



# NORTHWEST FLORIDA STATE COLLEGE

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Ground Lease  
by and between  
The District Board of Trustees  
of Northwest Florida State College, Florida  
and  
The Seaside School Foundation, Inc.

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This GROUND LEASE ("Lease") is entered into on the date of the latest signature on the signature page at the conclusion of the Lease between THE DISTRICT BOARD OF TRUSTEES OF NORTHWEST FLORIDA STATE COLLEGE, a Florida College System institution ("Landlord" or "the College") and THE SEASIDE SCHOOL FOUNDATION, INC., a non-profit 501(c)(3) organization, ("Tenant" or "Seacoast"), created to benefit and support The Seaside School, Inc., which includes Seacoast Collegiate High School, a charter school established under Section 1002.33, Florida Statutes (collectively, the "Parties," and each a "Party").

## RECITALS

WHEREAS, The Seaside School, Inc., operates Seacoast Collegiate High School, a charter school in Walton County, Florida, and is supported by Tenant;

WHEREAS, Seacoast seeks to lease land from the College on its property located at 109 Greenway Trail, Santa Rosa Beach, Florida 32459 ("South Walton Campus"), to construct a new facility for educational use by Seacoast and the College;

WHEREAS, the College has sufficient real property located at the South Walton Campus upon which such a facility could be located;

WHEREAS, it is in the College's best interest to have the facility constructed without the College bearing the burden of the cost of such construction;

WHEREAS, Seacoast is willing to bear the costs for constructing and maintaining the new facility on the South Walton Campus for the benefit of Seacoast and the College; and

WHEREAS, the College believes such facility would promote the economic, community, and workforce development interests of its service area.

THE PARTIES NOW, THEREFORE, AGREE:

1. **Recitals.** The above Recitals are true, correct, and incorporated in this Lease.
2. **Memorandum of Understanding.** The Memorandum of Understanding ("MOU") incorporated as Exhibit "A" reflects the understanding of the Parties regarding use of and educational programming at the Premises.
3. **Demise and Description of Premises.** In consideration of the mutual rents, promises, and covenants contained in this Lease, Landlord leases to Tenant and Tenant leases from Landlord that certain parcel of real property located in the County of Walton, State of Florida (the "Premises"), subject to the terms, conditions, and restrictions contained in this Lease.

The Premises are not to exceed 5 acres of uplands located on a parcel of real property that is recorded as Walton County, Florida Parcel ID 31-2S-19-24000-001-0021. The Premises address is 109 Greenway



Trail, Santa Rosa Beach, Florida 32459. The parties shall mutually agree upon the designated 5 acres within sixty (60) days of entering this Lease and shall depict such site approval through incorporating annotated Walton County Property Appraiser Aerial Maps as Exhibit "B" and incorporating the legal description of the Leased Premises as Exhibit "C".

During the term of this Lease and built according to the terms of this Lease, the Premises will contain a newly constructed educational facility with a certain heated and cooled square footage, a parking lot containing a certain number of parking spaces, and ingress and egress driveways to a public roadway ("Educational Facility"). Both square footage and parking facilities will be approved in accordance with Section 5(c) and incorporated in this Lease by addendum. The Premises exclude any other acreage, buildings, or other structures or improvements existing upon the College's South Walton Campus that exist upon entering this Lease or are acquired or constructed through any means throughout the term of this Lease.

Except where specifically noted as a responsibility of Landlord to provide or install, Tenant, solely at Tenant's expense, shall be responsible for construction of the Educational Facility on the Premises in accordance with the Final Plans and Specifications which shall be pre-approved by Landlord and shall be incorporated as Exhibit "D."

4. **Term.** This Lease shall begin with an Initial Term of forty-two months (42 months or 3.5 years), during which time the parties shall begin and complete the Milestone activities according to the terms of Section 5. Any extension of time to complete milestones or termination of the Lease for failure to complete milestones is subject to Sections 5 and 23-24. Time is of the essence. If the milestones are not completed within the Initial Term, or an extended period permitted by the terms of the Lease or agreed upon by the Parties, the Lease will terminate at the conclusion of the Initial Term. If the parties successfully complete the Initial Term, the lease shall automatically renew for a term of forty (40) years (the "Term"), unless sooner terminated or extended as stated in this Lease. Should additional real property be added to the Premises by the Landlord during the Term of this Lease, then such additional property shall become part of the Premises and the end of the Term of this Lease shall apply to all the Premises.

At least 180 days prior to the expiration of the Term, the Parties may extend the lease for an additional ten (10) year or less term upon terms agreed to in writing and signed by the Parties ("Extension 1"). At least 180 days prior to the expiration of Extension 1, the Parties may extend the lease for a second ten (10) year or less term upon terms agreed to in writing and signed by the Parties ("Extension 2").

5. **Milestones: Possession, Appraisal, Planning, Programming, Signage, Financing, and Construction.**
  - a. **Delivery of Possession.** If Landlord for any reason whatsoever cannot deliver possession of the Premises to Tenant at the commencement of the Term, this Lease shall be voidable in Tenant's sole discretion, provided that Landlord shall not be liable to Tenant for any loss or damage resulting from such failure to deliver possession. In the event Landlord is unable to deliver possession at the commencement of this Lease and Tenant chooses to continue with the Lease, all terms under this Lease remain unchanged prior to and after Landlord the date on which Landlord delivers possession.
  - b. **Appraisal.** Tenant agrees to cooperate with Landlord in the event Landlord wishes to appraise the Premises to determine fair market value. Additionally, Tenant agrees to share any appraisal it may purchase for the Premises for financing purposes, within the first twenty-four (24) months of this Lease.
  - c. **Planning.** By or before twelve (12) months from the date of this Lease, Tenant shall submit to



Landlord the Preliminary Plans and Specifications for the construction of an Educational Facility. Within three (3) weeks after the delivery of the Preliminary Plans and Specifications to Landlord, Landlord shall provide feedback and any modifications to the plans and specifications to Tenant. Landlord and Tenant shall complete their review and revisions, if any, and finalize the Final Plans and Specifications by twelve (12) weeks after submission of the Preliminary Plans and Specifications. Such Final Plans and Specifications shall be submitted by Landlord and Tenant to each Party's governing boards for approval. Upon the joint approval of the Final Plans and Specifications by Landlord's and Tenant's governing boards, the Final Plans and Specifications shall be signed by Landlord and Tenant to signify each Party's approval of the Final Plans and Specifications, which will be used by Tenant for the construction of the Educational Facility on the Premises.

Should Tenant fail to acquire Preliminary Plans and Specifications on or before twelve (12) months from the date of this Lease due to unreasonable delay by the Tenant, then Tenant or Landlord may terminate this Lease with thirty days written notice to the other Party. Tenant shall be responsible for all financial obligations prior to such termination.

Should Tenant and Landlord fail to approve Final Plans and Specifications on or before fifteen (15) weeks after submission of the Preliminary Plans and Specifications, then Tenant and Landlord may mutually extend the date to approve the Preliminary Plans and Specifications, or, if failure to approve the Final Plans and Specifications is due to the unreasonable delay of the Tenant, Tenant will be in default, subject to the notice of default requirements under this Lease. Tenant shall be responsible for all financial obligations prior to such termination.

- d. **Programming.** The Parties will enter, effective the same date as this Lease, an MOU as incorporated in Section 2. By or before twelve (12) months from the date of the Lease, Tenant and Landlord shall amend that MOU, as provided in its terms, to address programming and space allocation. Should Tenant and Landlord fail to amend the MOU accordingly, then Tenant and Landlord may mutually extend the date to amend the MOU, or, if failure to amend the MOU is due to the unreasonable delay of the Tenant, Tenant will be in default, subject to the notice of default requirements under this Lease. Tenant shall be responsible for all financial obligations prior to such termination.
- e. **Financing.** By or before twenty-four (24) months from the date of this Lease, Tenant shall submit to Landlord proof of financing to construct the Educational Facility. Should Tenant fail to secure financing for construction of an Educational Facility, which is satisfactory to Tenant, on or before twenty-four (24) months from the date of this Lease, Tenant will be in default, subject to the notice of default requirements under this Lease. Tenant shall be responsible for all financial obligations prior to such termination. Landlord is in no way obligated to participate in, support, or secure financing for the construction of the Educational Facility.
- f. **Construction.** Tenant must begin construction of an Educational Facility on or before twenty-four (24) months from the date of this Lease or Tenant will be in default, subject to the notice of default requirements under this Lease. Tenant shall be responsible for all financial obligations prior to such date. Tenant shall complete the construction within twenty-four (24) months after receipt of required permits, and in any event within forty-two (42) months from the date of this Lease, or Tenant will be in default, subject to the notice of default requirements under this Lease. Tenant shall be responsible for all financial obligations prior to such date.

Failure of Tenant to meet the deadlines for completion of construction without Good Cause shall be a Tenant default under this Lease, later defined in this Lease, subject to the notice of default requirements under this Lease. For purposes of this Lease, Good Cause shall include, but not be



limited to, the unavailability of materials or sub-contracted labor due to no fault of the Tenant, weather delays, acts of God, national pandemics, hurricanes, war, acts of terrorism, epidemics, strikes and labor disputes, fires, explosions, or other events of force majeure causing circumstances, beyond Tenant's control, preventing the Tenant from reasonably meeting the deadline.

Tenant shall, upon the commencement of construction, provide Landlord with a signed and sealed copy of all blueprints, plans and specifications, and upon completion of construction, "as built blueprints" and plans and specifications for all construction on the Premises.

All construction sites shall be kept free of unsightly accumulations of rubbish and scrap materials, and construction materials, trailers, and temporary buildings shall be kept in a neat and orderly manner. Excess earth removed during construction shall not be removed from the Premises unless approved by Landlord. Landlord reserves the right to utilize such materials for any purpose either on or off the Premises at no cost to Landlord other than the loaded truck mileage charge for unloading off Premises.

All repairs or construction shall conform to the terms of this Lease, the requirements of the state uniform building codes for public educational facilities as applicable to charter schools within the State of Florida, the requirements of OSHA, and the requirements of other applicable local, state, and federal laws regarding life, health, and safety provisions.

- g. **Signage and Branding.** Prior to construction completion as stated in Section 5(f), the Parties shall agree upon exterior building, property, and roadway signage and interior shared use space signage for the Premises and to develop signage for shared use space (as defined in the MOU) within the Premises. The College must approve exterior signage and shared use space signage. The design, font, size, and color of such exterior signage and shared use space signage will be agreeable to both Parties, designate the site as an instructional site for Tenant and Landlord, be consistent with SACSCOC Principles of Accreditation and any other applicable institutional accrediting agency's requirements, and be consistent with the College brand as demonstrated in signage on its Niceville Campus location. Signage will refer to Tenant's educational institution on the Premises as "Seacoast Collegiate High School at Northwest Florida State College." The cost of any joint signage, such as joint exterior signage or signage marking shared use square footage, shall be divided equally between the Parties.

Interior signage in each Party's educational programming space as defined in the MOU will comport with the requirements of each Party's accrediting body and reflect that the Premises are on the Northwest Florida State College South Walton Campus. Each Party will bear the cost of its own institution's interior signage in educational programming space and any other signage specific to a that Party.

- h. **Reporting.** Tenant shall report its progress on each of the foregoing subsections of Section (5) at least once each quarter and more frequently upon request of Landlord. Such report shall be in writing, submitted to Landlord at the notice address set out after Landlord's signature block. The College will provide such report to the Board of Trustees at its next regular meeting at least once each quarter. The first report is due from Tenant to Landlord within three months of entering this Lease.
6. **Rent.** The rent ("Base Rent") to be paid to Landlord by Tenant, in addition to any other appropriate costs, fees, and all other expenditures required to be made by Tenant under this Lease, shall be in an amount of One Dollar (\$1.00) per year, the first payment to be paid in full upon execution of this Lease, and subsequent payments on the 1<sup>st</sup> day of August in each year of the Lease. The nominal rent amount



is an acknowledgment of the value of the investment Tenant will make in improving the Premises through construction of the Educational Facility. Landlord shall pay no rent or other expenses of any kind for its educational programming or shared use of the Premises during the Term, except as specifically set forth in this Lease and the MOU.

7. **Utilities.** Tenant shall fully and promptly pay for its pro-rata share of all water, gas, heat, light, power, telephone service, internet/broadband/fiber services, and other public utilities of any kind furnished to the Premises throughout the Term and all other costs and expenses of every kind of or in connection with the use, operation, and maintenance of the Premises and all activities conducted on the Premises. Pro-rata share of utilities usage shall be defined more particularly in the MOU, to be amended upon completion of construction, and shall include all areas of the Premises used solely by Tenant plus Tenant's shared use of certain spaces on the Premises, including common areas. The College agrees to mirror the obligations of the Tenant under the Lease such that the College pays its pro-rata share of utilities in areas used exclusively by Landlord or shared with Tenant.
8. **Payment of Taxes and Assessments.**
  - a. **Taxes.** Tenant shall pay and discharge as they become due, promptly and before delinquency, all real property taxes imposed on the Premises for the land and all improvements constructed on or attributable to the Premises (collectively "Taxes"), including all governmental charges of whatever name, nature, and kind which shall be levied, assessed, charged, or imposed or which may become a lien or charge on or against the Premises or any part of this Lease, the leasehold of the Tenant in this Lease, any building or buildings, or any other improvements now or afterward on the Premises or on or against Tenant's estate created that may be a subject of taxation, or Tenant's proportionate share of any tax assessed on or against Landlord by reason of its ownership of the fee underlying this Lease, during the entire Term, excepting only those taxes in this Lease after specifically excepted. To the extent possible, the Tenant shall have any applicable taxes abated based on its Certificate of Exemption.
  - b. **Taxes Excluded.** Anything in this section to the contrary notwithstanding, Tenant shall not be required to pay any tax that might become due on account of Landlord's ownership of property other than the Premises which may become a lien on the Premises or collectible out of the Premises.
  - c. **Special Assessments.** Tenant shall pay all special assessments, levies, and charges made by any municipal or political subdivision for internal improvements or infrastructure necessary for the development of the Premises.
  - d. **Contesting Taxes.** If Tenant shall in good faith desire to contest the validity or amount of any tax or other governmental charge in this Lease agreed to be paid by Tenant, Tenant shall be permitted to do so and to defer payment of such tax or charge, the validity or amount of which Tenant is so contesting, until final determination of the contest, on giving to Landlord written notice prior to the commencement of any such contest which shall be at least thirty (30) days prior to delinquency and on protecting Landlord on demand by a good and sufficient surety bond in the amount of one hundred ten percent (110%) of the amount of any such tax, levy, assessment, or charge, against any such tax, levy, assessment, rate, or governmental charge and from any costs, liability, or damage arising out of any such contest. Landlord shall cooperate in good faith with Tenant in Tenant's contest of any such tax or other governmental charge.
  - e. **Disposition of Rebates.** All rebates on account of any such Taxes required to be paid and paid by Tenant under the provisions of this Lease shall belong to Tenant, and Landlord will on the request of Tenant execute any receipts or assignments that may be necessary to secure rebates that may



be received by Landlord.

- f. **Landlord's Right to Pay Taxes on Behalf of Tenant.** In the event Tenant fails to comply with the terms of this section, Landlord may, but shall not be obligated to pay any such Taxes and charge such amount so paid, plus all its costs and expenses, as Additional Rent to Tenant and Tenant shall pay such sum to Landlord within thirty (30) days of delivery of such invoicing by Landlord to Tenant. Tenant shall have the right to inspect Landlord's supporting documentation and proof for any such Additional Rent and to contest the Additional Rent if it is reasonable to do so based upon the totality of the circumstances.
- g. **Receipts.** Tenant shall, upon request, obtain and deliver to Landlord proof of payment receipts, or duplicates of such receipts, for all taxes, assessments, and other items required under this Lease to be paid by Tenant, promptly on payment of those items.
- 9. **Use of Premises.** Tenant may use the Premises only for "Permitted Uses," which are educational and recreational purposes; school facility and ancillary activities associated with operating a school; and any specific or additional uses of the Premises listed in the MOU. Designations of exclusive use and shared use square footage within the Educational Facility and limitations on use of certain space shall be articulated in the MOU.
- 10. **Maintenance.**
  - a. **Recurring Maintenance and Repair of the Premises.** Tenant shall pay its pro-rata share for recurring maintenance and repair items for the Premises. The Landlord agrees to mirror the obligations of the Tenant under the Lease such that the Landlord pays its pro-rata share of recurring maintenance and repair items in areas used exclusively by Landlord or shared with Tenant. Pro-rata share of recurring maintenance and repair of the Premises may be defined more particularly in the MOU, to be amended upon completion of construction. Examples of recurring maintenance and repair items shall include, but are not limited to the following:
    - i. Pest prevention measures such as regular interior sanitation and spot treatment;
    - ii. Routine maintenance and repair of the heating, ventilation, and air conditioning system ("HVAC") serving the Premises, such as replacing filters, but in no event to include replacement of parts or the entire system;
    - iii. Cleaning of interior of Premises;
    - iv. Trash, waste, and debris removal on the interior of the Premises;
    - v. Routine maintenance of interior fire protection system, as needed, but in no event to include replacement or upgrade of the system;
    - vi. Routine maintenance of interior security alarm system, as needed, but in no event to include replacement or update of the system; and
    - vii. Regular and routine maintenance of shared signage (if applicable).
  - b. **Capital Improvements and Capital Expenses.** After completing the construction anticipated under this Lease, Tenant shall be responsible, at its sole expense and without expense to the Landlord, for all Capital Improvements and Capital Expenses for the Premises throughout the duration of this Lease. For purposes of this Lease, "Capital Improvements" means improvements to the Premises of a non-recurring nature, intended for construction, reconstruction, replacement, or remodeling of the Premises building structure, permanent fixtures, and appurtenances thereto due to aging or deterioration of the improvement. "Capital Expenses" means the expense or cost of Capital



Improvements. Examples of Capital Improvements include, but are not limited to the following:

- i. Pest control, whether interior or exterior;
  - ii. Heating, ventilation, and air conditioning system (“HVAC”) replacement;
  - iii. Premises remodeling of interior or exterior walls, with the exception of non-structural interior wall remodeling of the Landlord’s exclusive space that Landlord may choose to undertake;
  - iv. Landscaping and lawn services;
  - v. Replacement, upgrade, or any non-routine modification of fire safety or security systems;
  - vi. Repair, replacement, and maintenance of parking areas, roads, and sidewalks; and
  - vii. Structural repair, remodeling or replacement of the concrete slab, exterior walls, roof(s), roof coverings, foundation(s) unexposed electrical, plumbing, or utility lines, exterior windows, and exterior doors.
- c. **No Disruption to Operations.** Any work under this section shall be completed by Tenant in a manner that does not disrupt schooling operations on the Premises, except when completing emergency maintenance or repair. When work must be completed on the College’s exclusive-use square footage, Tenant shall coordinate work with the Landlord to minimize disruption.
- d. **Other Construction.** Tenant may complete further preferred construction, remodeling, renovation, or installation of fixtures in or on the Premises only with the prior written consent of the Landlord, which will not be unreasonably withheld, except that Tenant may complete any non-structural preferred construction, remodeling, renovation, or installation of fixtures to the interior portions of the Premises dedicated to Tenant’s sole use pursuant to the MOU without Landlord approval.
- e. **Additional Expenses.** Any other expenses relating to the Leased Premises during the Term, whether specifically listed in the Lease or not, shall be the expense of the Tenant, unless expressly made the sole or shared responsibility of the Landlord by the terms of this Lease and incorporated MOU, as amended.

#### **10. Destruction of Improvements.**

- a. **Damage to and Destruction of Buildings or Improvements.** Tenant shall, throughout the terms of this Lease, at its own cost and without any expense to Landlord, restore and rehabilitate any Capital Improvements of any kind which may be destroyed or damaged by fire, casualty, or any other cause whatsoever without delay. The damage, destruction, or partial destruction of any building or other improvement that is a part of the Premises shall not release Tenant from any obligation under this Lease, except as in this Lease expressly provided. In case of damage to or destruction of such building or improvement, Tenant shall at its own expense promptly repair and restore the same to a condition as good or better than that which existed prior to such damage or destruction. Except as otherwise provided in this section, and without limiting such obligations of Tenant, it is agreed that the proceeds of any insurance covering such damage or destruction shall be made available to Tenant for such repair or replacement. Landlord shall not be obligated to make any repairs, replacements, or renewals of any kind, nature, or description whatsoever to the improvements, unless such repairs, replacements, or renewals are necessary due to the fault of the Landlord or are caused by Landlord’s use of the College’s exclusive or shared space.
- b. **Damage or Destruction Occurring Toward End of Term.** Anything to the contrary in the immediately preceding paragraphs of this section notwithstanding, in case of destruction of the building on the





Premises or damage to the building on the Premises from any cause so as to make it untenable occurring during the last five (5) years of any term of this Lease, Tenant, if not then in default under this Lease, may terminate this Lease by written notice served on Landlord within ninety (90) days after the occurrence of such damage or destruction. If Tenant terminates the Lease, all insurance proceeds payable to Tenant (net any proceeds paid to Tenant's mortgagee) on account of such damage or destruction shall be disclosed to and be offered to be paid or assigned to Landlord by Tenant and its insurance carrier. Tenant shall further disclose all liens against the improvements and shall disclose all claims or potential claims known to, or which may be discovered through reasonable diligence by Tenant, that may result in liens against the improvements. Nothing in this Lease shall be understood nor shall be construed as a representation or agreement by Landlord to pay or be responsible for any such known or unknown liens or claims. Tenant shall have no obligation to repair or restore the building or improvements. On such termination, rent, taxes, assessments, and any other sums payable by Tenant to Landlord under this Lease shall be prorated as of the termination date, and in the event any rent, taxes, or assessments shall have been paid in advance, Landlord shall rebate them for the unexpired period for which payment shall have been made.

12. **Ownership of Premises and Improvements.** Upon the expiration of the Term or other termination or conclusion of this Lease, any building constructed, other improvements made, or repairs made by Tenant on the Premises, as well as any landscaping or alterations on any part of the Premises, shall become the property of Landlord. Landlord may retain ownership of the incomplete improvements without liability for the cost of such incomplete improvements or may remove said incomplete improvements and charge the cost of removal, without regard for salvage proceeds, to the Tenant. Upon the expiration of the Term or other termination or conclusion of this Lease, Tenant shall be entitled to remove any or all fixtures. Notwithstanding the foregoing, Tenant's machinery, equipment, and removable and nonpermanent trade fixtures shall remain the property of Tenant and may be removed or replaced by Tenant at any time during the Term.
13. **Warranties of Title and Quiet Possession.** Landlord covenants that Landlord owns the Premises in fee simple and has full right to make this Lease subject to the terms of this Lease, and Tenant shall have quiet and peaceable possession of the Premises during the Term of this Lease as against the acts of all Parties claiming title to or a right to the possession of the Premises, with the exception, however, of the following conditions, restrictions, and limitations:
  - a. Landlord reserves the right to access the Premises and all improvements on the Premises to accomplish the purposes set out in the MOU, for inspections, and all lawful purposes at all reasonable times and upon reasonable advance notice to Tenant.
  - b. Landlord reserves ingress and egress easements across, over and through the Premises and each part of the Premises for utilities and transmission lines, water and sewer infrastructure, storm water management devices and structures, communication connections, provision of services on other portions of the South Walton Campus, and other services necessary for the operations of the Landlord. However, nothing in this Lease shall grant Landlord the right to damage, destroy, or impair any of Tenant's improvements to the Premises.
  - c. Landlord reserves the right to access adequate parking facility on the Premises for the use of Landlord's personnel and invitees while on the Premises for purposes described in this Lease.
  - d. Landlord reserves an ingress and egress easement to, and the right to excavate, study, dig, catalog, cover over, examine, and remove items from, any historic or prehistoric archaeological site discovered on the Premises, and all items found in any such site shall be the sole and exclusive





property of the Landlord. The Tenant shall make no claim whatsoever to said items. Tenant for itself and its contractors agrees to provide the Landlord with immediate notice of any items found on the Premises which might have archaeological significance and the location of such items on the Premises and shall cease work on said site until Landlord can perform the acts described in this Lease.

- e. Tenant shall permit Landlord and the agents and employees of Landlord to enter into and on the Premises at all times upon reasonable advance notice for the purpose of conducting reasonable inspections of the Premises, including during the financing, planning, and construction process, and for the purpose of posting notices of non-responsibility ("Notices") for alterations, additions, or repairs, without any rebate of rent and without any liability to Tenant for any loss of occupation or quiet enjoyment of the Premises occasioned, provided that the Notices shall not contain any negative message or content concerning Tenant and shall not be visually or physically intrusive to the Premises in such a manner as to adversely impact Tenant's operations.
- f. Tenant shall permit Landlord and its agents and employees, at any time within the last 180 days prior to the expiration of the Lease, to place on the Premises any usual, ordinary "To Let" or "To Lease" signs and to exhibit the Premises to prospective tenants at reasonable hours. Landlord understands and agrees that due to the nature of Tenant's operations, Landlord may, from time to time, be temporarily prohibited from accessing certain parts of the Premises and, in such event, Landlord shall be allowed access to the area of the premises upon 24 hours' notice to Tenant. Neither Landlord nor its agent(s) shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection. The Landlord's inspection shall not substitute for any inspection required by local agencies.
- g. Tenant shall comply with all deed restrictions and reservations of record, if any, predating this Lease and remaining in effect as of the date of this Lease, covering the Premises. Landlord shall provide Tenant with any such restrictions and reservations of record within three (3) months from the date of this Lease, provided Landlord has actual knowledge of any such restrictions and reservations, including due diligence items, surveys, wetlands studies, permits, development orders, and any other planning, zoning, or title restriction affecting the Premises. Nothing contained in this Lease shall be construed to impose, renew, extend, or otherwise recognize any deed restrictions that have expired or been terminated by events, operation of law, their terms, or otherwise.
- h. No water tanks, concrete utility transmission poles, sewage treatment facility, billboards (excluding signage consistent with the terms of this Lease), animals (excluding service animals or animals for medical needs), commercial operations other than specifically allowed by this Lease or the MOU, sanitary landfills, medical facility, any activity emitting an odor, steam, dust, or smoke other than normal cooking activities, normal educational activities, science laboratory activities, jails, nor any other structure or activity not consistent with the Permitted Uses shall be maintained or allowed on the Premises without the written consent of the Landlord.
- i. This Lease is subject to all easements, use rights, rights of way, agreements, and other covenants, rights, or restrictions granted to any governmental unit or the United States that are either of public record or that can be determined by an examination, either above or below ground.

14. **Environmental Provisions.**

- a. **Landlord's Representations.** To the best of Landlord's knowledge after reasonable inquiry, Landlord represents and warrants as follows:



- i. No claim, lawsuit, agency proceeding, or other legal quasi-legal or administrative challenge has been brought concerning the Premises, or the existence of any hazardous substances thereon during Landlord's period of ownership.
  - ii. No governmental entity has served upon Landlord any notice claiming any violation of any statutes, ordinance, or regulations or noting the need for any repair, construction, alteration, or installation with respect to the Premises.
  - iii. However, notwithstanding the above representations and warranties, should a hazardous substance be discovered on the Premises which renders the Premises or any material part of this Lease unsuitable for the intended uses by Tenant as described in this Lease, then the Landlord or Tenant may terminate this Lease on written notice without further liability to each other. Tenant shall be responsible for all financial obligations prior to such termination, provided that Tenant shall not be responsible for any financial obligations related to the presence of any hazardous materials on the Premises unrelated to Tenant's use of the Premises.
- b. **Tenant's Representations.** Tenant agrees as follows:
- i. All operations and activities upon, and any use or occupancy of the Premises by Tenant or occupant of the Premises shall comply in all respects with all federal, state, and local laws and regulations relating to underground storage tanks and to the generation, handling, treatment, storage, use, transportation, spillage, leakage, emission, disposal, or discharge of any hazardous or toxic substances, materials, or wastes;
  - ii. Tenant shall not permit to be present on the Premises (a) any oil or other substance containing polychlorinated biphenyl ("PCBs"), or (b) any asbestos or any structures, fixtures, equipment, or other objects or materials containing asbestos;
  - iii. If any pollutant, contaminant, radioactive material or waste, or any hazardous or toxic substance which is or becomes regulated by any local, state, or federal authority, is after the commencement of the Term, released on, in, under, or about the Premises (unless released by Landlord or released outside the Premises, having flowed, diffused, migrated, or percolated onto or beneath the Premises), and such release is of a reportable quantity under any local, state, or federal law, Tenant shall immediately notify Landlord, investigate and remediate such release on the Premises or any adjoining property onto or under which such substance may have flowed, diffused, migrated, or percolated from the Premises in accordance with all applicable laws, and keep Landlord fully apprised concerning all actions with respect to such release and the remediation;
  - iv. Tenant shall, if required by any applicable federal, state, or local law, ordinance, or regulation, obtain all permits, licenses, or approvals necessitated by Tenant's use of the Premises for the generation, handling, treatment, storage, use, transportation, emission, or disposal of any hazardous or toxic substance, material, or waste, and Tenant shall provide a copy of such permit, license, or approval to Landlord; and
  - v. Tenant shall not dredge, fill, or otherwise disturb any wetland located on the Premises.
15. **Tenant's Covenants.** Tenant shall promptly observe and comply with all applicable present and future laws, ordinances, requirements, orders, directions, rules, and regulations of all governmental authorities having jurisdiction over the Premises or any part of the Premises and of all insurance companies writing policies covering the Premises or any part of the Premises. Without limiting the generality of the foregoing, Tenant or, as applicable under the terms of this Lease, subtenant shall also



procure each permit, license, certificate, or other authorization required in connection with the lawful and proper use of the Premises as required in connection with any building or improvement now or in the future erected on the Premises.

Furthermore, all improvements on the Premises shall be planned and constructed in accordance with any appropriate federal, state, county, or local building requirements, the Florida Building Code and the Florida Fire Prevention Code, and any other requirements for planning and construction of an educational facility under Florida Law as applicable to educational institutions, as applicable, and shall allow ingress and egress to all parts of the Premises, before, during and after construction, by inspectors of the Landlord for the purpose of ensuring compliance with same.

Tenant may make such alterations, improvements, and changes ("Premises Changes") to any building or improvement that may from time to time may be on the Premises as Tenant may deem necessary or to replace any such building or improvement with a new one of at least equal value, provided that prior to making any structural alterations, improvements, or changes or to replacing any such building, Tenant shall obtain Landlord's written approval of the Premises Changes that cost more than \$25,000.00. Tenant shall be responsible for all financial, legal, or other obligations arising out of or resulting from such Premises Changes. For purposes of this section, décor and non-permanent fixtures and equipment located on the Premises (e.g., teacher decorations, classroom décor, bulletin boards, temporary signage for students and teachers) are not considered Premises Changes.

Landlord agrees it will not undertake Premises Changes to its exclusive space in excess of \$25,000.00, without Tenant's written approval.

The Parties agree that Premises Changes to shared space will be approved by both Parties in advance of such changes being made by either Party.

16. **Construction Liens.** Tenant covenants and agrees that Tenant will not permit or allow any construction liens to be placed on Landlord's or Tenant's interest in the Premises during the Term. Notwithstanding the previous sentence, however, if any such lien is placed on Landlord's or Tenant's interest, Tenant shall take all steps necessary to see that it is removed within thirty (30) days of its being filed; provided, however, that Tenant may contest any such lien provided Tenant first posts a surety bond or other alternate security in favor of and insuring Landlord, in an amount sufficient to remove the lien under Florida law.
17. **Abandonment of Premises.** Tenant shall be deemed to have vacated or abandoned the Premises at any time during the Term if:
  - a. Tenant first obtains the express permission of Landlord to abandon the Premises; or
  - b. Tenant ceases to use the Premises after improvements are constructed for the purpose permitted by this Lease or uses the Premises for any purpose other than that allowed by this Lease; or
  - c. Tenant fails to have employed staff on the Premises for a period of 90 consecutive business days or for a period of 90 days in any 120-day consecutive period after the Premises are improved with a fully constructed Educational Facility, subject to the academic calendar.

If Tenant shall so abandon, vacate, or surrender the Premises or shall be dispossessed by process or law, or otherwise, then to the extent allowed by law, any improvements and personal property belonging to Tenant and left on the Premises shall be deemed to be abandoned and may be disposed of in any manner in the sole discretion of the Landlord.

Events of force majeure, including, but not limited to, acts of God, national pandemics, hurricanes, war, acts of terrorism, epidemics, strikes and labor disputes, fires, explosions, or other events out of



Tenant's control causing Tenant to be dispossessed of use of the Premises shall not be considered abandonment under this section.

18. **Encumbrance of Tenant's Leasehold Interest.** Tenant may not mortgage, pledge, or encumber title to the land constituting the Premises nor the improvements on the Premises, except that the Parties understand and agree that it may be necessary for Tenant to pledge or assign its leasehold interest as collateral for a loan or other form of financing to construct the Educational Facility and to make repairs upon the Premises. Landlord agrees to cooperate with the Tenant, signing an appropriate subordination agreement or estoppel agreement, if necessary, and Landlord will not unreasonably hinder any pledge or assignment of Tenant's leasehold interest as collateral for a loan or other form of financing to construct the Educational Facility agreed to under this Lease and to make repairs upon the Premises.

The Premises must at all times be used solely for the Permitted Uses. If, in any event, Tenant's pledge or assignment of Tenant's leasehold interest as collateral for a loan or other form of financing to construct the Educational Facility and to make repairs upon the Premises results in any lender or other entity or individual ("Replacement Tenant") becoming, having control or sponsorship of, or otherwise stepping into the rights and responsibilities of Tenant, Landlord reserves the following rights:

- a. If Replacement Tenant agrees in writing to use the Premises solely for Permitted Uses, Landlord may continue the Lease with Replacement Tenant but also retains the option to repurchase the leasehold and improvements thereon from the Replacement Tenant for a purchase price equal to the lesser of the appraised value at such a time of the repurchase or the sum of the outstanding mortgage balance, thereby terminating this Lease. No extensions of the Term shall be granted to a Replacement Tenant. If Landlord chooses to continue the Lease under the foregoing circumstances, the Replacement Tenant is subject to the terms of this Lease, including, but not limited to, the Permitted Uses of the Premises, and all modifications and additions to this Lease required by Landlord. In no event shall such Replacement Tenant sell, encumber, assign, or sublease the Premises without prior written consent from Landlord.
  - b. If Replacement Tenant does not agree in writing to use the Premises for Permitted Uses or other educational use that is consistent with Landlord's operations and permissible under federal and Florida law and that is approved in writing by Landlord, Landlord may terminate the Lease upon ninety (90) days written notice to such Replacement Tenant.
19. **Subletting and Assignments/Tenant Change in Ownership.** Tenant shall not assign this Lease or any part of the Premises in whole or in part without prior written notice, which shall be delivered at least ninety (90) days in advance of the anticipated beginning date of such assignment, and prior written consent of Landlord. Tenant may not sublet the Premises or any part of the Premises without prior written notice, which shall be delivered at least ninety (90) days in advance of the anticipated beginning date of such assignment, and prior written consent of Landlord. Should Tenant sublet or assign the Lease without Landlord's consent, cease to exist, undergo a change in ownership or purpose, or be merged with other entity or individual, Landlord may terminate the Lease upon ninety (90) days' written notice to Tenant. If Landlord chooses to continue the Lease under the foregoing circumstances, such entity or individual is subject to the terms of this Lease, including, but not limited to, the Permitted Uses of the Premises and all modifications and additions to this Lease required by Landlord. In no event shall such entity or individual sell, encumber, assign, or sublease the Premises without prior written consent from Landlord. No extensions of the Term shall be granted to such entity or individual.

20. **Prohibition of Involuntary Assignment; Effect of Bankruptcy or Insolvency.**



- a. **Prohibition of Involuntary Assignment.** Neither this Lease nor the leasehold estate of Tenant nor any interest of Tenant under this Lease in the Premises or in any building or improvements on any part of the Premises shall be subject to involuntary assignment, transfer, or sale or to assignment, transfer, or sale by operation of law in any manner whatsoever, and any such attempt at involuntary assignment, transfer, or sale shall be void and of no effect and shall, at the option of Landlord, terminate this Lease. This paragraph shall not apply to the interests of any lender having a secured interest in the Lease for purposes of collateral protection for the lender related to said lender's funding the costs of construction for the improvements to the Premises. If, in any event, any lender having a secured interest in the Lease for purposes of collateral protection for the lender related to said lender's funding the costs of construction for the improvements to the Premises results in any lender becoming a tenant under this Lease in lieu of Tenant, Landlord retains the same rights as set forth in Section 18. If Landlord chooses to continue the Lease under the foregoing circumstances, Replacement Tenant is subject to the terms of this Lease, including, but not limited to the Permitted Uses of the Premises, and all modifications and additions to this Lease required by Landlord. In no event shall such Replacement Tenant sell, encumber, assign, or sublease the Premises without prior written consent from Landlord. No extensions of the Term shall be granted to a Replacement Tenant.
- b. **Effect of Bankruptcy.** Without limiting the generality of the provisions of the preceding subsection (a) of this section, Tenant agrees that in the event any proceedings under the bankruptcy act or any amendment to the bankruptcy act be commenced by or against Tenant, and if against Tenant, such proceedings are not dismissed before either an adjudication in bankruptcy or the confirmation of a composition, arrangement, or plan of reorganization, or in the event Tenant is adjudged insolvent or makes an assignment for the benefit of its creditors, or if a receiver is appointed in any proceeding or action to which Tenant is a Party, with authority to take possession or control of the Premises or the business conducted thereon by Tenant, any such event or any involuntary assignment prohibited by the provisions of the preceding subsection (a) of this section shall be deemed to constitute a breach of this Lease by Tenant and shall at the election of Landlord, but not otherwise, without notice, entry, or other action of Landlord, terminate this Lease and also all rights of any and all persons claiming under Tenant.
21. **Notices.** All notices permitted or required to be given or served under this Lease shall be in writing and shall be deemed to have been duly given or served if delivered in person or by e-mail to the other Party or its authorized agent or if deposited in the United States mail, postage prepaid, for mailing by certified or registered mail, return receipt requested, and addressed to the other Party to this Lease, to the address set forth next to such Party's signature at the end of this Lease. All notices permitted or required to be given or served under this Lease through United States mail shall also be provided in a contemporaneous courtesy copy addressed to the other Party to this Lease, to the e-mail address set forth next to such Party's signature at the end of this Lease.

If to a person not a party to this Lease, all communications, demands, notices, or objections permitted or required to be given or served under this Lease shall be in writing and shall be deemed to have been duly given or served if delivered in person or by e-mail to the other Party or its authorized agent or if deposited in the United States mail, postage prepaid, for mailing by certified or registered mail, return receipt requested, and addressed to the address designated by a Party to this Lease in the foregoing manner.

Any Party may change its address by giving notice in writing, stating its new address, to any other Party as provided in the foregoing manner. Commencing on the tenth (10th) day after the giving of such notice, such newly designated address shall be such Party's address for the purposes of all



communications, demands, notices, or objections permitted or required to be given or served under this Lease. Counsel may give or serve notices on behalf of its client in the manner set out in this section.

22. **Insurance.**

- a. **Tenant's Insurance Coverage of Premises.** For any buildings constructed or other improvements on the Premises as of the commencement of the Lease, Tenant shall always during the term of this Lease and at Tenant's sole expense keep such buildings or improvements insured against loss or damage by fire, sinkhole, windstorm, flood, and other perils for one hundred percent (100%) of the full replacement value of such improvements.
- b. **Tenant's Commercial General Liability Insurance.** Tenant shall maintain, at its own expense, in effect throughout the term of this Lease liability insurance covering the Premises, its appurtenances, parking areas, and the sidewalks fronting the Premises in the amount of One Million (\$1,000,000) limit per occurrence for injury or death to any one person, Two Million (\$2,000,000) for injury to or death in the aggregate, and broad form property damage liability insurance in the amount of One Million (\$1,000,000) dollars. Such insurance shall specifically insure Tenant against all liability assumed by it under this Lease, as well as liability imposed by law. Such insurance will insure both Landlord and Tenant but shall be so endorsed as to create the same liability on the part of the insurer as though separate policies had been written for Landlord and Tenant. Tenant shall cause such insurance to name Landlord, its appointed officials and its officers, agents, and employees as additional insureds. Tenant shall annually deliver to Landlord certificates of insurance required to be maintained by Tenant under this Lease.
- c. **Tenant's Personal Property Insurance.** Tenant shall obtain and keep in force during the Term, at Tenant's expense, a fire and extended coverage policy or policies of insurance covering loss or damage against "all risk" of physical loss to its fixtures, equipment, alterations, furniture, tools, machinery, and other personal property within the Premises, in the amount of the full replacement value thereof, less any applicable deductibles.
- d. **Tenant's Automobile Liability Insurance.** If Tenant owns or leases automobiles and/or other vehicles that are used or operated on a regular basis on the Premises, Tenant shall obtain and keep in force during the Term, at Tenant's expense, automobile liability insurance for each such owned or leased automobile and/or other vehicles. The insurance shall be in a minimum coverage amount of Two Hundred Thousand Dollars (\$200,000) per person and Three Hundred Thousand Dollars (\$300,000) per occurrence. Such insurance shall name Tenant as the named insured and Landlord as an additional insured.
- e. **Tenant's Workers Compensation and Employer Liability Insurance.** Tenant shall obtain and keep in force during the Term, at Tenant's expense, workers' compensation, and employer liability insurance. The insurance shall be in the minimum amount of Five Hundred Thousand Dollars (\$500,000) per accident, Five Hundred Thousand Dollars (\$500,000) disease policy and Five Hundred Thousand Dollars (\$500,000) disease per employee. Such insurance shall name Tenant as the named insured and Landlord as an additional insured.
- f. **Landlord's Right to Pay Premiums on Behalf of Tenant.** The insurance policies referred to in this Lease shall be written in a form satisfactory to Landlord and by insurance companies authorized to do business in the State of Florida and satisfactory to Landlord. Tenant shall pay all the premiums for such insurance policies and deliver such policies or certificates of insurance to Landlord. If Tenant fails either to affect such insurance as called for under this Lease or to pay the premiums for such insurance policies or to deliver such policies or certificates of insurance to Landlord, Landlord shall be entitled, but shall have no obligation, to affect such insurance and pay the





premiums for such insurance policies. Any such premiums paid by Landlord on behalf of Tenant shall be Additional Rent repayable to Landlord within 30 days of Landlord's payment, and failure to repay the premiums shall be a substantial breach of this Lease by Tenant.

- g. **Alternations or Cancellations.** Each insurer mentioned in this section shall agree, by endorsement on the policy or policies issued by it, or by independent instrument furnished to Landlord, that it will give to Landlord thirty (30) days' written notice before the policy or policies in question shall be altered or canceled, for any reason. Landlord agrees that it will not unreasonably withhold or delay its approval of the form or of the insurance companies selected by Tenant.
- h. **Adjustment of Coverage.** If either Party at any time deems the limits of the liability, property damage, or public liability insurance then carried to be either excessive or insufficient, the Parties shall endeavor to agree on the proper and reasonable limits for such insurance then to be carried, subject to commercially reasonable availability and affordability, and such insurance shall from that date onward be carried with the limits thus agreed on until further change under the provisions of this section.
- i. **Waiver of Subrogation.** Without limiting the obligation of Tenant to maintain insurance that permits waiver of subrogation (unless otherwise approved in writing by Landlord), Landlord and Tenant waive all causes of action and rights of recovery against each other and their agents, officers, and employees for any loss occurring to their property resulting from any of the perils insured against under any and all casualty insurance policies in effect at the time of any such loss regardless of cause or origin of such loss, including the negligence of the Parties or their agents, officers, or employees to the extent of any recovery on such policies of insurance, except to the extent that any of such policies of insurance are invalidated, in whole or part, by said waiver, and so long as such policies of insurance shall contain (and Landlord and Tenant agree to use their best efforts to cause such policies to contain), by endorsement or otherwise, a clause in such form or having substantially the same effect as the following: "It is stipulated that this insurance shall not be invalidated in whole or in part should the insured or any of them waive in writing prior to a loss any or all rights of recovery against any person or entity for loss occurring to the property described in this Lease."
- j. **Landlord Insurance.** The College shall carry adequate insurance for its shared use of the Premises, covering any losses or claims of losses occurring in its dedicated exclusive space or due to the College's use or occupation of the shared space or other common areas.
- k. **Shared Use Space.** Regarding claims, losses or damages arising from the Parties' shared use (and that of their invitees) of the Premises, each Party shall be adequately insured for general liability, property damage, automobile, and worker's compensation against all such losses or damages, including those arising in any shared space, naming each other as "Additional Insured" on their respective policies.
- l. **Indemnity and Adequate Coverage.** To the extent permitted by Florida law, the Parties agree to each hold harmless and indemnify the other against all claims, losses, or damages arising from their shared use (and that of their invitees) of the Premises. Nothing in this Agreement shall be construed or interpreted to be a waiver of Landlord's sovereign immunity or of the application of § 768.28, Florida Statutes, as amended, to Landlord and The Seaside School, Inc., or of any other constitutional, statutory, common law, or other protections afforded to Landlord, Tenant, or to The Seaside School, Inc. Each Party shall be adequately insured for general liability, property damage, automobile, and worker's compensation against all claims, losses, or damages arising from their shared use (and that of their invitees) on the Premises, including those arising in any





shared space, naming each other as “Additional Insured” on their respective policies.

23. **Notice of Default.** Except as to the provisions of Section 5, 6, 7, and 8 of this Lease, Tenant shall not be deemed to be in default under this Lease in the payment of rent or the payment of any other moneys in this Lease required or in the furnishing of any bond or insurance policy when required in this Lease unless Landlord shall first give to Tenant ten (10) days written notice of such Monetary Default, and Tenant fails to cure the same within ten (10) days (“Monetary Default”). Except as to the provisions or events referred to in the preceding sentence of this section, Tenant shall not be deemed to be in default of other nonmonetary obligations under this Lease unless Landlord shall first give to Tenant ten (10) days written notice of such default and Tenant fails to cure such “Nonmonetary Default” within a thirty (30) day period or, if the default is of such a nature that it cannot be cured within thirty (30) days, Tenant fails to commence to cure such default within such period of thirty (30) days or fails after that date to proceed to cure such default with all possible diligence. Notices of Default shall also be supplied to any Lender who may have an interest in the leasehold as recorded in the Walton County Public Records.
24. **Default.** In the event of any Monetary or Nonmonetary Default of this Lease by Tenant, and subject to Tenant’s right to cure such default, Landlord, in addition to the other rights or remedies it may have, Landlord shall have the immediate right of reentry and may remove all persons and property otherwise from the Premises; to the extent allowed by applicable law, such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Tenant in accordance with Florida law. Should Landlord elect to reenter, as in this Lease provided, or should it take possession under legal proceedings or under any notice provided by law, Landlord may either terminate this Lease or may from time to time, without terminating this Lease, re-let the Premises or any part of the Premises for such term or terms (which may be for a term extending beyond the term of this Lease) and at such rental or rentals and on such other terms and conditions as Landlord in the sole discretion of Landlord may deem advisable with the right to make alterations and repairs to the Premises. No such reentry or taking possession of the Premises by Landlord shall be construed as an election on the part of Landlord to terminate this Lease unless a written notice of such intention is given to Tenant or unless the termination of this Lease is decreed by a court of competent jurisdiction. Notwithstanding any such re-letting without termination, Landlord may at any time after such date elect to terminate this Lease for such previous breach. Should Landlord at any time terminate this Lease for any breach, in addition to any other remedy it may have, Landlord may recover from Tenant all damages incurred by reason of such breach, including the cost of recovering the Premises, and including the worth at the time of such termination of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this Lease for the remainder of the stated terms over the then reasonable rental value of the Premises for the remainder of the stated term, all of which amounts shall be immediately due and payable from Tenant to Landlord.
25. **Landlord's Right to Perform.** In addition to any other provision contained in this Lease, if Tenant is in default under this Lease by failing or neglecting to do or perform any act or thing in this Lease provided by it to be done or performed, and such failure continues for a period of thirty (30) days after written notice from Landlord, Landlord may at Landlord’s option do or perform, or cause to be done or performed, such act or thing. Landlord shall not be liable, be held liable, or be in any way responsible for any loss, inconvenience, annoyance, or damage resulting to Tenant on account of the foregoing. Tenant shall repay to Landlord on demand the entire expense of the foregoing as Additional Rent.

Landlord shall be permitted to enter the Premises while exercising any right given to it by the terms of this section. Any act or thing done by Landlord under the provisions of this section are not nor shall be construed to be a waiver of any such default by Tenant, or as a waiver of any covenant, term, or



condition in this Lease contained or the performance of the foregoing, or of any other right or remedy of Landlord, under this Lease or otherwise.

26. **Surrender of Lease; Effect on Subleases.** The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation of this Lease, shall not work a merger and shall at the option of Landlord operate as an assignment to Landlord of any subleases affecting the Premises.
27. **Amendment, Modification, and Waiver.** No amendment, modification, or waiver of any condition, provision, or term of this Lease shall be valid or of any effect unless made in writing, signed by the Party or Parties to be bound or its duly authorized representative, and specifying with particularity the extent and nature of such amendment, modification, or waiver. Any waiver by any Party of any default of another Party shall not affect or impair any right arising from any subsequent default.
28. **Effect of Tenant's Holding Over.** Any holding over after the expiration of the term of this Lease, with consent of Landlord, shall be construed to be a tenancy from month to month and shall otherwise be on the terms and conditions in this Lease specified, so far as they are applicable.
29. **Rights under Lease.** No rights in either Party are or shall be deemed to be created by virtue of this Lease or otherwise until this Lease is executed in full by each Party.
30. **Parties Bound.** This Lease shall be binding on and inure to the benefit of the Parties to this Lease and their respective assigns, executors, heirs, personal representatives, and successors.
31. **Time of Essence.** Time is of the essence of this Lease, and of each covenant, term, condition, and provision of this Lease.
32. **Compliance with Applicable Law.** Tenant and Landlord shall comply with all federal, state, and local laws, statutes, ordinances, rules, and regulations applicable to the scope of this Lease in addition to SACSCOC Principles of Accreditation, any other applicable institutional accrediting agency's requirements, and terms of any grant applicable to the responsibilities undertaken in this Lease. Landlord and Tenant shall comply with all applicable provisions of Section 448.095, Florida Statutes. Neither Party will discriminate against any person based on race, color, ethnicity, genetic information, national origin, religion, gender, gender identity, sexual orientation, marital status, disability, or age in the performance of its obligations under this Lease.
33. **Captions.** All captions, headings, or titles in the paragraphs or sections of this Lease are inserted for convenience of reference only and are not a part of this Lease as a limitation of the scope of the paragraphs or sections to which they apply.
34. **No Partnership, Joint Venture, or Fiduciary Relationship.** Nothing contained in this Lease shall be interpreted as creating a partnership, joint venture, or relationship of principal and agent between Landlord and Tenant, it being understood that the sole relationship created is one of landlord and tenant.
35. **Cumulative Rights.** Except as otherwise expressly stated in this Lease, no right or remedy in this Lease conferred on or reserved to Tenant or Landlord is intended to be exclusive of any other right or remedy of this Lease provided by law, but each shall be cumulative in, and in addition to, every other right or remedy given in this Lease or not or hereafter existing at law, in equity, or by statute.
36. **Severable Provisions.** Each provision, section, sentence, clause, phrase, and word of this Lease is intended to be severable. If any provision, section, sentence, clause, phrase, and word of this Lease is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the legality or validity of the remainder of this Lease.



37. **Entire Agreement.** This Lease and the incorporated MOU, as amended contains the entire understanding of the Parties to this Lease with respect to the transactions contemplated and supersedes all prior agreements and understandings between the Parties with respect to such subject matter. No representations, warranties, undertakings, or promises, whether oral, implied, written, or otherwise, have been made by either Party to this Lease to the other unless expressly stated in this Lease or unless mutually agreed to in writing between the Parties to this Lease after the date of this Lease, and neither Party has relied on any verbal representations, agreements, or understandings not expressly set forth in or incorporated in this Lease.
38. **Florida Law.** This Lease shall be construed and enforced in accordance with the laws of the State of Florida. Landlord and Tenant agree that venue shall be Walton County, Florida.
39. **Further Assurances.** In addition to any other information which may reasonably be requested, either Party shall without charge, at any time and from time-to-time, within ten (10) days after written request, certify by written instrument duly executed and acknowledged to any person, firm, or corporation specified in such request:
- Whether this Lease has been supplemented or amended and, if so, the substance and manner of such supplement or amendment;
  - The validity and force and effect of this Lease;
  - The existence of any default under the Lease;
  - The existence of any offsets, counterclaims, or defenses to default on the part of such other Party; and
  - The commencement and expiration dates of the term of this Lease.
- Any such certificate may be relied on by the Party who requested it and any other person, firm, or corporation to whom it may be exhibited or delivered, and the contents of such certificate shall be binding on the Party executing it.
40. **Short-Form Recordable Lease.** The Parties will at any time, at the request of either one, promptly execute duplicate originals of an instrument, in recordable form, which will constitute a short form of this Lease, setting forth a description of the Premises, the term of this Lease, and option to renew, and any other portions of this Lease, excepting the rental provisions, as either Party may request.
41. **Arrearages.** All arrearages in the payment of rent shall bear interest from the date when due and payable until paid at the highest rate per year then allowed under the law of the State of Florida.
42. **Sovereign Immunity.** Nothing contained in this lease intended to serve as a waiver of the sovereign immunity of Landlord or Tenant, as applicable under Florida Law.
43. **Exhibits.** Exhibits to this Lease are incorporated in the Lease by reference.
44. **Waiver of Jury Trial.** The Parties knowingly waive any right to a trial by jury for any cause of action or dispute arising out of or related to this Agreement.
45. **Broker Agency Disclosure.** The Parties agree and each warrant to each other that no broker or agent has been employed with respect to this Lease.
46. **Force Majeure.** Neither Party shall be deemed in default or breach of this Lease or liable for any loss, damages, or delay or failure in performance due to a Force Majeure Event. "Force Majeure Events" are defined as causes beyond the reasonable control of the Parties, or their respective agents, vendors, and contractors including but not limited to, acts of God, weather, labor disputes, fire or other casualty,



unusual delays in deliveries or availability of materials, orders or mandates of governments or other entities restricting the normal course of business or travel, pandemics, and insurrections. The affected party shall receive an extension of time of one (1) day for each day or portion of a day delayed by a Force Majeure Event.

*[Signature Page Follows]*



# NORTHWEST FLORIDA STATE COLLEGE

100 College Boulevard, E. • Niceville, FL 32578-1347 • (850) 678-5111 • [www.nwfsc.edu](http://www.nwfsc.edu)

IN WITNESS OF THE FOREGOING, the Parties have executed this Lease the last day and year shown at the signatures below.

LANDLORD:

THE DISTRICT BOARD OF TRUSTEES OF  
NORTHWEST FLORIDA STATE COLLEGE



By: Dr. Devin Stephenson

Its: College President and Secretary to the Board

Dated: September 27, 2021

Landlord's Notice Address:

100 College Boulevard E  
Niceville, Florida 32578

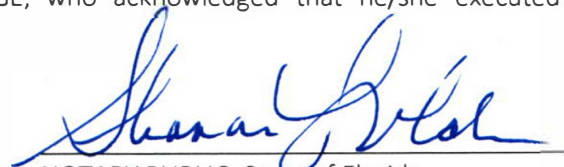
Points of Contact for Payments and Notices:  
Vice President of Business Operations and Finance  
850-729-6404  
[whiter3@nwfsc.edu](mailto:whiter3@nwfsc.edu)

General Counsel  
850-729-5253  
[wrutherford@nwfsc.edu](mailto:wrutherford@nwfsc.edu)

Purchasing Department  
850-729-5361  
[stongek@nwfsc.edu](mailto:stongek@nwfsc.edu)

STATE OF FLORIDA  
COUNTY OF OKALOOSA

BEFORE ME, the undersigned authority personally appeared by means of ✓ physical presence or by online notary, Dr. Devin Stephenson as College President and Secretary of THE DISTRICT BOARD OF TRUSTEES OF NORTHWEST FLORIDA STATE COLLEGE, who acknowledged that he/she executed the foregoing for the purposes contained in this Lease.



NOTARY PUBLIC, State of Florida  
My Commission expires:



NORTHWEST FLORIDA  
STATE COLLEGE

100 College Boulevard, E. - Niceville, FL 32578-1347 • (850) 678-5111 • www.nwfsc.edu

TENANT:

The Seaside School Foundation, Inc.

By: Patrick McCarthy

Its: President

Dated: September 27, 2021

Tenant's Notice Address:

10 Smolian Cir  
Seaside, FL 32459

Point(s) of Contact Address for Notices and Payments:

Teresa Horton, Executive Director

teresa@seasideschoolfoundation.org

(513) 578-9555

STATE OF FLORIDA  
COUNTY OF WALTON

BEFORE ME the undersigned authority personally appeared by means of physical presence or  
online notary, Patrick McCarthy as President of  
The Seaside School Foundation Inc who acknowledged that he/she executed  
the foregoing for the purposes contained in this Lease.



NOTARY PUBLIC, State of Florida  
My Commission expires: 4/6/23



**NORTHWEST FLORIDA  
STATE COLLEGE**

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100 College Boulevard, E. • Niceville, FL 32578-1347 • (850) 678-5111 • [www.nwfsc.edu](http://www.nwfsc.edu)

## EXHIBIT A





# NORTHWEST FLORIDA STATE COLLEGE

100 College Boulevard, E. • Niceville, FL 32578-1347 • (850) 678-5111 • www.nwfsc.edu

**MEMORANDUM OF UNDERSTANDING**  
**by and between**  
**The District Board of Trustees**  
**of Northwest Florida State College, Florida**  
**and**  
**The Seaside School Foundation, Inc.**

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The purpose of this Memorandum of Understanding ("MOU"), made effective as of the same effective date as the incorporated Lease, is to guide and direct a working relationship on the Premises and for the educational partnership articulated in the attached Lease between The District Board of Trustees of Northwest Florida State College, a Florida College System institution (the "College") and The Seaside School Foundation, Inc., a non-profit 501(c)(3) organization, created to benefit and support Seacoast Collegiate High School, a charter school established under Section 1002.33, Florida Statutes ("Seacoast") (collectively, the "Parties," and each a "Party").

## **RECITALS**

WHEREAS, the Parties agreed to the terms in the incorporated Lease;

WHEREAS, the Parties agree that there exists unmet demand for educational and workforce development opportunities in Walton County;

WHEREAS, Seacoast desires to use a portion of the Premises for Seacoast educational use;

WHEREAS, the College desires to use a portion of the Premises for College educational use; and

WHEREAS, the Parties desire to partner together to use a portion of the Premises for joint educational, recreational, and community use;

THE PARTIES NOW, THEREFORE, AGREE:

1. **Lease.** The attached Lease is incorporated in this MOU. All terms defined in the Lease carry the same definition as assigned to those terms in the Lease.
2. **Term.** This MOU is effective as of the same date of the Lease. This MOU will continue for a term equal to, and in any event not to exceed, the term of the Lease. If the Lease is terminated for any reason, this MOU is likewise terminated. If the Lease is renewed upon the terms set out in the Lease, this MOU is likewise renewed.
3. **College Responsibilities:**
  - a. The College will monitor compliance with this MOU and the Lease and regularly submit reports in writing to its Board of Trustees. During the construction and development phase, the College will make reports to the Board of Trustees at least each quarter. When construction is complete and programming has begun, the College will make reports to the Board of Trustees upon request or upon material change or event.
  - b. The College will deliver credit and non-credit courses on the Premises, including dual enrollment courses at the time of opening (or the earliest possible semester after opening, if the Educational Facility opens out of sync with the College's academic calendar). The subject, number, and staffing of such courses will be determined in the College's discretion. Postsecondary education on the Premises will be offered and



delivered by the College, whether by dual enrollment, traditional College degree enrollment, certification, or other means. Any other provider or provision of postsecondary education must be approved by the College prior to provision of such services on the Premises; in each instance, the College will evaluate whether it may provide such service, and the College maintains the right to approve or deny external postsecondary education providers on the Premises.

- c. The College will deliver workforce development training on the Premises. The subject, number, and staffing of such training will be determined at the College's discretion.
- d. The College may deliver any training offered by the College on the Premises to any student eligible under Florida law and College policy and procedure, regardless of Seacoast or other school affiliation or whether public, private, charter, or homeschool.
- e. The College will seek to develop a comprehensive dual enrollment center in its space on the Premises.
- f. The College reserves the right to schedule, register students for, reschedule, and cancel its offered courses according to College policy and procedure. Administrative decisions, such as, but not limited to, maximum and minimum class enrollment, is subject to College policy and procedure.
- g. To the extent appropriate under applicable law and as far as feasible and appropriate for College operations, the College will offer Seacoast students the opportunity for priority registration for dual enrollment courses offered on the Premises. The priority registration option will be offered at the College's discretion, subject to applicable law, resources, and SACSCOC Principles of Accreditation and any other applicable institutional accrediting agency's requirements.
- h. The College will collaborate with Seacoast to host and deliver various workforce development and community enhancement courses and activities in the shared space on the Premises. All offerings in the shared space must be approved by the College as consistent with College operations and SACSCOC Principles of Accreditation and any other applicable institutional accrediting agency's requirements. To the extent that the College may offer workforce development or community enhancement courses through its existing programming, the Parties will take advantage of the College's existing programming and resources.
- i. If neither party is in default of its obligations under the Lease or MOU, the College will not sponsor a competing charter school on the South Walton campus and Seacoast will not partner with another college for any purpose on the South Walton Campus, without prior approval from the other party. This section does not limit the College's right to offer any type of educational opportunity, whether charter school or otherwise, in any other College service area, and to any student seeking College services in any manner that the College is permitted to offer. This clause does not limit the College's right and responsibility to pursue and take action on offering educational opportunities, as directed by the State of Florida, throughout its service area. Default carries the same definition and procedures as found in the Lease.

4. **Seacoast Responsibilities:**

- a. Seacoast will deliver educational programming for its students on the Premises at the time of opening (or the earliest possible semester after opening if the Educational Facility opens out of sync with Seacoast's academic calendar). The subject, number, and staffing of such courses that Seacoast delivers will be determined at Seacoast discretion; provided, however, that such educational programming prepares Seacoast students to participate

in the College's dual enrollment courses when eligible.

- b. Seacoast will enroll the maximum possible number of its students in the College's dual enrollment courses.
  - c. As stated in Section 3(g) above, Seacoast will collaborate with the College to host and deliver various workforce development and community enhancement courses and activities in the shared space on the Premises.
5. **Programming.** Within twelve (12) months of entering this MOU and the Lease, the College and Seacoast shall amend this MOU to articulate what programming each Party intends to offer on the Premises. Although this MOU will be amended more particularly, it is the intention of the parties to have the College offer basic core classes and for Seacoast to offer prerequisite classes that complement such core classes, providing students of both schools a seamless transition between secondary and post-secondary education on the Premises.
6. **Division and Dedication of Space.** Within twelve (12) months of entering this MOU and the Lease, the College and Seacoast shall amend this MOU to articulate the division of space for each Party's exclusive educational and to dedicate the space that will be set aside for joint use for the purpose of workforce development and other student and community training and engagement operations, referred to between the parties as the Accelerator. Such amendment will include, with more particularity, each party's pro-rata share for all expenses and obligations for shared use. After opening the Educational Facility and two (2) years of successful performance under the Lease and MOU, Seacoast may submit a proposal to expand the area leased for uses approved by both Parties. The Parties may adjust this timeline by mutual agreement.
7. **Points of Contact and Regular Meetings.** To appropriately implement this MOU, each Party appoints at least one point of contact, listed below, to facilitate communications and decisions regarding joint responsibilities under this MOU. During the first 12 months of this MOU, the Parties, through their Points of Contact and other designated individuals, shall meet regularly, and in any event not less than once quarterly.

**Northwest Florida State College**

**President's Office**

Dr. Devin Stephenson, President

Melissa Wolf-Bates, Executive Assistant

wolfm@nwfsc.edu

850-729-5360

**Student Success and Academic Affairs**

Cristie Kedroski, Senior Vice President

kedroskc@nwfsc.edu

850-729-5210

Dr. Deidre Price, Vice President of Academic Affairs

priced@nwfsc.edu

850-729-6448

**Finance, Facilities, and Legal**

Randall White, Vice President of Business Operations and Finance/Chief Financial Officer  
whiter3@nwfsc.edu  
850-729-6404

Whitney Rutherford, Associate Vice President/General Counsel  
wrutherford@nwfsc.edu  
850-729-5253

**Seacoast**

Joy Robbins, Community, Culture and Curriculum Specialist  
robbinsj@seasideschools.net  
850-231-0396

Any notices required under this MOU will be delivered via email to the above point(s) of contact. A courtesy copy of such notices may be delivered by the courier to the following addresses:

Northwest Florida State College: 100 College Boulevard E, Niceville, Florida 32578

Seacoast: 10 Smolian Circle, Seaside, FL 32459.

8. **Additional Terms:**

- a. **Biannual Review.** Unless review is otherwise provided for under this MOU, it will be reviewed by both Parties for accuracy and recency with the state of operations on the Premises every two years or, in other words, every other year; such review will be memorialized in a writing signed by both Parties. Because this MOU is effective as of September 27, 2021, the first biannual review will be due as of September 29, 2023.
- b. **Amendment.** This MOU may be modified by mutual consent at any time.
- c. **Good Faith Actions.** Each Party will perform its duties under the Lease and MOU in good faith without improperly hindering or hampering the operations of the other Party. The Parties shall, in complying with their respective obligations under this MOU, always act in good faith.
- d. **Compliance with Applicable Law.** Both the College and Seacoast shall comply with all federal, state, and local laws, statutes, ordinances, rules, and regulations applicable to the scope of this MOU in addition to SACSCOC Principles of Accreditation, any other applicable institutional accrediting agency's requirements, and terms of any grant applicable to the responsibilities undertaken in this MOU. Neither Party will discriminate against any person based on race, color, ethnicity, genetic information, national origin, religion, gender, gender identity, sexual orientation, marital status, disability, or age in its programs or activities or in the delivery of services under this MOU.



The Parties by their signature below agree with the foregoing:

**THE DISTRICT BOARD OF TRUSTEES OF  
NORTHWEST FLORIDA STATE COLLEGE**

Signature: \_\_\_\_\_

A handwritten signature in blue ink, appearing to read "Dr. Devin Stephenson", written over a horizontal line.

By: \_\_\_\_\_

Dr. Devin Stephenson

Title: \_\_\_\_\_

Northwest Florida State College President

Date: \_\_\_\_\_

September 27, 2021

**THE SEASIDE SCHOOL FOUNDATION, INC.**

Signature: \_\_\_\_\_

A handwritten signature in blue ink, appearing to read "Patrick McCarthy", written over a horizontal line.

By: \_\_\_\_\_

Patrick McCarthy

Title: \_\_\_\_\_

President

Date: \_\_\_\_\_

September 27, 2021