

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: April 3, 2017
TO: Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk
FROM: Kelley F. Corbari, Senior Attorney, Office of the General Counsel *KFC*
RE: **Docket No. 150181-WU** – Application for staff-assisted rate case in Duval County by Neighborhood Utilities, Inc.

Attached please find a copy of a lease agreement executed by Neighborhood Utilities, Inc. for office space pursuant to Order No. PSC-16-0537-PAA-WU. Please file the attached document in the documents tab of the above-referenced docket file.

Thank you for your assistance in this matter. Should you have any questions, please do not hesitate to contact me.

KFC

RECEIVED-FPSC
2017 APR -3 PM 1:45
COMMISSION
CLERK

A-B DISTRIBUTORS, INC.

1116 North Edgewood Avenue • Jacksonville, Florida 32254 • (904) 786-3220 Fax: 695-2689 • E-mail: abinc@bellsouth.net

March 24, 2017

Dear Tenant:

Please find attached a copy of your new Lease dated March 23, 2017 with your rent rate, and due on the first of each month:

Your rate is:

5/1/2017 - 4/30/2018 - \$963.00

If you have any questions please feel free to call Mr. Don Battista or Kathie Ray at 786-3220.

Thank you for leasing with A-B Distributors, Inc.

Sincerely,
A-B Distributors, Inc.

A-B DISTRIBUTORS, INC.

1116 North Edgewood Avenue • Jacksonville, Florida 32254 • (904) 786-3220 Fax: 695-2689 • E-mail: abinc@bellsouth.net

Please fill out this enclosed form with contact information for any correspondences being mailed out if different than your business address.

TENANT NAME INFORMATION TO BE SENT TO: _____

TENANT BUSINESS NAME: _____

TENANT ADDRESS: _____

PHONE NUMBER: _____

FAX NUMBER: _____

E-MAIL ADDRESS: _____

Please mail or fax back to my attention.

Kathy Ray

Request for Taxpayer Identification Number and Certification

Give Form to the
 requester. Do not
 send to the IRS.

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return) A-B Distributors, Inc.	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input checked="" type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Other (see instructions) ▶ _____	Exemptions (see instructions): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____
	Address (number, street, and apt. or suite no.): 1116 N. Edgewood Ave.	Requester's name and address (optional)
City, state, and ZIP code: Jacksonville, FL 32254		
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number									

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Employer identification number									

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below), and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	Signature of U.S. person ▶ <u>Don J. Battista, OFFICE MGR</u>	Date ▶ <u>7/14/16</u>
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.
Future developments. The IRS has created a page on IRS.gov for information about Form W-9, at www.irs.gov/w9. Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the

withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

REAL ESTATE LEASE AGREEMENT

ARTICLE 1
BASIC TERMS

Section 1.1 Parties.

THIS LEASE AGREEMENT ("Lease"), made as of March 23, 2017,
by and between A-B DISTRIBUTORS, INC., 1116 North Edgewood Avenue,
Jacksonville, Florida 32254 ("Landlord") and _____
Neighborhood Utilities, Inc. _____
("Tenant")

W I T N E S S E T H :

Section 1.2 Property and Leased Premises.

The Landlord hereby leases and rents unto the Tenant and the
Tenant hereby hires and takes from the Landlord the following
described property ("Leased Premises"):

Approximately 800 square feet of space
designated as 1381 Cassat Ave., and
constituting a portion of a building (the
"Building") included in United Professional Complex
_____ (the "Property"),
located at 1381 Cassat Ave.
_____ Jacksonville, FL 32205

_____. The legal description of the Property
and the location of the Leased Premises are
as shown on the Site Plan attached hereto as
Exhibit A. If required, Landlord shall
improve the same substantially in accordance
with Exhibit B attached hereto.

Section 1.3 Lease Term.

The term of this Lease (the "Term") shall be One (1) year(s)
(plus the part of a month, if any, from the date of the commence-
ment of the Term to the first day of the first full calendar month
in the Term), commencing on the Commencement Date, which is to be
the 1st day of May, 2017, unless the Tenant begins using the
Leased Premises before then at which time the date for that
earliest use shall be the Commencement Date, and ending on the 30th
day of April, 2018, unless renewed or extended as provided herein,
on the terms and conditions as set forth herein.

Section 1.4 Rent and Other Charges.

Rent Summary:

<u>Rental Period</u>	<u>Monthly Base Rent</u>	<u>Estimated Current Sales Tax</u>	<u>Total Initial Monthly Rent Payment Estimate</u>
5/1/2017-4/30/2018	\$900.00	\$63.00	\$963.00

* Landlord agrees that Tenant may move in the Leased Premises prior to the rents starting May 1, 2017. The actual number of days the Tenant may use the Leased Premises without paying rent is dependent on when the Landlord receives Tenant's executed Lease, certificate of insurance, security deposit, and when Landlord's work is finished.

(a) Base Rent. Tenant hereby covenants and agrees to pay as annual Base Rent of \$ 10,800.00 for the first year of the Term payable in advance in equal monthly installments in lawful United States currency, together with any and all sales or use taxes levied upon the use or occupancy of the Leased Premises and any rent or other charges payable hereunder. Base Rent shall be due and payable beginning on the date shown on the Rent Summary in this section on the first day of each and every month throughout the Term and shall be paid without set off or deduction to Landlord at its address above or such other address as Landlord directs in writing. To defray the additional expenses involved in collecting and handling delinquent payments, if any Base Rent or other Payment due under this Lease is not received by Landlord within ten (10) days of the due date of such payment, Tenant shall pay in addition to such payment a late charge equal to Seventy-Five Dollars and No/100 (\$75.00) plus one-half of one percent (0.5%) of the amount then due, per day until the required payments are made from and after the tenth (10th) day following the date of any payment required hereunder. Tenant acknowledges that this charge is made to compensate Landlord for additional costs incurred by Landlord as a result of Tenant's failure to pay when due, and is not a payment for the extension of the rent due date. Landlord's failure to insist upon the payment of the late charge, shall not be deemed a waiver of Landlord's right to collect such late charge for any future delinquencies.

ARTICLE 2

OTHER CHARGES PAYABLE BY TENANT

Section 2.1 Additional Rent.

All charges payable by Tenant under the terms of this Lease other than Base Rent are called "Additional Rent." Unless this Lease provides otherwise, all Additional Rent shall be paid with the next monthly installment of Base Rent. The term "rent" shall mean Base Rent and Additional Rent.

Section 2.2 Charges, Operating Expenses.

If the nature of Tenant's business within the Leased Premises is such that additional costs are incurred by Landlord for insurance, cleaning, utilities, sanitation, trash removal, pest control, disposal services or other Operating Expenses, Tenant agrees to pay as additional rent to Landlord on demand the amount of such additional costs.

Section 2.3 Taxes.

(a) Intentionally omitted.

(b) Intentionally omitted.

(c) **Personal Property Taxes.**

(i) Tenant shall pay all taxes charged against trade fixtures, furnishings, equipment or any other personal property belonging to Tenant. Tenant shall use its best efforts to have personal property taxes assessed separately from the Property.

(ii) If any of Tenant's personal property is taxed with the Property, Tenant shall pay Landlord the taxes on the personal property within fifteen (15) days after Tenant receives a written statement from Landlord for such personal property taxes.

Section 2.4 Utilities and Dumpster.

Tenant shall pay, directly to the appropriate supplier, the cost of all heat, light, power, telephone, and other utilities and services supplied to the Leased Premises. However, if any services or utilities are jointly metered with other property, Landlord shall make a reasonable determination of Tenant's Share of the cost of such utilities and services and Tenant shall pay such Share to Landlord. Landlord pays the water, sewer, and refuse disposal bills. The dumpsters may only be used for normal office trash and refuse. Tenant must provide and pay for its own dumpster for any other trash and debris including but not limited to pallets, furniture, duct work, carpet/related materials, appliances, cardboard boxes, construction debris, air conditioners and parts, etc.

Section 2.5 Insurance Premiums.

(a) **Liability Insurance.** During the Term, Tenant shall maintain a policy of comprehensive public liability insurance against bodily injury and property damage with an insurer licensed in Florida and rated "A" or better by A.M. Best and naming Landlord as an additional insured, at Tenant's expense, insuring Landlord against liability arising out of the ownership, use, occupancy or maintenance of the Leased Premises and Property. The amount of such insurance shall be at least One Million (\$1,000,000) for bodily injury, including death, and property damage for any one occurrence, \$1,000,000 as general aggregate amount for more than one person in any one accident against bodily injury and for property damage, and shall be subject to periodic increase at Landlord's option based upon inflation, increased liability awards,

recommendations of Landlord's professional insurance advisers, and other relevant factors. However, the amount of such insurance shall not limit Tenant's liability nor relieve Tenant of any obligation hereunder. Such policy shall contain a provision which prohibits cancellation or reduction of the policy limits except upon thirty (30) days' prior written notice to Landlord. Tenant shall deliver a copy of such policy or certificate (or a renewal thereof to Landlord prior to the Commencement Date and shall deliver to Landlord a copy of a replacement policy or certificate thirty (30) days prior to the expiration of any policy during the Term. If Tenant fails to maintain such policy, Landlord may elect to maintain such insurance at Tenant's expense, to be paid by Tenant upon presentation of Landlord's bill therefor.

(b) **Hazard and Rental Income Insurance.** During the Term, Landlord may maintain self insurance or insurance covering loss of rental income and loss of or damage to the Property in such amount or percentage of replacement value as Landlord or its insurance advisor deems reasonable in relation to the age, location, type of construction and physical conditions of the Property and the availability of such insurance at reasonable rates. Such insurance or self insurance may provide protection against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief, special extended perils (all risk), sprinkler leakage, and Inflation Guard endorsement, and any other perils (except flood and earthquake, unless required by any lender holding a security interest in the Property) which Landlord deems necessary. Landlord may obtain insurance coverage for Tenant's fixtures, equipment or building improvements installed by Tenant in or on the Property. Tenant shall, at Tenant's expense, maintain such primary or additional insurance on its fixtures, equipment and building improvements as Tenant deems necessary to protect its interest. Tenant shall not do or permit to be done anything which invalidates any such insurance policies.

ARTICLE 3 USE OF PROPERTY

Section 3.1 Permitted Uses.

Tenant may use the Property only for the following Permitted Use, provided that Use does not violate any law, zoning, ordinance or governmental regulation or order, or which annoys or interferes with the rights of the tenants also located at the Property: Business office for a utilities company. Tenant agrees it may not park in front of another tenant's Leased Premises. Tenant may park in front of it's own Leased Premise, on opposite side of the drive, and in those designated parking spaces on

Section 3.2 Manner of Use.

Cassat Ave. in front of the Property.
Tenant shall not cause or permit the Leased Premises or Property to be used in any way which constitutes a violation of this Lease or a violation of any law, ordinance, or governmental regulation or order, or which is illegal or deemed inappropriate or immoral by the Landlord or which annoys or interferes with the rights of tenants of the development of which the Leased Premises and Property are a part, or which constitutes a nuisance or waste. Amendment 6 to the State of Florida's Constitution prohibits smoking in the workplace. Tenant understands and agrees that

smoking is prohibited by anyone inside any building owned by the Landlord, to include but not be limited to, Tenant's Leased Premises and the Building and Property in which it leases. Tenant shall obtain and pay for all permits required for Tenant's occupancy of the Property for the Permitted Use and shall promptly take all actions necessary to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements regulating the use by Tenant of the Leased Premises and Property, including, without limitation, the Occupational Safety and Health Act and the Americans with Disabilities Act of 1990.

Section 3.3 Hazardous Substances.

Tenant agrees not to generate, store, use, treat or dispose of nor to allow, suffer or permit the generation, storage, use, treatment or disposal of, any "Hazardous Waste" or "Hazardous Substance" (as those terms are defined in Resource Conservation and Recovery Act, 42 U.S.C. Section 690 et seq., as amended ("RCRA") or the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Sections 9601 et seq., as amended ("CERCLA"), and any rules and regulations now or hereafter promulgated under either of such acts) or any pollutant or other contaminant on, in, from or about the Leased Premises, or the Property. Tenant shall and hereby does indemnify and hold Landlord harmless from and against any and all loss, damages, expenses, fees, claims, costs and liabilities (including, but not limited to, attorney's fee and costs of litigation) arising out of or in any manner related to the "release" or "threatened release" of, and for any clean-up responsibility imposed upon owner under any federal, state or local law, ordinance, rule or regulations now or hereafter in effect, with respect to, any "Hazardous Waste" or "Hazardous Substance", or any pollutant, or other contaminant or environmental condition on, in, from or about the Leased Premises or the Property or any portion thereof, which release or threatened release or pollutant or environmental condition arises out of or is in any manner related to use or occupancy of the Leased Premises by Tenant, its agents or lessees.

Section 3.4 Signs, Auctions and Parking.

Tenant shall not place or paint any signs, decals, banners, etc. upon the outside walls or roof of the Leased Premises or upon any part of the Landlord's property except with the prior written consent of the Landlord. Any and all approved signs placed on or within the Leased Premises or Property by Tenant shall be maintained in compliance with the rules and regulations governing such signs as promulgated by Landlord from time to time. The Landlord, at its sole discretion, has the right to change any rules and regulations regarding existing or new Tenant signs, including but not limited to, location of Tenants signs, the number of signs allowed each Tenant, size of Tenants signs, materials signs are made of, style of signs, wording and design of signs, etc. The Tenant shall be responsible to Landlord for any damage caused by installation, use, or maintenance of said signs. Tenant agrees to remove its signs when requested by Landlord when repairs, improvements or alterations are being made to the building, property or Leased Premises, and Tenant shall bear the cost for removal and reattaching its signage. Tenant agrees upon removal of said signs

to repair all damage incident to such removal. Tenant shall not conduct or permit any auctions or sheriffs sales at the Leased Premises or Property. Tenant agrees that it will only park in those areas designated and approved by the Landlord and that the Landlord has the right to change those parking arrangements at Landlord's sole discretion including, but not limited to, the amount of parking the Tenant may or may not have on the Property.

Section 3.5 Indemnity.

Tenant shall indemnify Landlord against and hold Landlord harmless from any and all costs, claims, actions, damages or liability including expenses in connection with loss of life, personal injury loss or damage including property damage, arising from: (a) Tenant's use of the Leased Premises or Property; (b) the conduct of Tenant's business or anything else done or permitted by Tenant to be done in or about the Leased Premises or Property; (c) any breach or default in the performance of Tenant's obligations under this Lease; (d) any misrepresentation or breach of warranty by Tenant under this Lease; or (e) other acts or omissions of Tenant. Tenant shall defend Landlord against any such cost, claim, action, damage or liability at Tenant's expense with counsel reasonably acceptable to Landlord or, at Landlord's election, Tenant shall reimburse Landlord for any legal fees or costs incurred by Landlord in connection with any such claim.

Tenant acknowledges that various tenants including the Tenant desire to have twenty-four hour access to the Building(s) and Property and the cost of maintaining a security guard in the parking area would be prohibitive and necessitate an increased rental. The Landlord will not be obligated to maintain any security guard. The obligation of the Landlord is to have a light(s) in the parking area. Tenant assumes all other risks relating to the possibility of assaults or attacks by third persons in the parking area. Tenant will inform all subtenants, agents, employees, clients, guests, visitors or others who may have reason to contact the Tenant that there is no security guard and each shall be advised by Tenant to take such precautions as they deem necessary for the safe entry and exit of the Building.

Section 3.6 LANDLORD'S ACCESS.

Landlord or its agents may enter the Leased Premises and Property at all reasonable times to show the Leased Premises and Property to potential buyers, investors or tenants or other parties or for any other purpose Landlord deems necessary. Landlord shall give Tenant prior notice of such entry, except in the case of an emergency. Landlord may place customary "For Sale" or "For Lease" signs on the Leased Premises or Property as Landlord deems necessary.

Section 3.7 Quiet Possession.

If Tenant pays the rent and complies with all other terms of this Lease, Tenant may occupy and enjoy the Leased Premises or Property for the full Term, subject to the provisions of this Lease. No Tenant may obstruct another Tenant's entrance or exit doors.

Multiple Tenant Properties; Expenses, Rules and Regulations.

The Rules and Regulations pertaining to the Property, including but not limited to signage, parking, landscaped areas, walkways, hallways, use or restrictions regarding the common areas, the management, maintenance, care and safety of the Property, and all Rules and Regulations which Landlord may hereafter from time to time adopt and promulgate for the Property, are hereby made a part of this Lease and shall during the term of this Agreement be in all respects observed and performed by Tenant and Tenant's employees, servants, agents, invitees and guests. Tenant agrees to abide by, and uphold and fully comply with the Rules and Regulations in the Lease, including Exhibit C, and with such modifications thereof and additions thereof as Landlord may make. Tenant further agrees that Landlord shall have the right to waive any or all such rules in the case of any one or more Tenants in the property without affecting Tenant's obligations under this Lease and the Rules and Regulations and that Landlord shall not be responsible to Tenant for the failure of any other Tenant to comply with the Rules and Regulations.

ARTICLE 4

CONDITION OF PROPERTY; MAINTENANCE REPAIRS AND ALTERATIONS

Section 4.1 Acceptance of Premises.

Tenant accepts the Leased Premises "as is" effective beginning on the Commencement Date of the Lease or on the date when Tenant moves into Leased Premises, whichever comes first, and Landlord shall not be required to perform any work whatsoever to the Leased Premises excepting work to be completed as agreed to by Tenant and Landlord as described in Exhibit "B", which becomes and is a part of this Lease.

Section 4.2 Exemption of Landlord from Liability.

Landlord shall not be liable for any damage or injury to the person, business (or any loss of income therefrom), goods, wares, merchandise or other property of Tenant or to Tenant's employees, invitees, customers or any other person in or about the Leased Premises or Property, whether such damage or injury is caused by or results from (a) fire, steam, electricity, water, gas or rain; (b) the breakage, leakage, obstruction or other defects or pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures or any other cause; (c) conditions arising in or about the Leased Premises or Property or from other sources or places; (d) power surges; or (e) any act or omission of any other tenant of the Property. Landlord shall not be liable for any such damage or injury even though it is the cause of, or, though the means of repairing such damage or injury are not accessible to Tenant. Notwithstanding the above, Landlord shall be liable for all claims, damages, etc. that result from Landlord's willful misconduct or gross negligence.

Section 4.3 Landlord's Obligations.

Subject to the provisions of Article 5 regarding damage, destruction and condemnation, and except for damage caused by any act or omission of Tenant, Landlord shall at its expense keep the foundation, roof and structural portions of exterior walls of the improvements on the Leased Premises in good order, condition and repair. However, Landlord shall not be obligated to maintain or repair windows, doors, plate glass or the surfaces of walls. Landlord shall not be obligated to make any repairs under this Section 4.3 until a reasonable time after receipt of a written notice from Tenant specifying the need for such repairs.

Section 4.4 Tenant's Obligations.

(a) The Tenant is not responsible for making any repairs or replacement to the Leased Premises, Building or Property for damage that is due to normal wear and tear. The Tenant shall contact the Landlord's business office and report any damage due to normal wear and tear for Landlord to have repaired. The Landlord will not reimburse Tenant for any damage the Tenant has repaired that is due to normal wear and tear.

Unless stated otherwise herein, the Tenant is only responsible for making repairs at Tenant's sole expense when the damage is caused by the Tenant or its employees, representatives, vendors, guest, or contractors, whether due to its actions, inactions, negligence, omissions, or misconduct. Damage caused by Tenant shall include damage to the Property, Building, and Leased Premises including but not limited to the building envelope, roof, floor slab, structural portions, walls, and HVAC, plumbing, and electrical systems, electrical panel(s) which includes any damage to the electric panels resulting from Tenant's power usage which overloads the electrical system or panel(s). If any portion of the Leased Premises or any system or equipment in the Leased Premises which Tenant is obligated to repair cannot be fully repaired, Tenant shall promptly replace the same, regardless of whether the benefit of such replacement extends beyond the Term.

Tenant is responsible for purchasing and replacing its own light bulbs. Tenant agrees it will not make any changes or alterations to the electrical system or electrical panel(s) servicing the Building or Leased Premises without first obtaining Landlord's written consent, and having the work performed by a licensed electrician and work permitted and pass inspection if required by law, code, or regulation. If Tenant needs additional electric, heating or air conditioning capacity, Tenant will be responsible for same, including but not limited to, Tenant installing at its sole expense additional electrical panels upon receipt of the prior written consent of Landlord.

Tenant is responsible for changing the HVAC system filters at least once per quarter or sooner if needed. Tenant is responsible for having a certified air conditioning company perform a preventive maintenance service to the HVAC system at least once per year. Landlord shall have the right, upon written notice to Tenant, to undertake the responsibility for preventive maintenance of the heating and air conditioning system at Tenant's expense. Landlord and Tenant intend that, at all times during the Term, Tenant shall maintain the Leased Premises in an attractive, first class and fully operative condition.

(b) All of tenant's obligations to maintain and repair shall be accomplished at Tenant's sole expense. If Tenant fails to maintain and repair the Leased Premises as required by this Section 4.4, Landlord may, on ten (10) days' prior notice (except that no notice shall be required in case of emergency), enter the Leased Premises and perform such maintenance or repair on behalf of the Tenant. In such cases, Tenant shall reimburse Landlord immediately upon demand for all costs incurred in performing such maintenance or repair.

Section 4.5 Alterations, Additions, and Improvements.

(a) Tenant shall not make any alterations, additions, or improvements to the Leased Premises or Property without Landlord's prior written consent except for nonstructural alterations which do not effect the Property other than the Leased Premises or adversely affect any service to any other lessee or occupant of the Property and which are not visible from the outside of the Property. Landlord may require Tenant to provide demolition and/or lien and completion bonds in form and amount satisfactory to Landlord. Tenant shall promptly remove any alterations, additions, or improvements constructed in violation of this Section 4.5 (a) upon Landlord's written request. All alterations, addition and improvements will be accomplished in a good and workmanlike manner at Tenant's sole expense, in conformity with all applicable laws and regulations by a licensed and bonded contractor approved in advance by Landlord. Upon completion of any such work, Tenant shall provide Landlord with "as built" plans, copies of all construction contracts, and proof of payment for all labor and materials.

(b) Tenant shall pay when due all claims for labor and material furnished to the Leased Premises or Property. Tenant shall give Landlord at least ten (10) days prior written notice of the commencement of any work on the Leased Premises or Property. Landlord may elect to record and post notices of nonresponsibility on the Leased Premises or Property.

Section 4.6 Condition Upon Termination.

Upon the termination of the Lease, Tenant shall surrender the Leased Premises or Property to Landlord, broom clean and in the same condition as received except for ordinary wear and tear which Tenant was not otherwise obligated to remedy under any provision of this Lease. However, Tenant shall not be obligated to repair any damage which Landlord is required to repair under Article 5. In addition, Landlord may require Tenant to remove any alterations, additions or improvements (whether or not made with Landlord's consent) prior to the termination of the Lease and to restore the Leased Premises or Property to its prior condition, all at Tenant's expense. All alterations, additions and improvements which Landlord has not required Tenant to remove shall become Landlord's property and shall be surrendered to Landlord upon the termination of the Lease, except that Tenant may remove any of Tenant's machinery or equipment which can be removed without material damage to the Leased Premises or Property. Tenant shall repair, at Tenant's expense, any damage to the Leased Premises or Property caused by the removal of any such machinery or equipment. In no event, however, shall Tenant remove any of the following materials or equipment without Landlord's prior written consent: any power wiring or power panels; lighting or lighting fixtures; wall coverings; drapes, blinds or other window coverings; carpets or other floor coverings; heaters, air conditioners, or any other heating or air conditioning equipment; fencing or security gates; or other similar building operating equipment and decorations.

ARTICLE 5
DAMAGE, DESTRUCTION AND CONDEMNATION

Section 5.1 Partial Damage to Leased Premises of Property.

(a) Tenant shall notify Landlord in writing immediately upon the occurrence of any damage to the Leased Premises or Property.

(b) If the Leased Premises are only partially damaged and still sufficient for Tenant to continue its business, and if the proceeds received by Landlord from insurance policies carried by it with respect to the Leased Premises are sufficient to pay for the necessary repairs, this Lease shall remain in effect and Landlord shall repair the damage within a reasonable time. If the insurance proceeds received by Landlord are not available to Landlord or sufficient to pay the entire cost of repair, or if the damage was due to a cause not covered by insurance policies which Landlord maintains, Landlord may elect either to (a) repair the damage as soon as reasonably possible in which case this Lease shall remain in full force and effect so long as Landlord diligently pursues said repairs, or (b) terminate this Lease as of the date the damage occurred. Landlord shall notify Tenant within ninety (90) days after receipt of notice of the occurrence of the damage whether Landlord elects to repair the damage or terminate this Lease. If Landlord elects to terminate the Lease, Tenant may elect to continue this Lease in full force and effect, in which case Tenant shall repair any damage to the Leased Premises and any building in which the Leased Premises is located. Tenant shall pay the cost of such repairs, except that, upon satisfactory completion of such repairs, Landlord shall deliver to Tenant any insurance proceeds received by Landlord for the damage repaired by Tenant. Tenant shall give Landlord written notice of such election within ten (10) days after receiving Landlord's termination notice.

Section 5.2 Total or Substantial Destruction.

If the Leased Premises or Property is totally or substantially destroyed by any cause whatsoever, or if the Leased Premises are in a building which is substantially destroyed (even though the Leased Premises or Property is not totally or substantially destroyed), at Landlord's option this Lease shall terminate as of the date the destruction occurred regardless of whether Landlord receives any insurance proceeds. Landlord shall notify Tenant of such election within thirty (30) days after the occurrence of such total or substantial destruction.

Section 5.3 Temporary Reduction of Rent.

If the Leased Premises is destroyed or damaged and Landlord or Tenant repairs or restores the Leased Premises pursuant to the provisions of this Article 5, the Base Rent and, if applicable, the prorata share of Operating Expenses payable during the period of such damage, repair and/or restoration shall be reduced according to the percentage of the Leased Premises that is rendered wholly untenable. However, the reduction shall not exceed the sum of one year's payment of Base Rent. Except for such possible

reduction in Base Rent and, if applicable, the prorata share of Operating Expenses, Tenant shall not be entitled to any compensation, reduction, or reimbursement from Landlord as a result of any damage, destruction, repair, or restoration of or to the Leased Premises or Property. Notwithstanding Sections 5.1, 5.2 and 5.3 above, in the event the Leased Premises are partially, totally or substantially destroyed, to the extent that the remaining portion of the Leased Premises is insufficient for Tenant to continue its business and after Landlord elects not to restore or repair a sufficient portion of the Leased Premises to allow Tenant to continue its business, Tenant may terminate this Lease upon ten (10) days written notice to Landlord. If the Landlord elects to restore or repair the Leased Premises in accordance with the Lease terms, Tenant will not be obligated to pay any rent until such time where a portion of the Leased Premises have been restored or repaired that would be sufficient to allow Tenant to continue its business.

Section 5.4 Waiver.

Tenant agrees that the provisions of Sections 5.2 and 5.3 above shall govern the rights and obligations of Landlord and Tenant in the event of any substantial or total destruction to the Leased Premises or Property.

Section 5.5 Condemnation.

If all or any portion of the Leased Premises or Property is taken under the power of eminent domain or sold under the threat of that power (all of which are called "Condemnation"), this Lease shall terminate as to the part taken or sold on the date the condemning authority takes title or possession, whichever occurs first. If more than twenty percent (20%) of the floor area of the building in which the Leased Premises is taken, either Landlord or Tenant may terminate this Lease as of the date the condemning authority takes title or possession by delivering written notice to the other within ten (10) days after receipt of written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority takes possession). If neither Landlord nor Tenant terminates this Lease, this Lease shall remain in effect as to the portion of the Leased Premises not taken, except that the Base Rent shall be reduced in proportion to the reduction in the floor area of the Leased Premises. Any Condemnation award or payment shall be distributed in the following order: (a) first, to any ground lessor, mortgagee or beneficiary under a deed of trust encumbering the Property, the amount of its interest in the Leased Premises; (b) second, to Tenant only the amount of any award specifically designated for loss of or damage to Tenant's trade fixtures or removable personal property, and tenant improvements paid for by Tenant; and (c) third, to Landlord, the remainder of such award, whether as compensation for reduction in the value of the leasehold, the taking of the fee, or otherwise. If this Lease is not terminated, Landlord shall repair any damage

to the Leased Premises caused by the Condemnation, except that Landlord shall not be obligated to repair any damage for which Tenant has been reimbursed by the condemning authority. If the severance damages received by Landlord are not sufficient to pay for such repair, Landlord shall have the right to either terminate this Lease or make such repair at Landlord's expense.

ARTICLE 6
ASSIGNMENT AND SUBLETTING

Section 6.1 Landlord's Consent Required.

Tenant shall not mortgage or assign its interest under this Lease or sublet the Leased Premises or any portion thereof without the prior written consent of Landlord. While Landlord shall not unreasonably withhold its consent, Tenant agrees that Landlord does not have to approve any assignment or subletting to any person, persons, company, entity with whom Landlord has been involved in a lease, sublease or assignment and whom Landlord, in Landlord's sole discretion, determines it objects to. No assignment or subletting shall relieve Tenant of its obligations under this Lease.

ARTICLE 7
DEFAULTS; REMEDIES

Section 7.1 Defaults.

(a) Events of Default. The happening of any of the following listed events shall constitute a breach of this Lease and event of default ("Default") by Tenant:

(1) Tenant fails to pay any rent payable under this Lease within ten days after the due date thereof;

(2) Tenant fails to fully and properly perform any non-monetary act required of it in the performance of this Lease, or otherwise fails to comply with any non-monetary term or provision hereof within ten days after being furnished written notice, excepting when Tenant's failure to comply with any non-monetary act, term, or provision of the Lease creates a hazard in the sole discretion of the Landlord, Tenant then agrees that it must comply immediately upon receiving notice from the Landlord;

(3) Tenant or any of its creditors files any petition or pleading to declare Tenant a bankrupt or the adjudication in bankruptcy of Tenant under any bankruptcy law or act;

(4) The appointment by any court or under any law of a receiver, trustee, or other custodian of the property, assets, or business of Tenant;

(5) The assignment by Tenant of all or any part of its property or assets for the benefit of its creditors;

(6) The levy, execution, attachment or other taking of property, assets or of the leasehold interest of Tenant by process of law or otherwise in satisfaction of any judgement, debt or claim; or,

(7) Tenant abandons the Leased Premises.

Section 7.2 Remedies.

(a) **Remedies.** Upon the happening of any Default, Landlord, if it shall so elect, may (a) collect each installment of rent when the same matures; (b) accelerate rents for the remainder of the term of this Lease, (c) expend such sums or perform such actions as it deems advisable to cure such Default and hold Tenant liable for the cost thereof, and (d) enter the Leased Premises with process of law and terminate Tenant's right of possession and release the Leased Premises to any person, firm, or corporation, and upon such terms and conditions as Landlord may deem advisable, as agent of Tenant or otherwise, for whatever rent it can obtain. Tenant shall remain liable for the rent reserved herein, and all other obligations hereunder. Landlord shall apply the proceeds of such releasing (i) first to the payment of expenses that Landlord may incur in the entering and re-leasing, and (ii) then to the payment of the rent due by Tenant and the fulfillment of Tenant's covenants and obligations hereunder. In the case of any deficiency, Tenant shall remain liable. Tenant agrees that Landlord may file suit to recover any sums due to Landlord under this section from time to time and that such suit or recovery of any amount due Landlord, or election to terminate Tenant's right to possession only without terminating lease, Landlord may at its option enter into the Leased Premises, remove Tenant's signs and other evidences of tenancy, and take and hold possession; provided, however, that such entry and taking shall not terminate this Lease or release Tenant in whole or in part from Tenant's obligation to pay rent hereunder for the full term or for any other obligation of Tenant under this Lease.

(b) **Attorneys' Fees and Costs.** Tenant agrees to pay reasonable attorneys' fees and all costs if it becomes necessary for Landlord to employ an attorney or other agent to collect any of the rent or enforce any of the provisions of this Lease, whether or not suit be brought, and including such fees and costs on appeal or in bankruptcy. Tenant expressly waives all exemptions under the laws of the State of Florida, or any state of the United States as against the collection of any debt hereby secured or incurred.

(c) **Intentionally Omitted.**

(d) **No Waiver by Landlord.** Nothing herein contained shall be deemed to be a waiver by Landlord of its statutory lien to rent, and the remedies, rights and privileges of Landlord in the case of Default of Tenant as set forth above shall not be exclusive and in addition thereto, Landlord may also exercise and enforce all its

rights at law or in equity which it may otherwise have as a result of Tenant's Default hereunder. Landlord is herein specifically granted all of the rights of a secured creditor under the Uniform Commercial Code with respect to the property in which Landlord has been granted a security interest by Tenant.

ARTICLE 8
PROTECTION OF LENDERS

Section 8.1 Subordination.

This Lease shall be subject and subordinated at all times to the terms of any ground or underlying leases which now exist or may hereafter be executed affecting the Leased Premises under which Landlord shall claim, and to the liens of any mortgages or deeds of trust in any amount or amounts whatsoever now or hereafter existing encumbering the Leased Premises or the Property, without the necessity of having further instruments executed by the Tenant to effect such subordination. So long as the Tenant shall pay the rent due and comply with, abide by, and discharge the terms, conditions, covenants, and obligations on its part to be kept and performed hereunder, the peaceable possession of Tenant in and to the Leased Premises for the Term shall not be disturbed in the event of the foreclosure of any such mortgage or deed of trust or in the event of a termination of any ground or underlying leases affecting the Leased Premises.

Section 8.2 Attornment.

If Landlord's interest in the Property is acquired by any ground lessor, beneficiary under a deed of trust, mortgagee, or purchaser at a foreclosure sale, Tenant shall attorn to the transferee of or successor to Landlord's interest in the Leased Premises or Property and recognize such transferee or successor as Landlord under this Lease. Tenant waives the protection of any statute or rule of law which gives or purports to give Tenant any right to terminate this Lease or surrender possession of the Leased Premises or Property upon the transfer of Landlord's interest.

Section 8.3 Signing of Documents.

Tenant shall sign and deliver any instrument or documents necessary or appropriate to evidence or confirm any such attornment and subordination. Such documents may contain such Provisions as are customarily required by any ground lessor or deed of trust holder or mortgagee. Tenant hereby makes, constitutes and irrevocably appoints Landlord, or any transferee or successor of Landlord, the Tenant's attorney-in-fact to execute and deliver any such instrument or document if Tenant fails to do so within ten (10) days of receiving a written request therefor.

Section 8.4 Estoppel Certificates.

Tenant shall from time to time, upon not less than ten (10) days prior written request by Landlord or any mortgagee or ground lessor of the Property, deliver to Landlord or such mortgagee or

ground lessor a statement in writing certifying: (1) that this Lease is unmodified and in full force and effect or, if there have been modifications, that this Lease, as modified, is in full force and effect; (2) the amount of Base Rent then payable under this Lease and the date to which rent has been paid; (3) that Landlord is not in default under this Lease, or, if in default, a detailed description of such default(s); (4) that Tenant is or is not in possession of the Leased Premises, as the case may be; and (5) such other information as may be requested.

ARTICLE 9 MISCELLANEOUS PROVISIONS

Section 9.1 Non-Discrimination.

Tenant promises that it will not illegally discriminate against, or segregate, any person or group of persons on the basis of race, color, sex, creed, national origin or ancestry in the leasing, subleasing, transferring, occupancy, tenancy or use of the Leased Premises or any portion thereof.

Section 9.2 Waiver of Subrogation.

Landlord and Tenant each hereby waive any and all rights of recovery against the other, or against the officers, employees, agents or representatives of the other, for loss of or damage to its property or the property of others under its control, if such loss or damage is covered by any insurance policy in force (whether or not described in the Lease) at the time of such loss or damage. Upon obtaining the policies of insurance described herein, Landlord and Tenant shall give notice to the insurance carrier or carriers of the foregoing mutual waiver of subrogation.

Section 9.3 Landlord's Liability; Certain Duties.

(a) As used in the Lease, the term "Landlord" means only the current owner or owners of the fee title to the Leased Premises or Property or the leasehold estate under a ground lease of the Leased Premises or Property at the time in question. Each Landlord is obligated to perform the obligations of Landlord under this Lease only during the time such Landlord owns such interest or title. Any Landlord who transfers its title or interest is relieved of all liability with respect to the obligations of Landlord under this Lease to be performed on or after the date of transfer, provided that such transfer is not for the primary purpose of avoiding such obligations. However, each Landlord shall deliver to its

transferee all funds previously paid by Tenant if such funds have not yet been applied under the terms of this Lease. Tenant agrees that it shall look solely to the estate and property of the Landlord in the Property for collection of any judgement (or other judicial process) requiring the payment of money by Landlord of its obligations under this Lease subject to the prior rights of any ground or underlying holder of any mortgage covering the Property or Landlord's interest therein.

(b) Landlord shall not be in default under this Lease unless Landlord (or such ground lessor, mortgagee or beneficiary) fails to cure or diligently pursue a cure of such nonperformance within thirty (30) days after receipt of Tenant's notice or such longer time as is reasonably necessary provided that such cure is commenced within such thirty (30) day period and thereafter pursued with reasonable diligence.

(c) Upon the execution of this Lease, Tenant shall deposit with Landlord a cash Security Deposit in the amount of Nine hundred Sixty three and XX/100 Dollars-----(\$963.00). Landlord may apply all or part of the Security Deposit to any unpaid rent or other charges due from Tenant or to cure any other defaults of Tenant. If Landlord uses any part of the Security Deposit, Tenant shall restore the Security Deposit to its full amount within ten (10) days after Landlord's written request. Tenant's failure to do so shall be a material Default under this Lease. No interest shall be paid on the Security Deposit. Landlord shall not be required to keep the Security Deposit separate from its other accounts and no trust relationship is created with respect to the Security Deposit. Landlord will promptly return the security deposit to Tenant after the Lease has terminated, provided Tenant is not in default of its Lease and less any monies Tenant owed Landlord under the terms of this Lease.

Section 9.4 Severability.

A determination by a court of competent jurisdiction that any provision of this Lease or any part thereof is illegal or unenforceable shall not cancel or invalidate the remainder of such provision or this Lease, which shall remain in full force and effect.

Section 9.5 Interpretation.

The captions of the Articles or Sections of this Lease are to assist the parties in reading this Lease and are not a part of the terms or provisions of this Lease. Whenever required by the context of this Lease, the singular shall include the plural and the plural shall include the singular. The masculine, feminine and neuter genders shall each include the other. In any provision relating to the conduct, acts or omissions of Tenant the term

"Tenant" shall include Tenant's agents, employees, contractors, invitees, successors or others using the Leased Premises or Property with Tenant's expressed or implied permission.

Section 9.6 Entire Agreement.

It is agreed between the parties that neither Landlord nor Tenant nor any of their agents have made any statement, promises, or agreements verbally or in writing in conflict with the terms of this Lease Agreement. Any and all representations by either of the parties or their agents made during negotiations prior to the execution of this Lease Agreement and which representations are not contained in the provisions hereof shall not be binding upon either of the parties hereto. It is further agreed that this Lease Agreement contains the entire agreement between the parties, and no rights are to be conferred upon either party until this Lease Agreement has been executed.

Section 9.7 Modification.

No modification, alteration or amendment to this Lease Agreement shall be binding unless in writing and executed by the parties hereto, their heirs, successors or assigns.

Section 9.8 Notices.

All notices required or permitted under this Lease shall be in writing and shall be personally delivered or sent by certified mail, return receipt requested, postage prepaid. Notices to Tenant shall be delivered to the address specified in Section 1.2 above, except that upon Tenant's taking possession of the Leased Premises or Property, the Leased Premises or Property shall be Tenant's address for notice purposes. Notices to Landlord's shall be delivered to the address specified in Section 1.1 above. All notices shall be effective upon delivery or attempted delivery. Either party may change its notice address upon written notice to the other party.

Section 9.9 Radon Gas Notice.

Radon Gas Notification: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

Section 9.10 Waivers.

All waivers must be in writing and signed by the waiving party. Landlord's failure to enforce any provision of this Lease or its acceptance of rent shall not be a waiver and shall not prevent Landlord from enforcing that provision or any other provision of this Lease in the future. No statement on a payment

check from Tenant or in a letter accompanying a payment check shall be binding on Landlord. Landlord may, with or without notice to tenant, negotiate such check without being bound to the conditions of such statement.

Section 9.11 No Recordation.

Tenant shall not record this Lease without prior written consent from Landlord.

Section 9.12 Joint and Several Liability.

All parties signing this Lease as Tenant shall be jointly and severally liable for all obligations of Tenant.

Section 9.13 Force Majeure.

If Landlord cannot perform any of its obligations due to events beyond Landlord's control, the time provided for performing such obligations shall be extended by a period of time equal to the duration of such events. Events beyond Landlord's control include, but are not limited to, acts of God, war, civil commotion, labor disputes, strikes, fire, flood or other casualty, shortages of labor or material, government regulation or restriction and weather conditions.

Section 9.14 Execution of Lease.

This Lease may be executed in counterparts, and, when all counterpart documents are executed, the counterparts shall constitute a single binding instrument. The delivery of this Lease by Landlord to Tenant shall not be deemed to be an offer and shall not be binding upon either party until executed and delivered to both parties.

Section 9.15 Holding Over.

Any holding over by the Tenant after the expiration of this Lease shall be construed as a Tenancy at Sufferance at a rent equal to one hundred fifty percent (150%) of the rent due hereunder, unless such occupancy is with the prior written consent of the Landlord, in which event the Tenant will be a tenant from month to month, upon the same terms and conditions of this Lease, except that lease rate for such holdover period shall be one hundred and fifty percent (150%) of the last years effective rent or such other lease amount as is agreed to in writing by the respective parties for such holdover period. Acceptance by the Landlord of rent after such termination shall not constitute a renewal.

Section 9.16 Time.

Time is of the essence of this Lease.

Section 9.17 Guarantee.

This Lease shall be guaranteed by William Larry O'Steen in the form set forth in Exhibit D attached hereto.

**ARTICLE 10
BROKERS**

Section 10.1 Broker's Fee.

Tenant covenants, represents and warrants that Tenant had no dealings or negotiations with any Broker, or Agent other than Not Applicable, in connection with the consummation of this Lease. If applicable, Landlord agrees to pay a Not Applicable commission. Tenant and Landlord covenant and agree to hold harmless and indemnify each other from and against any and all costs, expenses (including reasonable attorneys' fees before trial, at trial, on appeal and in bankruptcy) or liability for any compensation, commissions, or charges claimed by any broker or agent with respect to this Lease or the negotiation thereof.

**ARTICLE 11
RIDERS AND EXHIBITS**

All Riders and Exhibits attached hereto and executed both by Landlord and Tenant shall be deemed to be a part hereof and are hereby incorporated.

IN WITNESS WHEREOF, Tenant and Landlord have caused this Lease to be duly executed in duplicate as of the date first above written by their respective duly authorized officers or agents.

Signed and delivered in the presence of:

"TENANT"

Neighborhood Utilities, Inc.

Loni Peasley
Name: _____

By [Signature]
Name WILLIAM LARRY O'STEEN
Title WILLIAM LARRY O'STEEN

Paulen Van Der Sluis
Name: _____

"LANDLORD"

A-B DISTRIBUTORS, INC.

[Signature]
Name: _____

By [Signature]
Name Robert D. Reed
Title President

[Signature]
Name: _____

A MAP SHOWING A BOUNDARY SURVEY OF

Lots 15 and 16, Tunis Court, as recorded in Plat Book 21, Page 13 of the current public records of Duval County, Florida, together with Lot 4, Block 1, Highlands Estates, as recorded in Plat Book 4, Page 9 of the current public records of said County, less and except that part lying in Dakar Court, as recorded in Plat Book 22, Page 78 of the current public records of said County, and that part lying within the right-of-way of Cassat Avenue (State Road No. 111, an 86 foot right-of-way, as per S.R.D. right-of-way map, Section No. 72291 2502, dated April, 1964). The above lands being more particularly described as follows:

A portion of Lots 15 and 16, as shown on the Plat of Tunis Court, and recorded in Plat Book 21, Page 13 of the current public records of Duval County, Florida, together with a portion of Lot 4, Block 1, as shown on the Plat of Highlands Estates, as recorded in Plat Book 4, Page 9 of the current public records of said County, being more particular described as follows:

Begin at the intersection of the Northerly line of Lot 14, as shown on said Plat of Tunis Court, with the Easterly right-of-way line of Cassat Avenue (an 86 foot right-of-way as shown on S.R.D. right-of-way map, Section No. 72291 2502, dated April, 1964); thence North 89°39'18" East, along said Northerly line of Lot 14, a distance of 127.25 feet to the Westerly line of Lot 10, said Tunis Court; thence North 00°01'49" East, along last said line and along the Westerly line of Lot 9, said Tunis Court, a distance of 127.40 feet, to the Northerly line of said Lot 9; thence North 89°37'57" East along last said line, 15.65 feet, to the Westerly line of Lot 1, said Dakar Court; thence North 00°09'37" West, along last said line and along the Westerly line of Lot 2, said Dakar Court, a distance of 130.60 feet, to the Northerly line of Lot 4, said Highlands Estates; thence the South 89°31'47" West, along last said line, 144.03 feet, to the aforesaid Easterly right-of-way line of Cassat Avenue; thence the South 00°19'00" East, along said line, 257.72 feet, to the Point of Beginning.

Containing 35030 square feet, more or less.

Landlord Signature



Tenant Signature

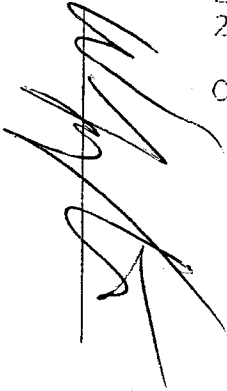


EXHIBIT B

LANDLORD WORK

Landlord agrees to have the following work done at Landlord's sole expense:

- * Insure the HVAC, electrical, and plumbing systems are operating properly.
- * Install 20oz. commercial grade carpet in the offices.
- * General clean up.
- * Close up any doorways between suites.
- * Landlord will leave blinds in suite for Tenant to use.

Landlord Signature



Tenant Signature

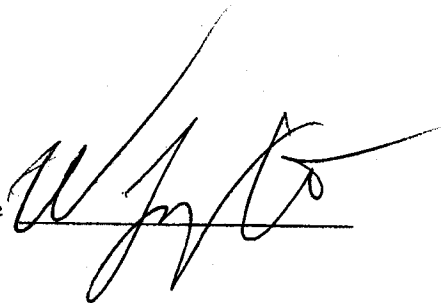


EXHIBIT C

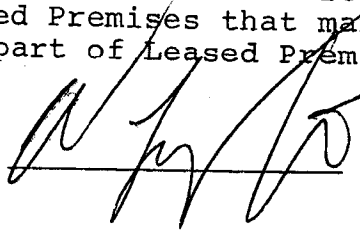
RULES AND REGULATIONS

1. Tenant, its officers, agents, servants, employees, patrons, contractors, and guests, shall not block or obstruct any of the common areas, to include but not be limited to, the driveways, designated parking spaces, warehouse doors, sidewalks, etc., plus entries, passages, doors, hallways or stairways of the Leased Premises.
2. The movement of Tenant's property shall not obstruct any other tenant's usage of the driveways, sidewalks, or building in which the Leased Premises is located. Tenant shall assume all liability and risk to Property, Leased Premises, and Building in such movement. Safes, large files, electronic data processing equipment and any other heavy equipment or machines shall be moved into Leased Premises, or Building, only with Landlord's written consent.
3. Landlord will not be responsible for lost or stolen personal property, equipment, money or any article taken from Leased Premises, regardless of how or when loss occurs.
4. Tenant, its officers, agents, servants, and employees shall not install or operate any refrigerating, or bring into Leased Premises, without written permission of Landlord, any inflammable fluids or explosives. Tenant agrees to pay all increased cost of insurance associated with such use of approved inflammable fluids or explosives.
5. Tenant, its officers, agents, servants or employees shall not use Leased premises, for housing, lodging or sleeping purpose or for the cooking or preparation of food without the prior written consent of Landlord.
6. Tenant, its officers, agents, servants, employees, patrons, licensees, customers, visitors or invitees shall not bring into the Leased Premises or keep on Leased Premises any fish, fowl, reptile, insect or animal or any bicycle or other vehicle without the prior written consent of Landlord. Wheelchairs excepted.
7. No additional locks shall be placed on any door in Building without the prior written consent of Landlord. Landlord will furnish two keys to each lock on doors in the Leased Premises and Landlord, upon request of Tenant, shall provide additional duplicate keys at Tenant's expense. Landlord may at all times keep a pass key to the Leased Premises. All keys shall be returned to Landlord promptly upon termination of this Lease.
8. Tenant, its officers, agents, servants or employees shall do no painting where the color is different from the current wall color, or do any decorating in the Leased Premises that marks, or cuts into, or in any way defaces any part of Leased Premises or

Landlord Signature _____



Tenant Signature _____



building without the prior written consent of Landlord. If Tenant desires signal, communication, alarm or other utility or service connection installed or changed, such work shall be done at expense of Tenant, with the approval and under the direction of Landlord. Provided, however, Tenant may modify the Premises as more particularly set forth in Exhibit "____" to the Lease, to be provided by Tenant.

9. Tenant, its officers, agents, servants and employees shall not permit the operations of any musical or sound-producing instruments or device, or machinery which may be heard outside Leased Premises, or which may emanate electrical waves which will impair radio or television broadcasting or reception from or in Building.

10. Tenant, its officers, agents, servants and employee shall, before leaving Leased Premises unattended, close and lock all doors and shut off all utilities; damage resulting from failure to do so shall be paid by Tenant. Each Tenant, before the closing of the day and leaving the said Premises shall see that all doors are locked.

11. All plate and other glass now in Leased Premises or Building which is broken through cause attributable to Tenant, its officers, agents, servants, employees, patrons, licensees, customers, visitors or invitees or by acts of vandalism shall be replaced by and at the expense of Tenant under the direction of Landlord.

12. Tenant shall give Landlord prompt notice of all accidents to or defects in air conditioning equipment, plumbing, electric facilities or any part or appurtenance of Leased Premises.

13. The plumbing facilities shall not be used for any other purpose than that for which they are constructed, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by Tenant, who shall, or whose officers, employees, agents, servants, patrons, customers, licensees, visitors or invitees shall, have caused it.

14. No showcases or other articles shall be put in front of or affixed to any part of the exterior of the Building, without the prior written consent of Landlord.

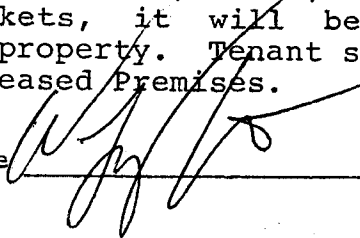
15. Neither Tenant nor any officer, agent, employee, servant, patron, customer, visitor, licensee or invitee or any Tenant shall go upon the roof of the Building, without the written consent of the Landlord.

16. In the event Tenant must dispose of crates, boxes, etc., which will not fit into wastepaper baskets, it will be the responsibility of Tenant to dispose of such property. Tenant shall not place any debris or refuse outside the Leased Premises.

Landlord Signature



Tenant Signature



17. If the Leased Premises demised to any Tenant becomes infested with vermin, such Tenant, at its sole cost and expense, shall cause its Premises to be exterminated from time to time to the satisfaction of Landlord and shall employ such exterminators therefore as shall be approved by Landlord.

18. Tenant shall not install any antenna or aerial wires, radio or television equipment or any other type of equipment inside or outside of the Building without Landlord's prior approval in writing and upon such terms and conditions as may be specified by Landlord in each and every instance.

19. Tenant shall not make or permit any use of Leased Premises, building or warehouse facilities which, directly or indirectly, is forbidden by law, ordinance or governmental or municipal regulation, code or order or which may be disreputable or dangerous to life, limb or property, and shall not use the Leased Premises for telemarketing.

20. Tenant shall not advertise the business, profession or activities of Tenant in any manner which violates the letter or spirit of any code of ethics adopted by any recognized association or organization pertaining thereto, use the name of the Building for any purpose other than that of the business address of Tenant or use any picture of likeness of Building or the Building name in any letterheads, envelopes, circulars, notices, advertisements, containers or wrapping materials without Landlord's express consent in writing.

21. Tenant shall not conduct its business in such a manner or permit its officers, agents, employees, servants, patrons, customers, licensees and visitors to act in such a manner as to create any nuisance or noise or interfere with, annoy or disturb any other Tenant or the Landlord's operation of the Building.

22. Tenant shall not conduct any business or store or maintain any personal property outside the Leased Premises. Any storage located outside the Leased Premises is expressly prohibited without the prior written consent of Landlord.

23. Landlord at all times shall have the right to designate the amount of parking and particular parking area where Tenant's employees, clients, customers, etc. may or may not park and any such designation may be changed by Landlord from time to time. The amount of parking shall be limited to what is reasonable and normal and customary for the building as solely determined by the Landlord.

24. Tenant shall not at any time perform work on any type of vehicle or vehicle parts on the Property or in the Leased Premises without Landlord's prior written consent.

25. Tenant, its officers, agents, servants, employees, patrons, guests, licensees, customers, visitors, and invitees shall not smoke inside any building owned by Landlord, to include but not be limited to, Tenants Leased Premises and the Building and Property in which it leases.

Landlord Signature



Tenant Signature

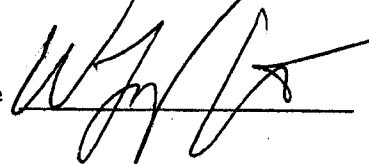


EXHIBIT D

GUARANTEE

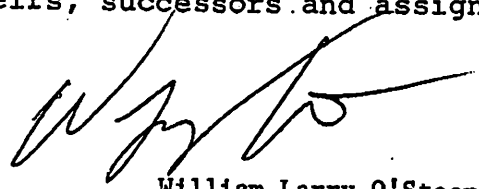
The undersigned, in consideration of the leasing of the premises located at 1381 Cassat Ave., Jacksonville, FL 32205 described in the Lease by and between A-B Distributors, Inc. ("Landlord") and Neighborhood Utilities, Inc. ("Tenant"), dated March 23, 2017 ("Lease"), does hereby absolutely, unconditionally and irrevocably guarantee to Landlord the full and complete performance of all of the tenets, covenants, and obligations under such Lease, including any amendments to or renewals of the Lease by the Tenant, and the full payment by Tenant of all rentals, additional rentals and such other charges and amounts required to be paid thereunder.

The undersigned does hereby waive all requirements of notice of the acceptance of this Guarantee and all requirements of notice of breach or non-performance by Tenant. The undersigned further waives any demand by Landlord and/or prior action by Landlord of any nature whatsoever against Tenant. The undersigned's obligations hereunder shall remain fully binding although Landlord may have waived one or more defaults by Tenant, extended the time of performance by Tenant, modified or amended the Lease, released, returned or misapplied other collateral given later as additional security (including other Guarantees) and released Tenant from the performance of its obligations under such Lease.

The undersigned agrees to pay all costs incurred by Landlord in the enforcement of this Guarantee including, in each instance, reasonable attorney fees whether or not suit is brought, including attorney fees on appeal. This Guarantee shall be binding upon the undersigned and its successors and assigns and shall inure to the benefit of the legal representatives, heirs, successors and assigns of Landlord.

Signed and delivered
in the presence of:

J. Parshy
Ramon Van der Sluis



William Larry O'Steen

Signature & Printed Name

Social Security Number

9321 Arrow Point Trail W., Jax, FL

Home Address 32277

904-234-9824

Home Phone Number

Signature & Printed Name

Social Security Number

Home Address

Home Phone Number

A-B DISTRIBUTORS, INC.

1116 North Edgewood Avenue • Jacksonville, Florida 32254 • (904) 786-3220 Fax: 695-2689 • E-mail: abinc@bellsouth.net

March 10, 2017

HAND DELIVERED

Mr. Larry O'Steen
Neighborhood Utilities, Inc.
1381 Cassat Ave.
Jacksonville, FL 32205

Dear Mr. Osteen:

I've enclosed three sets of a Lease for Neighborhood Utilities, Inc. ("NUI") leasing 1381 Cassat Ave. in the United Professional Complex.

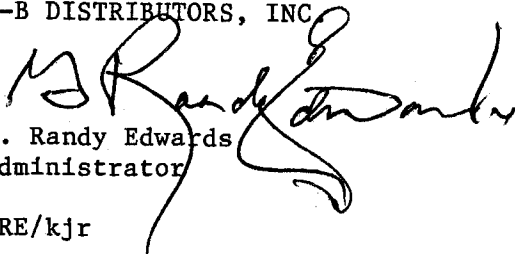
Please return all three sets fully executed along with the security deposit to my attention. We will return one original for your file.

Upon receipt of the executed Leases, security deposit, certificate of insurance, and when Landlord's work is complete, we would then turn over the key to you.

Make sure we are provided a copy of the driver's license for all those signing checks for identification purposes.

We appreciate you considering A-B Distributors, Inc. for your leasing needs.

Best Regards,
A-B DISTRIBUTORS, INC


G. Randy Edwards
Administrator

GRE/kjr

Enclosures

CC: J. Zidlicky

*Hand Delivered
by WHO 3-21-17*

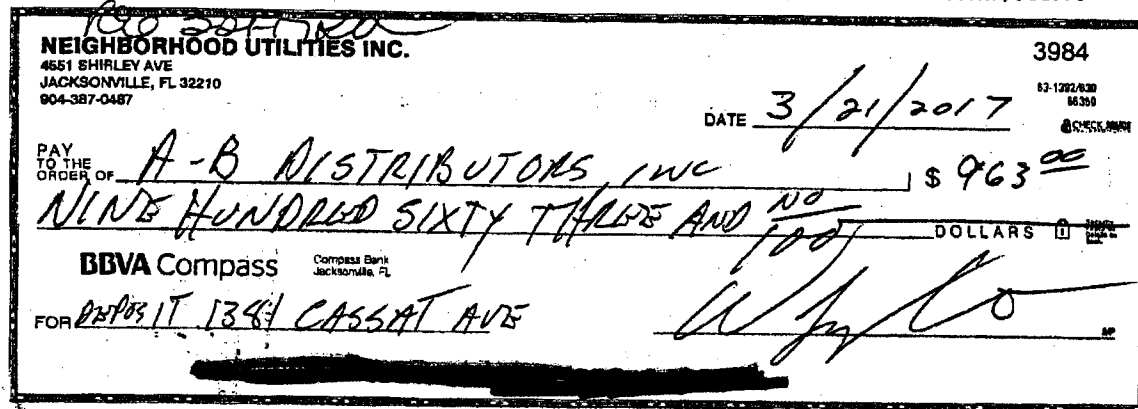
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#3984

Date: 03/24

Amount: \$963.00



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Date: 03/24

Amount: \$963.00

3288359164

FOR DEPOSIT ONLY
WELLS FARGO BANK, N.A.
JACKSONVILLE, FLORIDA
A-B DISTRIBUTORS, INC.
MICHELLE COLLINS, DIRECTOR OF OPERATIONS

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