

LEASE TERMINATION AGREEMENT

THIS LEASE TERMINATION AGREEMENT (this "Agreement") is made and entered into this ____ day of _____ 2023, by and between the COMMUNITY REVELOPMENT AGENCY OF THE CITY OF PENSACOLA, a public body corporate and politic of the State of Florida ("Lessor") and PENSACOLA SPORTS ASSOCIATION, INC., a Florida not-for-profit corporation ("Lessee").

WITNESSETH:

WHEREAS, Lessor and Lessee have entered into a certain Lease Agreement dated September 1, 1993, as amended by that certain Amendment to Lease dated August 1, 2003, and that certain Second Amendment to Lease dated June 24, 2020 (collectively, the "Lease") whereby Agency leased to Association the real property described in Exhibit "A" attached hereto and incorporated herein by reference (the "Property");

WHEREAS, under Section 2 of the Lease, the term of the Lease is set to expire on October 31, 2026;

WHEREAS, the Property is located within the Urban Core Community Redevelopment Area (the "Redevelopment Area") established by the City of Pensacola, Florida (the "City");

WHEREAS, on January 14, 2010, the City Council adopted Resolution No. 02-10 approving an "Urban Core Community Redevelopment Plan 2010" for the Redevelopment Area (as may be further amended from time to time, the "Redevelopment Plan");

WHEREAS, the Redevelopment Plan expressly authorizes and contemplates increasing the supply of downtown residential units through higher density and mixed use redevelopment projects;

WHEREAS, the Lessor and the Lessee now desire to provide for early termination of the Lease Agreement on or before September 30, 2023, thereby reducing the term of the Lease Agreement by approximately three years;

WHEREAS, early termination of the Lease Agreement will allow the Lessor to immediately acquire or reacquire the full rights of ownership and possessory interest in the Property, including the ability to presently develop and redevelop the Property for residential and mixed uses without having to wait an additional three years for the Lease Agreement to expire;

WHEREAS, such acquisition by the Lessor presents a substantial opportunity for the expedited development of housing within the Redevelopment Area, in furtherance of the redevelopment goals and objectives set forth in the Redevelopment Plan and the public interest served by increasing the availability of housing options for City and Redevelopment Area residents;

WHEREAS, Lessor and Lessee have agreed that the Lease shall terminate at 11:59 p.m. on September 30, 2023, upon the terms and subject to the conditions set forth in this Agreement;

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions set forth in this Agreement, and for other good and valuable consideration, Lessor and Lessee hereby agree as follows:

(1) Recitals. The recitals set forth hereinabove are true and correct and are hereby incorporated in this Agreement by this reference.

(2) Lease Termination. The Lease shall automatically terminate on the earlier of (i) the date and time that Lessee surrenders possession of the Property to Lessor or (ii) at 11:59 p.m. on September 30, 2023, subject to the provisions of Section (7) of this Agreement.

(3) Lessee Move-Out. Except as otherwise provided in Section (8) of this Amendment, Lessee shall remove all of its personal property from the Property no later than the earlier of (i) 11:59 p.m. on September 30, 2023 or (ii) the date and time that Lessee surrenders possession of the Property to Lessor. For the avoidance of doubt, Lessee shall not remove any improvements, alterations, or fixtures on the Property, whether or not made or paid for by Lessee, nor shall Lessee remove any personal property of Lessor.

(4) Surrender of Possession. Lessee shall surrender full and complete possession of the Property to Lessor in accordance with Section 12 of the Lease no later than 11:59 p.m. on September 30, 2023.

(5) Inspection and Lease Termination Payment by Lessor. No later than three (3) business days after Lessee moves out and surrenders possession of the Property in compliance with Sections (3) and (4) above, Lessor shall inspect the Property for compliance with Section (3), (4), and (8) of this Agreement and Section 12 of the Lease. In the event Lessor determines in good faith that Lessee has not complied with Section (3), (4), and/or (8) of this Agreement and/or Section 12 of the Lease, Lessor shall deliver to Lessee, within two (2) business days after Lessor's inspection, written notice specifying in reasonable detail the specific deficiencies. Lessor's failure to deliver such written notice to Lessee within such time shall constitute Lessor's agreement that Lessee has complied with Sections (3), (4), and (8) of this Agreement and Section 12 of the Lease. Lessee shall correct all deficiencies listed in a timely written notice from Lessor within five (5) business days after receipt of such written notice. If no deficiencies under Sections (3), (4), or (8) of this Agreement or Section 12 of the Lease exist or if all such deficiencies have been corrected, then within two (2) business days thereafter Lessor shall pay to Lessee a lease termination fee of Twenty-Seven Thousand and Six Hundred Seventy Dollars (\$27,670.00), less any rent, sales tax, and other amounts, if any, then due and owing by Lessee to Lessor under the Lease.

(6) Title to Improvements. Lessee acknowledges and agrees that title to all buildings and improvements on the Property shall automatically vest exclusively in Lessor on the earlier of

(i) 11:59 p.m. on September 30, 2023 or (ii) the date and time that Lessee surrenders possession of the Property to Lessor.

(7) Indemnification Provision Remains in Effect. Notwithstanding Section 2 of this Agreement or any contrary provision in the Lease or this Agreement, Section 10 (Indemnification) of the Lease shall survive the termination of the Lease under this Agreement and shall remain in full force and effect following such termination to and including September 30, 2027.

(8) Personal Property to be Conveyed to Lessor. Notwithstanding Section (3) of this Agreement or any contrary provision in the Lease or this Agreement, Lessee shall not remove from the Property the items of personal property listed in Exhibit "B" attached hereto and incorporated herein by reference. Title to all such items of personal property, as well as title to all other items of Lessee's personal property that Lessee fails to remove from the Property in accordance with Section (3), if any, shall vest exclusively in Lessor on the earlier of (i) 11:59 p.m. on September 30, 2023 or (ii) the date and time that Lessee surrenders possession of the Property to Lessor.

(9) Claims; Mutual Release. Lessee hereby represents to Lessor that Lessee has no actual knowledge of the existence of any claim, potential claim, or threatened claim against Lessor related to the Lease or the Property. Lessor hereby represents to Lessee that Lessor has no actual knowledge of the existence of any claim, potential claim, or threatened claim against Lessee related to the Lease or the Property. Such representations shall be true and accurate both on the date of this Agreement and on and as of the time and date that Lessee surrenders the Property to Lessor in compliance with Section (4) of this Agreement. Subject to the accuracy of the foregoing representations both on the date of this Agreement and on and as of the time and date that Lessee surrenders the Property to Lessor in compliance with Section (4) of this Agreement, and provided that Lessor and Lessee have fully performed their respective obligations accruing under the Lease prior to such surrender and under this Agreement, then effective automatically upon Lessor and Lessee's full performance of their respective obligations under this Agreement, (i) Lessee releases Lessor, its elected and appointed officials, employees, volunteers, representatives, and agents from any and all claims, damages, and liabilities arising under or by reason of the Lease, except for those claims, damages, and liabilities with respect to which Lessor shall indemnify Lessee under Section 10(b) of the Lease; and (ii) Lessor releases Lessee, its officers, directors, employees, volunteers, representatives, and agents from any and all claims, damages, and liabilities arising under or by reason of the Lease, except for those claims, damages, and liabilities with respect to which Lessee shall indemnify Lessor under Section 10(a) of the Lease.

(10) Entire Agreement. This Agreement contains the parties' entire agreement and understanding with respect to the termination of the Lease, and all prior and contemporaneous negotiations, agreements, and understandings, written as well as verbal, are hereby superseded.

(11) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

(12) Amendment; Waiver. This Agreement may be modified or amended, the performance of any provision hereof may be waived, only by a written agreement executed by both Lessor and Lessee.

IN WITNESS WHEREOF, each party has caused this Agreement to be executed and delivered by their respective undersigned officers or officials, as of the day and year first above written.

LESSOR:

LESSEE:

COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF PENSACOLA, a public
body corporate and politic of the State of Florida

PENSACOLA SPORTS ASSOCIATION,
INC., a Florida not-for-profit corporation

By: _____
Print Name: _____
Title: Chairperson

By: _____
Print Name: _____
Title: _____

ATTEST:

ATTEST:

Print Name: _____
Title: _____

Print Name: _____
Title: _____

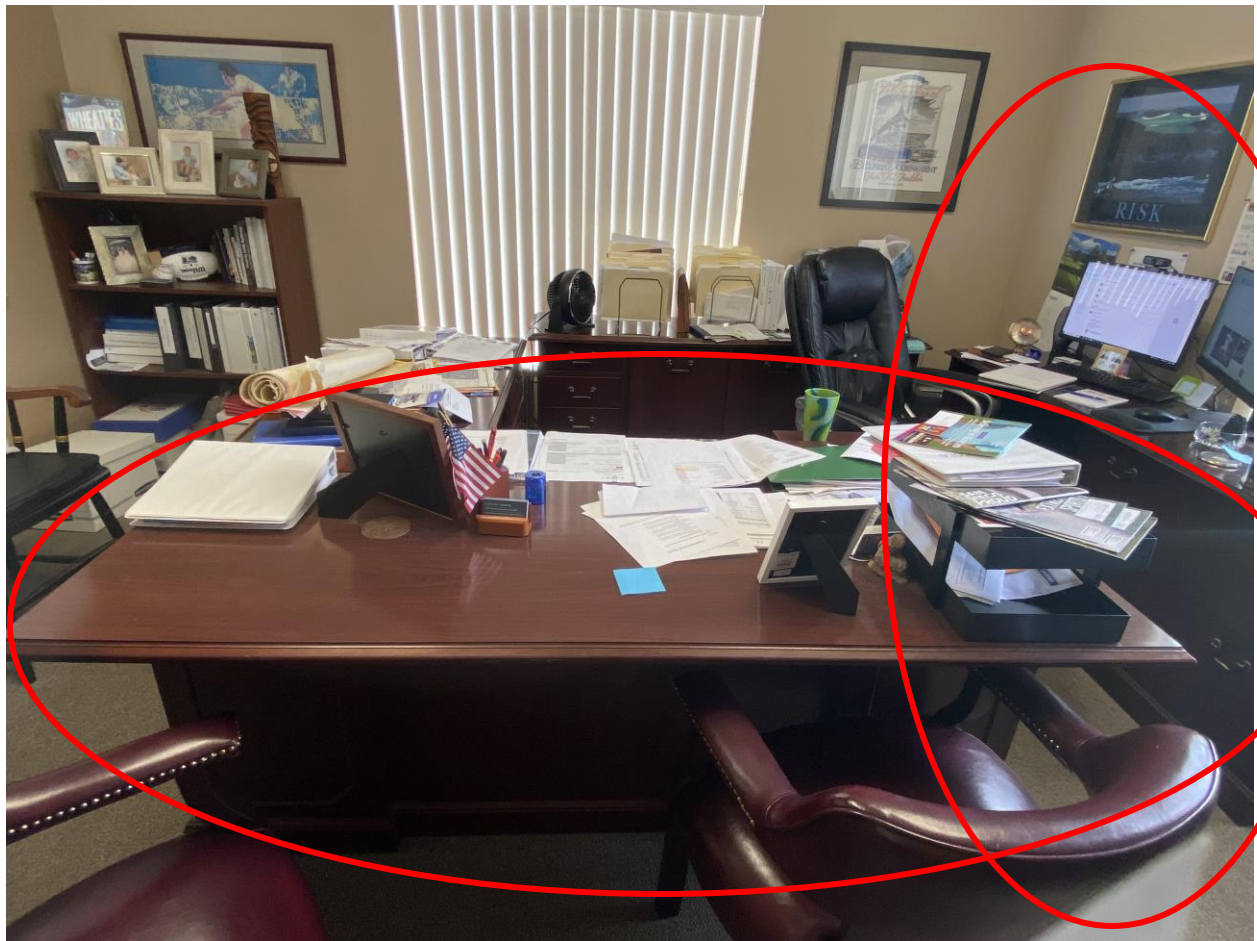
Exhibit B

Private Property to be conveyed to Lessor

7 Desks







2 Desks







1 Medium Round Table and 8 Brown Leather Chairs



1 Credenza



2 Small Blue Tables

