

TERM SHEET

WATERWAY ESTATES

This document services as the basis for future lease negotiations.

Property Owner:	Lee County
Lessee:	Safe Harbor Marinas – SH Marinas, LLC, or such entity controlling, controlled by or under common control with SH Marinas, LLC
Property:	1667/1687 Inlet Drive, North Fort Myers - +/-6.8 acres (297,134 sq ft)
User of Premises:	Safe Harbor Marinas, LLC – SH Marinas, LLC, or such entity controlling, controlled by or under common control with SH Marinas, LLC
Use of Premises:	Marina Facility and Boat Club; to include dry boat storage for at least 200 boats, wet/floating boat slips, fuel dock, brokerage showroom and marina office, waterfront restaurant, pool and Sheriff Department Marine Unit Substation.
Facility Development	Lessee will develop the site in accordance to the existing Caloosa Isle Yacht Club Concept Plan within Waterway Estates. Lessee will be responsible for all fees and costs for the development of this proposed facility. This term sheet contemplates an estimated \$9,000,000 of Capital improvements. Seawall improvements to be discussed in detailed negotiations.
Operation and Maintenance:	Lessee to build a first-class building and marina facility, and operate and maintain the facility in good (near new) repair and safe condition. Minimum/Maximum hours of operation to be negotiated further.
Insurance:	Lessee to be responsible for all insurance needs; to include but not limited to, commercial liability insurance (including premises, products, complete operations and contractual liability), business automobile liability insurance, property insurance, worker's compensation, builder's risk insurance, storage tank liability insurance, and environmental impairment liability insurance. Lease will include provision for Force Placed Insurance.
Indemnity:	Lessee indemnifies, defends and holds County harmless from and against all claims, demands, judgments, costs, and expenses arising out of or related to the Lease.
Term:	Initial 30-year term with two (2) 10-year extensions at Lessee's option if facility is properly maintained and operated (Lessor consent not to be unreasonably withheld.
Rent Structure:	24 months - rent free 25-36 months - \$1000 per month 37-48 months - \$2000 per month

	<p>49-54 months - \$3000 per month</p> <p>Beginning month 55 or CO whichever occurs first - Base Rent</p> <p>Base Rent is equal to the greater of:</p> <ol style="list-style-type: none"> I. \$75,000 annually, plus Florida sales tax in Base Years 1 & 2. II. \$100,000 annually, plus Florida sales tax in Base Year 3, increasing per the CPI Index, whichever is greater; or III. 10% of gross profit
Taxes:	Lessee is to pay all taxes, assessments and fees.
Default be Lessee	<p>Lessee will be deemed in default of this Lease if: • Lessee fails to pay rent or make any other payment required hereunder within ten (10) days after payment is due;</p> <ul style="list-style-type: none"> • Lessee neglects or fails to perform and observe any promise, covenant, or condition set forth in this Lease after receipt of written notice of breach from the County; • Lessee becomes, without prior written notice to County, a successor or merged corporation in a merger, or a constituent corporation in a consolidation; • Lessee abandons, deserts, vacates, or discontinues its operation of the business herein authorized for any time period without prior written consent of County; or • Lessee fails to use diligent efforts to pursue the intended development, obtain necessary governmental permits, and thereafter commence and continue bona fide construction of the intended development on the Leased Premises.
Termination:	<p>In addition to other rights of termination, County may terminate the Lease in the event the conditions of the Agreement are not satisfied.</p> <p>Any Lessee termination rights to be negotiated.</p>
Other:	<p>Lessee may not mortgage, pledge, or conditionally assign the Lease or structures to leasehold mortgages. No construction or mechanic's liens may be issued or recorded against any of the subject property or its structures.</p> <p>Lee County will not subordinate the lease.</p> <p>Payment & Performance bond will be required.</p> <p>County must approve all sublease tenants.</p> <p>COMPLIANCE WITH ENVIRONMENTAL LAWS: Lessee agrees to be responsible to pay for and secure all necessary environmental permitting, and to maintain and operate the facility in compliance with all environmental laws and permits.</p> <p>Safe Harbor may have up to 90 days prior to entering into the lease to perform its due diligence. County may/will enter into a license agreement with Safe Harbor to</p>

	<p>provide physical access to Safe Harbor and or its agents, and Safe Harbor will responsible for all costs of due diligence services and restoration/remediation of any damage they cause. 90 day due diligence to run during negotiations process.</p> <p>If Lee County and Safe Harbor Marinas – SH Marinas, LLC. do not enter into a lease agreement by May 27, 2022, then this Term Sheet is null and void.</p> <p>Construction milestones in detailed negotiations: Permitting, Approvals, Development Milestones in lease, Rent Structure.</p> <p>Community meetings initially by the County so community can attend. Work to hold meeting during season.</p>
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