

**AMENDMENT TO GROUND LEASE FOR
TRANSITIONS LIFE CENTER & COMMUNITY, INC.
(CONCERNING PHASE 1)**

THIS AMENDMENT TO GROUND LEASE FOR TRANSITIONS LIFE CENTER & COMMUNITY, INC. is entered into effective November 21, 2017 (the "Amendment Effective Date," though it may be executed on a subsequent date), between:

- City of Ocala, a Florida municipal corporation ("City"); and
- Transitions Life Center & Community, Inc., a Florida not-for-profit corporation ("Tenant").

WHEREFORE:

- A. On or about November 3, 2015, City and Tenant entered into a "Ground Lease for Transitions Life Center & Community, Inc." ("Original Lease") pursuant to which City leased to Tenant the Premises¹ as referred to therein and herein.
- B. The Original Lease required Tenant to make the Required Tenant Improvements to the Premises.
- C. The Original Lease provided the Tenant with the Purchase Option to purchase the Premises after Tenant Substantially Completed all of the Required Tenant Improvements.
- D. Tenant has been approved to receive the County Grant, from County and has requested City to convey to Tenant the Phase 1 Parcel prior to Tenant having Substantially Completed any Required Tenant Improvements so that Tenant may use it as collateral for the County Grant.
- E. City has agreed to do so pursuant to the terms and conditions hereof.

NOW THEREFORE, in consideration of the matters set forth above (which are incorporated herein by reference), the exchange of the mutual promises set forth herein, and other good and valuable consideration, the parties hereto agree as follows:

1. **Definitions.**

1.1. As used herein, the following terms have the following meanings:

- 1.1.1. *County Grant* – The Grant to be made by County to Tenant pursuant to the Community Development Block Grant Program in the amount of \$600,000.00 for Tenant to utilize to partially fund the Phase 1 Improvements.
- 1.1.2. *County Mortgage* – A mortgage to be provided by Tenant to County as a condition of the County Grant, and constituting a first mortgage of the Phase 1 Parcel.

¹ Terms capitalized herein and not previously defined herein are defined in the Original Lease or in paragraph 1 below.

- 1.1.3. *Deed Restriction* – The Restriction to be included in the Deed from City to Tenant for the Phase 1 Parcel pursuant to paragraph 2.6.2 of this Amendment:
 - a. Restricting use of the Phase 1 Parcel to a use that is for the predominant benefit of low and moderate income persons including, without limitation, the Client Services or other Developmental Disability Services; and
 - b. Requiring Tenant to utilize the Phase 1 Parcel as required by paragraph 8 of the Original Lease (subject to paragraph 2.8 of this Amendment).
- 1.1.4. *First Option* – Tenant’s Purchase Option to purchase the Phase 1 Parcel pursuant to paragraph 19 of the Original Lease as amended by this Amendment.
- 1.1.5. *First Option Closing* – The Option Closing for the First Option.
- 1.1.6. *Phase 1 Parcel* – The portion of the Premises described on the attached Exhibit A and upon which the Phase 1 Improvements are to be constructed.
- 1.1.7. *Remaining Parcels* – The Premises less and except the Phase 1 Parcel.
- 1.1.8. *Remaining Required Tenant Improvements* – The Phase 2, Phase 3 and Phase 4 Improvements, being all of the Required Tenant Improvements other than the Phase 1 Improvements.
- 1.1.9. *Second Option* – Tenant’s Purchase Option to purchase the Remaining Parcels pursuant to paragraph 19 of the Original Lease as amended by this Amendment.
- 1.1.10. *Second Option Closing* – The Option Closing for the Second Option.
- 1.2. The definitions in this Lease shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun used herein shall include the corresponding masculine, feminine and neuter forms. The term “person” includes individuals, partnerships, corporations, limited liability companies, trusts, and other entities and associations. The words “include,” “includes,” and “including” shall be deemed to be followed by the phrase “without limitation.” The words “herein,” “hereof,” “hereunder,” and similar terms shall refer to this Lease, unless the context otherwise requires.

2. Revision to Purchase Option.

- 2.1. The Purchase Option as set forth in paragraph 19 of the Original Lease is amended to permit Tenant to exercise the Purchase Option in two phases:
 - 2.1.1. The option (“First Option”) to purchase the Phase 1 Parcel pursuant to the Purchase Option as amended by this Amendment; and

- 2.1.2. The option (“Second Option”) to purchase the Remainder Parcels pursuant to the Purchase Option as amended by this Amendment.
- 2.2. Notwithstanding paragraph 19.2.1 of the Original Lease, Tenants shall not be required to have Substantially Completed the Phase 1 Required Tenant Improvements before exercising the First Option.
- 2.3. By executing this Amendment, City and Tenant acknowledge that Tenant has exercised the First Option as of the Amendment Effective Date.
- 2.4. Tenant acknowledges that it has obtained and reviewed the First Commitment pursuant to paragraph 3.6.1 of the Original Lease, and accepts title to the Premises as set forth therein, and has reviewed and obtained the Subsequent Commitment pursuant to paragraph 19.7 of the Original Lease and accepts title to the Phase 1 Parcel as set forth therein.
- 2.5. The first sentence of paragraph 19.8.2.a of the Original Lease as modified to provide that Tenant will pay City:
 - 2.5.1. One and 00/100 Dollars (\$1.00) at the First Option Closing representing the purchase price for the Phase 1 Parcel; and
 - 2.5.2. One and 00/100 Dollar at the Second Option Closing representing the purchase price for the Remaining Parcels.
- 2.6. The First Option Closing shall occur pursuant to paragraph 19.8 of the Original Lease except as follows:
 - 2.6.1. All references in such paragraph 19.8 of the Original Lease to the Premises shall be deemed to refer to the Phase 1 Parcel only.
 - 2.6.2. City’s deed (the “Deed”) shall contain the Deed Restriction, and shall provide that the Deed Restriction constitutes a covenant running with the Phase 1 Parcel, is prior and superior to any encumbrances, leases, liens or mortgages placed on the Phase 1 Parcel (including any mortgage granted to Marion county in connection with the County Grant), and is enforceable by City pursuant to the Right of Reverter, except as set forth in paragraph 2.6 of this Amendment.
 - 2.6.3. Shall contain the Right of Reverter as to the Phase 1 Parcel set forth in paragraph 19.9 of the Original Lease (but applicable to the Phase 1 Parcel only) but shall:
 - a. Provide that such Right of Reverter is subordinate and inferior to the County Mortgage. The subordination of the Right of Reverter to the County Mortgage shall not preclude City from exercising the Right of Reverter and taking all action necessary to comply with, or avoid a default under, the County Mortgage.
 - b. The Right of Reverter shall apply if the Deed Restriction is violated except as follows:

- 1). The portion of the Deed Restriction referred to in paragraph 1.1.3.a of this Amendment shall not be enforceable by City if the Phase 1 Parcel is owned by County (e.g., pursuant to a foreclosure of the County Mortgage) or any successor in title to County (if within one year of the conveyance of the Phase 1 Parcel to such successor, the successor modifies the use of the Phase 1 Parcel so that it complies with the Deed Restriction); and
 - 2). The portion of the Deed Restriction referred to in paragraph 1.1.3.b of this Amendment is enforceable only as long as the Phase 1 Parcel is owned by Tenant or a related entity, and shall not apply if the Phase 1 Parcel is owned by County (e.g., pursuant to a foreclosure of the County Mortgage) or any successor in title to County.
- c. No provisions of paragraph 2.6.3 limiting the enforcement or priority of the Right of Reverter as to the Phase 1 Parcel shall apply as to the Remainder Parcels under this Lease or if the Second Closing occurs.
- 2.6.4. Paragraph 19.4 of the Original Lease is modified to provide that at the First Option Closing, this Lease shall be terminated only as to the Phase 1 Parcel, and shall not be terminated as to the Remainder Parcels.
- 2.6.5. At least ten (10) days prior to the First Option Closing:
- a. City shall provide to County the proposed Deed for approval by County in its reasonable discretion. County shall be a third-party beneficiary of the provisions of this paragraph 2.6.
 - b. Tenant shall cause County to provide City with the proposed County Mortgage for approval by City in its reasonable discretion.
- 2.7. As the County Mortgage will constitute a mortgage on Tenant's fee simple title to the Phase 1 Parcel (subject to the provisions of the deed), it shall not be considered to be a Leasehold Mortgage pursuant to paragraph 21 of the Original Lease.
- 2.8. City constructed the utility improvements to the boundary of the Phase 1 Parcel pursuant to paragraph 7.1. City will continue to be obligated to pay or waive the charges and fees for the Phase 1 Parcel as set forth in paragraph 9.1.2 of the Original Lease.
- 2.9. The remaining provisions of paragraph 19 of the Original Lease shall hereafter apply to the Remaining Parcel and all references therein to the "Premises" shall be deemed to refer to the Remaining Parcels, and to the "Option Closing" shall be deemed to refer to the "Second Option Closing."

3. **Other Lease Provisions.**

- 3.1. Following the First Option Closing, the Original Lease shall be deemed amended as follows:
 - 3.1.1. All references to the Premises shall refer solely to the Remaining Parcels.
 - 3.1.2. All references to the Purchase Option shall apply only to the Second Option.
 - 3.2. Notwithstanding the conveyance of the Phase 1 Parcel at the First Option Closing, Tenant's ability to renew this Lease pursuant to paragraph 4.2 of the Original Lease shall remain contingent upon the provisions of paragraphs 4.2.1 through 4.2.3.
 - 3.3. Notwithstanding the First Option Closing, and specifically the fact that the First Option Closing shall occur prior to the date that Tenant has Substantially Completed the Phase 1 Improvements, Tenant shall remain obligated to perform the Phase 1 Improvements as set forth in paragraphs 8.2.1 and 9.2.2.a of the Original Lease except that Tenant shall Substantially Complete construction of the Phase 1 Improvements within two (2) years of the First Option Closing
 - 3.3.1. Tenant shall comply with paragraph 9.4.1 of the Original Lease following Substantially Completing the Phase 1 Improvements.
 - 3.3.2. A default by Tenant concerning the Phase 1 Improvements shall constitute a default under this Lease.
 - 3.4. Notwithstanding paragraph 3.1.2 any default by Tenant as to the Phase 1 Parcel under this Lease (including, without limitation, pursuant to paragraph 3.3.2 of this Amendment), shall constitute a default as to the Lease and entitle City to pursue remedies available through this Lease (except, of course, to the extent that such remedies are unavailable as to the Phase 1 Parcel because of the conveyance of the Phase 1 Parcel).
4. **Effect on Original Lease.** Except as expressly set forth herein, the Original Lease is not amended or modified. All references herein or in the Original Agreement to "this Lease, the "Lease", or similar terms, shall be deemed to refer to the Original Lease as amended hereby.

IN WITNESS WHEREOF, the parties have executed this Amendment on the dates set forth below.

**THIS PART OF PAGE INTENTIONALLY LEFT BLANK
SIGNATURES START ON NEXT PAGE**

LANDLORD

City of Ocala, a Florida municipal corporation

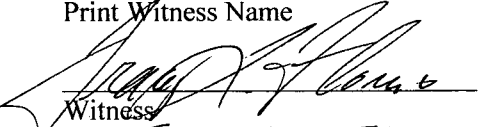
By: 

Brent R. Malever
President, Ocala City Council

Address for communication:
City of Ocala
Attention: City Planning Director
201 SE Third Street
Ocala, FL 34471
Email: tchighizola@ocalafl.org

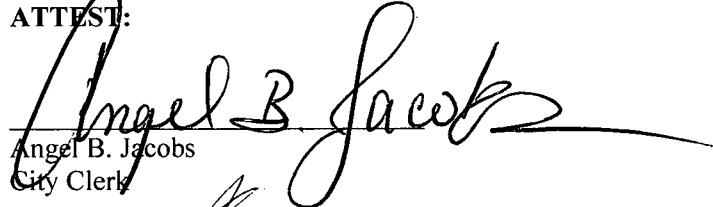

Witness

Roseann J. Fusco
Print Witness Name

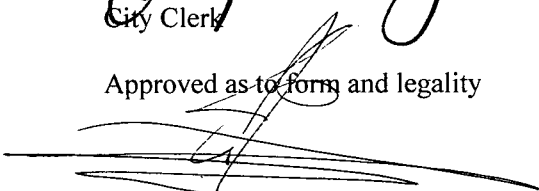

Witness

Tracey H. Florence
Print Witness Name

ATTEST:


Angel B. Jacobs
City Clerk

Approved as to form and legality

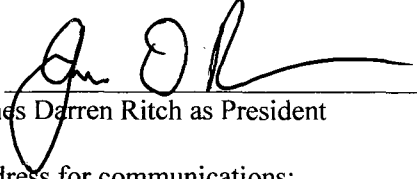

Patrick G. Gilligan
City Attorney



ACCEPTED BY CITY COUNCIL
November 21, 2017
DATE
OFFICE OF THE CITY CLERK

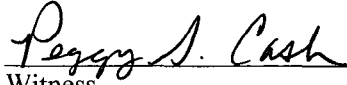
TENANT

Transitions Life Center & Community, Inc., a
Florida not for profit corporation

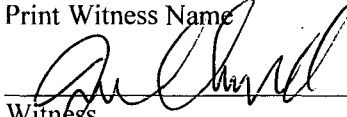
By: 
James Darren Ritch as President

Address for communications:
Mailing: P.O. Box 236
Ocala, FL 34478

Delivery: 2823 SE 21st Ave
Ocala, FL 34471
Cell: (352) 208-1860
Email: Darren@jdrleadership.com


Witness

Peggy S. Cash
Print Witness Name


Witness

The Church of Christ
Print Witness Name

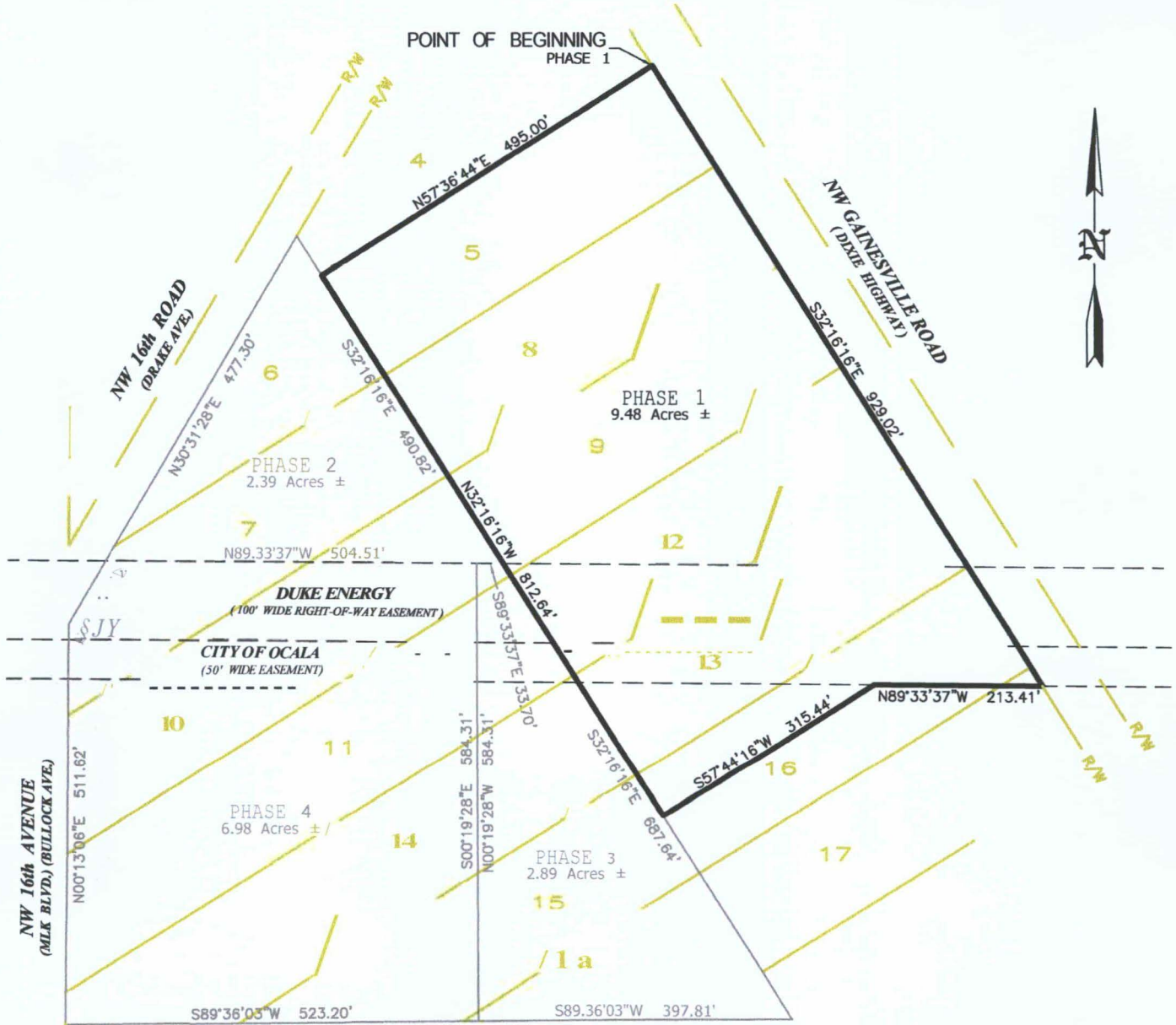
EXHIBIT A

A SKETCH OF LEGAL DESCRIPTION
FOR
TRANSITIONS LIFE CENTER -
PHASE 1

PHASE 1 - LEGAL DESCRIPTION:

ALL OF LOTS 5, 8, 9, 12, 13 AND A PORTION OF LOTS 16 AND 17, OF HOMEWOOD, ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK C, PAGE 73, OF THE PUBLIC RECORDS OF MARION COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE NORTHERNMOST CORNER OF LOT 5 OF SAID HOMEWOOD, SAID POINT BEING ON THE WESTERLY RIGHT-OF-WAY LINE OF DIXIE HIGHWAY (A.K.A. NW. GAINESVILLE ROAD - 66 FEET WIDE); THENCE S32.16'16"E ALONG THE EAST LINE OF SAID HOMEWOOD AND SAID WESTERLY RIGHT-OF-WAY LINE OF DIXIE HIGHWAY, A DISTANCE OF 929.02 FEET; THENCE DEPARTING SAID EAST LINE AND SAID RIGHT-OF-WAY LINE, PROCEED N 89.33'37"W, A DISTANCE OF 213.41 FEET, THENCE S57.44'16"W, 315.44 FEET TO A POINT ON THE WESTERLY LINE OF LOT 16 OF SAID HOMEWOOD; THENCE N32.16'16"W ALONG THE WESTERLY LINE OF LOTS 16, 13, 12, 9, 8 AND 5 OF SAID HOMEWOOD, A DISTANCE OF 812.64 FEET TO THE WESTERNMOST CORNER OF SAID LOT 5; THENCE N57.36'44"E ALONG THE NORTHERLY LINE OF SAID LOT 5, A DISTANCE OF 495.00 FEET TO THE POINT OF BEGINNING, CONTAINING 9.48 ACRES MORE OR LESS.



NOTE:

1. THIS SKETCH OF LEGAL DESCRIPTION DOES NOT REPRESENT A BOUNDARY SURVEY.
2. THE LEGAL DESCRIPTION SHOWN HEREON WAS PREPARED BY THE SURVEYOR, BASED ON THE DEED OF RECORD AND INSTRUCTIONS FROM THE CLIENT.

RODNEY K. ROGERS DATE:
PROFESSIONAL SURVEYOR & MAPPER
REGISTRATION NO. 5274
STATE OF FLORIDA

ROGERS ENGINEERING, LLC
Civil Engineering & Land Surveying

• 1105 S.E. 3rd Avenue • Ocala, Florida 34471
• Ph. (352) 622-9214 • Lie. Bus. #4074

SCALE
1" = 200'

DATE
11-06-17