

LEASE AGREEMENT

THIS LEASE entered into on the _____ day of _____, 2013, between **THE CITY OF LEESBURG, FLORIDA**, hereafter referred to as "LESSOR", and **BEACON COLLEGE, INC.**, hereafter referred to as "LESSEE,"

WITNESSETH:

Lessor hereby leases to Lessee, and Lessee leases from Lessor, the premises described as 300 North Palmetto Street, Leesburg, Florida, legally described as:

Begin at the NW corner of Lot 1 of L.B. Lee's Subdivision of Blocks 49 & 51 of City of Leesburg, Florida, according to the plat thereof as recorded in Plat Book 2, page 19, Public Records of Lake County, Florida, run thence Easterly along the Northerly line of said Lot 1 a distance of 220.34 feet to the Westerly r/w of Park Avenue; thence Northerly along the Westerly r/w and the extension of said Westerly r/w of Park Avenue to a point that is 50.0 feet from when measured at right angles thereto the centerline of the main track of the S.C.L. Railroad; run thence Southeasterly parallel to and 50.0 feet from said centerline of the main track to the centerline of Park Avenue; thence Northerly along said centerline of Park Avenue North to a point that is 15.0 feet from when measured at right angles thereto the centerline of the main track of the S.C.L. Railroad; run thence Northwesterly parallel to and 15.0 feet from said centerline to the Westerly r/w of Palmetto Street; thence Southerly along said Westerly r/w of Palmetto Street to the Northerly line of Lot 1; extended Westerly; thence Easterly along the extended Northerly line of Lot 1 a distance of 40.0 feet to the P.O.B.

under the terms and conditions set forth below:

1. TERM. The term of this Lease shall be for an initial period of ten years, commencing as of August 1, 2013, and ending at midnight on the last day of July, 2023. At the end of the term, this Lease shall renew automatically for an additional term of ten years, at the end of which it shall once again renew automatically for a third term of ten years, unless Lessee provides Lessor written notice of Lessee's intent not to renew the lease, not less than 90 nor more than 180 days prior to the end of the term then in effect.

2. RENT. Rent shall be paid annually, in advance, in the amount of \$100.00 per year, plus all applicable sales tax. Each installment of Rent is payable in advance, on the 1st day the month of July in each year of the term, and shall be paid to LESSOR at 501 West Meadow

Street, Leesburg, Florida 34748, or in such other manner as Lessor may, from time to time, direct by written notice to Lessee.

Lessee acknowledges and agrees that it is responsible for paying the Rent promptly, and that failure to do so will constitute a default under this lease and entitle Lessor, after the 10th day following the date on which rent is due, and the giving of three days written notice of default to Lessee, to pursue any remedy allowed by law or under this lease for a default. If rent is not paid within 5 days after it first falls due, a late fee in the amount of 5% of the rental amount overdue will be imposed. If Lessee tenders a check which is returned unpaid for insufficient funds or other reasons, Lessor may insist that all future payments be made by cashier's check, money order, wire transfer or other certified and cleared funds.

3. USE. The premises shall be used only for educational and recreational purposes for the students of Beacon College, and for public access as provided more particularly below, and no other use shall be made of the premises without the prior, written consent of Lessor. The Lessee shall make no unlawful or offensive use of the premises, nor shall any activity be carried on at the premises which constitutes a nuisance to surrounding property.

Lessee shall not allow the production, use, handling or storage, of illegal, dangerous or toxic chemicals or substances, machines or equipment causing excessive noise or dust particles or anything else of any nature whatsoever which would be injurious to the building or property in the reasonable opinion of Lessor. Lessee shall clean up any environmental contamination on the property which is determined to be the result of Lessee's use and occupation thereof, and shall indemnify Lessor against all claims for damages or other relief, plus attorney's fees and costs, due to Lessee's improper or unlawful production, use, handling, storage, or disposal of any hazardous or toxic wastes or substances, as such may be defined from time to time by any local,

State or Federal agency (provided however that Lessee shall have no obligation of indemnity or remediation arising from any contamination of the property which is present before Lessee goes into possession under this Lease). Lessor acknowledges that, prior to the Lessee assuming possession of the premises under this Lease, the existing bike trail located adjacent to the north side of the property was previously used as a railroad right-of-way. Therefore, should any contaminants be found on the premises as a result of such prior use Lessee shall have no responsibility for any remediation that may be required of said contaminants. Lessee shall be responsible for the acts and behavior of its officers and employees, licensees, invitees, agents, clients, customers and anyone else on Lessee's premises.

Without in any way limiting the generality of any other provision of this Lease related to the use of the premises, Lessee shall refrain from the following activities at the premises: dry cleaning plant, discotheque, dance hall, nightclub, amusement gallery, pool room, health spa, adult entertainment facility, massage parlor, adult book store, pin ball or electronic game room, a so-called "head shop", funeral parlor, flea market, bingo parlor, cafeteria, sale, rental or lease of automobiles, trucks, other motorized vehicles, or trailers, or car wash. No loudspeakers, television sets, phonographs, radios or other devices shall be used in a manner so as to be heard outside of the leased premises. The following types of sales shall not be conducted on or about the premises: sales using the auction method of selling, fire sales; and closing out, lost lease, moving, going out of business or any similar sales. In addition, the premises shall not be used for a day care center, or a restaurant and/or cocktail lounge of a parking intensive nature, nor shall any alcoholic beverages be sold at the premises at any time.

Since the building and property being leased are public, Lessee shall endeavor to allow access to the public periodically. As part of that effort, Lessee will provide free public wi – fi

access, an outside rest area for the adjacent public recreational trail (which may but is not required to include vending machines), art programs open to the public, outdoor sculptures, seminars and other events open to the public. Snacks and nonalcoholic drinks may be sold or served during or outside public access periods.

4. DEPOSIT. To secure performance by Lessee of its financial obligations hereunder, a security deposit of \$500.00 has been placed with Lessor at the time of execution of this Lease, which will be held in a non-interest bearing account. Upon any default by Lessee under this lease, Lessor may at its sole option recover any damages resulting from such default directly from Lessee as provided more particularly below, or Lessor may at any time withdraw from the security deposit an amount sufficient to compensate Lessor for such damages, and if such damages exceed the security deposit amount, Lessor may recover the difference from Lessee directly, it being specifically understood that the amount of the security deposit does not in any way limit the liability of Lessee for damages under this lease. The deposit will be returned to Lessee at the end of this lease, less any amounts retained by Lessor to compensate it for damages. However, prior to any refund, Lessee must present paid receipts indicating that all bills for services to the premises have been paid, together with such other proof as Lessor may reasonably require to establish that Lessee's debts and obligations attributable to the premises have been paid. This deposit is not payment of rent and shall not be considered as such by Lessee, which is responsible for payment of each and every installment of rent hereunder without regard to the security deposit.

5. UTILITIES. All utilities and services to the premises, including but not limited to electricity, water, refuse and garbage service, sewage disposal and pollution abatement charges, impact fees, cable television, data transmission, telephone and other

telecommunications, pest control, and janitorial service, shall be secured and paid for by Lessee, who shall hold Lessor harmless from any loss or damage, including attorney's fees, arising out of failure by Lessee to pay all utility charges when due. Upon termination of this Lease, Lessee shall not be entitled to a refund of any portion of the security deposit until receipts are provided to Lessor indicating that all utility charges due for service to the premises prior to termination have been paid.

Lessee shall obtain at its expense a dumpster or other appropriate garbage and trash receptacle which can be locked or secured to prevent garbage and trash from being removed unnecessarily, blown or scattered in the surrounding area. The receptacle shall be closed at all times except when garbage or trash is being deposited or properly removed. In case garbage or trash attributable to Lessee is scattered outside of the receptacle so as to constitute an unclean, unattractive or unsanitary condition, Lessor may, at its option, have the refuse cleaned up and bill Lessee for the reasonable cost thereof by adding the same to the next rent installment due as additional rent to become due and payable to Lessor. If the cleanup costs are not paid within 45 days of billing, Lessor may pursue collection in a civil action for damages, or may elect to terminate this Lease without thereby waiving the right to collect the amount due from Lessee as damages. No garbage or trash, including but not limited to paper and cardboard, shall be bundled or left outside of the required and approved receptacle for garbage and trash. If Lessee contracts with a company other than the municipal or county authorized waste removal service or franchisee for removal of certain items of trash or recyclable materials, Lessee shall require that company to clean up all trash and material left behind during the collection process, and if any such company demonstrates a pattern of leaving behind trash or waste material due to careless collection procedures, resulting in the littering of the common areas, in addition to any other

remedies available to it under this Lease, Lessor may compel Lessee to terminate its contract with such company and may bar such company from operating at the premises.

6. TAXES. Lessee shall pay all sales taxes due on the rent or other charges paid by Lessee to, or on behalf of, Lessor under this lease, and all personal property taxes assessed against Lessee's property kept at the premises, together with any intangible personal property or ad valorem taxes assessed the property or against this leasehold interest. Lessor shall not be obligated to pay any taxes on the property and Lessee shall indemnify Lessor and hold it harmless against any and all claims for unpaid taxes attributable to the property or Lessee's occupancy of the property. If and to the extent Lessee claims to be exempt from any sales, personal property or ad valorem taxes, Lessee shall supply Lessor with proof of exemption at the commencement of the lease term, and periodically upon reasonable requests of Lessor thereafter. All responsibility for asserting and keeping in force any tax exemption shall lie with Lessee.

7. INSURANCE. Lessee shall obtain insurance on the building against damage by fire and other casualty, with Lessor shown as an additional insured party as its interests in the property may appear. Lessee is responsible for insuring its own personal property on the premises. Also, Lessee shall at its expense procure, and maintain in force throughout the term, the following policies of insurance:

- A. Public liability insurance against any and all claims and demands resulting from injuries received in connection with Lessee's occupancy of the premises, with limits of not less than Two Million Dollars (\$2,000,000.00) combined single limit coverage for damages incurred or claimed for death or bodily injury, or for damages to property, with Lessor shown on the policy as an additional insured. The amount of insurance which Lessee is required to carry under this sub-

paragraph shall not be construed as a limitation on the damages owed by Lessee to Lessor in the event of a covered incident, and if judgment is entered against Lessor as a result of a covered incident which exceeds the amount of insurance Lessee is required to carry, Lessee shall be responsible for the difference and pay it immediately to Lessor as additional rent hereunder.

- B. Workers' Compensation Insurance, providing coverage against injury to Lessee's employees on the premises, to the full extent required by law.
- C. Any other policies of insurance or special endorsements which Lessor may reasonably request from time to time due to changes in circumstances, or to any special risks arising out of Lessee's operations.

The original of each such policy of insurance, or a complete duplicate, shall be delivered to Lessor by Lessee prior to occupancy of the premises by Lessee, together with evidence that the premiums have been paid. Each policy shall contain a provision that it may not be canceled for any reason without thirty (30) days prior, written notice being given to Lessor by the insurer, and a waiver of subrogation in favor of Lessor. All policies shall be issued by insurers of recognized responsibility, which are licensed to do business in Florida, with at least an "A" rating by A.M. Best.

8. MAINTENANCE. Lessee shall repair any major structural defects or damages caused by the negligent or deliberate acts of Lessee, its agents, servants, or employees. Lessee shall conduct all maintenance on the interior of the building, change air conditioning filters every 60 days or on an as needed basis, whichever is more frequent, and repair any damages caused by the negligent or deliberate acts of Lessee, its agents, servants or employees, or any independent contractors retained by Lessee. All repairs to or replacements of the plumbing, electrical, and

HVAC systems shall also be the sole responsibility of Lessee. In addition, Lessee shall maintain the roof, the building exterior, the parking areas, and the grounds and common areas on the exterior of the building. The premises shall be returned to Lessor at the end of this Lease in as a good a condition, or better, as existed when Lessee took possession, ordinary wear and tear excepted. Nothing in this paragraph shall apply to damage by fire or other casualty.

9. FIRE EQUIPMENT. Lessee shall provide and maintain, at Lessee's sole expense, approved fire protection devices adequate for each room of leased premises in accordance with applicable fire safety codes and requirements. Proof of said compliance and regular inspections of the fire safety equipment shall be provided to Lessor at least annually. If it turns out a fire sprinkler system is required for Lessee's intended use, Lessee shall have the option to install the sprinkler system at its expense, or terminate this Lease with no liability to Lessee. To avoid termination of this Lease while improvements are partially completed, Lessee shall verify whether or not fire sprinklers will be necessary, prior to commencement of any other improvements or renovations.

10. ENTRY AND INSPECTION. At any reasonable time, with prior notice to Lessee at least 24 hours prior to entry, Lessor may enter the leased premises personally or through a designated agent and conduct an inspection to determine if Lessee is complying with the terms of this lease. If such inspection reveals deficiencies, Lessor may, but shall not be obligated to, make such repairs, or take any other action, as may be necessary to bring Lessee into compliance, and recover the costs thereof either from the deposit, or from Lessee, in which case the costs shall be considered additional rent due immediately from Lessee; failure by Lessee to pay these sums shall be grounds for termination of this lease. The requirement for notice 24 hours prior to entry shall not apply to inspections related to ongoing construction or renovation, nor to periodic

inspections by public safety officials such as fire inspections, conducted regularly by such officials and not intended chiefly to verify compliance with this Lease.

Lessor may show the premises to prospective purchasers and Mortgagees, and during the 90 days prior to termination of this lease, to prospective tenants, during business hours on reasonable notice to Lessee.

11. ADDITIONAL RENT. All taxes, costs, charges, and expenses which Lessee is required by this Lease to pay, together with all sales or other taxes due thereon and all interest and penalties thereon which may accrue in the event Lessee fails to pay such amounts, and all damages, costs and expenses (including attorney's fees) which Lessor may incur by reason of any failure by Lessee to comply with the terms of this Lease, shall be deemed to be additional rent, and in the event of nonpayment thereof by Lessee, the Lessor shall have the same rights and remedies with respect thereto as Lessor may have, at law, in equity, or under this lease, for nonpayment of the rent itself.

12. ALTERATIONS AND IMPROVEMENTS. No alterations or improvements to the premises shall be made by Lessee, nor shall any signs be erected, unless Lessor has reviewed the plans and specifications and given its written consent before commencement of any such work. Lessor may require Lessee to remove any unauthorized signs, alterations, or improvements, and to return the premises to their original condition, and if Lessee fails or refuses to do so then Lessor may have the necessary work done and assess the cost against Lessee, to be paid immediately upon demand. All work must conform to applicable codes and be performed by licensed and bonded contractors, and statutory performance and payment bonds shall be secured. At the end of the term or upon any earlier termination of this lease, all alterations and improvements which are affixed or attached to the premises in such a manner that

they cannot be removed without damage to the premises, shall become the property of Lessor and shall not be removed by Lessee, and all other personal property of the Lessee including but not limited to signs shall be removed and all damage to the premises caused by such removal shall be fully repaired at Lessee's expense.

In consideration for the nominal rental amount being paid under this Lease, Lessee shall renovate and restore the structure on the property, maintaining architectural compatibility (interior and exterior) with the historic nature of the building as a former railroad depot. All renovations must comply with applicable codes and regulations, including but not limited to fire and life safety codes, building codes, and the Americans With Disabilities Act requirements. Proposed renovations must be approved by the Historic Preservation Board prior to implementation and must meet the renovation guidelines for the Downtown Historic District.

13. LIENS. The Lessee shall not have the power or authority to subject the Lessor's interest in the premises to mechanics', laborers' or materialmen's liens of any kind against Lessor's interest during this Lease. If such a lien is filed, Lessee shall cause the premises to be released therefrom within five (5) days of written demand by Lessor, either by payment in full, or by posting of bond which by law releases Lessor's interest from the legal effect of such lien. Prior to commencing work, Lessee shall obtain from any contractor, subcontractor, laborer or materialmen performing work or providing materials for the premises, a waiver of lien whereby such person specifies that he or she will not impose any lien or claim against the real property by reason of the work done or materials provided. Any such work shall be done only under written contract and Lessor shall have the opportunity to approve such contract before work commences.

14. REPRESENTATIONS OF LESSOR. In order to induce Lessee to enter into this lease, the Lessor has made the following representations and no others:

- A. Lessor has good title to the premises, and the right to enter into this Lease without the joinder or consent of any other person or entity;
- B. So long as Lessee performs all the covenants and agreements of this lease, Lessee shall have quiet and undisturbed possession of the premises.

15. REPRESENTATIONS OF LESSEE. In order to induce Lessor to enter into this Lease, the Lessee has made the following representations, and no others:

- A. Lessee has inspected the premises and found them to be fit for its intended purposes.
- B. Lessee has assured itself that the zoning of the premises will permit the intended use, will not violate any zoning or land use rules during occupancy, and will obtain and keep in force all licenses and permits required for the operation of Lessee's business at the premises. Lessee will comply with all applicable federal, state and local laws, rules and regulations in the operation of its business and will adhere to all terms and conditions of any license or permit issued to Lessee in connection with its operations at the leased premises.
- C. Lessee is acting solely on its own behalf and not on behalf of any third party or undisclosed principal whomsoever.
- D. Lessee will perform and abide by each and every term, covenant and agreement of this lease.
- E. **EXCEPT FOR ANY WARRANTIES SET FORTH SPECIFICALLY IN THIS LEASE, ALL WARRANTIES OF ANY NATURE CONCERNING THE PREMISES, EITHER ORAL OR WRITTEN, EXPRESSED OR IMPLIED, AND WHETHER OF HABITABILITY, FITNESS FOR A**

PARTICULAR PURPOSE OR OTHERWISE, ARE WAIVED BY LESSEE, AND DISCLAIMED BY LESSOR, AND LESSEE AGREES TO ACCEPT THE PREMISES IN "AS-IS," "WHERE-IS" CONDITION, WITH ALL FAULTS.

- F. If Lessee is not a natural person, then Lessee warrants that it is duly formed and validly existing under state law and local ordinances, and that all things required by law or by Lessee's governing documents, necessary to the execution of this lease have been accomplished, and the person signing this lease is authorized to bind Lessee.

16. INDEMNITY. Lessee will indemnify Lessor, and hold Lessor harmless, from and against all claims, debts, demands, or obligations which may be made against Lessor, or Lessor's interest in the premises, excepting only those matters which are the direct (and not vicarious) and proximate result of the gross negligence or deliberate acts of Lessor, its agents, servants or employees, arising out of or in any way connected with Lessee's use and occupation of the premises. This indemnity shall extend, without in any way limiting the generality of the foregoing, to any code enforcement proceeding filed against Lessor due to any act or omission of Lessee at the premises. If it becomes necessary for Lessor to defend any action against it, seeking to impose any liability for which Lessor is entitled to indemnity under this provision, Lessee will pay not only any judgment entered against Lessor in such proceeding, but also all costs and attorney's fees incurred by Lessor in its defense of the proceeding.

17. DAMAGE BY LESSEE OR BY FIRE AND CASUALTY. In the event the premises are damaged by fire or other casualty, to the extent of less than 50% of the fair market value of the premises, which casualty is not the result of negligence by Lessee, its agents,

servants, employees, invitees or guests, Lessee shall repair the damage to the premises and shall be entitled to utilize for that purpose the insurance proceeds payable under the fire and casualty policy. While repairs are being effectuated, if the damage renders the premises unusable by Lessee, rent due hereunder shall abate until repairs are completed. If the cost of repair equals or is more than 50% of the fair market value of the premises, Lessee will have the option to repair the damage or cancel this Lease, provided that if Lessee elects to cancel this Lease all proceeds from the fire and casualty policy shall be paid over to Lessor, excepting only those proceeds paid to reimburse Lessee for damage to its own personal property at the premises.

If the premises are damaged by the intentional or negligent acts or omissions of Lessee or any of its agents, servants, employees, invitees or guests, then Lessor may repair such damage and restore the premises to their original condition without notice to or consent by Lessee, and recover the entire cost of the repair from Lessee immediately, together with any lost rent and other consequential damages suffered by Lessor as a result of the intentional or negligent acts of the Lessee, its agents, servants, employees or guests. In the event of damage resulting from the intentional or negligent acts or omissions of Lessee or any of its agents, servants, employees, invitees or guests, rent shall not abate and Lessee shall not have the right to cancel this Lease.

18. BANKRUPTCY. This lease shall be terminated immediately, without notice to Lessee, in the event Lessee or any surety of Lessee on this lease become bankrupt, or files any proceedings as debtor, or takes or has taken against it any action or proceeding in bankruptcy or insolvency, or for reorganization or appointment of a trustee of all or a portion of Lessee's or the surety's property; or if Lessee or any surety makes an assignment for the benefit of creditors.

19. NO WAIVER. No failure by Lessor to exercise any remedy available to it in the event of a breach of this lease by Lessee shall be deemed a waiver of any subsequent breach,

whether of the same or a different provision of this lease, nor shall it be considered a justification of any subsequent breach by Lessee. Acceptance of rent by Lessor at any time when Lessee is in default shall not be construed as a waiver of such default, or of Lessor's right to terminate this lease on account of such default, nor shall any waiver or indulgence granted by Lessor to Lessee be taken as an estoppel against Lessor, it being expressly understood that if Lessee is in default and Lessor accepts rent during the continuance of such default or fails promptly to avail itself of its remedies for such default, this shall not constitute a waiver of such default, but Lessor may at any time, if such default continues, terminate this lease on account thereof.

20. DEFAULT. In the event of a default by Lessee, other than a failure to pay rent or additional rent, which default continues longer than fifteen (15) days after the giving of written notice to Lessee by Lessor demanding that the default be cured, Lessor may terminate this lease and resume possession of the premises immediately, and recover from Lessee liquidated damages as specified below, or at its option Lessor may take such action and expend such sums as may be necessary to cure the default, and recover the cost to cure from the deposit or charge it to Lessee as additional rent.

Should Lessee fail to pay any rent or additional rent hereunder by the 10th day after it first becomes due, and if such past due rent is not paid along with any penalties and late charges, within 3 days after written notice given by Lessor to Lessee, then Lessor may retake possession of the premises immediately, and recover from Lessee the present value of the rent to have been paid by Lessee over the remainder of the term, computed using a discount rate of 6%, or at its option Lessor may elect to sue for each installment of rent as it falls due. In the event Lessor elects to recover the present value of future rents, the rent for the remainder of the term shall be considered accelerated and due immediately upon notice being given to Lessee. Once Lessor has

retaken possession (or if Lessee refuses to surrender possession, once Lessor has given Lessee written notice of termination) this lease shall be terminated and Lessee shall have no right to reinstate this lease, whether by payment of the arrearages or otherwise.

Upon termination of this lease, Lessee shall surrender the premises peaceably to Lessor immediately, and if Lessee fails to do so it shall be deemed guilty of unlawful detainer of the premises and be subject to remedies provided for that violation. This lease shall be considered terminated immediately upon the giving to Lessee by Lessor of written notice of termination. Liquidated damages of \$75.00 per day shall be paid by Lessee for each day or portion thereof that Lessee fails to surrender possession of the premises to Lessor in accordance with this lease, after termination or expiration hereof.

In any event, in addition to recovery of possession and liquidated damages, Lessor shall also recover all additional rent, special damages, costs and attorney's fees incurred by it as a result of the default by Lessee. Lessee agrees that it would be impossible to compute the general damages suffered by Lessor should Lessee default, that it is therefore proper to provide for liquidated damages, and that the amount of liquidated damages set forth herein is reasonable and does not constitute a penalty or forfeiture.

21. REMEDIES CUMULATIVE. Lessor's remedies under this lease are cumulative, and no one remedy shall be exclusive, in law or equity, of any other rights which Lessor may have, and the exercise of one right or remedy shall not impair Lessor's standing to exercise any other right or remedy.

22. ARREARAGES. Any amount of money to be paid to Lessor by Lessee under this lease, which is not paid by the end of the month in which it first falls due, shall bear interest at the highest rate allowed by law until paid in full. Lessor, at its sole option, may elect to apply

any payment by Lessee either to amounts most recently due, to amounts farthest in arrears, or to interest due on the arrearages.

23. ASSIGNMENT. This lease may not be assigned by Lessee, nor may Lessee sublet the premises either in whole or in part, without prior written permission from Lessor, which may not be withheld unreasonably so long as no default exists hereunder, provided that no change in use is made without the prior, written authorization of Lessor, and provided further that no assignment or change in use violates any other agreements by Lessor. Lessor shall not be required to consent to any sublease or assignment whatsoever as long as any default by Lessee remains in existence.

If this lease is assigned to any person or entity pursuant to the provision of Title 11, U.S.C. (the Bankruptcy Code), any and all consideration payable or otherwise to be delivered in connection with any such assignment shall be paid and delivered to Lessor, to be and remain the exclusive property of Lessor and shall not constitute property of the Lessee or of the estate of Lessee within the meaning of the Bankruptcy Code. Any such consideration not paid or delivered to Lessor as provided above shall be held in trust by the recipient for the benefit of Lessor and shall be promptly paid and delivered to Lessor. Any assignee under the Bankruptcy Code shall be deemed, by having received such assignment and without further act or deed, and whether or not such assignee takes physical possession of the premises, to have assumed all of the obligations of Lessee arising under this lease, from and after the date of such assignment. Upon demand by Lessor, any such assignee shall execute and deliver to Lessor an instrument confirming such assumption.

If Lessee or any assignee or sublessee is not a natural person, the following shall be deemed to be assignments requiring the written consent of Lessor as a condition to continued occupancy of the premises hereunder:

a. Sale of more than 49% of the shares of a corporate Lessee which are issued and outstanding on the commencement date of this lease;

b. Issuance by a corporate lessee of additional shares which results in the shares issued and outstanding on the commencement date of this lease being reduced, after the new issue, to less than 51% of the then outstanding and issued shares;

c. Any other action by a corporate lessee, or its shareholders, the result of which is to reduce the percentage of shares owned by those shareholders existing as of the date of this lease to less than 51%;

d. Any change in the partners of a lessee which is a general partnership;

e. Any change in general partners of a limited partnership lessee or any reduction in the percentage of ownership in the partnership by any general partner.

f. Any change in membership of a limited liability company, change in partners of a limited liability partnership, or other change in equity ownership of any Lessee which is not a natural person, as a result of which the percentage of equity ownership held by those persons who are equity owners as of the date this Lease is signed is reduced below 51%.

24. MEMORANDUM. Lessor may, at its option, record a memorandum of this lease in the Public Records of Lake County, Florida, so as to alert third parties of the nature and duration of Lessee's interests in the premises.

25. ESTOPPEL CERTIFICATE. At any time, upon request by Lessor, the Lessee agrees to execute a certificate stating:

- A. That no default exists at the time on the part of Lessor, or setting forth the nature of the default if one does exist;
- B. The term, rental amount due, termination date, and other material conditions of this lease.

26. RELATIONSHIP OF PARTIES. Nothing in this Lease shall be deemed to create a relationship of partnership, principal and agent, or any other relationship between the parties other than landlord and tenant. Lessee agrees that it shall not challenge the fee title of Lessor in the premises or claim any interest superior thereto.

27. COSTS AND FEES. In the event it is necessary for Lessor to employ counsel to enforce the obligations of Lessee hereunder, the Lessee shall reimburse Lessor for reasonable attorney's fees so incurred, whether or not suit is filed; and if a legal action is commenced by either party, then at the conclusion of such action the prevailing party shall be entitled to recover its reasonable costs and attorneys fees, in addition to any other relief granted.

28. GOVERNING LAW. This lease shall be applied and construed in accordance with the Laws of Florida. Venue for any action hereunder shall be in Lake County, Florida. The courts of the State of Florida shall have jurisdiction to hear and decide any and all disputes which arise under this lease.

29. NOTICES. Any notice required by this lease shall be in writing and shall be either delivered in person, sent by Federal Express, UPS or other widely recognized overnight courier service, or mailed by United States Mail, certified with return receipt requested and all postage charges prepaid. Except where receipt is specifically required in this lease, any notice sent by U.S. Mail in accordance with these standards to the proper address as set forth below shall be deemed to be effective on the second business day after the date of postmark; any notice

personally delivered shall be effective upon delivery; and any notice sent by overnight courier shall be effective on the next business day after it is placed in the hands of the courier, properly addressed; and any time period shall begin running as of that date, whether or not the notice is actually received. Notices shall be given in the following manner, or in such other manner as may be directed by either party, in writing, from time to time:

- A. To Lessor at the address specified for payment of rent.
- B. To Lessee by mailing or delivery to Lessee at the leased premises, with copy to 105 East Main Street, Leesburg, FL 34748.

30. CONSTRUCTION. Any word in this lease shall be read as either singular or plural, and as either masculine, feminine or neuter gender as the context may require. Captions are included for convenience only, and shall not be construed to limit, expand, or otherwise modify the text of this lease in any manner. This Lease is to be construed without regard to which party drafted it or participated most actively in the drafting of it, and it shall be presumed that both parties contributed equally to the drafting of this Lease and to the terms, conditions and covenants contained in it.

31. NATURE OF AGREEMENT. This Lease sets forth the entire understanding of the parties with regard to its subject matter. It supersedes and takes precedence over any and all prior negotiations, representations and agreements, oral or written, all of which are deemed to have merged into this Lease and to have been extinguished except to the extent specifically set forth herein. This Lease may not be amended orally, by implication, by course of conduct, or in any other manner whatsoever than by way of a written instrument signed by both parties hereto or their lawful successors. Each party represents for the benefit of the other that it has not entered into this Agreement in reliance on, or on the basis of, any promise, negotiation,

representation, undertaking or agreement of the other party, oral or written, which is not specifically set forth within this Lease, and each party hereby waives all rights, claims and causes of action based on any promise, negotiation, representation, undertaking or agreement of the other party, oral or written, which is not specifically set forth within this Lease.

32. BINDING EFFECT. This lease shall be binding on, and inure to the benefit of, not only Lessor and Lessee, but also their respective successors and assigns.

33. CONDEMNATION. The parties agree that in the event of an eminent domain taking or conveyance of part or all of the leasehold in lieu of condemnation, Lessor will be exclusively entitled to be paid by the condemning authority any condemnation award or compensation for the value of the real estate taken, for real estate severance damages, and for Lessor's attorney fees and litigation expenses which are taxable against the condemning authority to the extent that the law provides for the same. Further, it is agreed that Lessee/tenant shall be exclusively entitled to be paid by the condemning authority any condemnation award of compensation for expenses related to removal from the leased premises, for any loss of business, for business damages, for any relocation benefits, for moving expenses (excluding expenses for moving property belonging to Lessor), for any losses resulting to trade fixtures owned by Lessee, and for Lessee's attorney fees and litigation expenses taxable against the condemning authority to the extent that the law provides for the same.

34. SEVERABILITY. If any provision hereof is declared invalid or unenforceable, it shall be severed herefrom and the remainder of the lease shall continue in full force as if executed originally without the invalid portion.

35. ADA COMPLIANCE. If during the term any alterations or improvements to the premises are required in order to comply with the Americans With Disabilities Act, such

improvements shall be the responsibility of the Lessee. The Lessee shall observe and comply with all requirements of the ADA in the operation of its business at the premises and shall hold the Lessor harmless from any loss or damage (including court or administrative costs and attorney's fees) arising out of any violation of ADA by Lessee in the operation of its business or any failure by Lessee to make any improvements required by ADA which are the responsibility of Lessee.

36. RADON GAS. Radon is a naturally occurring radioactive gas that, when it has accumulated in sufficient quantities, may present health risk 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.

37. RIGHT OF FIRST REFUSAL TO LEASE. At the end of the final renewal term, Lessee shall have the right of first refusal to lease the property for a longer period of time, for its fair market rental value. Fair market rental value shall be determined by an appraisal obtained by Lessor at Lessor's expense. If Lessee disagrees with that appraisal, it may obtain a second appraisal at its cost. If the annual fair market rental amount reflected by the Lessee's appraisal does not differ from the rental value in Lessor's appraisal by more than 5%, over or under, the rent shall be determined by the higher of the two appraisals. If the rent determined by Lessee's appraisal differs from Lessor's by more than 5% of the rent reflected by Lessor's appraisal, the rent shall be the average of the two appraised rental values. This right of first refusal shall not be exercisable if Lessor elects not to rent the property to anyone at the end of the third term, however if Lessor does decide to rent the property within one year of the expiration of the third term, then Lessor shall give Lessee written notice of such decision and

afford Lessee a period of 60 days after the appraisal(s) are available, within which to negotiate a lease with Lessor. If the parties are not able to reach agreement within that period, despite good faith efforts on the part of both, Lessor shall be free to lease the property to anyone.

IN WITNESS WHEREOF, the parties have executed this Lease.

THE CITY OF LEESBURG, FLORIDA

BY: _____
DAVID KNOWLES, Mayor

ATTEST: _____
BETTY RICHARDSON, City Clerk

DATE: _____

APPROVED AS TO FORM AND CONTENT:

CITY ATTORNEY

LESSEE: BEACON COLLEGE, INC.

[Handwritten Signature]

BY: *[Handwritten Signature]*
Dr. GEORGE HAGERTY, President

[Handwritten Signature]

DATE: *10/15/13*