes and interest, fines, penalties, assessments or other amounts related thereto incurred prior to such expiration or early termination.

(d) Landlord covenants and agrees to pay prior to delinquency all Landlord Taxes, if any. Landlord shall provide Tenant, upon Tenant's request, with evidence of payment of all Landlord Taxes which may be due. Landlord shall have the right, at its sole cost and expense, to contest or review by legal, administrative, appellate or other proceedings the validity and amount of any Landlord Taxes relating to the Project. Landlord may make such challenge upon the conditions that, during the pendency of such challenge, (i) Tenant shall not be at risk of any civil or criminal fine, fees, penalty, interest, charge, sanction or liability; and (ii) the Property and the Project shall not be subject to the imposition of any lien as a result of such noncompliance. Tenant may elect to intervene and join in such proceedings, at its sole cost and expense. If Landlord fails to pay any Landlord Taxes prior to delinquency unless Landlord is contesting in accordance with this Lease, Tenant may pay the Landlord Taxes, together with any and all interest, fees, charges and penalties, at its option in its sole discretion if Landlord fails to make such payment prior to the expiration of a ten (10) day cure period following written notice by Tenant. All amounts so paid by Landlord shall bear interest at the Default Rate from the date Tenant makes such payment, and such amounts with all interest accrued thereon shall be payable promptly upon written demand by Tenant.

(e) Notwithstanding anything herein to the contrary, Landlord and Tenant intend for the Project to be immune or exempt from all Taxes and Landlord Taxes. In the event that any Taxes or Landlord Taxes are levied or a levy is attempted against the Project, Landlord and Tenant shall cooperate in good faith to defend and oppose such levy of Taxes or Landlord Taxes.

Section 6.8 Signs or Other Advertising. Tenant shall not place, erect, or maintain or suffer to be placed, erected or maintained on any doors or any surface or location visible from the outside or on any roof of any Improvements, building or structure on the Property or any vestibule, any sign, lettering, video screen, message board, billboard, decoration or advertising without first obtaining Landlord's written consent, which Landlord may not unreasonably withhold. Tenant, with the approval of the Landlord, shall design, locate and install monument signage on the Property. Tenant shall prepare plans, drawings and specifications for such monument signage and any signage which Tenant proposes to locate on the Property for review and approval by Landlord. Tenant shall not propose the installation of any sign on the Property unless the sign relates solely to the Permitted Use of the Project. All Tenant signage shall be designed, constructed, installed and at Tenant's sole cost and expense.

Section 6.9 Parking. Following Substantial Completion of the Project and at any time during the Term that the Project are occupied by Eligible Residents, Landlord agrees to grant Eligible Residents the same level of access to parking spaces located on areas of the Campus other than the Property as is generally available to other students on the Campus in no less proximate or desirable locations than other students on Campus (except as the result of seniority or payment for any premium parking offered). Landlord shall have (a) the exclusive and absolute right to establish the terms and conditions of the access to, occupancy and use of parking spaces on the Property and at other locations on Campus; and (b) the exclusive right to establish, set, receive and collect the rent, rates, fines, fees and charges to be imposed for the use of such parking spaces; provided that Landlord shall not charge Eligible Residents more for the use of such parking spaces than other students residing on Campus. Parking spaces on the Property available to Eligible Residents will be operated and maintained by the Landlord consistent with its plan for development and operation of a parking and transportation system for the Campus.

Section 6.10 Allocation of Responsibility and Provision of Services. The following provisions provide an outline of the responsibilities for the delivery of certain services to the Project.

(a) Security. Landlord and Tenant agree that, as the agency of primary jurisdiction, College Department of Safety and Security is responsible for all law enforcement activity including enforcement of law and College policies on the Campus and the Project. Tenant shall be responsible for providing routine, day-to-day security. No later than thirty (30) days before the date of Substantial Completion, Tenant and Landlord shall develop protocols and systems to facilitate entry of police and/or security forces to the Project in exigent circumstances. Tenant shall obtain all permits and governmental authorization to install and operate all security systems and equipment at the Project. Tenant shall provide copies of Tenant's periodic security reports regarding the Project and shall permit reasonable direct communication between Tenant's representatives and Landlord's security department in accordance with applicable Laws. The Parties shall cooperate and coordinate in the development of procedures and communication protocols to accomplish security measures and actions to address threats to health and safety of residents.

(b) Surveillance. Landlord has provided information to Tenant with respect to equipment, systems, policies, and procedures in use on Landlord's campus that is utilized for surveilling the campus, recording, storing and retrieving images. Tenant is responsible for the cost of procuring, installing, maintaining, and monitoring the Project's security camera system utilized for surveilling the interior, all common areas, and exterior perimeter of the Project, as well as the cost to provide a feed to Landlord that permits Landlord to have access to such surveillance data and to store and retrieve surveillance data on Landlord's master system. The Project's security camera system shall be compatible with, and accessible by, the current College's security system. The security camera system shall be equivalent to current College security camera systems. Tenant is responsible for coordinating with College security department for placement of the Project's security cameras. Representatives of Landlord shall be permitted access to all security cameras for purposes of inspection and retrieval of relevant surveillance footage as required for the performance of its duties with respect to providing law enforcement services at the Campus. The Parties shall establish a communication protocol for the coordination of security information and availability of images from security cameras.

(c) Registration and Other Services. Tenant shall be responsible for the administration of Eligible Resident and guest registration procedures, student identification, front desk operations at the Project. Tenant shall be responsible for installing, maintaining, and monitoring access and entry to the Project and activities therein.

(d) Tenant Policies & Procedures. No later than 60 days prior to Substantial Completion, Tenant shall provide the Management Committee with a complete set of its policies and procedures relating to the rental program, including, but not limited to, its move-in policies, damage policies and security deposit policies for its review and approval, not to be unreasonably withheld, qualified or delayed. The Parties will re-visit Tenant's policies and procedures from time to time to address any material increases in complaints related thereto, to review any proposed major changes in the policies and procedures, and to ensure the policies and procedures reflect industry standard practices. Tenant shall provide clear and adequate communication regarding its policies and procedures to Eligible Residents for the purpose of ensuring Eligible Residents are well-informed of the same.

(e) Fire Alarm System. Tenant at its expense shall install, maintain, and operate a Class B addressable fire monitoring system within the Project that shall be monitored by Tenant's third party alarm monitoring service provider. The installed system shall also be capable of simultaneously signaling College security through a connection to Landlord's campus monitoring system.

(f) Landlord and Tenant may agree to make changes to the nature, scope, and allocation of services provided to the Project or other matters described in this Section 6.9, from time to time, without the need to amend this Lease. Such changes shall be set forth in writing and signed by both parties.

ARTICLE 7. OPERATIONS AND MANAGEMENT COMMITTEE

Section 7.1 Management Committee.

(a) The Parties hereby create a Management Committee (the “Management **Committee**”) for the purposes of facilitating the exchange of information between the Parties relating to this Lease and the Management Agreement. The Management Committee shall be composed of five (5) members, as follows: two (2) persons designated by Landlord and two (2) persons designated by Tenant and one person designated by Landlord and Tenant jointly. Except as otherwise provided herein, the Management Committee shall render advice to Tenant relating to Tenant’s performance of its obligations under this Lease. The Management Committee shall also render advice to the Tenant or Manager, as the case may be, regarding their respective obligations under the Management Agreement.

(b) Landlord shall designate one of its representatives to serve as the Chair of and preside over meetings of the Management Committee. The chair shall have such other duties and responsibilities as may be determined by the Management Committee. Tenant shall designate one of its representatives to serve as Vice Chair.

(c) The Management Committee shall meet not less often than every calendar quarter during the term of this Lease. The regularly scheduled meeting held during the Fall academic semester, but no later than November 1, shall be the “**Annual Meeting**” with respect to the following Annual Period. All meetings shall be at the Campus unless the Parties mutually agree to a different location; provided members of the Management Committee shall be permitted to attend any meeting by video conference. The Parties will establish a procedure for the scheduling, conduct and documentation of meetings of the Management Committee. Matters that come before the Management Committee will be decided by Tenant consistent with this Lease after good faith consideration of Landlord’s comments and position.

(d) The Parties agree that the participation of Landlord's representatives in meetings of the Management Committee and their consideration, approval or acceptance or non-acceptance of matters that come before the Management Committee will not diminish or otherwise affect the obligation of Tenant to design, construct, manage, maintain, repair, rehabilitate, replace and renovate the Project in accordance with the requirements of this Lease or to impose any obligations, requirements, duties or liabilities upon Landlord.

Section 7.2 Annual Plan and Annual Budget.

(a) Annual Plan.

(i) The Annual Plan shall be prepared by Tenant and describe in detail the plan and schedule for the performance of Tenant’s and Landlord’s obligations relating to operation, maintenance and repair of the Project during the applicable Annual Period. Tenant shall submit a proposed Annual Plan to the Management Committee for review, comment and approval, not later than June 15 of the calendar year immediately preceding each Annual Period, or such other date mutually agreed upon by the Parties, commencing June 15, 2024.

(ii) Each Annual Plan shall include, at the request of Landlord, changes adopted and uniformly enforced by Landlord for the entire Campus with respect to any policies, rules and regulations of Landlord, staffing levels, proposed staff training (whether by Tenant or a third-party contractor), the schedules for completion of capital asset maintenance and capital projects on an 18-month advance basis, and the proposed disbursements from the Repair and Replacement Account and determine the necessary funding for the Repair and Replacement Account for the next two (2) operating years, changes to facilities management, Eligible Resident satisfaction and retention measurements, changes to student and guest conduct regulations, changes to insurance policies and risk management programs, changes to privacy and security programs and other programs or activities in performance and fulfillment of Tenant's obligations under this Lease and the Management Agreement.

(b) Annual Budget. Tenant shall submit a proposed Annual Budget to the Management Committee during the Lease Term not later than thirty (30) days prior to each Annual Period, or such other date mutually agreed upon by the Parties, commencing with the first Annual Period following the Effective Date. Each Annual Budget shall contain line items for (i) proposed Rental Rates, charges, fees and other projected revenues; (ii) the proposed inventory capacity for beds; (iii) proposed Operating Expenses of the Project (including debt service); (iv) proposed use of reserves from the Reserve Accounts, if applicable; (v) any additional proposed funding for the information technology component for the Project; (vi) Capital Expenses; (vii) acquisition of furniture, fixtures and equipment; and (viii) the funding of any change requested by Landlord. Each Annual Budget shall additionally include sufficient information to explain the basis for the budgeted Operating Revenues, Operating Expenses and Capital Expenses.

(c) Rental Rates. Tenant shall propose Rental Rates for Eligible Residents (other than residents who are maintenance and security personnel, community assistants, residence assistants or other faculty or staff of the Landlord or the Tenant) at a level sufficient to, among other things, (i) maintain the maximum practicable occupancy and use of the Project during the annual period, (ii) satisfy the applicable debt service payments, reserve requirements, Operating Expense requirements and other financial obligations, and (iii) all while operating, maintaining and repairing the Project in accordance with Tenant's obligations and the requirements of this Lease; provided, however, Rental Rates shall not increase by more than 3% in any Annual Period (the "***Ceiling Adjustment***"), plus any actual increase in Uncontrollable Expenses over the prior Annual Period. The Rental Rates for the first Annual Period shall be agreed to by Landlord and Tenant. Initially Eligible Residents shall be offered ten (10) month leases; provided, however, if requested by Landlord, Tenant shall work with Landlord to develop a plan for Rental Rates for two semester leases for Eligible Residents attending the College and for Eligible Residents who will graduate at the end of the fall semester. Tenant shall conduct market rental rate benchmarking every five (5) years using the Palatka market and decrease Rental Rate, as necessary, to be not greater than market rates taking into consideration with respect to comparable housing, factors such as, without limitation, occupancy rates, size, condition and age of facilities, utilities costs and other expenses, furniture, fixtures and equipment, interior and exterior finishes, available amenities, relevant rental adjustment factors, such as exclusion of rent-controlled and/or subsidized housing projects/units, if applicable, and unit size and mix, and shall decrease Rental Rate, as necessary, to be not greater than market rates, ***provided that***, in no event shall Tenant be required to reduce Rental Rates below: (i) an amount necessary to achieve the minimum Debt Service Coverage set forth in Tenant's Financing Documents (or 1.20x, if Tenant's Financing Documents do not set for any Debt Service Coverage covenants), or (ii) the initial Rental Rates.

(d) Budget Modification. From time to time during or in respect to an Annual Period, the Tenant shall have the right to modify the Annual Budget based upon changed circumstances not reasonably foreseeable and beyond the control of Tenant, which modification shall be subject to review and approval of the Management Committee. The Annual Budget, as so modified, shall be the Annual Budget for such

Annual Period. It shall not be necessary to amend this Lease solely for purposes of modifying the Annual Budget as set forth in this paragraph.

(e) Other Information. The Parties shall exchange any additional information that may be reasonably requested by Tenant, Landlord, or the Management Committee relating to the status of the Project.

Section 7.3 Financial Statements, Access to Tenant's Books, and Audits.

(a) Within ninety (90) days following the close of the Annual Period during the Term of this Lease and also within sixty (60) days following the expiration or early termination of the Lease Term, Tenant shall provide to Landlord and the Management Committee unaudited balance sheet, income statement, cash flow statement all prepared on an income tax basis, or any other basis proposed by Tenant and reasonably acceptable to Landlord. Such statements shall present fairly the financial position and results of the operations of the Project. In addition, the Tenant shall provide, at Tenant's sole cost and expense, a calculation of the Net Operating Surplus.

(b) Tenant shall keep, or cause to be kept, accurate, full and complete books and accounts showing exclusively its assets and liabilities, operations, transactions and the financial condition of the Project.

(c) Landlord may, at its option and at its own expense and during customary business hours, conduct audits of the books, records and accounts of the Project. Audits may be made on either a continuous or a periodic basis, or both, and may be conducted by employees of Landlord, or by independent auditors retained by Landlord. All such audits shall be conducted without materially or interrupting or interfering with the normal conduct of business affairs by Tenant.

ARTICLE 8. ALTERATIONS OR IMPROVEMENTS BY TENANT

Section 8.1 Alterations. During the period from Substantial Completion of the Project through the expiration or early termination of this Lease, but subject to the terms, conditions and requirements and restrictions set forth in this Lease, (a) without the prior written consent of Landlord or the Management Committee, Tenant is permitted to make non-structural changes, improvements, modifications, and additions to the interior space of the Project, the rooftop equipment, Building Systems, exhaust, fans, back-up generators and other building service equipment that are described in an approved Annual Budget and Annual Plan or the then current Repair and Replacement Schedule or are replacements which are the same or substantially the same and in the same location as the equipment being replaced, or are alterations that are required to address life safety issues or to comply with applicable Laws, and (b) with the approval of Landlord, Tenant shall have the right to make structural and non-routine alterations to the Improvements and other elements, facilities and areas of the Project, provided, however that Tenant shall have no right at any time to expand the Project or construct new buildings, structures, facilities or other improvements except as provided herein with respect to the replacement of damaged or destroyed facilities. Tenant shall obtain all Governmental Authorizations, pay all costs, expenses and charges thereof and perform all work in a diligent, safe, good and workmanlike manner and in compliance with the requirements of this Lease and the Standards and any easement agreement, license agreement or other agreement to which Landlord or Tenant are parties. Tenant shall not make, nor permit to be made, any alterations that would (i) constitute a Significant Change; (ii) permanently increase or decrease, in any material respect, the number of Eligible Residents that may be housed in the Project; (iii) result in the installation of signage on the Project or any Improvement not otherwise approved by Landlord; or (iv) involve or affect any improvement, structure or installation outside the Property. Landlord shall have forty-five (45) days or longer period of time

reasonable under the circumstances to (y) review such requested changes requiring Landlord's approval pursuant to this Section 8.1, together with all related plans, specifications, drawings, budgets, schedules and related details and documents and (z) approve or disapprove the proposed plans. If Landlord disapproves Tenant's proposed alteration, then Tenant shall have thirty (30) days to address Landlord's comments and objections.

ARTICLE 9.

REMOVAL OF PERSONALTY AND OTHER PERSONAL PROPERTY FROM THE IMPROVEMENTS

Section 9.1 **Personalty.** All Personalty shall remain the property of Tenant and may be removed by Tenant prior to the expiration or early termination of this Lease; provided, however, that any Personalty which Landlord requests remain at the Project pursuant to a written notice delivered to Tenant prior to the expiration or early termination of this Lease shall be transferred to and become the property of Landlord on the expiration or early termination of the term hereof and shall not be removed from the Project. If Tenant fails to timely remove any Personalty from the Project that Landlord has not requested remain within thirty (30) days after the expiration or early termination of this Lease, Landlord may dispose of such Personalty or elect to take ownership of such Personalty.

Section 9.2 **Fixtures.** All Building Systems, lighting fixtures, Utility Lines, and other installations and construction to be furnished or performed by Tenant constituting a fixture to the Project shall be transferred to and become the property of Landlord on the expiration or early termination of the term of this Lease and shall not be removed from the Project.

Section 9.3 **Project Removal.** Provided that Tenant has achieved Substantial Completion of the Project pursuant to the terms of this Lease and has maintained the Project as required by this Lease, including with respect to the restoration of the Project after a casualty event or condemnation event as required by this Lease, Tenant shall not be required to remove any building or structure comprising the Project from the Property or demolish it at the expiration or earlier termination of this Lease.

ARTICLE 10.

ACCESS TO PROPERTY

Section 10.1 **Access.** Landlord has free access to the Project elements and facilities at all reasonable times for the performance of any of its obligations or activities or exercise of its rights hereunder, including the right to examine or inspect any Improvement or area of the Project; provided that Landlord shall not unreasonably interfere with the operations of the Project and shall comply with Tenant's reasonable instructions. Notwithstanding the foregoing, Landlord shall provide no less than twenty-four (24) hours prior notice to Tenant prior to such entry. Tenant shall have the right to have a representative designated by Tenant accompany Landlord's agents and employees on any such examination or inspection. If a representative of Tenant is not present to open and permit entry into the Project at the time when such entry was requested by Landlord, Landlord may enter without liability to Landlord. During any Event of Default, Landlord may in its discretion, but with prior notice to Tenant, access the Project at its own expense for the purpose of finishing construction, correcting defects or deficiencies or making any alterations or repairs to the Project which Tenant is obligated to make but which it has failed or refused (beyond any applicable notice and cure period) to make in accordance with this Lease. Such action shall not be deemed an eviction or disturbance to Tenant or any tenant, lessee or licensee of Tenant nor shall Tenant or any third party be allowed any abatement of Base Rent or damages, costs or reimbursement for any injury or inconvenience occasioned thereby.

Section 10.2 Emergency. In the event of an emergency or in the event Landlord has specific concerns regarding safety or security of persons or property, on or off the Property, Landlord shall have access to the Project at all times and upon reasonable oral or other communication to the Tenant to the extent practicable under the circumstances to address such concerns. Landlord has no obligation to provide any services which Tenant is obligated to provide or to make any alterations or repairs to the Property or the Project, including in the event of an emergency. Landlord and Tenant acknowledge and agree that nothing in this Lease is intended to diminish or affect Landlord's rights to access the Property under applicable Laws or the College Standards as a provider of safety and security services to the Project.

ARTICLE 11.
ALL MAINTENANCE AND REPAIRS BY TENANT

Section 11.1 General Obligations. Tenant shall be responsible for performing the Tenant Services, at its expense, during the Lease Term. Tenant will have the right at any time to self-perform or contract with Landlord and/or third parties for the performance of any of the Tenant Services.

Section 11.2 Repair and Rehabilitation; Maintenance.

(a) Tenant will develop and implement a Repair and Replacement Schedule for the performance of the Tenant Asset Management Services. The Repair and Replacement Schedule shall be prepared and implemented consistent with Good Industry Practice and describe the useful life and residual life of such assets, systems, fixtures, furniture and equipment and the nature, scope, timing and cost of foreseeable future repairs, rehabilitation, replacements, renovation and capital improvements through the Lease Term. The Repair and Replacement Schedule may be amended from time to time by Tenant in its reasonable discretion; provided, however, that proposed amendments which affect the repair or replacement schedule with respect to assets, systems, fixtures, furniture and equipment with a value, individually or in the aggregate greater than \$100,000 shall be considered material deviations requiring the approval of the Management Committee in accordance with the provisions of Section 7.1. Notwithstanding the foregoing, upon final completion of the Project, the Repair and Replacement Schedule shall be completed by Tenant to conform to such Plans and Specifications with approval of the Landlord. The Repair and Replacement Schedule shall be updated, as needed, as part of the annual preparation of the Annual Plan.

(b) In order to assure funding for the Tenant Asset Management Services, Tenant shall deposit funds as further set forth herein into the Repair and Replacement Account to be utilized solely to fund the Tenant Asset Management Services.

(i) Tenant will deposit into the Repair and Replacement Account annually at such time as Base Rent for the prior Annual Period is due and payable, commencing with the first Annual Period after Substantial Completion of the Project and thereafter through the expiration or earlier termination of this Lease, a minimum annual amount of not less than \$250/bed in the Project for the performance of the Tenant Asset Management Services with respect to the Project subject to an annual escalation if determined by Tenant consistent with Good Industry Practice to assure the availability of adequate funds, for which the Management Committee may make recommendations (the "**Repair and Replacement Component**"). The Repair and Replacement Component shall be funded by Tenant as an Operating Expense. Amounts deposited into the Repair and Replacement Account may be taken into account to meeting any similar reserve requirements set forth in the Financing Documents, and amounts on deposit in reserves under the Financing Documents intended to cover the same items, will be deemed to apply toward the amounts required to be deposited in the Repair and Replacement Account.

(ii) Notwithstanding the foregoing minimum amounts, deposits into the Repair and Replacement Account will be in amounts adequate to assure the availability of funds for the performance of the Tenant Asset Management Services in accordance with this Lease and Good Industry Practice and based on factors including the selected construction method, materials, equipment, and systems incorporated into the Project and the life-cycle repair and replacement program developed, implemented and updated pursuant to an agreed methodology related to the life cycle periods for asset classes.

(iii) Any remaining balance in the Repair and Replacement Account, other than the Required Remainder, shall be released to Tenant upon termination or expiration of this Lease. The “**Required Remainder**” of the Repair and Replacement Account, shall be an amount equal to the difference, if positive, of (1) the actual then-current balance of the Repair and Replacement Account, and (2) the amount required to pay for the costs to meet the capital expenses set forth in the then current the Repair and Replacement Schedule for the next [three] subsequent Annual Periods following expiration or early termination of the Lease Term.

Section 11.3 Facilities Condition Report. Commencing in the fifth (5th) Annual Period following Substantial Completion of the Project, then again every five (5) years thereafter and at any time upon reasonable request by Landlord based upon evidence of a material concern, Tenant will, as a Project cost, cause a comprehensive facilities condition assessment report to be performed on the Improvements by an independent engineer agreed upon by Tenant and Landlord. The cost of the facilities condition assessment report shall be paid from the Repair and Replacement Account unless Landlord has requested the report without identifying a material concern, in which event the report shall be at Landlord’s cost and expense. The Management Committee, will determine the nature and scope of services and deliverables to be provided by the independent engineer and the schedule, budget and funding by Tenant of its implementation of remedial action in accordance with the requirements of this Lease to address any defects or deficiencies identified by the independent engineer with respect to any Improvement or the Project; provided, however, that defects or deficiencies identified in the report shall not be addressed in the event the same (a) are scheduled to be addressed during the next Annual Period pursuant to the Repair and Replacement Schedule and (b) are non-essential items that may improve usability of the Improvements but do not impact life safety, security, the welfare of residents, code compliance, or building functionality. Tenant shall, at its cost and expense, promptly fund and perform the work necessary to remedy all such defects or deficiencies, but in any event commence the work within thirty (30) days from the date recommended in the report or on a date as agreed upon by Landlord and Tenant.

Section 11.4 Handback Reserve. Not less than three (3) years prior to the expiration of the term of this Lease, a facilities condition report shall be prepared by an independent engineer evaluating the condition of the structural elements and Building Systems of the Improvements. The report shall detail the nature, scope, schedule and cost of all work and procurement necessary to assure that such structural elements and Building Systems of the Improvements meet or exceed the condition required by this Lease for handback to Landlord at the end of the Lease Term. The Management Committee shall coordinate the engagement of the independent engineer, the funding of a handback reserve account (“**Handback Reserve Account**”), the scope and schedule of any repairs and other work identified in the report of the independent engineer and procurement to be performed in accordance with this Lease during the last three (3) Annual Periods of the Lease Term and the schedule for disbursing funds from the Handback Reserve Account, if necessary. In the event such structural elements and Building Systems do not meet the condition required by Section 2.3 for handback to Landlord at the expiration of the Lease Term, Landlord shall have the right to perform any repairs, replacements, rehabilitations, and renovations with respect to such structural elements and Building Systems, Landlord shall be reimbursed for all costs and expenses incurred in connection with the completion of such work. Any remaining balance in the Handback Reserve Account

after disbursements to Landlord shall be disbursed to Tenant within the later to occur of (a) ten (10) Business Days following the completion of all such approved work by Landlord or (b) forty-five (45) days following the expiration or earlier termination of the Lease Term in the event that Landlord does not perform any such work within thirty (30) days following the end of the Lease Term.

ARTICLE 12. NO REPAIRS BY LANDLORD

Section 12.1 Landlord's Obligations. No duties, obligations or responsibilities are or shall be imposed upon Landlord to monitor, inspect or test any work, service or activity by Tenant or its contractors relating to the design, construction, operation, maintenance or repair of any Improvement of the Project, except as otherwise set forth in this Lease. Landlord has no duty, obligation or responsibility to Tenant to perform maintenance or make any repairs whatsoever to the Project or any Improvements located on the Property or on the Campus.

Section 12.2 Tenant's Obligations. During the Term of this Lease, Tenant is responsible for any violations of applicable Laws or Governmental Authorizations at or relating to the Project and the payment of all fines, penalties, sanctions, assessments, and other costs, expenses or fees, including reasonable attorneys' fees unless such violation arises out of or relates to the gross negligence or willful misconduct of Landlord or its employees, contractors or agents. If Tenant becomes aware of any such violations, the presence of Hazardous Materials or other circumstances or conditions which present a foreseeable risk of injury or harm to persons or damage to property on or near the Property, it shall promptly inform and confirm by written notice to Landlord. Subject to the terms of Section 32, Tenant shall prepare and submit to Landlord a remedial plan to address any such violation or condition and prevent the re-occurrence of similar violations.

ARTICLE 13. DEFAULT

Section 13.1 Events of Default. This Lease is made upon the condition that Tenant shall fully, punctually and faithfully perform all of the obligations, covenants and agreements to be performed by it as set forth herein. If any of the following events shall occur, Tenant is deemed to be in default of this Lease ("Default" or an "Event of Default"):

(a) Any payment of Rent required to be paid by Tenant pursuant to this Lease is at any time in arrears and unpaid within thirty (30) days after receipt of written notice by Landlord that such amount is past due;

(b) Any breach, non-performance or default by Tenant beyond all applicable notice and cure periods under any Binding Agreement;

(c) Any breach or default on the part of Tenant in the observance or performance of any of the material terms, covenants, agreements, conditions or provisions of this Lease, and such breach or default continues for thirty (30) days after written notice thereof by Landlord in writing to Tenant; provided, however, that if such breach or default is of a nature that it cannot reasonably be cured within such thirty (30) day period, then Tenant shall have such time as is reasonably required to cure such breach or default; provided that the period to cure such breach or default shall not exceed one hundred twenty (120) days in the aggregate and, provided further, that Tenant commences the cure within such thirty (30) day period following notice thereof and continues thereafter to diligently pursue completion of such cure;

(d) Tenant fails to operate, maintain, repair, rehabilitate and renovate all or any portion of the Project such that it is safe and secure for occupancy by Eligible Residents and other tenants, lessees or licensees and any such condition, occurrence or failure continues for a period of ten (10) days after written notice by Landlord to Tenant;

(e) Tenant fails to maintain all Governmental Authorizations necessary for the construction, management, use, maintenance, repair or rehabilitation of the Project and such breach or default continues for thirty (30) days after written notice thereof by Landlord in writing to Tenant; provided, however, that if such failure is of a nature that it cannot reasonably be cured within such thirty (30) day period, then Tenant shall have such time (but without a modification of the Project Baseline Schedule) as is reasonably required to cure such breach or default; provided that the time period to cure shall not exceed one hundred twenty (120) days and, provided further, that Tenant commences the cure within such thirty (30) day period following notice thereof and continues thereafter to diligently pursue completion of such cure;

(f) Tenant fails to timely procure and maintain and cause its contractors to procure and maintain at all times the policies of insurance, surety bonds and any other payment or performance security required by this Lease, and such failure continues for thirty (30) days after written notice thereof by Landlord in writing to Tenant;

(g) Tenant fails to achieve Substantial Completion of any Improvement or the Project by the Substantial Completion Deadline, unless Tenant is then diligently prosecuting the construction work to Substantial Completion and providing replacement housing;

(h) Any trustee, receiver or liquidator of Tenant is appointed and an action, suit or proceeding is instituted by or against Tenant and such preceding or action has not been dismissed within sixty (60) days after such appointment;

(i) Any material representation or warranty of Tenant made in this Lease, or in any document submitted by Tenant to Landlord hereunder fails to be correct in any material respect on the date made or deemed made and same is not cured within fifteen (15) days of receipt of written notice by Landlord thereof;

(j) A transfer under either Section 15.1 or 15.2 is made without the prior written consent of Landlord or a transfer is made without compliance with Section 15.3; or

(k) Abandonment of the construction or operation of the Project for fifteen (15) consecutive days and the failure of Tenant to resume construction or operation of the Project within five (5) days after notice by Landlord.

Section 13.2 Notice and Remedies During Tenant's Default. Upon the occurrence and during the continuance of an Event of Default by Tenant, Landlord shall be entitled to exercise any one or more or all of the following remedies at its discretion: (i) commence proceedings against Tenant for damages and collect all sums or amounts with respect to which Tenant may then be in default and are accrued up to the date of termination of this Lease (including amounts due under the provisions which survive such termination); (ii) commence proceedings against Tenant under the provisions of this Lease for holdover obligations of Tenant, if any; (iii) bring an action for specific performance, including to require Tenant to document the conveyance and transfer set forth in this Lease; (iv) terminate this Lease subject to the provisions of Section 13.6, and reenter the Project and take possession thereof; or (v) exercise any other right or remedy available at law or in equity. In addition to the rights and remedies described above, if the Event of Default is described under Section 13.1(j), without payment or other compensation the Architect Agreement and the Construction Contracts and finish the design and construction of the Project in

accordance with the then existing budget for the Project, as modified by the terms of any Binding Agreements or any prior change orders properly adopted by Tenant in connection therewith.

Section 13.3 Landlord's Optional Cure Rights. In addition to other rights of Landlord upon an Event of Default, Landlord shall have the right, but not the obligation, to cure the act or failure constituting such Event of Default for the account and at the expense of Tenant. All reasonable costs or expenses incurred by Landlord, including reasonable attorneys' fees, shall be considered Additional Sums and shall be paid by Tenant to Landlord upon written demand. To the extent practicable Landlord shall provide Tenant with five (5) days written notice prior to commencing the cure of any Default, provided, however no such notice shall be required (i) for action to address an emergency, any relief, safety or security concern or exigent circumstances; or (ii) if Tenant's Default would potentially result in the imposition of a lien or the issuance of a tax sale certificate. If Landlord has already terminated this Lease, Landlord's cure, or attempt to cure, any act or failure constituting a Default by Tenant shall not require notice and shall not result in a waiver of such termination or any other right or remedy by Landlord.

Section 13.4 Performance by Landlord of Tenant's Obligation; Interest. In addition to other rights of Landlord upon an Event of Default, if Tenant at any time fails to pay any Taxes or fails to make any payment or perform any act required by this Lease to be made or performed by it or which results in an Event of Default, Landlord, without waiving or releasing Tenant from any obligation, liability or Default under this Lease, shall have the right at its discretion (but shall not be obligated to) at any time thereafter make such payment or perform such act for the account and at the expense of Tenant. All sums paid by Landlord and all costs and expenses incurred by Landlord in connection therewith, including reasonable attorneys fees, shall accrue interest at the Default Rate from the date paid or incurred by Landlord and shall constitute Additional Sums payable by Tenant under this Lease and shall be paid by Tenant to Landlord upon written demand.

Section 13.5 Waiver. Each Party waives and releases the other Party hereto from any claims and/or liability for any special, consequential, incidental, indirect or punitive damages arising out of or in connection with the Project or this Lease, excepting to the extent that it might be characterized as special, consequential, indirect or punitive damages, any express remedy set forth herein for the payment of liquidated damages or other amounts.

Section 13.6 No Damages. Tenant shall not seek an award of damages or the return of any amounts paid by Tenant in connection with Landlord's exercise of any of its rights or remedies.

Section 13.7 Landlord Events of Default. If any of the following events shall occur, Landlord is deemed to be in default of this Lease ("Landlord Default" or a "Landlord Event of Default"):

(a) Any breach or default on the part of Landlord in the observance or performance of any of the other material terms, covenants, agreements, conditions or provisions of this Lease, and such breach or default continues for sixty (60) days after written notice thereof by Tenant in writing to Landlord; provided, however, that if such breach or default is of a nature that it cannot reasonably be cured within such sixty (60) day period, then Landlord shall have such time as is reasonably required to cure such breach or default; provided that Landlord commences the cure within sixty (60) days following notice thereof and continues thereafter to diligently pursue completion of such cure.

Section 13.8 Notice and Remedies During Landlord's Default. Landlord shall have the time period set forth in Section 13.7, to cure such Landlord Default after Tenant delivers a notice of the Landlord Default. Upon the occurrence and during the continuance of an Event of Default by Landlord, Tenant shall be entitled to exercise any one or more or all of the following remedies: (i) Tenant may terminate this Lease;

(ii) exercise Tenant's right to have any leases between Landlord and Eligible Residents and any other Person assigned from Landlord to Tenant; (iii) bring an action for specific performance or (iv) take whatever steps are necessary in Tenant's reasonable opinion to cure the default, and the costs of any such actions taken by Tenant shall be payable by Landlord to Tenant upon demand. If Landlord fails to reimburse Tenant upon demand for any amount paid for the account of Landlord hereunder within fifteen (15) days after receipt from Tenant written notice of claim for reimbursement, then, without limitation, said amount may be set off and deducted by Tenant from the next or any succeeding installment payments of Additional Sums due and payable hereunder by Tenant to Landlord.

ARTICLE 14. DAMAGE AND DESTRUCTION

Section 14.1 Damage. Tenant agrees to provide and maintain all insurance coverage as required in this Lease. In the event that any Improvement, element or component of the Project is damaged ("**Damage**"), Tenant shall give notice to Landlord within five (5) Business Days following the date of such Damage. Within ninety (90) days, or such shorter period as is reasonable under the circumstances, following any Damage, Tenant shall commence work necessary to repair all Damage at its cost and expense; provided that Tenant may elect, in its sole discretion, to utilize other means of financing such work prior to receipt of the insurance proceeds. In addition, Tenant may use any funds then on deposit in the Repair and Replacement Account to fund the repairs; provided, however, to the extent such funds are used to fund the repairs, such funds shall be reimbursed in full from the insurance proceeds upon receipt thereof. Repairs, restoration, rebuilding, rehabilitation, and replacements to address Damage shall be made in accordance with the requirements of this Lease relating to design and construction work and Plans and Specifications approved by Landlord. Tenant shall be entitled to adjust, collect and compromise, in its sole discretion, all claims under any applicable insurance policies carried by Tenant and to execute and deliver all necessary proofs of loss, receipts, vouchers and releases required by the insurers consistent with its obligation to repair, restore and rebuild the Project. Tenant shall use any such proceeds exclusively for repair of Damage, with any excess paid to Tenant or the Leasehold Mortgagee. Notwithstanding the foregoing, if (i) the cost of repairing or reconstructing any Improvement, element or component of the Project to substantially the same condition as existed prior to such damage or destruction is in excess of forty percent (40%) of the replacement cost of the Project and (ii) such damage or destruction occurs at any time after the commencement of the twenty-fifth (25th) Annual Period, either Party shall have the right to terminate this Lease upon written notice to Landlord within sixty (60) days following the date of such Damage, in which event both Parties shall be relieved of and from any liability hereunder, except those which accrued up to the time of such termination, including the obligation of Tenant to provide Landlord with any insurance proceeds for the repair of the Damage or demolition of any Improvement that is not repaired and the removal of debris related to the Damage, and any obligations which expressly survive such termination.

ARTICLE 15. ASSIGNMENT AND SUBLETTING; CHANGE IN OWNERSHIP

Section 15.1 General Prohibition.

(a) **Tenant.** Tenant shall have the right at any time to make a Permitted Transfer and a Permitted Project Transfer without the prior consent of Landlord. Other than with respect to a Permitted Transfer and a Permitted Project Transfer, Tenant shall not have the right to transfer any interest in the Project or in or under this Lease without the prior written consent of Landlord. Unless Tenant has obtained Landlord's written consent prior to a transfer other than a Permitted Project Transfer and a Permitted Transfer, such transfer shall be null and void and an Event of Default.

(b) **Landlord.** Landlord shall not have the right at any time to assign (whether by operation of law or otherwise) any rights granted by this Lease or sublet any interest of Landlord in all or any portion of the Property, or any Improvements, facility or building comprising the Project, without the prior written consent of Tenant, except as otherwise expressly set forth herein or in connection with an assignment or transfer of all or substantially all of Landlord's interests in the Property, the Improvements and any facility or building comprising the Project.

Section 15.2 Change in Ownership of Tenant. Tenant and its Tenant Members shall have the right at any time to make a Permitted Ownership Transfer without the prior consent of Landlord. Except with respect to a Permitted Ownership Transfer, each of the following shall be deemed an Ownership Transfer which shall be prohibited and an Event of Default without the prior written consent of Landlord within thirty (30) days following receipt of written request from Tenant: (a) the Tenant Member ceases to own, either directly or indirectly the majority of the membership interests in Tenant; (b) the Tenant Member is dissolved; (c) the Tenant Member or Tenant is merged, consolidated, liquidated, or sells all or substantially all of its assets; (d) there is a Change in Control of Tenant Member or Tenant, (e) the occurrence of an assignment, transfer or conveyance of assets, properties, rights or interests of Tenant or Tenant Member for the benefit of creditors or by operation of law; or (f) in connection with a proposed Ownership Transfer, Tenant Member or Tenant will not be owned or managed by a Person meeting the requirements of a Qualified Purchaser after giving effect to such Ownership Transfer. In the event that Landlord fails to give notice to Tenant that Landlord withholds consent to the Ownership Transfer within said 30-day period, Landlord shall be deemed to have consented to such proposed Ownership Transfer. Unless Tenant has obtained Landlord's written consent or deemed consent prior to such an Ownership Transfer, such an Ownership Transfer shall be null and void and an Event of Default.

Section 15.3 Qualified Purchaser Right of First Refusal. Subject to Landlord's right of first refusal set forth in this Section 15.3, Tenant shall have the right to sell its interest in this Lease to a Qualified Purchaser effective as of (i) with Landlord's prior written consent, not to be unreasonably withheld, conditioned or delayed, during the period following Stabilization of the Project and prior to the fifth (5th) anniversary of the date of Substantial Completion of the Project (the "Post-Stabilization Period"), and (ii) without Landlord's consent, following the fifth (5th) anniversary of the date of Substantial Completion of the Project. In the event that, Tenant receives a term sheet or letter of intent to purchase its interest in this Lease with closing to occur either following Stabilization or the fifth (5th) anniversary of the date of Substantial Completion of the Project, as applicable, and if Tenant desires to accept such term sheet or letter of intent, Tenant shall provide Landlord in writing with all material terms and conditions of the term sheet or letter of intent and, all documentation necessary to confirm the proposed transferee's status as a Qualified Purchaser (collectively, the "**Transfer Notice**"). If Landlord (i) reasonably disputes whether the proposed transferee is a Qualified Purchaser, and/or (ii) solely with respect to the Post-Stabilization Period, Landlord reasonably refuses to consent to the proposed Transfer, then Landlord must notify Tenant thereof within forty-five (45) days after receiving the Transfer Notice or the proposed transferee will be deemed a Qualified Purchaser (and Landlord's required consent shall be deemed given if the Transfer Notice relates to a Post-Stabilization Period Transfer). In the event Landlord determines that the proposed transferee is a Qualified Purchaser, and, during the Post-Stabilization Period, if applicable, gives its consent to such Qualified Purchaser as a proposed transferee, Landlord shall have forty-five (45) days after receiving the Transfer Notice during which to (i) notify Tenant in writing whether it will agree to purchase the interest described in the Transfer Notice on the terms and conditions stated therein (except as to the closing date, which shall be as set forth herein) and (ii) deliver to Tenant a letter in which the chief financial officer of Landlord certifies that (a) the purchase of the interest described in the Transfer Notice on the terms and conditions stated therein will be in accordance with debt guidelines of Landlord and (b) Landlord has the bond capacity or other financial capability to purchase and finance the interest described in the Transfer Notice for the price set forth therein (collectively, the "**Initial Required Notices**"). If Landlord fails to

timely deliver the Initial Required Notices to Tenant or declines to exercise its purchase right under this Section 15.3, then Landlord shall be deemed to have waived its purchase right under this Section 15.3 with respect to the applicable Transfer Notice and Tenant may proceed with the proposed Transfer for a price not less than the price set forth in the Transfer Notice and upon terms not materially more favorable to the transferee than the terms set forth in the Transfer Notice and upon the closing of such transfer, Tenant shall provide Landlord copies of the documents relating to the transfer including a written assumption by the proposed transferee of all of Tenant's obligations under this Lease arising from and after the effective date of the transfer. If Landlord timely delivers the Required Notices to Tenant, Landlord and Tenant shall close such purchase on a mutually agreeable date no later than one hundred twenty (120) days following Landlord's receipt of approval by the Board of Trustees. In the event that Landlord shall fail to close on such purchase for any reason other than an Event of Default by Tenant hereunder, Tenant shall be entitled to proceed with the proposed Transfer or pursue the right of specific performance with respect to the Landlord. If Landlord waives (or is deemed to waive) its right of first refusal pursuant to this Section 15.3 with respect to a proposed Transfer, Landlord shall provide a recordable release of such right of first refusal as to the Transfer in a form generally acceptable to title insurers in the State of Florida.

Section 15.4 Notice of Intent to Market. Without limitation of the foregoing, Tenant shall provide written courtesy notice to Landlord of Tenant's intent to market and sell the Project prior to initially publicly listing the Project for sale.

ARTICLE 16. MECHANICS AND MATERIALMEN'S LIENS

Section 16.1 Liens. Tenant shall not create, permit or suffer any mechanics or materialmen's liens or other liens to be filed against any Improvement or area of the Project, the Property or any portion of the Campus by reason of any work, labor, services, equipment, supplies, materials or items performed or furnished or related to the design, construction, maintenance, repair or replacement of the Project during the Term by Tenant or its Contractors or vendors. If any such lien, other lien or any notice of intention to file a lien shall at any time be filed or recorded against all or any portion of the Property, Tenant's Leasehold interest in the Property or the Project, Tenant shall at Tenant's cost, within ten (10) days after the Tenant obtains knowledge (including by notice to Landlord) that such lien or other document has been filed or recorded, commence and diligently pursue the removal or discharge of record of such lien or notice by payment, bond, order of a court of competent jurisdiction or otherwise; provided that Tenant shall have the right to contest any such lien in accordance with Florida law.

Section 16.2 Landlord Rights. If Tenant fails to remove or discharge any such lien or any notice of intention to file a lien within the prescribed time set forth herein, then in addition to any other right or remedy of Landlord, Landlord shall have the right in its discretion to procure the removal or discharge of the same by payment or bond or otherwise. Any cost, expense, fee or other amount paid by Landlord for such purpose, including reasonable attorneys' fees, together with interest thereon at the Default Rate, shall be due and payable by Tenant to Landlord as Additional Sums upon Landlord's written demand.

Section 16.3 No Waiver. Nothing contained in this Lease shall be construed as a waiver, consent or agreement on the part of Landlord to subject Landlord's estate in the Property or interest in the Project or any Improvement to any lien, encumbrance or liability arising out of construction, operation, maintenance, repair, rehabilitation, replacement, alteration, use or occupancy of the Project by Tenant, its contractors and its subtenants. Tenant covenants and agrees to give any required notices or disclosures to Tenant's contractors advising that Landlord's interest in the Property and Project is not subject to liens arising from Tenant's design, construction, operation, maintenance, repair, replacement, alteration, use or

occupancy of Improvements, facilities, buildings or structures on the Property or arising from any goods or services furnished, provided or performed by any contractor.

ARTICLE 17. LEASEHOLD ENCUMBRANCES

Section 17.1 Leasehold Encumbrances. During the Lease Term, subject to the terms of this Lease, Tenant has the right to pledge, hypothecate or otherwise encumber from time to time its Leasehold interest under this Lease as security for one or more Funding Agreements the proceeds of which are used for the purpose of funding the performance and satisfaction by Tenant of its obligations under this Lease and/or to refinance prior Project Debt. Except to the extent expressly agreed to in writing by Landlord, no such Funding Agreement or any extension, renewal, re-financing or replacement thereof obtained by or on behalf of Tenant shall impose any obligation or liability whatsoever on Landlord or attach to, encumber or otherwise affect Landlord's interest in the Project, the Campus or the Property. The sole recourse of any Leasehold Mortgagee shall be against Tenant and Tenant's interest in the Project and Tenant's Leasehold interest under this Lease. The underlying fee simple title to the Property and Landlord's reversionary interest in the Project shall not be mortgaged or encumbered by Tenant. All loans secured by Tenant's interest in the Project and this Lease shall be paid in full, and any Leasehold Mortgage shall be cancelled, released and discharged at or before the expiration or earlier termination of the Term, including in connection with Landlord's exercise of the Buyout Option.

Section 17.2 Secured Party. If, from time to time, Tenant or Tenant's successors and assigns shall either encumber the leasehold estate created by this Lease and/or Tenant's interest in the Project with a **Leasehold Mortgage** and if the **Leasehold Mortgagee** delivers to Landlord an executed counterpart of such Leasehold Mortgage, together with each assignment thereof certified by such Leasehold Mortgage to be true, together with written notice specifying the name and address of such holder and the pertinent recording data with respect to such Leasehold Mortgage, if applicable, Landlord agrees that, anything in this Lease to the contrary notwithstanding, from and after the date of receipt by Landlord of such notice and for the term (duration) of such Leasehold Mortgage the following provisions shall apply:

(a) **Consent to Amendment.** Except as provided below, there shall be no cancellation, surrender or modification of this Lease by Landlord or Tenant without the prior written consent of any Leasehold Mortgagee, which consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing (but, in any event, subject to the cure rights granted to a Leasehold Mortgagee set forth in Sections 17.2(c) and (d)), nothing herein shall be deemed to prohibit or impair the rights of Landlord to terminate this Lease in accordance with its terms or to exercise its Buyout Option or its other rights as provided for in this Lease. There shall be no material amendment, modification, change, extension, or restatement of the Leasehold Mortgage which is inconsistent with the Base Case Financial Model without Landlord's prior express written consent.

(b) **Notices to Secured Parties.** Landlord, upon sending Tenant any notice of an Event of Default, breach of a covenant or failure to perform, or termination of this Lease, shall simultaneously send a copy of such notice to any Leasehold Mortgagee who has provided notice to Landlord thereof. In the event Landlord sends Tenant any such notice, the Leasehold Mortgagee shall then have the same period commencing after a copy of such notice is received by it (which period may be contemporaneous with cure efforts by Tenant) as is given to Tenant hereunder to remedy such failure, and Landlord shall accept performances by or at the direction of any Leasehold Mortgagee as if it had been done by Tenant. Any notice required to be given to any Leasehold Mortgagee hereunder shall be posted in the United States mail, postage prepaid, certified, return receipt requested or sent by recognized overnight courier or delivery service and addressed to the Leasehold Mortgagee at the address and to the attention of the person designated by such Leasehold Mortgagee to receive copies of such notices. Except with respect to the right

of Landlord to temporarily step-in and cure any breach, Default or delay or failure in performance by Tenant as provided in Section 13.3 and 13.4, Landlord shall not exercise any rights or remedies granted to it under this Lease following an Event of Default by Tenant under this Lease until the expiration of all notice and cure periods in favor of Leasehold Mortgagee as set forth in Sections 17.2(b), (c) and (d), to the extent applicable; provided that Leasehold Mortgagee commences effort to remedy such Event of Default within the initial time period available to Leasehold Mortgagee under Section 17.2(b) or commences effort to obtain possession of the Project, if necessary, and Leasehold Mortgagee diligently pursues such remedy or effort to obtain possession, as applicable.

(c) Curative Rights of Secured Parties. In addition to the rights granted to any Leasehold Mortgagee under Section 17.2(b), a Leasehold Mortgagee shall have an additional period of ninety (90) days commencing upon the expiration of the cure periods offered to Tenant (including cure periods under Section 13.6, if applicable) within which to remedy or cause to be remedied any Event of Default (or thirty (30) days with respect to an Event of Default for failure to pay amounts due and owing Landlord), provided that Leasehold Mortgagee commences efforts to remedy such Event of Default within the initial time period available to Leasehold Mortgagee under Section 17.2(b) or commences effort to obtain possession of the Project, if necessary, and Leasehold Mortgagee diligently pursues such remedy or effort to obtain possession, as applicable.

(d) Limitation Upon Termination Rights of Landlord. If Landlord elects to terminate this Lease or re-enter upon the occurrence of an Event of Default for reasons other than a failure to pay amounts due and owing Landlord to the extent permitted in Section 13.2, the Leasehold Mortgagee shall also have the right to postpone and extend the date of termination or re-entry as fixed by the provisions of this Lease for a period of not more than [six (6)] months from the expiration of the cure period specified in Section 17.2(c), provided that the Leasehold Mortgagee shall forthwith take steps necessary to acquire Tenant's interest and estate in this Lease by foreclosure of its Leasehold Mortgage, or otherwise, and shall prosecute such action to completion with due diligence and thereafter upon obtaining such possession or control, as applicable, commence the curing of the Event of Default with due diligence; or (ii) if applicable, shall cause the Tenant to provide Landlord with a remedial plan acceptable to Landlord setting forth in reasonable detail how the Leasehold Mortgagee shall cure the Event of Default and thereafter perform Tenant's obligations, covenants and agreements under this Lease. If at the end of the six (6) month period, the Leasehold Mortgagee is actively engaged in steps to acquire or sell Tenant's leasehold interest in this Lease and the Project or to replace the management of the Project, the time for Leasehold Mortgagee to comply with the provisions of this Section 17.2(d) shall be extended for a period, acceptable in the sole discretion of the Landlord, as shall be reasonably necessary to complete the acquisition or sale or the remedial plan with reasonable diligence and continuity.

(e) Assignment. Landlord agrees that in the event of any foreclosure under any Leasehold Mortgage, either by judicial proceedings or under power of sale contained therein or transfer made in lieu of foreclosure (collectively, a "**Leasehold Mortgage Transfer**"), all right, title and interest encumbered by such Leasehold Mortgage may, without the consent of Landlord, be assigned to and vested in (x) the purchaser at such foreclosure sale or transferee of a transfer made in lieu of foreclosure, and such purchaser need not be a Qualified Purchaser or (y) a Leasehold Mortgagee or any Affiliate or designee of such Leasehold Mortgagee (a "**Mortgagee Acquirer**"), subject and subordinate, however, to the rights, title and interests of Landlord; and, notwithstanding that Landlord's consent to said assignment shall not have been obtained, any such purchaser or Mortgagee Acquirer shall be vested by virtue of such assignment with any and all rights of the party whose estate was encumbered by such Leasehold Mortgage as though Landlord had consented thereto. Within sixty (60) days of such Leasehold Mortgage Transfer: (i) with respect to any continuing Event(s) of Default which are susceptible of being cured, the assignee or purchaser at such foreclosure sale shall be required to provide a remedial plan that sets out in reasonable detail such party's

plan, schedule and budget to cure such continuing Event(s) of Default which caused the foreclosure and to perform Tenant's obligations, covenants and agreements under this Lease accruing after the date on which such assignee or purchaser obtains Tenant's leasehold interest in the Project; and (ii) any purchaser (other than a Mortgagee Acquirer), that has been deemed a "Qualified Purchaser" only by virtue of having acquired the Project pursuant to a Leasehold Mortgage Transfer, shall either engage a Qualified Manager, or take such actions as may be necessary to become a Qualified Purchaser. Any continuing Events of Default which are not susceptible of being cured by such assignee or purchaser shall, as to such assignee or purchaser, be deemed waived by Landlord upon the assignee or purchaser obtaining Tenant's leasehold interest in the Project under this Section 17.2, subject to the full reservation by Landlord of all claims, rights and remedies which Landlord may have against any other Person relating thereto. For purposes of clarity, Landlord's rights of first refusal, consent rights with respect to Transfers during the Post-Substantial Completion Period, and restrictions on Transfer prior to Substantial Completion, all as set forth in Section 15.3 of this Lease, shall not be deemed to apply to (i) any Leasehold Mortgage Transfer, or (ii) following any Leasehold Mortgage Transfer to a Mortgagee Acquirer, the subsequent sale of the Project by such Mortgagee Acquirer to a Qualified Purchaser.

(f) Secured Party Leases. Landlord agrees that in the event of a termination of this Lease or re-entry without termination by reason of any Event of Default, and subject to the rights herein granted to Leasehold Mortgagee, the Leasehold Mortgagee shall have the option, but not the obligation, to enter into a ground lease agreement directly with Landlord on the same terms and conditions for the remainder of the Lease Term (a "**Secured Party Lease**"); provided:

(i) the Leasehold Mortgagee shall enter into a Secured Party Lease within the required period specified in Section 17.2(d);

(ii) the Leasehold Mortgagee shall pay, perform and observe all obligations, covenants and agreements contained in the Secured Party Lease on Tenant's part to be paid and performed during such period of time commencing with the date of the execution of the Secured Party Lease and terminating upon the abandonment or surrender of possession of the Project under the Secured Party Lease;

(iii) the Leasehold Mortgagee terminates any management agreement with the then current manager, if other than the Landlord and appoints a substitute manager approved by Landlord; and

(iv) the Leasehold Mortgagee, as the tenant under the Secured Party Lease, shall have the same right, title and interest in and to the Project and the right to use the Project as Tenant had under this Lease, subject to the terms and conditions of this Lease.

(g) Agreement Between Landlord and Secured Party. Landlord, upon reasonable written request by Leasehold Mortgagee, shall execute, acknowledge, and deliver to Leasehold Mortgagee an agreement, in form reasonably satisfactory to the Leasehold Mortgagee and Landlord, by and among Landlord, Tenant, and the Leasehold Mortgagee (provided the same has been previously executed by Tenant and Leasehold Mortgagee) agreeing to the provisions of this Article.

(h) Limitation on Liability of Secured Party. Notwithstanding any other provision of this Lease, Landlord agrees that any Leasehold Mortgagee permitted under this Lease shall in no manner or respect solely as a result of such status whatsoever be (i) liable or responsible for any of Tenant's obligations or covenants under this Lease (nor shall any rights of such Leasehold Mortgagee be contingent on the Tenant's satisfaction of such obligations or covenants); or (ii) required to cure any Event of Default,

provided; however, that if such Leasehold Mortgagee becomes the owner of the Leasehold estate created hereunder or becomes the tenant under a Secured Party Lease obtains then such Leasehold Mortgagee shall be responsible and liable for all obligations and covenants accruing during the period of time that the Leasehold Mortgagee is the owner of such leasehold estate or tenant under a Secured Party Lease, or obtains management control of Tenant, as applicable. Notwithstanding the foregoing, the liability of a Leasehold Mortgagee with respect to its obligations under this Lease or any Secured Party Lease shall be “non-recourse” and, accordingly, Landlord’s source of satisfaction of such obligations from the Leasehold Mortgagee shall be limited to Landlord’s rights to terminate this Lease as provided herein and execution upon, receipt and collection of and/or enforcement of all rights of Landlord or Tenant under or with respect to the Project, reserves, accounts and any insurance policy or surety bond or other payment or performance security proceeds, and Landlord shall not seek to obtain payment through any judicial process or otherwise from any person or entity comprising such Leasehold Mortgagee or from any assets of such Leasehold Mortgagee other than the Project, reserves, accounts, insurance policy or surety bond or other payment or performance security proceeds.

(i) Notice to Landlord. Tenant shall cause each Leasehold Mortgagee to provide Landlord notice of the occurrence of any event of default under the related Leasehold Mortgage.

ARTICLE 18.

WAIVER

No waiver of any obligation, covenant or condition or of any right shall be implied by the failure, delay or partial exercise by Landlord or Tenant to take action or for any other reason, and no waiver of any obligation, covenant or condition shall be valid unless it is in writing signed by the Party against whom the waiver is asserted. The mention in this Lease of any specific right or remedy shall not preclude Landlord or Tenant from exercising any other right or remedy or from commencing and maintaining any action to which it may be otherwise entitled either at law or in equity except to the extent such right or remedy is expressly waived herein. For the purpose of any suit, action or proceeding by Landlord brought or based on this Lease, this Lease shall be construed to be a divisible contract, to the end that successive actions may be maintained as successive periodic sums shall mature under this Lease and it is further agreed that failure to include in any suit, action or proceeding any sums or sums then matured shall not be a bar to the maintenance of any suit, action or proceeding for the recovery of said sum or sums so omitted.

ARTICLE 19.

WAIVER OF LIABILITY/INDEMNIFICATION

Section 19.1 Limitation of Liability. Notwithstanding anything herein to the contrary, Landlord is not and shall not be liable for any claims for damage to the Property or the Project or damage to property or injuries to persons in, on or about the Property or elsewhere occurring during the Term, except to the extent caused by or attributable to the material breach of this Lease by Landlord or the gross negligence or willful misconduct of Landlord or its contractors, agents and representatives and its and their employees and agents. This limitation on liability shall apply without limitation to claims by Tenant, its funding parties, Lenders, Leasehold Mortgagees, affiliates, related parties, contractors, agents and representatives and its and their employees, agents, invitees, licensees, customers, guests, or related entities and successors or permitted assigns. Furthermore, in no event shall Landlord have any liability to Tenant or its funding parties, Lenders, Leasehold Mortgagees, affiliates or contractors on account of any consequential, incidental, special, punitive, exemplary or any other indirect damages, whether in contract, tort (including negligence and strict liability) or under any other legal or equitable principles whatsoever, or for any loss of profits, opportunity, reputation or revenue. The Parties intend that except as expressly provided herein any damages awarded to either Party shall be limited to actual, direct damages sustained

by the aggrieved Party and each Party's liability shall be limited to its respective interest in the Property, the Project.

Section 19.2 Indemnification by Tenant. Tenant agrees that, from and after the date of execution of this Lease, Tenant shall indemnify, defend (with counsel reasonably acceptable to the Indemnified Parties) and hold harmless Landlord and the Board and their respective officers, officials, employees, trustees, and governors (collectively, the "**Indemnified Parties**") from and against any suits, actions, proceedings, investigations, damages, claims, liability, costs and expense, including reasonable attorneys' fees and costs, which may be threatened or asserted against, imposed upon or incurred by the Indemnified Parties (collectively, "Claims") (a) to the extent arising from or out of any occurrence at, in, or from the Project or any part thereof during the Term by reason of the site investigation, design, demolition, construction, operation, maintenance, repair, rehabilitation, occupancy, or use of the Project by or at the direction of the Tenant, its employees, representatives, agents, contractors, partners, servants, licensees, or invitees; (b) by reason of Tenant's breach, nonperformance or default under any provision hereof during the Term; (c) by reason of any lien, violation of Law or any Governmental Authority, injury to any person or damage to any property, infringement of intellectual property rights, releases of Hazardous Materials or liens occurring during the Term and caused by Tenant, its employees, representatives, agents, contractors, partners, servants, licensees, or invitees; or (d) by reason of any act or omission by Tenant, its employees, representatives, agents, contractors, partners, servants, licensees, or invitees during the Term. Tenant's indemnification obligation under this Section 19.2 shall not extend to Claims to the extent resulting from or out of any act or omission by Landlord, its employees, representatives, agents, contractors, partners, servants licensees, or invitees during the Term, (iii) the gross negligence or willful misconduct by any Indemnified Party or (iv) any material breach of this Lease by Landlord.

Section 19.3 Indemnification by Landlord. Subject to the provisions of Florida Statute 768.28, Landlord agrees that, from and after the date of execution of this Lease, Landlord shall indemnify, defend (with counsel reasonably acceptable to the Indemnified Parties) and hold harmless Tenant and their respective officers, officials, employees, trustees, and governors (collectively, the "**Indemnified Parties**") from and against any suits, actions, proceedings, investigations, damages, claims, liability, costs and expense, including reasonable attorneys' fees and costs, which may be threatened or asserted against, imposed upon or incurred by the Indemnified Parties (collectively, "Claims") (a) by reason of Landlord's breach, nonperformance or default under any provision hereof during the Term; (b) by reason of any lien, violation of Law or any Governmental Authority, injury to any person or damage to any property, infringement of intellectual property rights, releases of Hazardous Materials or liens occurring during the Term and caused by Landlord, its employees, representatives, agents, contractors, partners, servants, licensees, or invitees; or (c) by reason of any act or omission by Landlord, its employees, representatives, agents, contractors, partners, servants, licensees, or invitees during the Term. Landlord's indemnification obligation under this Section 19.3 shall not extend to Claims to the extent resulting from or out of any act or omission by Tenant, its employees, representatives, agents, contractors, partners, servants licensees, or invitees during the Term, (i) the gross negligence or willful misconduct by any Indemnified Party or (ii) any material breach of this Lease by Tenant. The provisions of this Section 19.3 shall not operate to waive, limit, or negate in any manner, the provisions of Florida Statute 768.28.

Section 19.4 Tenant Personality. Tenant shall locate Personality at and occupy and use the Project at its own risk. The Indemnified Parties are not responsible or liable at any time and Tenant expressly releases them from any loss or damage to Tenant's Personality except to the extent resulting from or arising out of the gross negligence or willful misconduct of any Indemnified Party.

Section 19.5 Violation of Requirements. Tenant shall indemnify, defend (with counsel reasonably acceptable to Landlord) and hold Landlord and the Board harmless from and against any and

all suits, actions, cost, damages or claims, liability, cost or expense, including reasonable attorney's fees and costs arising during the Term out of (a) the failure of any portion of the Project to comply with all requirements of applicable Law (including applicable terms of the Americans With Disabilities Act of 1990 (excluding any alterations, modifications or replacements to the Project performed by the Landlord or a third party contractor for the Landlord)); or (b) any violation by or order or duty imposed upon Landlord or Tenant arising from or out of, or in connection with Tenant's operation, maintenance, repair, rehabilitation, alteration, occupancy or use of any portion of the Property or the Project (including any occupancy, use or manner of use that constitutes a "place of public accommodation" under the Americans With Disabilities Act), or any installations in or on the Property or Project by reason of a breach of any of Tenant's obligations, covenants or agreements under this Lease. Tenant's indemnification obligation under this Section 19.4 shall not extend to the gross negligence or willful misconduct by Landlord or any of its employees, trustees, or agents.

Section 19.6 Survival. This Article 19 will survive the early termination of, or the expiration of the Term of this Lease.

ARTICLE 20. SURRENDER AND HOLDING OVER

Tenant shall deliver up and surrender to Landlord possession of the Property and the Project in compliance with the requirements of this Lease, and shall execute mutually agreeable transfer documentation of transfer and assignment in connection therewith, upon the expiration or earlier termination of this Lease and transfer of the Project from Tenant to Landlord. Should Tenant or any party claiming under Tenant remain in possession of the Project or Property, or any part thereof (excluding, however, any Eligible Residents in the Project), after any expiration or termination of this Lease, no tenancy or interest in the Project or the Property shall result therefrom, but such holding over shall be an unlawful detainer and all such parties shall be subject to immediate eviction and removal, and Tenant shall, upon demand, pay to Landlord on monthly demand, as liquidated damages, a sum equal to one hundred fifty percent (150%) of the prevailing market rent (as reasonably determined by Landlord) with respect to the affected portion of the Property and the Project for any period during which Tenant shall hold the Property after the stipulated term of this Lease may have expired or terminated, in addition to any other costs, charges, expenses or fees incurred by Landlord to enforce its rights hereunder.

ARTICLE 21. CONDEMNATION

Section 21.1 Condemnation. In the event of a Taking or the commencement during the Term of this Lease of any proceedings, negotiations or threats which might result in a Taking, Landlord and Tenant shall give notice thereof to the other upon the President of the College or the Tenant obtaining knowledge of the same. Landlord, Tenant and any Leasehold Mortgagee shall each have the right to appear and intervene in any such proceedings and be represented by their respective counsel. Tenant shall be authorized to collect, settle and compromise, in its discretion, the amount of Tenant's award related to the leasehold estate created by this Lease and Tenant's interest in the Project including, without limitation, any claim for loss of business goodwill, relocation expenses, Tenant's or any other claims that Tenant is permitted to make). The Parties will cooperate in good faith in all such proceedings, and agree to execute any and all documents that may be reasonably required in order to facilitate the collection of the maximum award to which each Party is entitled under applicable laws. Notwithstanding anything to the contrary set forth in this Article 21, to the maximum extent permissible by law, Landlord is prohibited from exercising any power of condemnation it may now or hereafter have with respect to condemning the Property, the leasehold estate created by this Lease or any Improvement, element, facility or component of the Project. "**Taking**" means any condemnation, requisition or other taking or sale of the use or occupancy

of or title to all or any part of the Property, the Tenant's leasehold estate and/or any Improvement, element, facility or component of the Project owned by Tenant in, by or on account of any actual or threatened eminent domain proceeding or other action by any Governmental Authority or other person or entity under the power of eminent domain or otherwise. A Taking shall be deemed to have occurred on the earliest to occur of the dates that use, occupancy or title of the affected property is taken. As of the date hereof, Landlord represents and warrants that to the actual knowledge of the President of the College, no portion of the Property is subject to any pending proceeding for Taking.

Section 21.2 Lease Termination. If at any time during the Term of this Lease there shall be a Taking of the whole or substantially all of the Property and/or the Project by any Governmental Authority, then, this Lease shall terminate and expire on the date title is transferred to such Taking entity. No Base Rent shall be apportioned in connection with such Taking. For the purpose of this Section 21.2, "substantially all" of the Property and/or an Improvement, element or component of the Project located on the Property shall be deemed to have been taken if the remaining part thereof, as applicable, not so taken cannot be adequately restored, repaired or reconstructed, , so as to constitute a complete, architecturally sound facility of substantially the same usefulness, design and construction as prior to the Taking. No termination of this Lease in connection with a Taking of substantially all of the Property and/or the Project shall be deemed to have occurred, unless and until Tenant affirmatively elects to terminate this Lease in writing after making the determination contemplated in the prior sentence.

Section 21.3 Demolition of Project Improvements. If this Lease is terminated with respect to a portion of the Property and/or an Improvement, element or component of the Project as a result of such Taking, then Tenant shall either restore the portion of the Property that remains following the Taking to complete, architecturally sound buildings with the proceeds of the award, or demolish and remove any Improvements on the Property which are affected by the Taking, provided Landlord shall have the right, at its option, to receive ownership of the remaining Improvements in their as-is, where-is condition, with all faults.

Section 21.4 Award. If this Lease is terminated with respect to a portion of the Property and/or an Improvement, element or component of the Project as result of such Taking by any Governmental Authority, then as between Landlord and Tenant, the Parties agree that each shall be entitled to its fair and equitable share of any award or awards which such awards shall be allocated as follows: (a) to Tenant in an amount equal to the fair market value of the portion of the leasehold estate and the Improvements and use of the Project thereon owned by Tenant apportioned to the remaining Lease Term and any Personalty of Tenant so taken; the costs incurred by Tenant in connection with the collection of such proceeds and awards (including, without limitation, all fees for experts, counsel fees, costs of surveys and appraisals, and court costs), and costs incurred or to be incurred by Tenant in demolishing or restoring the remaining portion of the Project to a complete, architecturally sound facility of substantially the same usefulness, design and construction as prior to the Taking, and (b) to Landlord in an amount necessary to compensate it for the fair market value of the portion of the Property (subject to, and burdened by, this Lease for the Term) and the Improvements after the remaining Term and the costs incurred by Landlord in connection with the collection of such proceeds and awards (including, without limitation, all fees for experts, counsel fees, costs of surveys and appraisals, and court costs). The portion of the Leasehold estate award and the portion of the Project award shall be deemed to be that part of the award which shall be specifically attributable by the condemnation court (or condemnation commissioner or other body authorized to make the award) to the affected portions of the Leasehold estate and the Improvement, element or component of the Project. If any such awards are made without explicit allocation of an amount representing Tenant's interest under this Lease and/or the Project and Personalty, Landlord and Tenant shall use good faith efforts to agree thereupon in accordance with the standards and principles applicable generally in condemnation proceedings before the courts of the State of Florida and in accordance with the terms of this Lease. If this Lease shall continue

after any such Taking, this Lease shall remain unaffected except that this Lease shall terminate as to the part of the Project and Property so taken (unless such Taking is a temporary taking, in which case this Lease shall terminate with respect to the portion of the Project taken only so long as it remains taken and in the event of any such temporary taking the entirety of the award shall be payable to Tenant), except that Tenant shall, promptly after such Taking and at its expense, restore such Improvements to a complete architectural unit to the reasonable satisfaction of Landlord, and the Base Rent payable by Tenant hereunder shall be equitably reduced. The portion of the Project remaining shall thereafter be referred to as the "Project."

ARTICLE 22. EXCEPTIONS TO DEMISE

Section 22.1 Pre-Existing Recordings. This Lease is subject to all applicable College policies and procedures, , the Permitted Exceptions, and the easements, agreements, instruments and documents that are executed or imposed from time to time after the date of execution of this Lease, as long as such future matters do not materially impair Tenant's ability or rights under this Lease, including rights to design, construct, manage, operate, use, maintain, repair rehabilitate and renovate the Project or increase Tenant's costs, obligations or liabilities with respect thereto or under this Lease. Landlord does not hereby warrant or guaranty title, right or interest in the Property to Tenant; and to the Leasehold estate created by this Lease in favor of Tenant.

Section 22.2 Subordination. Landlord shall have the right to cause this Lease (and any amendments made in accordance herewith) to be and become and remain subject and subordinate to any and all ground or underlying leases, mortgages or deeds of trust (or any renewals, modifications, consolidations, replacements or extensions thereof) covering the Property for the full amount of all advances made or to be made thereunder and without regard to the time or character of such advances, together with interest thereon and subject to all the terms and provisions thereof; provided, however, that the Landlord or other party shall agree in a written subordination agreement, in form and substance reasonably acceptable to Landlord and Tenant (and if applicable, Tenant lender), not to disturb Tenant's right of possession under this Lease pursuant to the terms of this Lease, unless an Event of Default has occurred and is continuing. Notwithstanding anything to the contrary herein, Landlord shall not have the right to cause any mortgage, lien or encumbrance to be placed on or against the Project or the Personalty except to the extent consistent with Landlord's reversionary interests, Landlord's Buyout Option or the right of Landlord to access, acquire, possess, occupy, use and enjoy any portion of the Property or Project.

ARTICLE 23. LEASE INURES TO BENEFIT OF ASSIGNEES

Subject to the limitations on Transfers as set forth in Article 15 hereof, this Lease and all terms, covenants, provisions and conditions herein contained shall inure to the benefit of and be binding upon the permitted successors and permitted assigns, if any, of the Parties, provided, however, that no assignment, transfer, exchange, conveyance or change of control by, from, through or of Tenant in breach or violation of this Lease shall vest in the assignee, transferee or controlling party any right, title or interest in, to or under this Lease, the Property, Tenant's Leasehold interest or the Project. Subject to Section 15.1(b) and Article 22, it is expressly understood and agreed that this Lease and any and all rights of Landlord hereunder shall be fully and freely assigned, transferred, or conveyed by Landlord without notice to or the consent of

Tenant including Landlord's right to access, acquire, possess, occupy and use certain portions of the Project and Landlord's Buyout Option as set forth herein.

**ARTICLE 24.
QUIET ENJOYMENT**

Subject to Landlord's Buyout Option and the rights of Landlord while an Event of Default exists under Section 13.1 hereof, Landlord hereby covenants and agrees that Tenant shall at all times during the continuance hereof have the peaceable and quiet enjoyment and possession of the Project without any manner of let or hindrance from Landlord, the Board or any party claiming by or through Landlord or the Board.

**ARTICLE 25.
NO PARTNERSHIP**

By entering into this Lease, a Party does not, in any way or for any purpose, become a partner of the other Party in the conduct of its business, or otherwise, or a joint venturer or a member of a joint enterprise with the other Party, it being understood and agreed that neither the method of computation of Rent, nor any other term, condition, covenant or provision contained herein, nor any acts or course of conduct or dealing of the Parties, shall be deemed to create any relationship between Landlord and Tenant other than landlord and tenant.

**ARTICLE 26.
NOTICES**

All notices, requests, consents, objections, waivers and approvals under this Lease shall be effective only if given or made in writing addressed to a Party to the attention of the offices or individual(s) and at the address (U.S. Mail or confirmed email) specified for that Party herein and to such additional or other addressees, addresses, or numbers, as any Party may designate by notice to the other Party, and shall be effective at the times, and only if given by (a) email with confirmed receipt (with a copy thereof sent as provided in (b), (c) or (d); (b) nationally recognized overnight delivery service; (c) government certified or registered mail return receipt requested, effective upon delivery or refusal of delivery by or on behalf of the intended recipient or (d) personal delivery to the intended recipient.

The addressees, addresses (U.S. Mail and email) for notice shall be:

If to Landlord:

St. Johns River State College Student Housing
DSO, 5001 St. Johns Ave., Palatka, FL 32177
ATTN: President

With copy to:

If to Tenant:

With copy to:

A Party may change its address information for purposes of notice upon five (5) days prior written notice to the other Party. Notices by a Party may be given on its behalf by its attorney.

ARTICLE 27. LANDLORD'S AND TENANT'S MARKS

Section 27.1 Landlord's Marks and Naming Rights. The parties recognize that utilization of the College's symbols, logos, trademarks, and other representations of the College is integral to the effective marketing of the project to potential residents. Accordingly, Tenant shall be authorized to use the College's symbols, logos, trademarks, and other representations of the College for marketing and advertising purposes with the approval of Landlord, which said approval shall not be unreasonably withheld. Landlord reserves all naming rights and associated rights, interests, property, privileges, and benefits in any way related to the Project.

Section 27.2 Tenant's Mark's. Except as necessary or useful to comply with applicable Laws and to perform its obligations hereunder, including with respect to the marketing of the Project, Landlord shall not use the name of Tenant or its Affiliates or any of its symbols, logos, trademarks or other representations of Tenant or those of its affiliated organizations ("**Tenant's Marks**") without the express written consent of Tenant and the applicable affiliated organization(s). Landlord shall not, during the Term, change the name of the Project if such new name would include use of any Tenant's Marks, without the express written consent of Tenant, which consent may be granted or withheld in Tenant's sole and absolute discretion.

ARTICLE 28. INTEREST

All sums payable by either Party to the other Party under this Lease, if not paid when due, shall accrue interest at the lesser of: (i) the sum of the prime rate (published by the Wall Street Journal or similar publication) plus two percent (2%) (200 basis points) per annum, and (ii) the highest rate allowed under the laws of the State of Florida (the "**Default Rate**"), from their due date until paid, and with respect to amounts owing by Tenant to Landlord, said accrued interest.

ARTICLE 29. DISPUTE RESOLUTION

Section 29.1 Dispute Resolution. The Parties shall utilize the following process for the resolution of any claim, dispute or disagreement.

(a) **Direct Communication.** Management-level representatives of the Parties shall meet in an attempt to resolve any Dispute within twenty (20) days after one Party sends notice to the other Party of the existence of such Dispute. If such management representatives of each Party are unable to resolve the Dispute within such twenty (20) days after the initial notice the Parties shall have the right to refer the Dispute to mediation.

(b) **Mediation.** If the Dispute cannot be resolved through direct communication and meetings of representatives of the Parties as provided in paragraph (a) immediately above, either Party may request appointment of a neutral mediator with demonstrated subject matter expertise and experience mutually agreeable to the Parties. Both Parties shall participate in the mediation proceedings and conferences convened by a mediator until earlier of resolution of the Dispute and twenty (20) days after the first mediation proceeding with the mediator. The mediator's fee shall be divided equally between the Parties. The mediator is to act impartially and independently in the consideration of facts and conditions surrounding any dispute presented by Landlord and Tenant; however, the mediator's recommendations

concerning any such dispute are advisory only. The mediator's recommendations shall be based on the pertinent Lease provisions, and the facts and circumstances involved in the dispute.

(c) Litigation. If Landlord and Tenant cannot reach an agreement resolving the dispute pursuant to the process set forth in Sections 29.1(a) and (b), Landlord and Tenant shall have the right to pursue litigation. In no event shall the existence of litigation of any controversy or the settlement thereof in and of itself delay the performance of obligations under this Agreement.

(d) Venue. The sole and exclusive venue for resolution of any dispute, claim or controversy arising out of or relating to this Agreement shall be the state and federal courts for Putnam County, Florida. All parties shall be responsible for their own expenses, including attorneys' fees, paralegal fees, legal assistants' fees and costs including those incurred on the appellate level, for any actions taken as a result of failure by any party to comply with any terms of this Lease or in any way arising out of this Lease.

(e) Status Quo. The alternate dispute resolution process set forth in Sections 29.1(a) and (b) shall not preclude a Party from seeking injunctive relief, including specific performance, in order to maintain the status quo during the pendency of a Dispute resolution proceeding.

ARTICLE 30. GOVERNING LAW

Section 30.1 Governing Law; Venue. This Lease and all claims or disputes arising therefrom is governed by laws of the State of Florida without regard to its choice of law provisions.

ARTICLE 31. FORCE MAJEURE

(a) In the event that Landlord or Tenant is delayed or prevented from performing any of their respective obligations during the Term by reason of, or related to or arising out of events, occurrences or circumstances not within its control, including acts of God, sink holes, fire, flood, tornado, hurricane, or extreme or catastrophic weather or accident, shortages, casualty, strikes, lockouts or other labor disputes, governmental restrictions or orders, national emergencies, enemy or hostile governmental action, terrorism, insurrection, embargoes, pestilence, and quarantines, which do not arise out of or result from the negligence, breach, misconduct or fault of the party delayed in the performance of such obligation or its contractors, agents, representatives or affiliates (collectively, "**Force Majeure**"), then, the period of such delay shall be deemed added to the time herein provided for the performance of any such obligation and the party affected by the Force Majeure shall not be liable for losses or damages caused by such delays of the affected Party so long as the affected party gives notice to the other Party of the event of occurrence within five (5) Business Days following the date that the affected Party has knowledge of the event of Force Majeure describing the nature of the event of Force Majeure and the anticipated impact on performance of its obligations; provided, however, that this Article 31 shall not apply to the payment of any sums of money required to be paid by Tenant or Landlord hereunder. The Party affected by a Force Majeure shall use its best reasonable efforts to mitigate the effect of such event on its performance and to resume performance of affected obligations. Landlord and Tenant acknowledge that normal and customary rain, storms, wind and lightning in Putnam County, Florida shall not, of themselves, constitute a Force Majeure.

(b) If a Force Majeure event occurs which will delay commencement of construction of the Project by more than one (1) year in the reasonable determination of Tenant, Tenant shall have the right to terminate this Lease within ninety (90) days following such Force Majeure event.

(c) In the event Tenant exercises the right to terminate this Lease as a result of a Force Majeure event Tenant shall assign all of its rights, title and interest in the development work product, including the Plans and Specifications and assign its interest in the Construction Contracts to Landlord free and clear of any claims or liens and without further approval or compensation.

ARTICLE 32. ENVIRONMENTAL MATTERS

Section 32.1 Environmental Site Assessment. Tenant hereby acknowledges that Tenant will perform all environmental, engineering, geotechnical, seismic, hydrologic, archeological, and other due diligence desired by Tenant with respect to the Property and land, buildings, structures, installation, facilities, works, utility, equipment and improvements on and under the Property that Tenant deems necessary prior to the Financial Closing.

Section 32.2 Environmental Compliance Requirements.

(a) Tenant agrees that during the Lease Term, the Property and the Project will remain free from contamination by Hazardous Materials in excess of amounts, concentrations, levels and rates permitted by Environmental Laws which would require remediation or clean-up to conform to applicable remediation criteria established under applicable Environmental Laws, and the Project and the Property and the activities conducted or to be conducted thereon by Tenant and its employees, contractors, and invitees do not and will not violate any Environmental Laws. Tenant shall not cause or permit the Project or Property to be used for the generation, handling, storage, transportation, disposal or release of any Hazardous Materials, except as specifically exempted or permitted under applicable Environmental Laws, which are the subject of prior notice to Landlord. Tenant shall not cause or permit the Project or Property or any activities conducted thereon to be in violation of any current or future applicable Environmental Laws. Tenant will promptly notify Landlord of any actual or alleged violation of any Environmental Laws relating to the Project or the Property or the release or suspected release of Hazardous Materials in, under or about the Project or the Property potentially in violation of Environmental Laws, and Tenant shall promptly deliver to Landlord a copy of any notices, filings or permits sent or received by Tenant, or on behalf of Tenant, with respect to any of the foregoing events, occurrences, conditions or circumstances. Consistent with the terms of this Lease, Tenant shall have the right to direct decisions regarding remediation activities affecting the Project and Property which are the responsibility of Tenant under this Lease, all of which shall be performed at Tenant's cost, but Landlord, shall have reasonable input into decisions regarding remediation activities and any obligation, ownership interest, covenant, condition, requirement, limitation or restriction which will potentially affect Landlord's possession, occupancy or use of or interest in the Project. Notwithstanding the foregoing, in no event is Tenant entitled to agree to any lesser clean-up standard than is required by applicable Law or to any limitation on use that would bind the Landlord, Project, Property or Campus following the expiration of the Term without Landlord's express written consent, which may be withheld in Landlord's sole and absolute discretion.

(b) In the event Landlord suffers any claims or loss pursuant to Tenant's breach of this Section 32.2, any such amounts shall constitute Additional Sums due from Tenant to Landlord and shall be payable in full upon written demand by Landlord. Tenant's liability under this Section 32.2 for matters existing on or prior to the expiration or termination of this Lease shall survive the expiration or any termination of this Lease. This Section 32.2 shall be construed as prohibiting the use at the Property and the Project of substances regulated by Environmental Laws, including Hazardous Materials, that are normally or routinely used in the construction of improvements such as the Improvements or are normally or routinely used in the operation, repair, maintenance, and use of residential and retail projects, such as fuels, solvents, cleaning materials, paint and printing materials so long as the same are used in a manner that complies with all applicable Environmental Laws, and Tenant shall not be responsible for and have no liability in connection

with, including the remediation or removal thereof, any Hazardous Materials that (i) are specifically exempted or permitted under applicable Environmental Laws, (ii) are the subject of prior notice to Landlord, (iii) arise out of or result from any act of third parties or Landlord or its employees, contractor, agents or invitees, (iv) may have existed in, under or about the Property or the Project as of or prior to the Financial Closing Date, or (v) migrate from any property adjacent to the Property (collectively, a “**Permitted Exclusion**”). In the event of any actual or alleged violation of any Environmental Laws relating to the Project or the Property or the release or suspected release of Hazardous Materials in, under or about the Project or the Property potentially in violation of Environmental Laws arising out of or resulting from (x) any act of Landlord or its employees, contractor, agents or invitees, (y) any Hazardous Materials which may have existed in, under or about the Property or the Project as of or prior to the Financial Closing Date which were not brought onto the Property by Tenant, its Affiliates or its or their contractors, or (z) any Hazardous Materials that migrated from any property adjacent to the Property, Landlord shall be responsible, at its sole cost and expense, for any cleanup, remedial, removal or restoration work necessary to conform to applicable Environmental Laws and return the Project, Property and surrounding area to the condition existing prior to the introduction of such Hazardous Materials, and any claims, losses, damages, costs and expenses suffered by Tenant as a result thereof.

Section 32.3 Landlord’s Representations. Landlord represents and warrants to Tenant that, to the actual knowledge of the Landlord’s Board of Directors: (a) during the period that Landlord has owned the Property Landlord is not aware of any failure to remove Hazardous Materials in material conformance with applicable Environmental Laws, if any such removal has been performed, and (b) except as may be disclosed by any reports, no Hazardous Materials or any other environmentally regulated substance or condition has been generated, manufactured, refined, transported, treated, stored, handled, disposed of, released or located on, in, under or about the Property or in the improvements on the Property during the period that Landlord has had a fee interest in the Property, except for any of the same that have been removed from the Property in accordance with all applicable Environmental Laws, or any items normally or routinely used in the operation, repair, maintenance, and use of residential and retail projects, such as fuels, solvents, cleaning materials, paint, printing materials and medical waste, so long as the same are used in a manner that complies with all applicable Environmental Laws.

ARTICLE 33. 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 public health unit.

ARTICLE 34. BROKERS

Tenant and Landlord each represents and warrants to the other that no real estate broker, agent, commission salesman, or other such person has represented it in the negotiations for and procurement of this Lease (collectively, a “**Broker**”), and that no commissions, fees, expenses, or compensation of any kind are due and payable to any Broker in connection with this Lease. To the extent permitted by law, each of Tenant and Landlord hereby agree to indemnify, hold harmless and defend the other party from and against for any claims made for the payment of any commissions, fees, expenses or other compensation of any kind whatsoever which may be due and payable with respect to the negotiation and/or procurement of this Lease by any Broker claiming by, through or under, the indemnifying party.

ARTICLE 35.
LANDLORD'S APPROVALS

Section 35.1 Landlord Review. With respect to Landlord's review and consideration of applications for Governmental Authorizations and review and approval of the Plans and Specifications and any other design or construction documents prepared by or for Tenant in connection with the management, maintenance, repair, rehabilitation, renovation or alteration of the Project and review of their compliance with the Florida Building Code and any required inspections of the Project (including, state fire marshal inspections), Tenant shall reimburse Landlord upon demand for the reasonable actual, out-of-pocket costs, fees and expenses incurred by Landlord.

Section 35.2 Landlord Consent; Estoppel Certificates. If Tenant or a Leasehold Mortgagee requests Landlord's consent or approval under this Lease or requests that Landlord provide an estoppel certificate or subordination, nondisturbance and/or attornment agreement ("**SNDA**"), and Landlord deems it necessary or desirable to seek the advice of its attorneys then Tenant shall pay the reasonable, actual out of pocket costs, fees and expenses of such persons and firms in connection with the consideration of such request and/or the preparation of any documents pertaining thereto. Except as otherwise provided herein, Landlord's consent or approval of any matter hereunder shall only be valid if in writing and shall be limited to the subject of the consent or approval requested by Tenant. In any request for consent or approval, Tenant shall indicate the requested time period for review, recognizing that Landlord's internal processes and procedures may require a longer review and approval time; provided that Landlord shall use all commercially reasonable efforts to provide any requested estoppel certificate or SNDA required to be executed by Landlord within ten (10) Business Days following receipt of written request. Unless otherwise expressly provided under this Lease, no delay or failure by Landlord to respond within a time period for review shall be deemed approval of, or consent to a request by Tenant or subject to Landlord to any liability.

Section 35.3 Board Consent to Lending Documents. Board shall have the right to review and approve all agreements between tenant and any lease-hold mortgagee, which said approval shall not be unreasonably withheld. Tenant acknowledges that any lease-hold mortgage must require that Landlord and Board receive notification of any breach or default by the Tenant of the terms and conditions of such said lease-hold mortgage.

ARTICLE 36.
OFAC

Without limiting the general requirements under this Lease for the Parties to comply with applicable Laws, to the extent applicable to each Party and/or its operations, each Party shall comply with (i) all regulations promulgated by the Office of Foreign Assets Control, Department of the Treasury; (ii) the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et seq., (iii) the Trading with the Enemy Act, 50 U.S.C. App. 1 et seq.; and (iv) the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism and (v) Laws having similar subject matter or purposes.

ARTICLE 37.
RIGHTS OF WAY AND LICENSES

Tenant shall deliver written requests to Landlord and provide sufficient advance notice of the nature, scope and duration of any utility rights of way, easements and licenses required in connection with the construction, occupancy, use, operation, maintenance, repair, rehabilitation, renovation and alteration of the Project. All such utility rights of way and licenses granted by the Board shall be non-exclusive. Landlord, at Tenant's sole cost and expense, shall coordinate with the Board and provide documents in forms acceptable to the Board. Landlord shall cooperate in obtaining and providing any requested rights

of way, easement and/or license, provided that each such right of way, easement or license shall (a) not materially impair the value, functionality, utility, integrity, safety or remaining useful life of any building, improvement, installation or infrastructure on or serving the Campus, any portion thereof, any improvements, buildings, structures, installations, works or systems thereon, the Property or the Project or materially increase the costs to operate, insure, maintain, repair, replace and renovate any of the foregoing; (b) be reasonably necessary in connection with the construction, occupancy, operation, maintenance, repair, rehabilitation or use of the Project; (c) not cause any part of the Campus, the Property, or the Project to fail to comply with the requirements of applicable Laws, Governmental Authorizations, the Lease, or College Standards; and (d) be permitted by and subject to all recorded easements and other restrictions, encumbrances and agreements affecting the Property. No such right of way, easement or license granted to Tenant hereunder shall extend beyond the Term of this Lease.

ARTICLE 38. REPRESENTATIONS AND WARRANTIES

Section 38.1 Tenant. Tenant represents and warrants to and agrees with Landlord that, as of the date of execution of this Lease:

(a) No Conflict. The execution and delivery of this Lease, the performance of the covenants, conditions and obligations herein and compliance with the terms of this Lease will not conflict with, or, with or without notice or the passage of time or both, result in a breach of any of the terms, conditions or provisions of, or constitute a breach or default under, any indenture, deed of trust, mortgage, loan agreement, or other document, or instrument or agreement, oral or written, to which Tenant is a party or by which Tenant or its property or assets is bound, or any applicable Law or requirement of any Governmental Authority, or any judgment, order or decree of any court having jurisdiction over Tenant.

(b) Due Formation. Tenant is a limited liability company or corporation duly formed under the laws of the State of Florida and existing in good standing under the laws of the State of Florida. All requisite action has been taken by Tenant in connection with entering into this Lease. No consent, approval or waiver of any partner, member, manager, director, shareholder, beneficiary, creditor, investor, Governmental Authority or other person is required in connection herewith which has not been obtained.

(c) Authority. Tenant has full right, power and authority to enter into this Lease and to carry out its obligations hereunder. The individual(s) executing this Lease and the instruments referenced herein on behalf of Tenant have the legal right, power and actual authority to act on behalf of Tenant, execute and deliver this Lease for and on behalf of and to bind Tenant to the terms hereof and thereof. This Lease is and all other documents and instruments to be executed and delivered by Tenant in connection with this Lease shall be duly authorized, executed and delivered by Tenant and shall be valid, binding and enforceable obligations of Tenant.

(d) Existing Exclusive Agreements of Landlord. Tenant shall not enter into any contracts or arrangements which would place Landlord in violation of any of Landlord's Exclusive Agreements for the sales and delivery of goods and services on the Campus .

Section 38.2 Landlord. Landlord represents and warrants to and agrees with Tenant that, as of the date of execution of this Lease and as of Financial Closing:

(a) No Conflict. The execution and delivery of this Lease, the performance of the covenants, conditions and obligations herein and compliance with the terms of this Lease will not conflict with, or, with or without notice or the passage of time or both, result in a breach of any of the terms, conditions or provisions of, or constitute a breach or default under, any indenture, deed of trust, mortgage, loan

agreement, or other document, or instrument or agreement, oral or written, to which Landlord is a party or by which Landlord or its property or assets is bound, or any applicable Law or requirement of any Governmental Authority, or any judgment, order or decree of any court having jurisdiction over Landlord

(b) **Due Formation.** All requisite action has been taken by Landlord in connection with entering into this Lease. No consent, approval or waiver of any officer, director, employee, trustee, member of the board of governors, beneficiary, creditor, investor, Governmental Authority or other person is required in connection herewith which has not been obtained.

(c) **Authority.** Landlord has full right, power and authority to enter into this Lease and to carry out its obligations hereunder. The individual executing this Lease and the instruments referenced herein on behalf of Landlord has the legal right, power and actual authority to act on behalf of Landlord, execute and deliver this Lease for and on behalf of and to bind Landlord to the terms hereof and thereof. This Lease is and all other documents and instruments to be executed and delivered by Landlord in connection with this Lease shall be duly authorized, executed and delivered by Landlord and shall be valid, binding and enforceable obligations of Landlord.

ARTICLE 39. MISCELLANEOUS

Section 39.1 Entire Agreement. This Lease and all exhibits attached hereto constitute the entire agreement between the Parties pertaining to the subject matter hereof and supersede all prior and contemporaneous agreements and understandings of the Parties in connection the subject matter hereof, and sets forth the agreement between the Parties with respect to the Project. This Lease is the product of negotiation and neither Party shall be burdened by any presumption in the interpretation or construction of this Lease as a result of its involvement in drafting text hereof.

Section 39.2 Amendments. Except as otherwise provided herein, no amendment, modification, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by authorized representatives of the Parties. Each Party to this Lease agrees that the other Party and its officers, employees, representatives, advisors and agents have made no representations, warranties or promises, express or implied, with respect to this Lease, the Property, the Campus or the Project except as expressly set forth in this Lease.

Section 39.3 Severability. The provisions of this Lease are severable, and if any term, condition or provision, or any portion thereof, is determined by a court of competent jurisdiction to be invalid, illegal, or unenforceable for any reason, any remaining portions of that term, condition or provision, and all other terms, conditions or provisions of this Lease, shall remain valid and enforceable to the fullest extent permitted by law and equity in order to give effect to the Parties' intentions under this Lease.

Section 39.4 Compliance.

(a) Tenant shall comply, at its sole cost and expense, with this Lease. Responsibility for compliance requirements, the design and construction of the Project, operation of the Project and performance of Tenant Services rests exclusively with Tenant, and Tenant shall be liable for all costs associated with compliance, defense of enforcement actions or suits, payment of fines, penalties, or other sanctions and remedial costs related to Tenant's design, and construction of the Project, the performance of Tenant Asset Management Services and use, occupancy, maintenance, operation, repair, rehabilitation, renovation or alteration of the Project. Tenant shall have the right to contest by appropriate proceedings diligently conducted in good faith, without cost, expense or liability to Landlord, the validity or application

of any law, ordinance, order, rule, regulation, or requirement. Landlord shall not be required to join in or assist Tenant in any such proceedings, but shall not oppose Tenant in any such proceedings.

(b) Tenant agrees for itself and for its members, managers, employees, contractors, agents, invitees, licensees, guests and/or any other representatives (collectively referred to in this Article 39 as “**Tenant’s Related Parties**”) to comply with, and Tenant shall use all reasonable efforts to cause Tenant’s Related Parties to comply with, all regulations, policies, procedures, and guidelines, as may be now or hereinafter adopted or amended, which are applicable to the Campus generally and Tenant’s use and operations thereunder, on a non-discriminatory and reasonable manner, which includes those implemented by the College.

Section 39.5 Remedies. The specified remedies available to Landlord in this Lease are distinct, separate, and cumulative, and are not intended to be exclusive of any other remedies or means of redress to which Landlord may be lawfully entitled in case of any breach or threatened breach by Tenant of any provisions of this Lease or the other Project Agreements; provided, that Landlord shall not be permitted to terminate this Lease or obtain possession of the Project other than as expressly permitted in herein. The failure of Landlord to insist, in any one or more instances, upon performance of any of the terms, covenants, or conditions of this Lease shall not be construed as a waiver or a relinquishment of Landlord’s right to the future performance of any such terms, covenants, or conditions, but the obligations of Tenant with respect to such future performance shall continue in full force and effect. No waiver by Landlord of any provisions of this Lease or the other Project Agreements shall be deemed to have been made unless expressed in a writing signed by an authorized representative of Landlord.

Section 39.6 Recitals. Each of the recitals to this Lease is true and correct in all respects and is hereby incorporated into this Lease for all purposes.

Section 39.7 Headings. The section and paragraph headings used herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of this Lease or in any way affect this Lease.

Section 39.8 Waiver of Landlord’s Lien. Except as set forth herein and subject to Landlord’s Buyout Option and interest in the Project and fixtures, furniture and equipment in the Project, Landlord hereby expressly waives and releases any and all contractual liens and security interests or constitutional and/or statutory liens and security interests arising by operation of law to which Landlord might now or hereafter be entitled as a landlord on the Personalty or any other personal property of Tenant which Tenant now or hereafter places in or upon the Property (except for judgment liens that may arise in favor of Landlord). The waiver and release contained herein shall not waive, release or otherwise affect any unsecured claim Landlord may have against Tenant or affect Landlord’s rights, interests and remedies under this Lease.

Section 39.9 Time of Essence. Time is of the essence with regard to the obligations of the Tenant under the Pre-Development Agreement and herein.

Section 39.10 No Merger of Title. There shall be no merger of this Lease or of the Leasehold estate created by this Lease by reason of the fact that the same person, firm or corporation or other entity may acquire or own or hold directly or indirectly (a) this Lease or the Leasehold estate created by this Lease or any interest in this Lease or in any such Leasehold estate; and (b) the fee estate in the Property or any part thereof or any interest in such fee estate, and no such merger shall occur unless and until all persons, corporations, firms and other entities having any interest in (i) this Lease or the Leasehold estate created by

this Lease; and (ii) the fee estate in the Property or any part thereof shall join in a written instrument effecting such merger and shall duly record the same.

Section 39.11 No Third Party Beneficiary. Except as otherwise expressly set forth in this Lease, the Parties agree that no individual and/or entity is intended to have, nor shall any individual and/or entity be deemed to have, any rights, benefits, privileges, causes of action, rights of action or remedies as a third party beneficiary to or under this Lease or otherwise.

Section 39.12 Anti-Bribery Provision. Each of Landlord and Tenant represents and warrants to and agrees with the other Party that it: (a) will comply with all anti-bribery and anti-corruption laws applicable to its business and operations; (b) has not and will not offer, promise, give or authorize the payment of anything of value (including cash or cash equivalents, gifts, travel and entertainment, stock or offers of employment), directly or indirectly, to any Government Official or others in a position of authority with a Governmental Authority with the intention of inducing any such person to engage in improper or unlawful conduct or to secure an improper business advantage; (c) has not and will not make facilitation payments or “grease payments” to Government Officials or others in a position of authority with a Governmental Authority to expedite routine non-discretionary government or lawful actions; and (d) has not and will not offer, promise, give, request, receive or accept anything of value, directly or indirectly, to or from any person for the purpose of influencing, inducing or rewarding the improper performance of an act or decision. A “**Government Official**” means any (i) officer or employee of a Governmental Authority; (ii) officer or employee of a public international organization; (iii) political party or party official; (iv) candidate for political office; or (v) other person acting in an official capacity. Landlord and Tenant agree that failure to comply with this Section 39.12 will constitute a material breach of this Lease.

Section 39.13 No Option. The submission of this Lease for examination does not constitute a reservation of or option for the Property, and shall vest no right in any Party. This Lease becomes effective only upon execution and delivery thereof by Landlord and Tenant and receipt of the Board’s consent.

Section 39.14 Survival. Tenant’s obligations, covenants and agreements which by their nature should survive the expiration or earlier termination of this Lease and other provisions of this Lease, including with respect to accrued obligations and liabilities of Tenant hereunder, and provisions which this Lease expressly states will survive, will remain in full force and effect following the early termination or expiration of this Lease.

Section 39.15 No Guarantees. Tenant acknowledges that it has conducted due diligence with respect to the costs, risks and uncertainties of developing, constructing, operating and maintaining the Project and evaluated the demand for, and the financial prospects of the Project utilizing its personnel, advisors, contractors, resources, experience and expertise and without reliance on any statement, description or analysis made or information, document or data furnished by Landlord or its officials, employees, representatives, agents, contractors, consultants and advisors. Tenant acknowledges and agrees that Landlord does not and will not guarantee or otherwise support or backstop in any way any obligations incurred by Tenant in the performance of its obligations, covenants and agreements under this Lease, or other contract or agreement relating to the Project. Landlord makes no covenant, representation, warranty or other undertaking with respect to demand for the Project, the financial viability of the Project, future enrollment at the College, changes to Landlord's policies and requirements regarding eligibility for residency on campus and mandatory residency on campus, applications for units in the Project, priority of assignment or placement of students or other eligible residents in the Project, levels of occupancy of the Project, revenue of the Project, payment of rent by residents and tenants, the outcome of efforts related to enforcement of rental agreements, the nature, extent and success of efforts to market the Project, the conduct of residents or others at the Project, or the cost to design, construct, own, manage, and maintain the Project.

Section 39.16 Counterparts. This Lease may be executed in multiple counterparts each of which shall be an original and all of which taken together shall constitute one and the same instrument.

Section 39.17 Future Development. Landlord agrees not to add additional beds on Campus for a period of five (5) years following Substantial Completion of the Project. In the event Landlord shall determine to construct, acquire, or lease, to permit an entity to construct, acquire, or lease, or to enter into any agreement with an entity that constructs, acquires, or leases (whether acting for itself or through an agency or entity affiliated with or hired by Landlord), additional new student housing facilities on Campus that increases the bed capacity of housing facilities on the Campus ("*Additional New Beds*") and Tenant is then operating the Project in accordance with the provisions of this Lease and no Event of Default has occurred and is continuing hereunder or under this Lease, and has remaining obligations under the Finance Documents, Landlord agrees that such Additional New Beds shall be undertaken only if the construction of the Additional New Beds is supported by a demand study from an independent consultant completed not more than two (2) years prior to the projected commencement of construction concluding that sufficient demand exists for the additional number of beds to be constructed so as not to have a material adverse effect on the Project during the two Annual Periods immediately following the Annual Period in which the Additional New Beds are placed in service.

Section 39.18 Sovereign Immunity This Lease does not affect the rights, privileges, immunities, exemptions, limitations of liability and defenses of Landlord or the Board under Florida Statute Section 768.28 and other applicable Laws of the State of Florida. Nothing in this Lease shall be deemed to affect the rights, privileges, benefits, immunities, exemptions and defenses afforded the Board or Landlord by law. No term, condition or provision of this Lease shall be construed as consent by Landlord or the Board to be sued by third parties in any manner based upon, arising out of or relating to this Lease.

Section 39.19 No Pledge. Tenant acknowledges and agrees that it has no right, power or authority under this Lease, any Binding Agreement or otherwise to pledge the credit of the Landlord, the Board, the State of Florida or any subdivision or agency thereof or other Governmental Authority, or to obligate the Landlord, the Board, the State of Florida or any subdivision or agency thereof or any other Governmental Authority as a guarantor, indemnitor, surety or insurer of the Tenant's under this Lease, any Binding Agreement or other agreement in any way arising out of, relating to or in connection with the Property or the Project. Tenant further acknowledges and agrees that this Lease and the Binding Agreements do not constitute a pledge or the credit of the Landlord, the Board, the State of Florida or any subdivision or agency thereof or of any other Governmental Authority.

[Signatures on Following Page]

IN WITNESS WHEREOF, Landlord and Tenant have hereunto set their hands and seals as of the day and year first above written.

WITNESSES:

LANDLORD:

**ST. JOHNS RIVER COLLEGE STUDENT
HOUSING CORPORATION**

Signature of First Witness

Printed Name: _____

By: _____

Name:

Title: President

Date Signed: _____, 2023

Signature of Second Witness

Printed Name: _____

STATE OF FLORIDA)
) ss:
PUTNAM COUNTY)

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____ 2023, by _____ who acknowledged that he is the President of St. Johns River State College Student Housing Corporation, and that for and on behalf of St. Johns River State College Student Housing Corporation, and as its act and deed, he executed the above and foregoing instrument, after first having been duly authorized by said St. Johns River State College Student Housing Corporation so to do, said person [] being personally known to me or [] having produced _____ as identification.

Notary Public
My commission expires:

WITNESSES:

TENANT:

[_____]

Signature of First Witness

Printed Name:_____

By:

Name: _____

Title: _____

Date Signed: _____

Signature of Second Witness

Printed Name:_____

STATE OF [_____])
) ss:
COUNTY OF [_____])

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of ____ 2023, within my jurisdiction, the within named, _____, who acknowledged that she/he is the _____ of _____ and that for and on behalf of _____ and as its act and deed, she/he executed the above and foregoing instrument, after first having been duly authorized by said _____ so to do, said person [] being personally known to me or [] having produced _____ as identification.

Notary Stamp:

Signature of Notary Public

Printed Name:_____

Commission Expires:_____

EXHIBIT A

Legal Description of Property

Parent Parcel: 10-10-26-0000-0010-0000

Parent OR Book-247, Pg-628

Parcel A

Commencing at the NE 1 / 4 of the NE 1 / 4 of Section 10, Township 10 South, Range, 26 East,; Thence Southerly along the Easterly Line of Section 10, S00° 45'35"E, 177.07'; Thence leaving said section line Westerly, S89° 14'25"W, 50.00' to a point on the Westerly ROW of Moody Road at the Southerly ROW of St. Johns Ave, said point also being the NE Corner of the Parent Tract of the Lands Described and Recorded in OR Book-247, Pg-628; Thence Southerly along the Westerly ROW of Moody Road, S00° 45.35"E, 1051.67'; Thence leaving said ROW and heading westerly, N90° 00'00"W, 546.17', to the Point of Beginning and NE Corner of Parcel A. From the Point of Beginning for Parcel A, Thence the following 6 course and distances, (1) S00° 00'00"E. 255.81'; (2) N90° 00'00"W. 278.44'; (3) N00° 00'00"E. 111.63'; (4) N63° 54'12"E. 119.15'; (5) N15° 29'06"E. 95.22'; (6) N90° 00'00"E. 146.02' to the Parcel A Point of Beginning.

EXHIBIT B

Ground Lease

GROUND LEASE AGREEMENT

THIS GROUND LEASE AGREEMENT (herein called the "Ground Lease") is made and entered into this 17th day of April 2023 (the "Effective Date"), by and between **THE DISTRICT BOARD OF TRUSTEES OF ST. JOHNS RIVER STATE COLLEGE**, a political subdivision of the State of Florida having its principal place of business at 5001 St. Johns Avenue, Palatka, Florida 32177 (the "Lessor"), acting for and on behalf of **ST. JOHNS RIVER STATE COLLEGE** (the "College"), and **ST. JOHNS RIVER STATE COLLEGE STUDENT HOUSING CORPORATION**, a Florida not for profit corporation having its principal place of business at 5001 St. Johns Avenue, Palatka, Florida 32177 (the "Corporation" or "Lessee").

WHEREAS, the Lessor has the power to lease its real property in the best interests of the College pursuant to Section 1001.64(37) of the Florida Statutes and the Lessor has determined that it is in the best interests of the College to enter into this Ground Lease; and

WHEREAS, the Lessor, as ground lessor, will lease the Leased Premises (defined below) to the Corporation, as ground lessee, for the purpose of permitting the Corporation and a third party developer to design, build, finance, operate and maintain a student residence facility containing approximately 182 beds and related amenities and ancillary facilities for the sole and exclusive use of students attending the College, including the Florida School of the Arts (the "Project"); and

WHEREAS, it is the intent of the parties hereto to permit the further sublease of the Leased Premises by the Corporation to an affiliate of **Breck Sloan Properties** (the "Sublessee") for the purpose of undertaking the Project on terms acceptable to the Lessor; and

NOW, THEREFORE, in consideration of the respective representations and agreements hereinafter contained, the parties hereto agree to adopt this Ground Lease:

Section 1. Leased Premises. Lessor hereby leases to Lessee that certain unimproved real property lying in the City of Palatka, Florida, all as more particularly described in Exhibit "A" Parcel A attached hereto and made a part hereof by reference (the same constituting the "Leased Premises").

Section 2. Term. The term of this Ground Lease shall commence on the Effective Date and terminate on June 30, 2053 with a possible 20 year extension at the sole discretion of Lessor unless earlier terminated as provided herein.

Section 3. Use of Leased Premises.

(a) **Student Housing.** The Leased Premises shall be used by Lessee solely for the purpose of constructing the Project to be operated and managed by Sublessee or Lessee's designee at the

direction of Lessor and for no other purpose whatsoever. The Project shall further consist of such other support facilities, necessities and amenities related to such Project.

(b) Compliance with Rules and Regulations. Lessee shall not use or permit the Leased Premises to be used in violation of any valid present or future laws, ordinances, rules or regulations of any public or governmental authority at any time applicable thereto relating to sanitation or the public health, safety or welfare, or relating to the construction and operation activities in, and use of, the Leased Premises or the Project.

(c) Commercial Facilities Prohibited. It is understood and agreed by the parties hereto that no part of the Leased Premises may be used for construction or operation of any commercial facilities whatsoever, provided that concessions, franchises, coin operated equipment and machines of a similar nature, to provide services such as food, beverage, laundry, telecommunication or other services that are installed and maintained for the convenience of users of the Project shall not be considered commercial facilities for purposes of this section.

Section 4. Rental. Throughout the term of this Ground Lease, Lessee covenants and agrees to pay to Lessor, as base rent, an amount equal \$1.00 per annum as additional consideration for the Lease.

Section 5. Ownership of Improvements and Surrender of Leased Premises.

(a) Ownership. Lessee shall at all times during the term of this Ground Lease have title to all improvements made to the Leased Premises by Lessee and shall own all personal property acquired by the Lessee and placed on the Leased Premises during the term of this Ground Lease. Upon the termination of this Ground Lease with respect to any portion of the Leased Premises (whether by expiration of the term hereof or prior termination for any cause set forth herein) title to all improvements and ownership of all personal property on that portion of the Leased Premises shall thereupon vest in Lessor or its successor in interest. Lessee shall, nonetheless, thereafter execute and deliver to Lessor such evidence of title as Lessor may reasonably request.

(b) Surrender of Leased Premises. Lessee shall, on or before the last day of the term hereof or upon the sooner termination hereof for any cause set forth herein with respect to any portion of the Leased Premises, peaceably and quietly surrender to Lessor the Leased Premises together with all improvements and all furniture, furnishings, and equipment (except for any commercial or other equipment not owned by Lessee) located in or upon that portion of the Leased Premises, free and clear of any liens and encumbrances other than permitted encumbrances.

(c) Lessee's Obligations. Contemporaneously with the expiration of the term hereof or sooner termination of this Ground Lease for any cause set forth herein with respect to any portion of the Leased Premises, Lessee shall immediately execute and/or deliver to Lessor the following (but nothing contained herein shall in any way limit or impair the rights of Lessor in the event of a default by Lessee):

1. Such documents of title and other instruments as Lessor may request to enable Lessor's ownership of all improvements and all furniture, furnishings and equipment located on that portion of the Leased Premises to be reflected of record; and
2. All books, records, construction plans, surveys, permits and other documents relating to, and necessary or convenient for the operation of, the Project constructed on that portion of the Leased Premises.

(d) Abandonment. Any personal property of Lessee or any sublessee or of any other person (except for vending machines or other commercial equipment) that remains on the Leased Premises after expiration of the term of this Ground Lease and for thirty (30) days after request by Lessor for removal, shall, at the option of Lessor, be deemed to have been abandoned and may be retained by Lessor as its property or be disposed of without accountability, in such manner as Lessor may see fit.

Section 6. Lessor's Interest Not Subject to Certain Liens.

- (a) It is mutually intended, stipulated and agreed that the Lessor's fee simple interest in the Leased Premises shall not be subjected to liens of any nature arising by reason of the construction of improvements upon the Leased Premises or by reason of any other act or omission of Lessee or any person claiming under, by or through Lessee, including, but not limited to, mechanics' and materialmen's liens. All persons dealing with Lessee are hereby placed on notice that any improvements constructed upon the Leased Premises are the property of Lessee and are constructed for Lessee's use and benefit, and that they should not look to Lessor or to Lessor's credit or assets for payment or satisfaction of any obligations incurred therefore. Lessee has no power, right or authority to subject Lessor's fee simple interest in the Leased Premises to any mechanics' or materialmen's lien or claim of lien. Each of the parties hereto agree that a memorandum of this Ground Lease and any supplements hereto will be recorded in the property records of Putnam County, Florida.
- (b) In the event a lien, claim of lien or order for the payment of money shall be imposed against the Leased Premises or the Project resulting from or arising out of any act or omission of Lessee or any person claiming under, by or through Lessee, Lessee shall, within thirty (30) days after receipt of notice of the imposition of such lien, claim or order, cause the same to be discharged, satisfied, canceled or released, and the Leased Premises and the Project to be released therefrom, by the payment of the obligation secured thereby or by the furnishing of a bond or by any other method which may be prescribed or permitted by law, Lessee shall thereupon furnish Lessor with evidence of having done so in form satisfactory and requisite for recording in the Office of the Clerk of the Circuit Court, Putnam County, Florida.
- (c) Should Lessee desire to litigate the validity of any lien or claim of lien, nothing herein shall preclude Lessee from doing so, provided that Lessee shall have first posted an appropriate and sufficient bond in favor of claimant and thereby obtained the release of the Leased Premises and the Project from such lien. If judgment is obtained by the claimant of any lien, Lessee agrees to pay the same immediately after such judgment shall have become final and the time for appeal therefrom has expired. Lessee shall, at its own expense, defend the interests of Lessee and Lessor

in any and all such suits. Lessor may, at its own expense, engage its own counsel and assert its own defenses, in which event Lessee agrees to cooperate with Lessor and make available to Lessor all information and data deemed by Lessor to be necessary or desirable for such defense.

Section 7. Insurance.

Lessor shall obtain and maintain, at Lessee's expense, such insurance coverages and limits as agreed to in writing by both Lessor and Lessee.

Section 8. Condition of Leased Premises - Fill, Utilities.

(a) Lessee agrees to accept the Leased Premises in their presently existing condition, "as is."

(b) It is understood and agreed that Lessor has not determined that the Leased Premises will safely or adequately support the type of improvements desired to be erected and maintained by Lessee upon the Leased Premises.

(c) Lessor, at its sole expense, shall bring or cause to be brought to the Leased Premises adequate connections for water, electrical power, storm sewerage and sewerage, and shall arrange with the appropriate utility companies for furnishing such services. Lessee shall have the right, at its own expense, to request and receive telephone and communication services from the utility companies furnishing such services subject to the customary rules and regulations of said utility companies whether the companies deliver such services directly through their own conduits or pipes, or through conduits and pipes owned by Lessor. Lessor agrees to grant such utility companies' rights of access over, under and across the remaining property of Lessor as shall be necessary and convenient for the efficient operation of the housing system facilities, and which do not materially impair the present and future uses of the remaining property of Lessor. Any construction or extension of facilities shall be subject to prior written approval of Lessor, and shall be made without cost to Lessor.

(d) Lessee shall at all times prevent entrance of objectionable quantities of deleterious wastes into Lessor's sewerage system, storm water drainage system and conduit system as required by the applicable governmental authority.

(e) Drains or other facilities provided by Lessee for the purpose of disposing of storm or other waters shall conform to the requirements of all applicable governmental authorities.

Section 9. Fee Unencumbered; No Pledge of Credit of State. Under no circumstances will the fee title to the Leased Premises be encumbered other than by the leasehold interest created herein, or easements created pursuant hereto. No act taken pursuant to or in furtherance of this Ground Lease shall be, or be construed to be, a pledge of the credit of the State of Florida or any agency, department or board thereof.

Section 10. Assignment, Subletting and Mortgaging of Leasehold Interest.

(a) Lessee shall not have the right to assign this Ground Lease, or any portion thereof, or to sublease all or any portion of the Leased Premises without the prior written consent of Lessor. Any assignment of this Ground Lease or subletting of all or any portion of the Leased Premises shall be subject to Lessor's prior written consent, which consent Lessor shall not unreasonably withhold. Except as expressly permitted herein, any purported assignment, partial assignment or sublease without Lessor's prior written consent in violation of this paragraph (a) shall be null and void, and the attempt to so assign or sublease, shall constitute a default under this Ground Lease.

(b) It is expressly understood and agreed that any such assignment, sublease, sale or transfer shall not relieve Lessee of any of its responsibilities and obligations under this Ground Lease and that any and all assignees, sublessees or transferees shall be subject to, and bound by all of the applicable terms, covenants and conditions contained in this Ground Lease except that Lessee shall be relieved from any and all obligations hereunder if Lessee shall sell or assign all of its interest in the Leased Premises with Lessor's prior written consent.

Section 11. Utility Easements. Lessor reserves the right to grant nonexclusive utility easements, licenses, rights-of-way and other rights or privileges in the nature of easements to others over, under, through, across or on the Leased Premises; provided, however, that such grant is not detrimental to the use or operation of the Project, will not damage or disrupt the physical facilities of said Project, and will not impose any cost upon Lessee.

Section 12. Approval of Height of Structures. Lessee shall, with the cooperation of Lessor but at Lessee's sole expense, secure any required approvals as to the height of any buildings, structures or objects proposed to be erected upon the Leased Premises from all governmental agencies having jurisdiction.

Section 13. Indemnification of Lessor. Lessee shall defend, protect, save, hold harmless and indemnify Lessor and its officers, directors, agents, servants, employees and assigns of each, from and against any and all claims, demands, losses, costs, damages, liens, suits, judgments, penalties, expenses, and liabilities of any kind or nature whatsoever (including attorneys' fees) which are caused by any acts or omissions of Lessee, its employees, servants or agents except where such are caused by the tortious, unlawful or negligent conduct of those indemnified hereunder.

Section 14. Taxes and Fees.

(a) Lessee agrees to pay any applicable taxes, assessments, license fees and charges on goods, merchandise, fixtures, appliances, equipment and property in or about the Leased Premises.

(b) It is understood that Lessor is exempt from ad valorem taxation with respect to its facilities that are used for its purposes. However, should the Leased Premises or any interest therein or improvement (including the Project) thereon ever become subject to any taxes of any kind, Lessee agrees to pay any and all such lawful taxes, assessments or charges which at any time may be levied by any federal, state, county, city, or any tax or assessment levying body upon the

Leased Premises, or any interest in this Ground Lease, or any possessory right which Lessee may have in or to the Leased Premises or the Project thereon by reason of its use or occupancy thereof or otherwise.

(c) Notwithstanding the foregoing provision, Lessor shall, after notifying Lessee of its intention to do so, have the right to contest in good faith by all appropriate proceedings the amount, applicability or validity of any such tax or assessment, and in connection with such contest Lessor may refrain from paying such tax or assessment so long as such contest will not, in the opinion of Lessor's attorney, subject any part of the Leased Premises or the Project to forfeiture or loss, in which event such taxes, assessments or charges shall be paid promptly. Lessee shall, upon request by Lessor, assist and cooperate with Lessor in any such proceedings and Lessee shall bear any costs or expenses of Lessee in connection with the rendering of such assistance. This provision shall in no way be construed as restricting Lessee from contesting, at its own expense, the legality of such tax or assessment if it so desires.

Section 15. Default by Lessee.

(a) Each of the following events shall be deemed a default by Lessee hereunder and a breach of this Ground Lease:

1. If Lessee shall fail to pay, when due, any rent or portion thereof, or any other sum which Lessee is obligated to pay under the terms of this Ground Lease, and such sums remain unpaid for a period of thirty (30) days after receipt of written notice by Lessee from Lessor;
2. If Lessee shall attempt to assign this Ground Lease, or any portion thereof, in violation of the terms of this Ground Lease, or to sublease any portion of the Leased Premises in violation of Section 10 hereof;
3. If Lessee shall use the Leased Premises and/or the Project for any purposes not expressly permitted by this Ground Lease, and such use shall continue for a period of fifteen (15) days after Lessor shall have given written notice to Lessee to desist from such use;
4. If Lessee shall abandon the Leased Premises and/or the Project;
5. If Lessee shall otherwise fail to comply with any other covenant or condition of this Ground Lease and such failure to comply shall continue for a period of fifteen (15) days after receipt of written notice thereof by Lessee from Lessor.

(b) In the event that any of the items of default set forth in subparagraphs (a) 3. or (a) 5. above is of such nature that it cannot be remedied within the time limits therein set forth, then Lessee shall have such additional time as is reasonably necessary to cure such default, provided Lessee commences the curing of such default within said time limits and proceeds to completely cure the same in a timely and diligent manner.

(c) Lessor will send to the Lender all notices of default it sends to Lessee at the same time it sends such notice to Lessee.

Section 16. Remedies of Lessor.

(a) Upon the occurrence of any event of default Lessor may then terminate this Ground Lease by written notice to Lessee and re-enter upon and take possession of the Leased Premises and the Project. In the event Lessor elects to avail itself of the rights and remedies contained in this Section, then such election by Lessor shall entitle Lessor to assume all of Lessee's right, title and interest in and to the Project, as well as all structures and improvements on the Leased Premises, and the furniture, furnishings, fixtures and equipment therein or thereon all subject to the interests of the Sublessee under its sublease, and Lessee shall surrender and deliver possession of the same to Lessor. In addition to the foregoing remedy, Lessor shall be entitled to collect from Lessee any and all costs, including reasonable attorney's fees, which Lessor may incur by reason of Lessee's default hereunder. All of Lessor's rights and remedies shall be subject to Sublessee's rights and interests under the terms of its sublease.

(b) In no event shall the Lessor terminate this Ground Lease prior to the payment in full of the indebtedness of Sublessee under its sublease with Lessee without the prior written consent of the Sublessee's lender.

Section 17. Waivers. No waiver by Lessor at any time of any of the terms, conditions, covenants or agreements of this Ground Lease, or non-compliance therewith, shall be deemed or taken as a waiver at any time thereafter of the same, nor of any other term, condition, covenant or agreement herein contained, nor of the strict and prompt performance thereof by Lessee. No delay, failure or omission of Lessor to re-enter the Leased Premises, nor to exercise any right, power, privilege or option arising from any default shall impair such right, power, privilege or option, or be construed to be a waiver of any such default, relinquishment thereof or acquiescence therein, and no notice by Lessor shall be required to restore or revive time as being of the essence hereof after waiver by Lessor of default in one or more instances. No option, right, power, remedy or privilege of Lessor shall be construed as being exhausted or discharged by the exercise thereof in one or more instances. It is agreed that each and all of the rights, powers, options or remedies given to Lessor by this Ground Lease are cumulative, and no one of them shall be exclusive of the other or exclusive of any remedies provided by law.

Section 18. Waiver of Claims. Lessee hereby waives any claim against Lessor and all of its officers, agents or employees thereof for loss of anticipated profits or other damages caused by any suit or proceeding by any third party directly or indirectly attacking the validity of this Ground Lease or any part hereof, or by any judgment or award in any suit or proceeding declaring this Ground Lease null, void or voidable, or delaying the same, or any part hereof by any third party, from being carried out. In the event a suit or other proceeding results in this Ground Lease or any part hereof being declared void or invalid the parties hereto agree to enter into renegotiation efforts to arrive at a valid agreement which will be satisfactory to both parties and the Lender. Lessor hereby represents and warrants that Lessor is duly authorized to enter into this Ground Lease.

Section 19. Quiet Enjoyment. Lessor agrees that Lessee, upon the payment of the rent and all other payments and charges to be paid by Lessee under the terms of this Ground Lease, and observing and keeping the agreements and covenants of this Ground Lease on its part to be observed and kept, shall lawfully and quietly hold, occupy and enjoy the Leased Premises during the term of this Ground Lease, without hindrance or molestation.

Section 20. Terms Binding Upon Successors. All the terms, conditions and covenants of this Ground Lease shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

Section 21. Condemnation.

(a) In the event that any person or corporation, public or private, shall by virtue of eminent domain or condemnation proceedings, or by purchase in lieu thereof, at any time during the term of this Ground Lease acquire title to the Leased Premises (which for the purpose of this Section only shall include not only the land hereby demised but also the Project and other improvements erected thereon by Lessee) or acquire title to such substantial portion thereof that Lessee cannot make use of the residue for the purposes intended by this Ground Lease, such acquisition of title shall terminate this Ground Lease, effective as of the date on which the condemning party takes possession thereof. Lessor and Lessee shall be entitled to separate awards with Lessor entitled to the value of the land taken and all damages to the remainder property, including, without limitation, severance damages, and Lessee entitled to the cost of the improvements taken and any damages relating thereto.

(b) If the condemning party acquires title to a portion of the Leased Premises only, and Lessee can make beneficial use of the residue thereof for the purposes intended by this Ground Lease, then this Ground Lease shall continue in full force and effect and the total proceeds of condemnation after payment of reasonable attorney's fees and other necessary expenses incurred by either party in connection therewith shall be applied first to the repair or restoration of the housing system facilities by Lessee in accordance with plans and specifications approved by Lessor. Any remaining balance of the condemnation proceeds shall be for the benefit of Lessor.

(c) It is understood that the foregoing provisions of this Section shall not in any way restrict the right of Lessor or Lessee to appeal the award made by any court or other public agency in any condemnation proceeding.

Section 22. Estoppel Certificates. Lessor, at any time and from time to time, upon not less than thirty (30) days' prior written notice from Lessee, will execute, acknowledge and deliver to Lessee or to whomsoever Lessee may direct or to the Lender on the request of the Lender, a certificate of Lessor certifying that this Ground Lease is unmodified (or, if there have been any modifications, identifying the same); that this Ground Lease is in full force and effect; and that there is no default hereunder (or, if so, specifying the default).

Section 23. Miscellaneous.

(a) Laws of Florida Govern. This Lease shall be governed by and be construed in accordance with the laws of the State of Florida without regard to conflict of laws principles.

(b) Force Majeure. Except as otherwise expressly provided herein, neither party shall be responsible for any delay in their respective performances called for under this Ground Lease which is caused by acts of God, war, national emergency, labor strike, shortages of material, or governmental regulations or control.

(c) Notice and Delivery. Any notice required or desired to be given hereunder, or any items required or desired to be delivered hereunder, may be served or delivered personally or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to Lessor:

The District Board of Trustees of St. Johns River State College

5001 St. Johns Avenue

Palatka, Florida 32177

Attention: Office of the President

With a copy to:

Office of Vice President for Legal Affairs/General Counsel

St. Johns River State College

5001 St. Johns Avenue

Palatka, Florida 32177

Attention: General Counsel

If to Lessee:

St. Johns River State College Student Housing Corporation

5001 St. Johns Avenue, M8-314B

Palatka, Florida 32177

Attention: Chairperson

In either case, with a copy to the Lender:

Barwick Banking Company
110 Plantation Island Drive South
St. Augustine, FL 32080

or such other address as the party to be served may direct by written notice to the other party. If such notice is sent or delivery is made by registered or certified mail, such notice or delivery shall be deemed served, made and effective seventy-two (72) hours after posting.

(d) Entire Agreement. It is mutually acknowledged and agreed by the parties hereto that this Ground Lease, any supplements hereto and the exhibits to this Ground Lease contain the entire agreement between Lessor and Lessee with respect to the subject matter of this Ground Lease; that there are no verbal agreements, representations, warranties or other understandings affecting the same; that Lessee, as a material part of the consideration hereof, hereby waives all claims against Lessor for rescission, damages or any other form of relief by reason of any alleged covenant, warranty, representation, agreement or understanding not contained in this Ground Lease; and that any purported change, modification, release, discharge or waiver of any provision contained herein shall be of no force, effect, or value, unless set forth in writing and signed by the party to be bound.

(e) Relationship of the Parties. Nothing herein contained shall be deemed to create a partnership or joint venture, nor shall the relationship between the parties be construed as principal and agent, or other than Lessor and Lessee.

(f) Captions. The captions of this Ground Lease are inserted solely for convenience of reference, and under no circumstances are they, or any of them, to be treated or construed as part of, or as affecting, this Ground Lease.

(g) Further Assurances. At and after the execution of this Ground Lease, Lessor and Lessee will, without further consideration, execute and deliver such further instruments and documents and do such other acts and things as the other party or parties may reasonably request in order to effect or confirm the transactions contemplated by this Ground Lease.

(h) Exculpation / Non-Recourse. Lessee's obligations hereunder and/or under any other document, including, but not limited to, Lessee's obligation under Section 13 hereof, shall be non-recourse and collectible out of, and only out of, the Lessee's interest in the Leased Premises and there shall be no other recourse to the Lessee.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, Lessor and Lessee have caused this Ground Lease to be executed in duplicate, either of which may be considered an original, the day and year first above written.

LESSOR:

THE DISTRICT BOARD OF TRUSTEES OF ST. JOHNS RIVER STATE COLLEGE, acting for and on behalf of **ST. JOHNS RIVER STATE COLLEGE**

By:_____

Print Name: Wendell D. Davis

Its: Chair

WITNESSES AS TO LESSOR:

Print Name:_____

Print Name:_____

APPROVED AS TO FORM & LEGALITY

General Counsel

LESSEE:

ST. JOHNS RIVER STATE COLLEGE STUDENT HOUSING CORPORATION

By:_____

Print Name: Joe H. Pickens

Its:

WITNESSES AS TO LESSEE:

Print Name:_____

Print Name:_____

EXHIBIT "A" (to Ground Lease)

DESCRIPTION OF THE LEASED PREMISES

LEGAL DESCRIPTION

Parent Parcel: 10-10-26-0000-0010-0000

Parent OR Book-247, Pg-628

Parcel A

Commencing at the NE 1 / 4 of the NE 1 / 4 of Section 10, Township 10 South, Range, 26 East,; Thence Southerly along the Easterly Line of Section 10, S00° 45'35"E, 177.07'; Thence leaving said section line Westerly, S89° 14'25"W, 50.00' to a point on the Westerly ROW of Moody Road at the Southerly ROW of St. Johns Ave, said point also being the NE Corner of the Parent Tract of the Lands Described and Recorded in OR Book-247, Pg- 628; Thence Southerly along the Westerly ROW of Moody Road, S00° 45.35"E, 1051.67'; Thence leaving said ROW and heading westerly, N90° 00'00"W, 546.17', to the Point of Beginning and NE Corner of Parcel A. From the Point of Beginning for Parcel A, Thence the following 6 course and distances, (1) S00° 00'00"E. 255.81'; (2) N90° 00'00"W. 278.44'; (3) N00° 00'00"E. 111.63'; (4) N63° 54'12"E. 119.15'; (5) N15° 29'06"E. 95.22'; (6) N90° 00'00"E. 146.02' to the Parcel A Point of Beginning.

EXHIBIT C-1

Construction Period Insurance

Tenant agrees to furnish a current Certificate(s) of Insurance to Landlord as evidence that the following coverages remain in effect:

- **Builders Risk Insurance.** Tenant shall obtain and maintain builder's risk insurance on a completed value form, at replacement cost, covering the full value of the construction being performed, including where applicable, the existing structure. Such policy shall be written on an all-risk coverage form including flood and windstorm coverage, only containing exclusions acceptable to Landlord in writing, and shall include coverage for reasonable compensation for professional services and expenses required as a result of such insured loss. This insurance shall insure the interests of Tenant, subcontractors, and sub-subcontractors in the work. Property covered by the insurance shall include temporary buildings or structures at the Project site and portions of the work, materials, and equipment stored offsite or in transit. The Landlord and BTITF shall be named as "Additional Insureds", and the policy shall include a waiver of subrogation endorsement.
- **Worker's Compensation and Employer's Liability Insurance.** Worker's Compensation insurance shall be obtained in accordance with Chapter 440 Florida Statutes with the prescribed limits of liability for all employees who will be working at the project site whether working for contractor or any subcontractor. Tenant and its insurance carrier waive all subrogation rights against Landlord.
- **Public Liability Insurance.** Comprehensive general liability (broad form) including Property-operations, products/completed operations, contractual liability, and explosion, collapse and underground (XCU) coverages. The limits of liability must be at least \$1,000,000 each occurrence, \$5,000,000.00 annual aggregate combined single limits for bodily injury and property damage liability. The limit may include umbrella or excess liability insurance. The Landlord and the Board shall be named as "Additional Insureds." Tenant's insurance coverage shall be primary insurance with respect to Landlord, its officials, and employees. Tenant's insurance shall protect from claims which may arise whether such claims may arise out of operations of the Tenant or by anyone directly or indirectly employed by Tenant.
- **Comprehensive Automobile Liability Insurance.** All owned, hired, leased or non-owned vehicles used on the construction project shall be covered. Policy limits shall be at least \$500,000 each occurrence, \$1,000,000 annual aggregate combined single limit for bodily injury and property damage liability. This limit may include umbrella or excess liability insurance. Landlord and the Board shall be named as a "Additional Insureds."
- **Professional Liability Insurance.** All architects, engineers and consultants providing design services for the Project shall maintain professional liability insurance of \$1,000,000 per claim, \$5,000,000 aggregate, naming Tenant, Landlord and the Board as "Additional Insureds." This insurance shall be written on a claims-made form, and it shall continue for five (5) years following completion of the performance or the attempted performance of the provisions of the contract for construction.

All of the above policies shall be issued by insurance companies authorized to do business in the State of Florida and with general policy holder's rating of not less than A- and a financial rating of not less than Class VIII as rated in the most current available "Best's" insurance reports.

The above paragraphs establish minimum insurance requirements. It remains the responsibility of the Tenant and/or the contractor to secure and maintain any additional insurance that may be necessary in connection with the construction contract.

Tenant's procuring of insurance policies required hereunder shall not relieve Tenant of any obligation or liability assumed under this Ground Lease, including indemnity obligations.

Tenant waives and shall cause insurers of each Contractor and subcontractors to waive all rights and claims against Landlord and the Board for all claims, losses or damages covered by such policies of insurance, and all rights of subrogation of its insurers.

EXHIBIT C-2
Operating Period Insurance

Tenant shall, after the Project is constructed, obtain and maintain at its expense, the following policies of insurance covering activities performed under and contractual obligations undertaken during the Lease Term. Insurance requirements established hereafter shall be increased by Tenant, if necessary, to meet any statutory insurance requirements which may be established by Florida Statutes, rules, or regulations.

- **Commercial Property Insurance:** Project and Improvements shall be insured against loss by fire, windstorm, lightning, vandalism, malicious mischief and other hazards customarily insured by extended coverage, all risk (now known as causes of loss-special form), for their full replacement value, which shall be adjusted from time to time to reflect current replacement value. Landlord shall be named as an Additional Insured as its interests may appear.
- **Worker's Compensation and Employer's Liability Insurance:** Worker's Compensation insured shall be obtained in accordance with Chapter 440 Florida Statutes with the prescribed limits of liability for all employees who will be working at the project site whether working for Landlord or any subcontractor.
- **Commercial General Liability Insurance:** Broad form comprehensive general liability insurance including Property-operations, products, completed operations and contractual liability, and explosion, collapse and underground (XCU) coverages. Limits of coverage shall be at least \$2,000,000.00 combined single limits for bodily injury and property damage liability, and \$5,000,000 excess umbrella coverage. Landlord shall be named as an "Additional Insured." Tenant's insurance coverage shall be primary insurance with respect to Landlord, its officials, and employees. Tenant's insurance shall protect from claims which may arise whether such claims may arise out of operations of the Tenant or by anyone directly or indirectly employed by Tenant.
- **Comprehensive Automobile Liability Insurances:** All owned, hired, leased or non-owned vehicles used by the Tenant shall be covered. Policy limits shall be at least \$1,000,000 each occurrence combined single limit for bodily injury and property damage liability.

The above policies of insurance must be with insurance companies authorized to do business in the State of Florida and with general policy holder's rating of not less than A and a financial rating of not less than Class X as rated in the most current available "Best's" insurance reports and locally qualified to do business. Tenant shall furnish a current Certificate(s) of Insurance to the Landlord as evidence that the above required insurance coverages remain in effect. Executed copies of such policies of insurance shall be delivered to Landlord within ten (10) days after delivery of possession of the Property, and thereafter Tenant shall endeavor in good faith to deliver executed copies of renewal policies to Landlord within thirty (30) days prior to the expiration of the term of each existing policy. All public liability and property damage policies shall contain a provision that Landlord, although named as an insured, shall nevertheless be entitled to recover under such policies for any loss occasioned to it, its servants, agents and employees by reason of the negligence of Tenant. As often as any such policy shall expire or terminate, renewal or additional policies shall be procured and maintained by Tenant in like manner and to like extent.

The policies of insurance described in Exhibit C-2 are minimum insurance requirements. It remains the responsibility of Tenant, each Contractor and each subcontractor to secure and maintain any additional

insurance policies that may be necessary or advisable in connection with the work related to the Project. The absence of a requirement herein for any type of insurance policy or insurance coverage, or for higher coverage limits shall not be construed as a waiver of Tenant's, Contractors' and all subcontractor's obligations to carry and maintain the types of insurances at limits that are appropriate to the liability exposure associated with design, equipping and operating the Project.

Tenant waives and shall cause insurers of each Contractor and subcontractors to waive all rights and claims against Landlord and the Board for all claims, losses or damages covered by such policies of insurance, and all rights of subrogation of its insurers.

Tenant hereby represents and warrants that Tenant's insurance policies and those of contractors and subcontractors shall be endorsed so that such waiver of subrogation shall not affect Tenant's rights to recover thereunder.