

SOCCER TRAINING FACILITY AGREEMENT AND LAND LEASE

BETWEEN

THE CITY OF PALM COAST

as Landlord

AND

PLAYER DEVELOPMENT ACADEMY FLORIDA, INC,

A Florida Not-for-Profit Corporation

as Tenant

Dated: April ____, 2013

SOCCKER TRAINING FACILITY AGREEMENT AND LAND LEASE

THIS SOCCER TRAINING FACILITY AGREEMENT AND LAND LEASE ("Lease") is made as of the ____ day of April, 2013 ("Date of Lease"), by and between the **CITY OF PALM COAST**, a Florida municipal corporation, ("Landlord"), and **PLAYER DEVELOPMENT ACADEMY FLORIDA, INC.**, a Florida not-for-profit corporation ("Tenant").

WHEREAS, the parties acknowledge that attracting sports training and tournaments to the city of Palm Coast is a key initiative in the Landlord's economic development strategy; and

WHEREAS, Tenant desires to expand its youth soccer program and training facility to the city of Palm Coast; and

WHEREAS, to facilitate the expansion of Tenant's program and training facility, the Landlord desires to lease land to the Tenant in furtherance of the aforementioned economic development strategy, and Tenant desires to accept that lease under the following terms and conditions:

I. BASIC LEASE PROVISIONS/DEFINITIONS

1.1 Premises. A parcel of land lying along U.S. Highway No. 1 containing 65.17 acres, more or less, and more specifically legally described on **Exhibit "A"** attached hereto and made a part hereof.

1.2 Project. The future soccer training facility to be permitted, constructed and operated by Tenant on the Premises consisting of a minimum of five (5) soccer fields and ancillary facilities (e.g., concession stands, bleachers, restrooms, a headquarters building with meeting space, related soccer training, storage and maintenance facilities, and a pump house), in accordance with this Lease. The soccer fields and the aforementioned ancillary facilities may be permitted and constructed in phases in accordance with plans approved by applicable regulatory agencies. However, the Project shall not be deemed complete until such time as five (5) soccer fields have been fully constructed and deemed usable by the City of Palm Coast in accordance with applicable law.

1.3 Permitted Use. Tenant may exclusively use the Premises, subject to and in accordance with the terms, covenants and conditions set forth in this Lease, and applicable governmental regulations, restrictions and permitting, solely for a soccer training facility and uses incidental thereto and the supplemental recreational activities and programs required under paragraph 2.4 of this Lease.

1.4 Commencement Date. The commencement date shall be the date on which the last party to this Lease fully executes this Lease.

1.5 Expiration Date. Unless this Lease is sooner terminated in accordance with the terms and conditions in this Lease, the day before the twenty-five (25) year anniversary of the Commencement Date, provided, however, that if said date is not the last day of a calendar month, then the Expiration Date shall be the last day of the calendar month in which such date occurs.

1.6 Initial Term. Approximately twenty-five (25) years, beginning on the Commencement Date and expiring on the Initial Expiration Date.

1.7 Basic Rent. There shall not be any rental payments due under this Lease until such time the required soccer fields are fully constructed and deemed usable pursuant to law. At such time said soccer field(s) are constructed and deemed usable, the rental payment shall be ten thousand dollars (\$10,000.00) per year (exclusive of applicable State Sales Tax and other Taxes), payable in quarterly installments. At each 5th anniversary of the Commencement Date, the annual rental payment shall be increased by three percent (3%) unless otherwise agreed to by the Landlord in writing. In lieu of the annual rental payment, Tenant may hold significant special events (soccer tournaments, soccer camps, or other similar events) on the Premises that generate confirmed hotel bookings within a 20 mile radius of the Premises of at least two hundred (200) room nights on an annually basis. Only one hundred (100) room nights shall be required for 2014 in order to meet this requirement that year.

1.8 Lease Year. Each consecutive 12 month period elapsing after: (i) the Commencement Date if the Commencement Date occurs on the first day of a month; or (ii) the first day of the month following the Commencement Date if the Commencement Date does not occur on the first day of a month. Notwithstanding the foregoing, the first Lease Year shall include the additional days, if any, between the Commencement Date and the first day of the month following the Commencement Date, in the event the Commencement Date does not occur on the first day of a month.

1.9 Calendar Year. For the purpose of this Lease, Calendar Year shall be a period of 12 months commencing on each January 1 during the Term, except that the first Calendar Year shall be that period from and including the Commencement Date through December 31 of that same year, and the last Calendar Year shall be that period from and including the last January 1 of the Term through the earlier of the Expiration Date or the date of Lease termination.

1.10 City Permit and Impact Fees. In consideration of this Lease and as an economic development incentive, Landlord agrees to pay on Tenant's behalf any City of Palm Coast impact or permit fees related to the Premises during the term of this Lease.

1.11 Landlord's Notice Address.

City of Palm Coast
Attn: City Manager
160 Cypress Pointe Pkwy, Suite B106
Palm Coast, Florida 32164-8436
(386) 986-3700

With a copy to:

Brown, Garganese, Weiss & D'Agresta, PA
Attn: Anthony A. Garganese, Esquire
111 N. Orange Avenue, Suite 2000
Orlando, Florida 32801
(407) 425-9566

1.12 Tenant's Notice Address.

Player Development Academy Florida, Inc.
Attn: Tom Anderson

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With a copy to:

Cobb Cole
Attn: Joshua J. Pope, Esquire
351 E. New York Avenue, Suite 200
DeLand, Florida 32724
(386) 736-7700

The aforementioned notice instructions may be changed by either party at any time by providing written notice to the other party.

II. PREMISES

2.1 Lease of Premises. In consideration of the agreements contained herein, Landlord hereby leases the Premises to Tenant for the Permitted Use, and Tenant hereby leases the Premises from Landlord, for the Term and upon the condition that Tenant comply with the terms and conditions set forth in this Lease. The Lease and Tenant's exclusive use of and access to the Premises is subject to any prior restrictive covenants, easements and encumbrances that may exist on the Premises. The Landlord shall maintain the existing frontage park along US Highway 1.

2.2 Landlord's General Reservations. Provided Tenant's exclusive use of and access to the Premises is not (in Tenant's reasonable discretion) adversely affected, Landlord reserves the right from time to time to, in a timely manner and using all diligence: (i) install, use, maintain, repair, replace and relocate any utility infrastructure owned or maintained by the City of Palm Coast; (ii) use the soccer fields and ancillary equipment/facilities up to four (4) events per year (up to four days per event) with one year advance written notice to Tenant so long as the dates and times of the Landlord's use does not conflict with a tournament previously scheduled by Tenant and at the time of said event, Tenant determines (in Tenant's professional judgment) that the weather and playing field conditions are reasonably acceptable for conducting the event; (iii) use the soccer fields and ancillary facilities for additional dates and times provided the Tenant, at its sole and reasonable discretion, approves of the additional use of the soccer fields and related ancillary equipment/facilities; and (iv) to grant easements, licenses and permission to utilities providers for purposes of servicing the Premises and any buildings or structures thereon. Landlord agrees that any such activities shall not result in a more intensive use of the Premises than soccer related uses, and to promptly, and at the sole expense of Landlord, restore the

Premises to the condition that existed before each instance of use by Landlord or its agents. Landlord agrees to maintain comprehensive liability insurance coverage for all of its activities described above in such amounts. If Landlord permits a third party to host an event on the Premises, the Landlord will require that the third party provide comprehensive liability insurance coverage for all of its activities on the Property and with such insurer and coverage amounts as reasonably approved by the Tenant. The third party will be required to list Tenant as additional insured for all such insurance coverage and shall provide Tenant with written proof of said coverage before commencing any of the activities permitted under this Lease. Tenant may, in its sole discretion, cancel any event on the Premises due to inclement weather.

2.3 Landlord's Police Powers Reservation. No provision contained herein shall be interpreted or construed to prevent or interfere with the Landlord's police powers. To the extent deemed necessary, Landlord, at its sole discretion, reserves the right to exercise its police powers to suspend or prohibit the use of the soccer fields and related ancillary facilities in furtherance of the general public health, safety, and welfare.

2.4 Supplemental City Recreational Activities. In addition to the Permitted Uses, Tenant agrees to offer during each year under this Lease additional public recreational activities and programs on the Premises as a supplemental recreational option for the citizens of Palm Coast. Said activities and programs shall be mutually agreeable to Landlord and Tenant and shall be coordinated with the City's Parks and Recreations Department and shall not interfere with Tenant's exclusive use of the Premises.

2.5 PDA Soccer Recreational Program - Existing City Facilities. The parties agree that (with reasonable prior notice to, and approval by, the City for field use) that Tenant may run a recreational soccer program on other existing City facilities/soccer fields and may be able to hold soccer tournaments on those facilities/fields. If the aforesaid field use is approved by the City, the terms and conditions of this arrangement shall be memorialized in a separate agreement between the parties.

III. TERM AND PURCHASE OPTION

3.1 Commencement Date. The Term shall commence on the Commencement Date and expire at midnight on the Expiration Date.

3.2 Automatic Termination. If the Tenant, despite diligent efforts, fails to substantially complete construction of the Project within two (2) years of the Commencement Date, this Lease shall automatically be deemed terminated, unless Landlord agrees, in writing, to provide Tenant additional time to complete construction. If Tenant has shown good faith diligent efforts to complete construction, but despite matters beyond its control, has been unable to complete the same by said deadline, Landlord shall grant a reasonable extension of said deadline so that Tenant may diligently pursue the same to completion.

3.3 Extensions. This Lease may be extended for successive additional terms of five (5) years each by mutual written agreement of the parties (the "Renewal Terms"). Tenant may provide Landlord with written notice of its desire to extend no sooner than one (1) year, or later

than ninety (90) days, prior to the expiration of the then current Term or applicable Renewal Term. All terms and conditions of the Initial Term shall apply equally to any Renewal Term.

3.4 Purchase Option. Landlord hereby grants Tenant a limited, irrevocable option to purchase the Premises under the following terms and conditions:

(A) During the last six (6) months of the term of the Initial Term of this Lease (or at any time during the Renewal Terms) (collectively, the "Option Period"), Tenant shall have the right to exercise an option (the "Option") to purchase the Premises including any buildings and structures thereon at a purchase price which is determined to be the fair market value based upon a written real estate appraisal prepared by a duly licensed Florida property appraiser selected by the Landlord and Tenant by mutual written agreement. The purchase price shall be reduced by the appraised fair market value of any buildings or structures permitted and constructed by Tenant, at Tenant's expense, during the term of this Lease.

(B) Any default in the Lease, if not remedied after the applicable notice and cure period, shall automatically be a default of the Option which shall then be null and void. Termination of the Lease shall automatically constitute a termination of the Option.

(C) During the Option Period, Tenant may elect to purchase the Premises by giving Landlord written notice and delivering to Landlord an earnest money deposit of Fifteen Thousand Dollars (\$15,000.00) to be held by a mutually agreed upon escrow agent. Provided the Lease is not in default, any rents due under this Lease shall be prorated up to the date of closing.

(D) If this Option is exercised, Tenant shall pay for the State Documentary Stamps on the Deed and evidence of title in the form of a title insurance policy. Tenant shall pay for recording the deed, mortgage, documentary stamps and intangible tax on the mortgage. Should Tenant desire a survey or any other due diligence inspection of the Premises, they shall pay for same.

(E) Within twenty (20) days after notice of exercise of this Option, Landlord shall obtain evidence of title in the form of a title insurance commitment issued by a national title insurer, agreeing to issue to the Tenant upon the recording of the deed hereafter mentioned, a title insurance policy in the amount of the purchase price insuring Tenant title to the Premises, excepting only taxes and assessments for the current year, any state of facts an accurate survey would show, such standard conditions and exceptions as usually are printed in policies issued by that title insurer, and such easements of record. Closing shall occur within ten (10) days of delivery of said title insurance binder unless otherwise agreed by the parties in writing.

(F) If the evidence of title shall not meet the requirements above specified, and the Tenant shall so notify the Landlord in writing within ten (10) days after delivery, specifying the defects, the Landlord shall have 60 days after receipt of that notice to cure the defects, and will in good faith exercise due diligence to do so. If the defects are cured within that time, the Tenant shall have ten (10) days after the curing thereof to close.

(G) At closing, the Landlord will promptly execute and deliver to the Tenant a General Warranty Deed conveying the fee simple title to the Premises, subject to a binding deed

covenant that the Premises shall only be used for recreational purposes unless the covenant is otherwise released at the sole discretion of the City Council of the City of Palm Coast.

(H) Upon failure of Tenant to exercise this Option on or before the end of the Option Period, this Option shall be deemed null and void

(I) The Landlord and Tenant shall split the cost of the appraisal.

(J) The Tenant and Landlord shall each have the right to challenge the appraised value set forth in the appraisal required by subparagraph (A) by providing the other party written notice of challenge within ten (10) days of the appraisal being delivered to the parties. Any party challenging the appraisal shall then obtain another appraisal at its sole cost under the same requirements as above. If any challenger appraisal has a discrepancy that is 25% higher or lower than the first appraisal, the purchase price shall be the average of the first appraisal and any challenger appraisal having a discrepancy of 25% or more. Absent a challenge or a challenger appraisal having a discrepancy of 25% or more, the appraised value in the first appraisal shall be deemed the purchase price.

IV. RENT, EXPENSES AND OTHER FEES

4.1 Basic Rent. Rent shall be as provided in Section 1.7.

4.2 Operating Expenses. and Real Estate Tax Rental. Tenant shall have full and exclusive control of the Premises and the operation of the soccer fields and training facility constructed thereon. As such, Tenant shall have full responsibility for all operational expenses required to safely operate and maintain the Premises as a first class soccer training facility including, but not limited to, lawn maintenance of the fields, stripping the fields, utility expenses, pest control, refuse service, janitorial services, and any other expenses, costs, and disbursements in connection with the maintenance, management and operation of the Project. Tenant shall also be fully responsible for any Real Estate and Business Receipt Taxes imposed on the Premises as a result of this Lease, if any. Real Estate Taxes shall be defined as (i) all real property taxes and assessments levied by any public authority against the Project; (ii) all personal property taxes levied by any public authority on personal property of Tenant used in the management, operation, maintenance and repair of the Project, (iii) all taxes, assessments and reassessments of every kind and nature whatsoever levied or assessed in lieu of or in substitution for existing or additional real or personal property taxes and assessments on the Project, or (iv) amounts necessary to be expended because of governmental orders, whether general or special, ordinary or extraordinary, unforeseen as well as foreseen, of any kind and nature for public improvements, services, benefits or any other purposes which are assessed, levied, confirmed, imposed or become a lien upon the Premises or Project or become payable during the Term. If Tenant claims that they are exempt from Real Estate Taxes, Landlord agrees to cooperate with Tenant's efforts to seek any and all applicable exemptions from said taxes due to its non-profit status.

City Impact or Permit Fees. See Paragraph 1.10 of this Lease.

V. USE AND REQUIREMENTS OF LAW

5.1 Use. The Premises will be used only for the Permitted Use. Further, the Project shall be maintained in accordance with the duly written and adopted standards of the City of Palm Coast and the soccer playing fields shall be maintained at all times, unless the field(s) are under bona fide repair or maintenance, in good playing condition in a manner consistent with or better than the standards of similarly situated playing fields maintained by the City of Palm Coast. In addition, Tenant and any of Tenant's Agents will not: (i) do or permit to be done in or about the Premises, nor bring to, keep or permit to be brought or kept in the Premises, anything which is prohibited by or will in any way conflict with any law, statute, ordinance or governmental rule or regulation which is now in force or which may be enacted or promulgated after the Commencement Date of Lease; (ii) do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of Landlord under this Lease; (iii) do or permit anything to be done in or about the Premises which is dangerous to persons or property; or (iv) cause, maintain or permit any nuisance in, on or about the Premises or commit or allow to be committed any waste in, on or about the Premises. At its sole cost and expense, Tenant will promptly comply with: (a) all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or in force after the Commencement Date of the Lease regarding the operation of Tenant's Project and the use, condition, configuration and occupancy of the Premises; (b) any certificate of occupancies or completion issued for any Building or structure and the Premises; and (c) any recorded covenants, conditions and restrictions, if any, which affect the use, condition, configuration and occupancy of the Premises.

5.2 Hazardous Materials. Tenant shall not bring or allow any of Tenant's Agents to bring on the Premises or the Project, any asbestos, petroleum or petroleum products, used oil, explosives, toxic materials or substances defined as hazardous wastes, hazardous materials or hazardous substances under any federal, state or local law or regulation ("Hazardous Materials"), except for routine office and janitorial supplies and field maintenance chemicals/fertilizers used on the Premises and stored in the usual and customary manner and quantities, and in compliance with all applicable environmental laws and regulations. Hazardous Materials shall not include products commonly stored in vehicles so the vehicle may operate on the Premises according to manufacturer's specification including gasoline and transmission, brake, steering and other vehicle fluids. In the event of any release of Hazardous Materials on, from, under or about the Premises or the Project as the result of Tenant's occupancy of the Premises, but which are not caused in whole or in part by Landlord and/or Landlord's agents or assigns, Landlord shall have the right, but not the obligation, to cause Tenant, at Tenant's sole cost and expense, to clean up, remove, remediate and repair any soil or groundwater contamination or other damage or contamination in conformance with the requirements of applicable law. Landlord shall have the right from time to time, but not the obligation, to enter upon the Premises to conduct such inspections and undertake such sampling and testing activities as Landlord deems necessary or desirable to determine whether Tenant is in compliance with this provision, so long as said activities do not interfere with the Tenant's use or enjoyment of the Premises.

5.3 ADA Compliance. Notwithstanding any other statement in this Lease, the following provisions shall govern the parties' compliance with the Americans With Disabilities Act of 1990, as amended from time to time, Public Law 101-336; 42 U.S.C. §§12101, et seq. (the

foregoing, together with any similar state statute governing access for the disabled or handicapped collectively referred to as the "ADA");

(a) To the extent governmentally required as of the Commencement Date of this Lease, Tenant shall be responsible for the cost of compliance with the ADA with respect to any repairs, replacements or alterations to the Premises and completion of the Project and to any Tenant improvements including, but not limited to, any Building or structure constructed thereon.

VI. ASSIGNMENT AND SUBLETTING

This Lease shall not be assigned without the prior written consent of the Landlord.

VII. CONSTRUCTION OF TENANT IMPROVEMENTS; ALTERATIONS

7.1 Construction. Within five (5) business days after full execution of this Lease, the Landlord shall make available to Tenant, for inspection and/or copying at Landlord's City Hall, true and correct copies of any and all documents in its possession and/or control pertaining to the Premises, including, but not limited to, surveys, site plans, inspection reports, soil reports, plans, specifications, engineering reports, drainage studies, environmental studies/reports, title policies, title documents and feasibility studies. Landlord and Tenant agree that the construction of the Project shall be in accordance with the plans and specifications mutually agreed to by the parties and required by any governmental regulatory agency including, but not limited to, the City of Palm Coast. Tenant shall be required to prepare and submit to Landlord for approval all plans and specifications for the construction of the Project and the construction of any work to be performed by Tenant shall be performed in accordance with all applicable law. Landlord shall have no obligations whatsoever to construct any improvements to the Premises and **Tenant accepts the Premises "AS IS", "WHERE IS" and "WITH ANY AND ALL FAULTS", and Landlord neither makes nor has made any representations or warranties, express or implied, with respect to the quality, suitability or fitness thereof of the Premises, or the condition or repair thereof. Tenant taking possession of the Premises shall be conclusive evidence for all purposes of Tenant's acceptance of the Premises in good order and satisfactory condition, and in a state and condition satisfactory, acceptable and suitable for the Tenant's use pursuant to this Lease.**

7.2 Installing and Operating Tenant's Equipment. Without first obtaining the written consent of Landlord, Tenant shall not construct, install or operate in the Premises (i) any electrically operated equipment or other machinery, other than standard recreational and office equipment that does not require wiring, cooling or other service in excess of Building standards; (ii) any permanently affixed buildings or structures; or (iii) any equipment of any kind or nature whatsoever which will result in modification of any designated wetland on the Premises

7.3 Alterations. Tenant shall not make or permit any permanent alterations, additions or improvements of any kind or nature to the Premises or the Project, whether structural or nonstructural, interior, exterior or otherwise ("Alterations") without the prior written consent of Landlord. Landlord may impose any reasonable conditions to its consent, including, without limitation: (i) prior approval of the plans and specifications and contractor(s) with respect to the

Alterations (provided that Landlord may designate specific contractors with respect to permanent improvements); (ii) supervision by Landlord's representative of the Alterations; (iii) proof of worker's compensation insurance and commercial general liability insurance in such amounts and meeting such requirements as reasonably requested by Landlord; (iv) delivery to Landlord of written and unconditional waivers of mechanic's and materialmen's liens as to the Project for all work, labor and services to be performed and materials to be furnished, signed by all contractors, subcontractors, materialmen and laborers participating in the Alterations; (v) delivery of permits, certificates of occupancy, "as-built" plans, and equipment manuals; and (vi) any security for performance or payment that is reasonably required by Landlord. The Alterations shall conform to the requirements of federal, state and local governments having jurisdiction over the Premises, including, without limitation, the ADA, the OSHA General Industry Standard (29 C.F.R. Section 1910.1001, et seq.), and the OSHA Construction Standard (29 C.F.R. Section 1926.1001, et seq.) and shall be performed in accordance with the terms and provisions of this Lease and in a good and workmanlike manner using material of a quality that is at least equal to the quality designated by Landlord as the minimum standard for such Alterations. Landlord may designate reasonable rules, regulations and procedures for the performance of work and, to the extent reasonably necessary to avoid disruption to the surrounding neighborhood, shall have the right to designate the time when Alterations may be performed. If the Alterations are not performed as herein required after thirty (30) days from receipt by Tenant of written notice from Landlord, the Landlord shall have the right, at Landlord's option, to halt any further Alterations, or to require Tenant to perform the Alterations as herein required or to require Tenant to return the Premises to its condition before such Alterations. All or any part of the Alterations (including, without limitation, wiring and piping), whether made with or without the consent of Landlord, shall, at the election of Landlord, either be removed by Tenant at its expense before the expiration of the Term or shall remain upon the Premises and be surrendered therewith at the Expiration Date or earlier termination of this Lease as the property of Landlord without disturbance, molestation or injury. Landlord's election shall be made at the time Landlord approves installation of such Alterations. If Landlord requires the removal of all or part of the Alterations, Tenant, at its expense, shall repair any damage to the Premises or the Project caused by such removal and restore the Premises and the Project to its condition prior to the construction of such Alterations. If Tenant fails, after thirty (30) days from the date Tenant receives written notice from Landlord and opportunity to cure, to remove the Alterations upon Landlord's request and repair and restore the Premises and Project, then Landlord may (but shall not be obligated to) remove, repair and restore the same and the cost of such removal, repair and restoration together with any and all damages which Landlord may suffer and sustain by reason of the failure of Tenant to remove, repair and restore the same, shall be charged to Tenant and paid upon demand. Notwithstanding the foregoing, Tenant may remove any trade fixtures, business equipment, personal property and furniture, provided that Tenant repairs any damage to the Premises resulting from the removal of such items and restores the Premises to its condition prior to the installation of such items, except as otherwise agreed in writing by Landlord.

7.4 Mechanics' Liens.

(a) Tenant will pay or cause to be paid all costs and charges for: (i) work done by Tenant or caused to be done by Tenant, in or to the Premises; and (ii) materials furnished for or in connection with such work. **Tenant will indemnify Landlord against and hold Landlord, the Premises, and the Project free, clear and harmless of and from all mechanics'**

liens and claims of liens, and all other liabilities, liens, claims, and demands on account of such work by or on behalf of Tenant. If any such lien, at any time, is filed against the Premises, or any part of the Project, Tenant will promptly cause such lien to be discharged of record, except that if Tenant desires to contest such lien, it will furnish Landlord, within such 10-day period, a bond or other security reasonably satisfactory to Landlord of at least 150% of the amount of the claim. If a final judgment establishing the validity or existence of a lien for any amount is entered, Tenant will immediately pay and satisfy the same. If Tenant fails to pay any charge for which a mechanic's lien has been filed, and has not given Landlord a bond or other security as described above, Landlord may, at its option, pay such charge and related costs and interest, and the amount so paid, together with attorneys' fees incurred in connection with such lien, will be immediately due from Tenant to Landlord as Additional Rent. If Tenant receives notice that a lien has been or is about to be filed against the Premises or any part of the Project or any action affecting title to the Project has been commenced on account of work done by or for or materials furnished to or for Tenant, it will immediately give Landlord written notice of such notice. At least 15 days prior to the commencement of any work (including, but not limited to, any maintenance, repairs or Alteration) in or to the Premises, by or for Tenant, Tenant will give Landlord written notice of the proposed work and the names and addresses of the persons supplying labor and materials for the proposed work.

(b) NOTHING IN THIS LEASE SHALL BE DEEMED TO BE, OR CONSTRUED IN ANY WAY AS CONSTITUTING, THE CONSENT OR REQUEST OF LANDLORD, EXPRESSED OR IMPLIED, BY INFERENCE OR OTHERWISE, TO ANY PERSON, FIRM OR CORPORATION FOR THE PERFORMANCE OF ANY LABOR OR THE FURNISHING OF ANY MATERIALS FOR ANY CONSTRUCTION, REBUILDING, ALTERATION OR REPAIR OF OR TO THE PREMISES OR ANY PART THEREOF, NOR AS GIVING TENANT ANY RIGHT, POWER OR AUTHORITY TO CONTRACT FOR OR PERMIT THE RENDERING OF ANY SERVICES OR THE FURNISHING OF ANY MATERIALS WHICH MIGHT IN ANY WAY GIVE RISE TO THE RIGHT TO FILE ANY LIEN AGAINST THE PREMISES, OR LANDLORD'S INTEREST THEREIN. TENANT SHALL NOTIFY ANY CONTRACTOR PERFORMING ANY CONSTRUCTION WORK IN THE PREMISES ON BEHALF OF TENANT THAT THIS LEASE SPECIFICALLY PROVIDES THAT THE INTERESTS OF LANDLORD IN THE PREMISES SHALL NOT BE SUBJECT TO LIENS FOR IMPROVEMENTS MADE BY TENANT, AND NO MECHANIC'S LIEN OR OTHER LIEN FOR ANY SUCH LABOR, SERVICES, MATERIALS, SUPPLIES, MACHINERY, FIXTURES OR EQUIPMENT SHALL ATTACH TO OR AFFECT THE ESTATE OR INTEREST OF LANDLORD IN PREMISES OR ANY PERMANENT BUILDINGS OR STRUCTURE PERMITTED BY LANDLORD TO BE CONSTRUCTED THEREON, OR ANY PORTION THEREOF. IN ADDITION, LANDLORD SHALL HAVE THE RIGHT TO POST AND KEEP POSTED AT ALL TIMES ON THE PREMISES ANY NOTICES THAT MAY BE REQUIRED OR ADVISABLE FOR THE PROTECTION OF LANDLORD AND THE PREMISES AND ANY PERMANENT BUILDING OR STRUCTURE PERMITTED BY LANDLORD TO BE CONSTRUCTED THEREIN FROM ANY SUCH LIEN. TENANT AGREES TO PROMPTLY EXECUTE SUCH INSTRUMENTS IN RECORDABLE FORM IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF FLORIDA STATUTES, SECTION 713.10.

7.5 Fill Material. The Landlord currently has dirt stockpiled on Landlord's other property located within the City of Palm Coast. If requested by Tenant, Landlord will provide and transport a minimum of 15,000 cubic yards and up to 20,000 cubic yards of the stockpiled dirt, in "as is" condition to the Premises at no cost to Tenant in order to facilitate the construction of the Project. Nothing in this section shall be construed to compel the Landlord to purchase dirt or fill material in order to meet the commitments made herein.

7.6 Public Access Along the Existing Shell Trail. During the term of this Lease, public access shall be preserved, without impediment or impairment by Tenant, over and along the existing shell based trail on the Premises. Said existing trail runs from U.S. 1 Highway to Belle Terre Parkway. Landlord shall maintain said trail in its sole and reasonable discretion. Tenant may propose the relocation of the trail on the Premises in order to accommodate Tenant's Project described in paragraph 1.2 of this Lease. However, any relocation of the trail will require prior approval of the Landlord and shall be at Tenant's sole expense.

VIII. SIGNS

Tenant shall have the right to install outdoor signage subject to applicable laws, ordinances and regulations and Landlord's reasonable approval as to size, design, color, lighting, and other specifications, and Tenant shall be responsible for the cost of fabricating and installing such signage. If any prohibited sign, advertisement or notice is exhibited by Tenant, Landlord shall have the right to remove the same, and Tenant shall pay upon demand any and all expenses incurred by Landlord in such removal.

IX. RIGHT OF ENTRY

Tenant shall permit Landlord or its Agents to enter the Premises without charge therefor to Landlord and without diminution of Rent or claim of constructive eviction: (i) to clean, inspect and protect the Premises and the Project; (ii) to make such alterations and repairs to the Premises which Landlord determines to be reasonably necessary; (iii) to inspect the Premises for code compliance and criminal violations; and (iv) to enter upon the Premises pursuant to Landlord's police powers in the event of an apparent emergency condition arising within or affecting the Premises that endangers or threatens to endanger property or the safety of individuals. Landlord will endeavor to minimize, as reasonably practicable, any interference with Tenant's business.

X. INSURANCE

10.1 Certain Insurance Risks. Tenant will not do or permit to be done any act or thing upon the Premises or the Project which would: (i) jeopardize or be in conflict with fire and general liability insurance policies covering the Premises and Project, and fixtures and property in the Project; or (ii) increase the rate of fire and general liability insurance applicable to the Project to an amount higher than it otherwise would be for the Permitted Use authorized hereunder; or (iii) subject Landlord to any liability or responsibility for injury to any person or persons or to property by reason of any business or operation being conducted upon the Premises.

10.2 Tenant's Insurance. On or before the earlier to occur of (i) the Commencement Date; or (ii) the date Tenant commences any work of any type in the Premises pursuant to this Lease and continuing throughout the Term, Tenant will carry and maintain, at Tenant's expense, the following insurance, in the minimum amounts specified below or such other amounts as Landlord may from time to time reasonably request:

(a) Commercial general liability insurance, with a combined single occurrence limit and aggregate of not less than \$1,000,000;

(b) All risk property covering all of Tenant's furniture and fixtures, machinery, equipment, stock and any other personal property owned and used in Tenant's business and found in, on or about the Project, and any leasehold improvements to the Premises in an amount not less than the full replacement cost;

(c) Worker's compensation insurance insuring against and satisfying Tenant's obligations and liabilities under the worker's compensation laws of the state of Florida; and

(d) If Tenant operates owned, hired, or nonowned vehicles on the Project, comprehensive automobile liability will be carried at a limit of liability not less than \$1,000,000 combined bodily injury and property damage;

(e) All insurance required under this Section 9.2 shall be issued by such good and reputable insurance companies qualified to do and doing business in the State of Florida. Upon request, Tenant shall provide a copy of the insurance policies listed in this subsection. The City shall be listed as an additional named insured on the commercial general liability policy.

XI. LIABILITY OF LANDLORD AND TENANT

11.1 Indemnification. **Except to the extent caused by the negligence or misconduct of Landlord or Landlord's agents, employees and/or assigns**, Tenant will neither hold nor attempt to hold Landlord liable for, and Tenant will indemnify and hold harmless Landlord from and against, any and all demands, claims, causes of action, fines, penalties, damages, liabilities, judgments, and expenses (including, without limitation, reasonable attorneys' fees) incurred in connection with or arising from (i) the use or occupancy or manner of use or occupancy of the Premises by Tenant; (ii) any activity, work or thing done, permitted or suffered by Tenant in or about the Premises or the Project; (iii) any acts, omissions or negligence of Tenant; (iv) any breach, violation or nonperformance by Tenant of any term, covenant or provision of this Lease or any law, ordinance or governmental requirement of any kind; and (v) any injury or damage to the person, property or business of Tenant.

Except to the extent caused by the negligence or misconduct of Tenant, Landlord will, to the extent permitted by law, neither hold nor attempt to hold Tenant liable for, and Landlord will indemnify and hold harmless Tenant, from and against, any and all demands, claims, causes of action, fines, penalties, damages, liabilities, judgments, and expenses (including, without limitation, reasonable attorneys' fees) incurred in connection with or arising from any breach, violation or nonperformance by Landlord of any term, covenant or provision of this Lease or any law, ordinance or governmental requirement of any kind.

11.2 Survival. The covenants, agreements and indemnification obligations under this Article XI will survive the expiration or earlier termination of this Lease. The covenants, agreements and indemnification obligations are not intended to and will not relieve any insurance carrier of its obligations under policies required to be carried by any party pursuant to the provisions of this Lease.

XII. RULES AND REGULATIONS

To the extent not in conflict with the provisions of this Lease, Tenant shall at all times abide by and observe the Rules and Regulations that may reasonably be promulgated from time to time by Landlord (and delivered to Tenant) for the operation and maintenance of the Premises and the Rules and Regulations shall be deemed to be covenants of the Lease to be performed and/or observed by Tenant. Nothing contained in this Lease shall be construed to impose upon Landlord any duty or obligation to enforce the Rules and Regulations, or the terms or provisions contained in any other lease, against any other tenant of the Project. Landlord shall not be liable to Tenant for any violation by any party of the Rules and Regulations or the terms of any other Project lease. If there is any inconsistency between this Lease and the then current Rules and Regulations, this Lease shall govern.

XIII. DAMAGE; CONDEMNATION

13.1 Condemnation. Upon condemnation of any portion of the Premises by a governmental agency, this Lease shall terminate upon the title of the property vesting in the governmental agency, unless, however, there was a partial condemnation of the Premises. In which case, to the extent the parties mutually agree that the Project can continue to substantially exist on the Premises, this Lease shall continue for the remaining portion of the Premises not subject to the condemnation, with an equitable abatement/adjustment of rent. Tenant shall have no claim against Landlord (or otherwise) as a result of such taking, and Tenant hereby agrees to make no claim against the condemning authority for any portion of the amount that may be awarded as compensation or damages as a result of such taking; provided, however, that Tenant may, to the extent allowed by law, claim an award for moving expenses and for the taking of any of Tenant's property (other than its leasehold interest in the Premises) which does not, under the terms of this Lease, become the property of Landlord at the termination hereof, as long as such claim is separate and distinct from any claim of Landlord and does not diminish Landlord's award. Tenant hereby assigns to Landlord any right and interest it may have in any award for its leasehold interest in the Premises that is subject to the condemnation. This paragraph shall not apply if the condemning government agency is the City of Palm Coast.

XIV. DEFAULT OF TENANT

14.1 Events of Tenant Default. Each of the following shall constitute an Event of Default: (i) Tenant fails to observe or perform any other term, condition or covenant herein binding upon or obligating Tenant within 10 days after receipt of written notice from Landlord; provided, however, that if Landlord reasonably determines that such failure cannot be cured within said 10-day period, then Landlord may in its reasonable discretion extend the period to cure the default for up to an additional 20 days provided Tenant has commenced to cure the default within the 10-day period and diligently pursues such cure to completion (notwithstanding

the foregoing, if Landlord provides Tenant with notice of Tenant's failure to observe or perform any term, condition or covenant under this Subsection (i) on 2 or more occasions during any 12 month period, then Tenant's subsequent violation shall, at Landlord's option, be deemed an Event of Default immediately upon the occurrence of such failure, regardless of whether Landlord provides Tenant notice, or Tenant has commenced the cure of the same); (ii) Tenant fails to substantially complete construction of the Project by the deadline established in this Lease; (iii) Tenant abandons or discontinues operating a soccer training facility on the Premises; (iv) Tenant fails to immediately remedy or discontinue any hazardous conditions which Tenant has created or permitted in violation of law or of this Lease; (v) Tenant is declared or adjudicated bankrupt; and (vi) Tenant fails to maintain the playing fields in accordance with the standards set forth in Section 5.1 of this Lease. Any notice periods provided for under this Section 14.1 shall run concurrently with any statutory notice periods and any notice given hereunder may be given simultaneously with or incorporated into any such statutory notice.

14.2 Landlord's Remedies. Upon the occurrence of an Event of Default, Landlord, at its option, without further notice or demand to Tenant, may, in addition to all other rights and remedies provided in this Lease, at law or in equity, elect to terminate this Lease, and retake possession of the Premises.

14.3 Events of Landlord Default. Landlord fails to observe or perform any term, condition or covenant herein binding upon or obligating Landlord within 10 days after receipt of written notice from Tenant; provided, however, that if Tenant reasonably determines that such failure cannot be cured within said 10-day period, then Tenant may in its reasonable discretion extend the period to cure the default for up to an additional 20 days provided Landlord has commenced to cure the default within the 10-day period and diligently pursues such cure to completion.

14.4 Tenant's Remedies. Upon the occurrence of an Event of Landlord Default, Tenant, at its option, without further notice or demand to Landlord, may, in addition to all other rights and remedies provided in this Lease, at law or in equity, elect to terminate this Lease and receive a refund of any prepaid rent, or remedy the default and deduct the cost of the same from all funds otherwise due from Tenant to Landlord under the Lease.

XV. SURRENDER

Tenant shall peaceably surrender the Premises to Landlord on the Expiration Date or earlier termination of this Lease, in good condition including, without limitation, the repair of any damage to the Premises caused by the removal of any of Tenant's personal property or trade fixtures from the Premises, except for reasonable wear and tear and loss by fire or other casualty. All permanent Tenant improvements including, but not limited to, those affixed to the ground shall become the property of Landlord upon the Expiration Date unless the expiration is a result of the Tenant closing on the Premises in accordance with Paragraph 3.4 of this Lease. In addition, all trade fixtures, equipment, furniture, inventory, effects and Alterations left on or in the Premises or the Project after the Expiration Date or earlier termination of this Lease will be deemed conclusively to have been abandoned and may be appropriated, removed, sold, stored,

destroyed or otherwise disposed of by Landlord without notice to Tenant or any other person and without obligation to account for them; and Tenant will pay Landlord for all expenses incurred in connection with the same, including, but not limited to, the costs of repairing any damage to the Premises or the Project caused by the removal of such property. Tenant's obligation to observe and perform this covenant will survive the expiration or other termination of this Lease.

XVI. QUIET ENJOYMENT

Landlord covenants that it has good and marketable title to the Premises, and that if Tenant performs all of the terms and conditions of this Lease to be performed by Tenant, Tenant shall during the Term peaceably and quietly occupy and enjoy possession of the Premises without molestation or hindrance by Landlord or any party claiming through or under Landlord, subject to the provisions of this Lease and any restrictions or encumbrances to which this Lease is subordinate.

XVII. MISCELLANEOUS

17.1 No Representations by Landlord. Tenant acknowledges that Landlord has not made any representation or promise with respect to the Premises or the Project, except as herein expressly set forth, and no rights, privileges, easements or licenses are acquired by Tenant except as herein expressly set forth.

17.2 No Partnership. Nothing contained in this Lease shall be deemed or construed to create a partnership or joint venture of or between Landlord and Tenant, or to create any other relationship between Landlord and Tenant other than that of landlord and tenant.

17.3 Waiver of Jury Trial. **LANDLORD AND TENANT EACH KNOWINGLY AND VOLUNTARILY WAIVE TRIAL BY JURY IN CONNECTION WITH PROCEEDINGS OR COUNTERCLAIMS BROUGHT BY EITHER OF THE PARTIES AGAINST THE OTHER WITH RESPECT TO ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT HEREUNDER OR TENANT'S USE OR OCCUPANCY OF THE PREMISES.**

17.4 Notices. All notices or other communications hereunder shall be in writing and shall be deemed duly given if addressed and delivered to the respective parties' addresses, as set forth in **Article I**: (i) in person; (ii) by Federal Express or similar overnight carrier service; or (iii) mailed by certified mail, return receipt requested, postage prepaid. Such notices shall be deemed received upon the earlier of receipt or, if mailed by certified mail, 3 days after such mailing. Landlord and Tenant may from time to time by written notice to the other designate another address for receipt of future notices.

17.5 Invalidity of Particular Provisions. If any provisions of this Lease or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the full extent permitted by law.

17.6 Gender and Number. All terms and words used in this Lease, regardless of the number or gender in which they are used, shall be deemed to include any other number or gender as the context may require.

17.7 Benefit and Burden. Except as otherwise expressly provided under this Lease, the provisions of this Lease shall be binding upon, and shall inure to the benefit of, the parties hereto and each of their respective representatives, heirs, successors and assigns.

17.8 Entire Agreement. This Lease (which includes the Exhibits attached hereto) contains and embodies the entire agreement of the parties hereto, and no representations, inducements or agreements, oral or otherwise, between the parties not contained in this Lease shall be of any force or effect. This Lease (other than the Rules and Regulations, which may be changed from time to time as provided herein) may not be modified, changed or terminated in whole or in part in any manner other than by an agreement in writing duly signed by Landlord and Tenant.

17.9 Authority. The person executing this Lease on behalf of Tenant hereby represents and warrants that Tenant is duly formed, validly existing, in good standing, and qualified to do business in the state in which the Project is located, that the Tenant has full power and authority to enter into this Lease, and that he or she is authorized to execute this Lease on behalf of the Tenant. Tenant further agrees that upon Landlord's request, it shall provide Landlord with a resolution certifying as to the above in a form acceptable to Landlord. The person executing this Lease on behalf of Landlord hereby represents and warrants that the Landlord has full power and authority to enter into this Lease, and that he or she is authorized to execute this Lease on behalf of the Landlord.

17.10 Attorneys' Fees. If either Landlord or Tenant commences, engages in, or threatens to commence or engage in any legal action or proceeding against the other party (including, without limitation, litigation or arbitration) arising out of or in connection with the Lease, (including, without limitation (a) the enforcement or interpretation of either party's rights or obligations under this Lease (whether in contract, tort, or both) or (b) the declaration of any rights or obligations under this Lease), each party shall bear their own attorneys' fees, costs, and expenses incurred through all appeals.

17.11 Interpretation. This Lease shall not be construed against either party more or less favorably by reason of authorship or origin of language.

17.12 Force Majeure. Landlord and Tenant shall not be chargeable with, liable for, or responsible to the other for anything or in any amount for any failure to perform or delay caused by: fire; earthquake; explosion; flood; hurricane; the elements; acts of God or the public enemy; actions, restrictions, governmental authorities (permitting or inspection), governmental regulation of the sale of materials or supplies or the transportation thereof; war; invasion; insurrection; rebellion; riots; strikes or lockouts, inability to obtain necessary materials, goods, equipment, services, utilities or labor; or any other cause whether similar or dissimilar to the foregoing which is beyond the reasonable control of such party (collectively, "Events of Force Majeure"); and any such failure or delay due to said causes or any of them shall not be deemed to be a breach of or default in the performance of this Lease.

17.13 Headings. Captions and headings are for convenience of reference only.

17.14 Memorandum of Lease. Neither Landlord nor Tenant shall record this Lease nor a memorandum thereof without the written consent of the other.

17.15 Sovereign Immunity. Notwithstanding any other provision set forth in this Agreement, nothing contained in this Agreement shall be construed as a waiver of the Landlord's right to sovereign immunity under Section 768.28, or other limitations imposed on the Landlord's potential liability under state or federal law. As such, the Landlord and its employees and officers shall not be liable, under this Agreement for punitive damages or interest for the period before judgment. Further, the Landlord shall not be liable for any claim or judgment, or portion thereof, to any one person for more than two hundred thousand dollars (\$200,000.00), or any claim or judgment, or portion thereof, which, when totaled with all other claims or judgments paid by the State or its agencies and subdivisions arising out of the same incident or occurrence, exceeds the sum of three hundred thousand dollars (\$300,000.00).

17.16 Radon Gas. 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. Landlord makes no representation to Tenant concerning the presence or absence of radon gas in the Premises or any future building or structure constructed on the Premises at any time or in any quantity. By executing this Lease, Tenant expressly releases Landlord from any loss, claim, liability, or damage now or hereafter arising from or relating to the presence at any time of such substances in the Premises or any future building or structure constructed on the Premises.

17.17 Applicable Law; Venue/Jurisdiction. This Lease is governed by the laws of Florida. In the event of any dispute between the parties under this Lease, venue shall be in Flagler County, Florida.

17.18 Counterparts/Faxes/Emails. Copies of this Lease which are signed in counterparts or by fax or email shall be deemed originals for all purposes.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the Date of Lease.

LANDLORD:

TENANT:

CITY OF PALM COAST, a Florida
municipal corporation

PLAYER DEVELOPMENT ACADEMY
FLORIDA, a Florida not-for-profit corporation

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Date Executed by Landlord: _____

Date Executed by Tenant: _____

Witness: _____
Printed Name: _____

Witness: _____
Printed Name: _____

Witness: _____
Printed Name: _____

Witness: _____
Printed Name: _____

EXHIBIT A
LEGAL DESCRIPTION OF PREMISES