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GROUND LEASE

THIS IS A GROUND LEASE dated as of April 5, 1988 between HERNANDO COUNTY BOARD OF COUNTY COMMISSIONERS, as Lessor and PEARSON INDUSTRIES, INC., as Lessee.

WITNESSETH:

The LESSOR and the LESSEE hereby covenant and agree as follows:

SECTION 1. LEASE OF LEASED LAND. The LESSOR hereby demises and leases Lot #15 of the Hernando County Airport Industrial Park, Unit 1, as recorded in Plat Book 17, Pages 80-83 Public Records of Hernando County, Florida, to the LESSEE and the LESSEE hereby hires, takes and leases the Leased Land from the LESSOR, for the term, at the rental and on the conditions herein set forth.

SECTION 2. LEASE TERM. The lease term for the Leased Land shall commence on the date of delivery of this Ground Lease and shall end on the anniversary date Fifty (50) years hence. LESSEE shall have the option to renew the lease for an additional Fifty (50) years on giving written notice to LESSOR of its intention to exercise the option at least three months prior to the expiration of the initial term.

SECTION 2a. PERMITTED USES. LESSEE shall use the demised premises to construct thereon an office/warehouse building which will be made available for lease or sale to an industry. It is understood and agreed that any manufacturing use that may, in the future, be proposed for said building shall conform to type of industry or business envisioned by Park restrictions and covenants, the conformance of which shall be determined and approved in writing by the LESSOR through the Industrial Park Administrator.

SECTION 3. RENT. The LESSEE agrees to pay to the LESSOR an annual sum of \$1,980.00 (One Thousand Nine Hundred Eighty Dollars) as rent for the Leased Land paid in monthly amounts of \$165.00 (One Hundred Sixty Five Dollars) per month with the first payment due on July 1, 1988, at which time the rent for the first and last month shall be paid. Subsequent payments on the

This instrument is being re-recorded to correct an error on the last page.

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1st (first) day of each succeeding month. The rental amount shall be in effect for a period of five years and shall be subject to review for adjustment every fifth anniversary of this lease or any extensions to this lease. The leased land shall be reappraised by a real estate appraiser, at the expense of the LESSOR, at the beginning of each subsequent five year term and the rental amount shall be the current lease amount of \$165.00 per month or (12%) percentum of the appraised value of the land per year, whichever is greater; provided however, that any adjustment of the rental amount shall not exceed five percent per year during the subsequent five year period. A 1 1/2% (one and one-half percent) penalty or \$5.00 (five dollars) whichever is greater, will be applied to all rents received after the 10th (tenth) day of the month.

SECTION 4. MAINTENANCE. In addition to the rental payments in paragraph 3, the LESSEE shall pay to the LESSOR an annual sum of \$500.00 which sum shall be for the cost of operation and maintenance of the industrial park. This amount shall be paid in equal monthly installments of \$41.67 each. This annual fee shall be adjusted every five years to reflect the changes in the Consumer Price Index (Department of Labor); provided however, that any adjustment shall not exceed 5% of the previous annual fee.

SECTION 5. NOTICES. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by registered or certified mail, postage prepaid, addressed as follows if to the LESSEE, at:

15002 Cortez Boulevard  
Brooksville, FL 34608

and, if to LESSOR, at 10 North Brooksville Avenue, Brooksville, Florida; The LESSOR and the LESSEE may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

SECTION 6. BINDING EFFECT. This Ground Lease shall inure to the benefit of and shall be binding upon the LESSOR and the LESSEE and their respective successors and assigns.

SECTION 7. SEVERABILITY. In the event any provision of

this Ground Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 8. COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS. LESSEE will use the premises and conduct or allow any activities upon the premises only in compliance with all applicable laws, governmental regulations, and regulations established from time to time by LESSOR.

SECTION 9. LESSOR hereby grants permission for First Florida Bank, N.A. to become a substitute lessee in the event of loan failure by the LESSEE and authorizes sub-letting of the building envisioned hereunder to future sub-lessees of the premises or sale of the building constructed thereon requiring the prior written approval of the LESSOR as outlined in Section 2a of this lease.

SECTION 10. INSURANCE. At all times while this lease remains in force, LESSEE agrees to maintain, at LESSEE'S expense, fire and casualty insurance on the improvements located on the premises up to the full insurable value thereof, and to maintain comprehensive bodily injury, death, and property damage liability insurance with respect to the premises and coverages not less than \$500,000 for bodily injury or death resulting from one occurrence, and \$250,000 for property damage. Said insurance shall name LESSOR as the insured or an additional insured with LESSEE. LESSEE shall deliver the policy or policies of insurance (or copies thereof) to the LESSOR at the inception of this lease, and shall, when requested, furnish LESSOR with written evidence that the insurance has remained in force and good standing.

SECTION 11. INDEMNIFICATION. LESSEE agrees to indemnify and hold harmless the LESSOR from any claim arising out of injury to any person or damage to any property resulting from LESSEE'S activity upon the premises herein demised nor upon the streets or property of the LESSOR.

SECTION 12. UTILITIES AND TAXES. LESSEE shall pay all applicable taxes and all costs and charges for water, gas, electricity, sewer service, garbage service, telephone service, and other utilities used in connection with the premises while

this lease remains in force.

SECTION 13. SUITABILITY OF PREMISES. LESSEE has examined the premises before entering into this lease and does not rely upon any representations by LESSOR as to the condition of the premises or its suitability for LESSEE'S purposes.

SECTION 14. LESSOR'S REMEDIES FOR LESSEE'S DEFAULT. If LESSEE fails to pay LESSOR the rent required hereunder when due, or otherwise defaults in the performance of LESSEE'S obligations hereunder, LESSOR may (a) resume possession of the premises and recover immediately from LESSEE the unpaid rent specified herein less the fair rental value of the premises for the remainder of the lease period, reduced to present worth, or (b) resume possession of the premises and recover from LESSEE, at the end of the lease period or at the time each payment of rent becomes due hereunder, as LESSOR may choose, the unpaid rent specified herein less the net rent, if any, received by LESSOR from re-leasing or renting. In either event, LESSOR shall also be entitled to recover from LESSEE any special damages to LESSOR by reason of LESSEE'S default. The remedies specified above are not in limitation to any other remedies allowed by law. All costs incurred by LESSOR in enforcing the terms of this lease shall be borne by LESSEE, including reasonable Attorney fees.

SECTION 15. AIRPORT MATTERS. This Lease is subordinate to the provision of any existing or future agreement between the LESSOR and the United States of America, the State of Florida or their agencies, relative to the operation or maintenance of the Hernando County Airport and specifically subject to all rules and regulations of the Federal Aviation Administration.

SECTION 16. EXCLUSIVE RIGHTS. Notwithstanding anything herein contained that may be, or appear to be the contrary, it is expressly understood and agreed that the rights granted under this Lease are non-exclusive and the LESSOR herein reserves the right to grant similar privileges to another operator or other operators on other parts of the airport property.

SECTION 17. NON-DISCRIMINATION. The LESSEE for itself, its heirs, personal representatives, successors in interest and

assigns, as a part of the consideration hereof does hereby covenant and agree that in the event facilities are constructed, maintained or otherwise operated on said property described in this Lease for a purpose which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the LESSEE shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR, Part 21, Non-Discrimination in Federally Assisted Programs of the Department of Transportation and as said regulations may be amended.

SECTION 18. STANDARD PROTECTION CLAUSES.

(a) The LESSOR reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the real property hereinafter described together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the said airspace, and for use of said airspace for landing on, taking off from or operating on the Hernando County Airport.

(b) The LESSEE expressly agrees for itself, its successors and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the hereinafter described real property to such a height so as to comply with Federal Aviation Regulations, Part 77.

(c) The LESSEE expressly agrees for itself, its successors and assigns, to prevent any use of the hereinafter described real property which would interfere with or adversely affect the operation or maintenance of the airport, or otherwise constitute an airport hazard.

SECTION 19. COVENANTS.

(a) As a part of the consideration for this lease, the LESSEE covenants and agrees to further pay or discharge all taxes, assessments, penalties, charges, rates, or liens of any nature whatsoever which may for the period following the effective date of this lease be levied, assessed, charged,

imposed, or claimed on or against said lot or any improvements of fixtures thereon or appurtenances thereto, or any part thereof, or against the Owner or Owners of said land or the improvements, by reason of said ownership, by whatsoever authority levied, assessed, charged, imposed, claimed, and whether the same be on or against the property herein leased, its improvements, fixtures, or appurtenances, or any part thereof, or on or against the income from said land or its improvements, it being the intention of the parties to this lease that the rents herein reserved shall constitute a net income to the LESSOR from said land herein leased, equal in amount to said rents.

(b) That if part of or one of the buildings be destroyed or rendered untenable by fire or other unavoidable accident, the LESSEE shall make appropriate repairs or replacement or demolition within a period of three (3) months. Time extension (s) may be granted by LESSOR for good cause upon written request by LESSEE and all such actions by LESSEE must be approved by LESSOR in writing.

(c) That in the event the LESSEE, without the written consent of the LESSOR, shall sell, assign or in any manner encumber or pledge this lease, or if the LESSEE shall fail to comply with any statute, ordinance, rule, order, regulation or requirement of the Federal or State governments, or the Hernando County Industrial Park Board, or any of their departments, or bureaus applicable to said premises, the LESSOR may, if it elects, at any time thereafter, terminate this lease the terms thereof, on giving the LESSEE fifteen (15) days notice thereof in writing of its intention to do so, and upon giving such notice the lease and the terms thereof shall terminate, expire and come to an end on date fixed in this lease for the termination and expiration thereof.

(d) If at any time prior to the date fixed as the commencement of the term of this lease or if at any time during the term hereby demised there shall be filed by or against LESSEE in any court pursuant to any statute either of the United States or of any State a petition in bankruptcy or insolvency or for

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reorganization or for the appointment of a receiver or trustee of all or a portion of LESSEE'S property, or if LESSEE makes an assignment for the benefit of creditors, this lease, at the option of the LESSOR, exercised within a reasonable time after notice of the happening of any one or more of such events, may be canceled and terminated. In such event neither LESSEE nor any person claiming through or under LESSEE by virtue of any statute or of order of any court shall be entitled to possession or to remain in possession of the premises demised but shall forthwith quit and surrender the premises. LESSOR, in addition to the other rights and remedies he has by virtue or any other provision herein or elsewhere in this lease contained by virtue of any statute or rule of law, may retain as liquidated damages any rent, security, deposit of moneys received by it from LESSEE or others in behalf of LESSEE.

(e) The LESSOR, upon its part, hereby covenants and agrees as follows: That the LESSEE may quietly hold and enjoy the premises hereby leased without any interruption by the LESSOR, or any persons claiming through or under it, provided that on the breach of any of the covenants by the LESSEE herein contained the LESSOR may thereupon re-enter said premises and immediately the said term will be terminated.

SECTION 20. The LESSOR designates the Administrator of the Hernando County Industrial Park to do and perform on behalf of the LESSOR all acts requiring the discretion of its agent hereunder, including at all reasonable times, the right to enter upon the premises for the inspection of same.

SECTION 21. EXECUTION IN COUNTERPARTS. This Ground Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

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O.R. 689 PG 0841

IN WITNESS WHEREOF, the LESSOR and the LESSEE have caused this Ground Lease to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

ATTEST:

Karen Nicolai  
KAREN NICOLAI  
CLERK OF CIRCUIT COURT

BOARD OF COUNTY COMMISSIONERS  
HERNANDO COUNTY, FLORIDA

By: David R. Russell  
DAVID R. RUSSELL, CHAIRMAN

ATTEST:

Lisa Charles Crosby

PEARSON INDUSTRIES, INC.

By: Samuel R. Pearson  
SAMUEL R. PEARSON, PRESIDENT

STATE OF FLORIDA  
COUNTY OF HERNANDO

The foregoing instrument was acknowledged before me this 19th day of May, A.D., 1988, by Samuel R. Pearson, President of PEARSON INDUSTRIES, INC. a Florida corporation, on behalf of said corporation.

Sam D. Ruge  
Notary Public

My Commission Expires:

NOTARY PUBLIC, STATE OF FLORIDA  
MY COMMISSION EXPIRES: FEB. 13, 1992

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FILED FOR RECORD  
KAREN NICOLAI, CLERK  
HERNANDO COUNTY, FLA  
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