

COMMERCIAL LEASE

This lease is made and executed in duplicate in the City of Wauchula, County of Hardee, State of Florida, by and between the **HARDEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, a public agency organized under the laws of the State of Florida**, whose address is 107 East Main Street, Wauchula, Florida 33873 (hereinafter referred to as "Lessor"), and Innovar Structures, LLC, whose street address is **377 Interstate Blvd, Sarasota, FL 34240** (hereinafter referred to as "Lessee").

Section I Description of Premises; Term; Use

Lessor leases to Lessee, for a term of **ten (10) years**, the premises located at 1510 U S Hwy 17 North, Wauchula, County of Hardee, State of Florida, and described as follows:

The SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$, LESS then North 10.00 feet AND that part of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ lying East of the A.C.L. Railroad, LESS the North 10 feet, all in Section 33, Township 33 South, Range 25 East, Hardee County, Florida.

LESS AND EXCEPT THE FOLLOWING DESCRIBED OUTPARCEL;

A portion of Section 33, Township 33 South, Range 25 East, Hardee County, Florida, described as follows;

Commence at the SE corner of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of the said Section 33, Thence South 89°50'06" west along the south line of said NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ a distance of 687.69 feet to the East right of the way line of U.S. Highway 17; thence North 12°12'28" West along said East right of way line a distance of 489.58 feet to the POINT OF BEGINNING; thence continue North 12°12'28" West along said East right of way line a distance of 178.95 feet to the South line of the North 10 feet of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ and of the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$; thence North 89°51'04" East along said South line a distance of 178.95 feet; thence South 89°51'04" West a distance of 178.95 feet to the POINT OF BEGINNING.

SAID REMAINING PROPERTY ALSO BEING DESCRIBED AS FOLLOWS:

Begin at the SE corner of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of said Section 33; thence South 89°50'06" West along the South line of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of said Section 33 a distance of 687.69 feet to the East right of way line of U.S. Highway 17; thence North 12°12'28" West along said East right of way line a distance of 489.58 feet; thence North 89°51'04" East a distance of 178.95 feet; thence North

12°12'28" West a distance of 178.95 feet: to a point line 10.00 feet South of the North line of the SE ¼ of the NW ¼ of the NE ¼ of said Section 33; thence North 89°51'04" East parallel with and 10.00 feet distant from said North line a distance of 649.18 feet to the East line of the SE ¼ of the NW ¼ of the NE ¼ said Section 33; thence South 00°04'52" East along said East line a distance of 653.59 feet to the POINT BEGINNING. Containing 10.85 acres.

LESS THE FOLLOWING DESCRIBED TRACT FOR DEDICATED RIGHT OF WAY

Begin at the SE corner of the NW ¼ of the NE ¼ of Section 33, Township 33 South, Range 25 East; thence South 89°50'06" West along the South line of the NW ¼ of the NE ¼ of said Section 33, a distance of 687.69 feet to the East right of way line of U.S. Highway 17; thence North 12°12'28" West along said East right of way line a distance of 51.13 feet; thence North 89°50'06" East a distance of 583.41 feet; thence South 00°09'54" East a distance of 15.00 feet; thence North 89°50'06" East a distance of 115.00 feet to the East line of the SE ¼ of the NW ¼ of the NE ¼ of said Section 33; thence South 00°04'52" East along the East line a distance of 35 feet to the POINT OF BEGINNING.

Less the Parcels of A and B as described below:

Description Parcel A

Commence at the SE corner of the NW ¼ of NE ¼ of Section 33, Township 33 South, Range 25 East, Hardee County, Florida; thence South 89°50'06" West along the South line of said NW ¼ of NE ¼ a distance of 687.69 feet to the East right of way of US Highway 17; thence North 12°12'28" West along said right of way a distance of 270.36 feet for the point of beginning. Thence continue along said East right of way a distance of 219.22 feet: thence North 89°51'04" East a distance 178.96 feet; thence South 17°56'54" East a distance 225.13 feet; thence South 89°50'39" West a distance 201.98 feet to the point of beginning.

Description Parcel B

Commence at the SE corner of the NW ¼ of NE ¼ of Section 33, Township 33 South, Range 25 East, Hardee County, Florida; thence South 89°50'06" West along the South line of said NW ¼ of NE ¼ a distance of 687.69 feet to the East right of way of US Highway 17; thence North 12°12'28" West along said East right of way a distance of 51.13 feet to the North right of way REA Rd. and for the point of beginning. Thence Continue North 12°12'28" West along said East right of way a distance 219.23 feet; thence right of way a distance 225.00 feet to the point of beginning.

Subject to: Lessor reserves unto itself, its successors and assigns, the perpetual, non-exclusive, and unobstructed right of ingress and egress to the Westernmost entrance point from REA road and the entrance point on the North side of the subject property.

For use by Lessee for the manufacturing of multi-unit modular construction of repurposed shipping containers, as well as other types of modular type products.

Lessee shall comply with all the sanitary laws, ordinances, rules, orders of appropriate governmental authorities, affecting the occupancy and operation of the premises, and the curtilage thereto, during the term of this lease.

Section II Rent

Lessee shall pay to Lessor as rent for the premises the sum of Eight Thousand Seven Hundred Fifty and 00/100 (\$8,750), plus sales tax per month, in advance, on the 1st day of every month during the term of this lease. Rent payments shall commence on August 01, 2020, but Lessee shall take possession upon full execution of this lease.

Lessee shall prepay rent in the amount of Fifty-Two Thousand Five Hundred and 00/100 (\$52,500), plus sales tax, by January 1, 2020 for the period of July 2020 through December 2020.

Section III Condition of Premises

Lessee accepts the premises "as is". Lessee further agrees to be responsible for any required retrofit to render the premises suitable for its purpose.

Lessee agrees to make all necessary repairs to the interior and exterior of the leased premises and to maintain the same in good condition, at its sole cost and expense. Lessee agrees that Lessor and Lessor's agents or other representatives shall have the right to enter the leased premises, or any part of the premises, at all reasonable hours for the purpose of examining them or making such repairs or alterations as may be necessary to make them safe and to preserve them.

Section IV Compliance by Lessee with Laws, Rules, and Regulations; Fire Prevention

Lessee agrees to comply with all local, state and federal laws, rules, regulations, and requirements applicable to the premises, and in particular with those for the correction, prevention, and abatement of nuisances or other grievances in, on, or connected with the premises during the term of this lease.

Lessee further agrees that it will not permit the leased premises to be occupied for any purpose deemed disreputable or deemed to be extra-hazardous on account of fire.

Section V Assignment and Sublease

Lessee agrees not to assign this lease without first obtaining Lessor's written consent to the assignment; provided, however, Lessee may assign this lease, without obtaining Lessor's written consent, to an affiliate as defined in Section XVIV. Lessor agrees not to withhold consent unreasonably. Lessee shall have the right to sublet or underlet the leased premises for any purpose permitted by Section I, provided such sublettings or underlettings shall be subject to the terms and conditions of this lease, and further provided that Lessee shall notify Lessor in writing of such sublettings promptly. Such sublettings or underlettings shall not release Lessee from any of its obligations under this lease.

Section VI Effect of Damage to or Destruction of Leased Premises

If the leased premises are damaged or destroyed in whole or in part by fire or other casualty during the term of this lease, Lessor agrees, with due diligence, to repair, restore, rebuild, or replace the premises or portion destroyed or damaged, so that the property shall be substantially the same as it was before the damage. If the destruction or damage amounts to more than twenty-five (25%) percent of the insurable value of the premises, Lessor may, at its option, cancel and terminate the lease by giving written notice to Lessee within thirty (30) days after the date the damage or destruction occurred. In such event, this lease shall terminate on the date specified in such notice, and Lessor shall not be obligated to repair or rebuild. In the event of such damage or destruction, rent under this lease will be abated for the term during which, and to the extent to which, the premises may not be used by Lessee. Lessee shall be entitled to receive a pro rata refund out of any advance rent paid by it for the period during which the premises were unuseable by reason of destruction or damage.

Section VII Insurance

Lessee, during the term of this lease, shall carry public liability insurance at its own cost, insuring Lessor and Lessee against all claims for injuries to persons or property occurring in, upon or about the premises, said policy of

insurance at all times to be in an amount not less than \$1,000,000 for injuries to each person in one accident and not less than \$2,000,000 for bodily injury and property damage for each occurrence. Lessee shall be responsible for insuring all tangible personal property on the premises.

Section VIII Maintenance and Repairs

Lessee will, at its sole expense, keep and maintain the premises and appurtenances in good, neat and sanitary condition and repair during the term of this lease and any renewal thereof. In particular, LESSEE shall keep the fixtures in the building or on or about the premises in good order and repair; keep the heaters clean; keep air conditioning filters changed on a regular basis; and shall make all required repairs to the plumbing, heating and air conditioning apparatus, and electric fixtures. LESSOR shall be responsible for major repair of the premises, limited to structural and roof.

Lessor understand Lessee may make improvements to the subject property during the term of the lease. Repairs or improvements made to the property in which Lessee self performs, shall adhere to local and state law. All repairs made to the property shall be completed by a licensed, insured contractor. Any repairs or improvements made to the property with cost greater than \$50,000.00, shall be bonded with payment and performance bonds.

Section VIV Lessee's Right to Place Signs; Removal of Signs when Repairing Building

Lessee shall have the privilege of placing on the leased premises such signs as it deems necessary and proper in the conduct of its business. In case Lessor or Lessor's representatives shall deem it necessary to remove any such signs in order to paint the premises or the building where they are situated or make any other repairs, alterations, or improvements on the premises or building, Lessor shall have the right to do so, providing that the signs are replaced whenever the repairs, alterations, or improvements are completed, and that such removal and replacement of signs are at Lessor's expense.

Section X Utilities; Indemnity

Utilities. Lessee shall pay for all utilities (electric, phone, etc.) used in the leased premises during the term of this lease and of any renewal or extension of this lease, and for any other substances used for heat or light. Lessee shall pay to the water company supplying water to the premises all charges for water

furnished the premises and all sewer charges which may, during the term of this lease, be assessed or imposed for water used or consumed on the premises, whether determined by meter or otherwise, as soon as they are assessed or imposed. If such charges or rentals are not paid by Lessee during the month in which they are due, they may be paid by Lessor and shall be added to the next month's rent after that to become due. Lessee agrees to maintain heating and hot water systems at its own expense.

Indemnity. Lessee shall, during the term of this lease, indemnify, defend and save harmless Lessor against any and all damage or injury to property or person on or about the premises caused by or resulting from or by reason of the use and occupancy of the said premises by Lessee. Lessor shall, during the term of this lease, indemnify, defend and save harmless Lessee against any and all damage or injury to property or person on or about the premises caused by or resulting from or by reason of any activity related to Lessor's obligations under this lease.

Section XI Notices, Generally

Subject to the provisions of Section XI of this lease, any notice to be given by either party to the other, pursuant to the provisions of this lease or of any law, shall be given by registered or certified mail, addressed to the party for whom it is intended at the following addresses or such other address as the party may designate in writing:

LESSOR

**HARDEE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY, a public
agency organized under the laws of the
State of Florida**
107 East Main Street
Wauchula, FL 33873

LESSEE

Innovar Structures, LLC
377 Interstate Blvd
Sarasota, FL 34240

Section XII Manner of Giving Notice of Default or Omission

It is agreed that there is to be no enforceable default against Lessee or the exercise of any option or right granted to Lessor under any provision of the lease in the event of Lessee's default or omission, unless notice shall have been given by Lessor to Lessee by registered or certified mail, specifying the default or omission complained of, and Lessee shall have had ten (10) days after the actual receipt of such notice to comply with or remedy the default or omission. If the default or omission complained of is of such nature that it cannot be completely cured within such ten (10) day period, such default nevertheless shall not be

enforceable against Lessee if Lessee shall have begun curing it within the ten (10) day period, and shall, with reasonable diligence and in good faith, proceed to remedy it.

Section XIII
Subordination of Lease to Encumbrances

This lease is subject and subordinate to any mortgages or trust deeds now on or, after the making of this lease, may be placed against the premises, and to all advances made or that may be made on account of the encumbrances, to the full extent of the principal sums secured by it and interest on such sums.

Section XIV
Fixtures Installed by Lessee

All fixtures installed by the Lessee in the leased premises shall be and remain the property of Lessee and may be removed by it at any time during the term of this lease or at the expiration of this lease, provided the same can be removed without damage to the real property. Any such fixtures remaining in the premises after the expiration of the term of this lease shall be deemed abandoned by the Lessee and shall become the property of Lessor. Any damage to the leased premises, caused by the removal of such fixtures, shall be repaired by Lessee, at Lessee's sole cost and expense.

Section XV
**Lessee's Right to Make Payments on Encumbrances
or Taxes on Lessor's Default**

In the event Lessor fails to make any payment on account of principal or interest on any mortgage or trust deed note affecting the leased premises, or to pay any tax or assessment assessed or levied against the premises during the period within which such payment may be made without penalty or interest, Lessee, on written notice to Lessor, shall have the right to make the payment and to deduct the sum so paid from the next or any subsequent installment of rent upon adequate proof of such payment.

Section XVI
**Eminent Domain; Effect of
Condemnation of Entire Premises**

In the event that all of the leased premises be taken or condemned for any public or quasi-public use, this lease shall terminate as of the date of such taking.

The award for such taking of the premises shall belong to Lessor. Lessee shall, however, be permitted to make claim to the condemning authorities for the value of any improvements erected by it on the premises and for the value of any fixtures installed by it which are located on the premises.

Section XVII
Eminent Domain; Effect of
Condemnation of Part of Premises

In the event that a portion, but not the entire leased premises are acquired for public or quasi-public use, this lease shall terminate as to the part taken and shall continue as to the remainder of the leased premises for the balance of the term of this lease at a reduced rental based on the proportion that the ground floor area remaining after such taking bears to the ground floor area of the leased premises prior to such condemnation. Lessee shall have the option to terminate its lease by giving at least thirty (30) days notice of same. In any event Lessee shall be permitted to make claim to the condemning authorities for the value of any improvements erected by it on the premises and for the value of any fixtures installed by it which are located on the premises.

Section XVIII
Time of the Essence

Time is of the essence of each and every provision, covenant, and condition contained in this lease, and on the part of the Lessee or Lessor to be done and performed.

Section XXIV
Lessor's Specific Covenants and Warranties

Lessor covenants and warrants that:

- a. Lessor is the owner of the leased premises and has the right to make this lease.
- b. Lessee, on paying the rent reserved in this lease and on performing all of the terms and conditions of this lease on its part to be performed, shall at all times during the lease term peacefully and quietly hold and enjoy the leased premises.

c. The premises are now free from all encumbrances, except covenants and restrictions of record.

Lessor further covenants and warrants that at the time of the delivery of possession of the leased premises to Lessee:

d. The premises shall be clear of all mechanics' liens.

e. A certificate of occupancy shall have been duly issued for the building, if required

Section XX Lessor's Re-Entry on Default or Abandonment

If Lessee abandons or vacates the leased premises (except as authorized pursuant to this lease) or is dispossessed for cause by Lessor before the termination of this lease, or any renewal of this lease, Lessor may, on giving twenty (20) days written notice to Lessee, declare this lease forfeited and shall, in the event of forfeiture, make reasonable efforts to relet the premises for similar rental rates. Lessee shall be liable to Lessor for all damages suffered by reason of such forfeiture. Such damages shall include, but are not limited to, the following: (1) all rent not received by Lessor until the property is relet, including reasonable expenses incurred in attempting to relet; and (2) the difference between the rent received when the property is relet and the rent reserved under this lease.

Until the premises have been relet, Lessee agrees to pay to Lessor, on the same day as rental payments are due under this lease, the lost rent due Lessor after the last payment was made.

After the premises have been relet, Lessee agrees to pay to Lessor, on the last day of each rental period, the difference between the rent received for the period from reletting and the rent reserved under this lease for that period.

Section XXI Option to Purchase Leased Premises

Lessor hereby grants unto Lessee an option to buy the Premises, including all improvements contained on the Premises at any point during an initial 10 year lease term, and any extensions or renewals thereof. Lessor agrees that the option purchase price for the Premises (including all improvements contained on the Premises shall be **\$1,500,000.00**. Lessor agrees that if Lessee elects to exercise the option contemplated in this section, Lessee shall be credited a percentage of all lease payments made (reduced by property taxes and insurance paid by IDA) as set forth immediately below.

1. Fifty percent (50%) of all rent payments paid by Lessee shall be applied as credit against option purchase price if Lessee creates, fills and maintains for each quarterly period twelve (12) full-time positions in Hardee County;

2. Seventy-five percent (75%) of all rent payment paid by Lessee shall be applied as credit against option purchase price if Lessee creates, fills and maintains for each quarterly period eighteen (18) full-time jobs in Hardee County;

3. One Hundred percent (100%) of all rent payment paid by Lessee shall be applied as credit against option purchase price if Lessee creates, fills and maintains for each quarterly period twenty-four (24) full-time jobs in Hardee County;

The method for determining the number of full-time jobs of Lessee for purposes of determining the credit to which Lessee is entitled will be determined by using RT-6 returns, submitted on a quarterly basis to Lessor. Lessor shall verify total Full Time Equivalent (FTE's) for the months in which Lessee is submitting and shall apply credit based on the above job creation scale, as contained in this lease. For each month that Lessee meets or exceeds any of the job creation thresholds, Lessor shall apply the credit towards the option purchase price. Any months that Lessee fails to meet the minimum job creation threshold, those lease payments shall not be applied towards option purchase price and will be treated as direct lease payment for that month. At such time as Lessee shall desire to exercise this option, Lessee shall give Lessor written notice thereof. Lessor will, within fourteen (14) days after receipt of such notice, provide a contract for sale at option price with Lessee paying all closing costs. In addition, such contract for sale shall contain all reasonable standard provisions for contracts for similar sales. The consideration for this option is One Dollar (\$1.00) at the execution of this agreement. Lessee's failure to remain in good standing (including making timely rent payments) under the lease shall terminate this option; provided, however, that if Lessee cures any such default, the option shall remain. Lessee may assign Lessee's rights under this Section to an Affiliate. For purposes of this entire Section, Lessee shall mean and include all Affiliates (as defined below) of Lessee. The term "Affiliates" means and includes any other person or entity that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, Lessee. "Control," including the terms "controlled

by” and “under common control with,” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of voting securities, as trustee or executors, as general partner or managing member, by contract or otherwise.

The Parties hereto shall negotiate in good faith to reach a mutually acceptable agreement for Lessee’s option to purchase the premises prior to the expiration of this agreement.

Section XXII Attorneys’ Fees and Costs

In connection with any litigation, including appellate or bankruptcy proceedings, arising out of the lease, the prevailing party shall be entitled to recover reasonable attorneys’ fees and costs.

Section XXIII Venue

Venue for any legal proceeding to enforce or interpret rights hereunder shall be Hardee County, Florida.

Section XXIV Binding Effect on Successors and Assigns

The covenants and agreements contained in this lease shall be binding on the parties to this lease and on their respective successors, heirs, executors, administrators, and assigns.

Section XXV Right of First Refusal

Lessor grants to Lessee a Right of First of Refusal on the outparcels.

If **Lessor** desires to sell the outparcels, or any part thereof, and receives from some third party a bona fide written offer for the purchase thereof, **Lessor** agrees to disclose the terms of such offer to **Lessee**, in writing, within ten (10) days following receipt of the offer.

Lessee shall have thirty (30) days after receiving notice of the terms of the offer within which to elect to purchase the outparcel or the same material part thereof on terms identical to those offered by the third party. Such election shall be

made by written notice to **Lessor** at 107 East Main Street, Wauchula, FL 33873, accompanied by a deposit equal to that offered by the third party to the order of **Lessor**, to be applied to the purchase price. Within ten (10) days thereafter, the parties shall enter into a formal contract of sale containing the provisions normally used in such contracts in Hardee County, Florida, and expressly including all terms of the original bona fide offer made to **Lessor**, except as the parties may mutually agree, subject to Lessor approval.

If **Lessee** fails to give the notice and to tender the payment as provided in Paragraph 2, **Lessor** shall be relieved of all liability to **Lessee** hereunder and may dispose of the property as it sees fit.

Executed at Wauchula, Hardee County, Florida, on the date first above written.

IN WITNESS WHEREOF, Thomas Watkins,
Chairman of **HARDEE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY**, a
public agency organized under the laws of the State of Florida, has hereunto
set his hand and seal on this agreement as LESSOR this 12 day of
November, 2019.

IN WITNESS WHEREOF, Joe Davis,
CEO of **Innovar Structures, LLC**, has hereunto set
his/her hand and seal on this agreement as LESSEE this 12 day of
November, 2019.

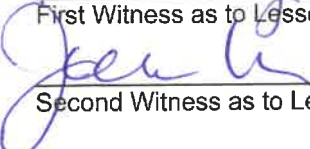
"LESSOR"

**HARDEE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY, a
public agency organized under the
laws of the State of Florida**

By: 

Chairman


First Witness as to Lessor


Second Witness as to Lessor

"LESSEE"

Innovar Structures, LLC

By: _____

First Witness as to Lessee

Second Witness as to Lessee

"LESSEE"

Innovar Structures, LLC

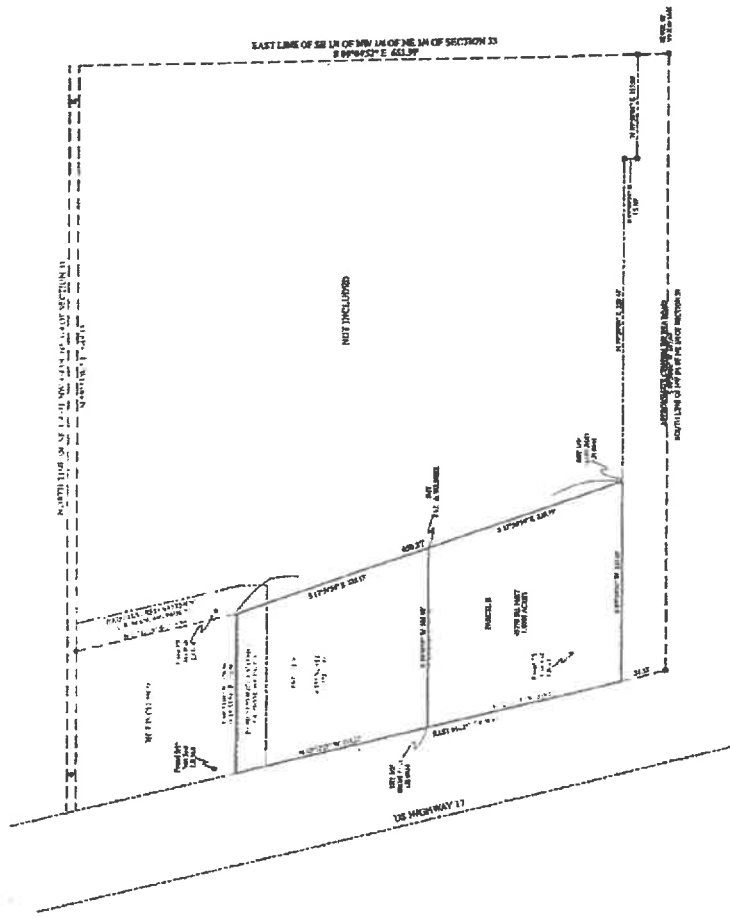
By: _____

Joe Davis, CEO

First Witness as to Lessee

Second Witness as to Lessee

IDA COMMERCIAL OUT PARCELS
 LOCATED IN SECTION 11, TOWNSHIP 33 SOUTH, RANGE 25 EAST
 HARDEE COUNTY, FLORIDA



STATE OF FLORIDA
 COUNTY OF HARDEE
 I, the undersigned, being a duly qualified and sworn-in surveyor, do hereby certify that the foregoing is a true and correct copy of the original plat as the same appears in my office, and that the same has been compared with the original and found to be a true and correct copy.

WITNESSES
 I, the undersigned, being a duly qualified and sworn-in surveyor, do hereby certify that the foregoing is a true and correct copy of the original plat as the same appears in my office, and that the same has been compared with the original and found to be a true and correct copy.

COUNTY OF HARDEE, FLORIDA
 I, the undersigned, being a duly qualified and sworn-in surveyor, do hereby certify that the foregoing is a true and correct copy of the original plat as the same appears in my office, and that the same has been compared with the original and found to be a true and correct copy.

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 COUNTY OF HARDEE
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DESCRIPTION
 This plat shows the layout of the parcels as described in the accompanying text. The parcels are located in Section 11, Township 33 South, Range 25 East, Hardee County, Florida. The parcels are bounded by US Highway 17 on the left and the East Line of SE 1/4 of SW 1/4 of ME 1/4 of Section 11 on the top. The parcels are divided by a diagonal line labeled '1/2 Acre'. A smaller parcel is labeled 'NOT INCLUDED'. The map includes various boundary lines, bearings, and distances. A scale bar at the bottom indicates '1\"/>