



Interoffice Memorandum

REAL ESTATE MANAGEMENT ITEM 1

DATE: June 3, 2022

TO: Mayor Jerry L. Demings
-AND-
County Commissioners

THROUGH: Mindy T. Cummings, Manager *MTC*
Real Estate Management Division

FROM: Ana Alves, Sr. Acquisition Agent *AA/MTC*
Real Estate Management Division

CONTACT PERSON: **Mindy T. Cummings, Manager**

DIVISION: **Real Estate Management Division**
Phone: (407) 836-7090

ACTION REQUESTED: Approval and execution of Fourth Amendment to Lease by and between FGHP Triplex LLC and Orange County, and authorization for the Real Estate Management Division to exercise renewal options and furnish notices, required or allowed by the lease, as needed.

PROJECT: FGHP Triplex – Correction Storage L B McLeod
4677 LB McLeod Road, Suite K, Orlando, Florida
Lease File #1010

District 6

PURPOSE: To continue to provide warehouse space for the Orange County Corrections Department.

ITEMS: Fourth Amendment to Lease
Cost: Year 1 - \$10,000 per month
Year 2 - \$10,300 per month
Year 3 - \$10,616.67 per month
Year 4 - \$10,933.33 per month
Year 5 - \$11,266.67 per month
Size: 20,000 square feet
Term: Five years
Options: Two, five-year renewals

APPROVALS: Real Estate Management Division
County Attorney's Office
Risk Management Division
Facilities Management Division
Corrections Department

REMARKS: This Lease Agreement will continue to provide storage space for the Corrections Department at 4677 LB McLeod Road, Suite K, Orlando, Florida.

Orange County currently leases approximately 20,000 square feet of warehouse space under a triple net lease originally approved by the Board on January 28, 1997; amended by First Amendment of Lease approved on April 23, 2002; amended by Second Amendment of Lease approved on March 27, 2007; amended by Third Amendment of Lease approved on May 24, 2011, and the Agreement to Exercise Second Renewal Option approved by the Board on April 26, 2017, which expired on April 30, 2022.

This action will renew the Lease for an additional term of five years with two renewal options for five years.

All other terms and conditions of the Lease shall remain in effect.

FGHP TRIPLEX LLC
and
ORANGE COUNTY, FLORIDA

FOURTH AMENDMENT TO LEASE

THIS FOURTH AMENDMENT TO LEASE (this "**Fourth Amendment**") is made and entered into by and between FGHP Triplex LLC, a Delaware limited liability company, ("**Lessor**") and Orange County, a charter county and political subdivision of the State of Florida ("**Lessee**").

WITNESSETH:

WHEREAS, FGHP Properties Limited Partnership, a Delaware limited partnership, ("**Original Lessor**") and Lessee entered into that certain "Lease Agreement" approved by the Lessee's Board of County Commissioners (the "**BCC**") on and dated January 28, 1997, as amended by that certain "Amendment Number One Extension of Lease" approved by the BCC on and dated April 23, 2002, and that certain "Second Amendment of Lease" approved by the BCC on and dated March 27, 2007, (the "**Second Amendment**"), and that certain "Third Amendment of Lease" approved by the BCC on and dated May 24, 2011, and as affected by that certain "Agreement to Exercise Renewal Option" between Original Lessor and Lessee last executed March 28, 2012 (the "**Third Amendment**"), and as affected by that certain "Agreement to Exercise Second Renewal Option" between Lessor and Lessee last executed May 1, 2017 (collectively, the "**Lease**"), under which Lessee leases 20,000 square feet of warehouse space at 4677 LB McLeod Road Suite K, Orlando, Florida (the "**Leased Premises**"); and

WHEREAS, Lessor is the successor in title and interest to the Original Lessor and is the owner and holder of the Original Lessor's interest under the Lease; and

WHEREAS, Lessor and Lessee warrant to each other that Lessee is now in possession of the Leased Premises, and that the Lease is valid and presently in full force and effect; and

WHEREAS, Lessee desires and Lessor agrees to allow Lessee to renew the Lease; and

WHEREAS, Lessor and Lessee hereby confirm and ratify, except as modified below, all of the terms, conditions and covenants in the Lease.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee agree as follows:

1. The recitals set forth above are true and correct and are incorporated herein by this reference. Defined (capitalized) terms used herein, but not defined herein, shall have the meanings given to such terms by the Lease.
2. Lessee hereby desires to renew the Lease for a period of five (5) years, commencing May 1, 2022, and terminating April 30, 2027 (the "**Fourth Amendment Lease Term**").

3. The base rent and Common Area Maintenance Payments during the Fourth Amendment Lease Term shall be as set forth in Exhibit "A" attached hereto and thereby made a part of this Fourth Amendment.
4. Renewal Option: Provided that Lessee is not in default of any provisions of the Lease beyond any applicable cure period at the time of exercise and upon commencement of the renewal term, Lessee shall have two (2) options to extend the term for an additional five (5) years, by providing one hundred twenty (120) days prior written notice. The rental rate shall increase by three and a half percent (3.5%) from the fifth year of the lease term. The Manager of Lessee's Real Estate Management Division is authorized to execute and deliver any renewal options on behalf of Lessee.
5. All other terms, conditions and guaranties of the Lease are specifically incorporated into this Fourth Amendment and Lessor and Lessee shall each be subject to all duties, rights, obligations, and guaranties as provided under the Lease, except as specifically amended herein.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Fourth Amendment to be executed by their respective officers and parties thereunto duly authorized.

LESSOR:

FGHP Triplex, LLC

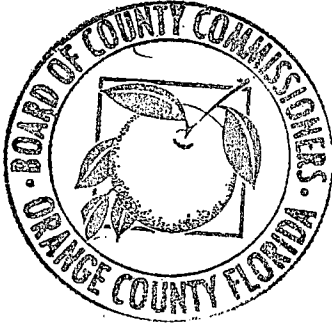
a Delaware limited liability company

By: FGM MANAGEMENT GROUP LLC
ITS MANAGING AGENT
Name: JAY BENOWITZ, CONTROLLER
Title: Jay Benowitz
Date: 5/19/22

LESSEE:

ORANGE COUNTY, FLORIDA

By: Board of County Commissioners



By: *Jerry L. Demings*
for Jerry L. Demings
Orange County Mayor

Date: *22 June 2022*

ATTEST: Phil Diamond, CPA, County Comptroller
As Clerk to the Board of County Commissioners

By: *Noelia Perez*
for Deputy Clerk
Printed Name: *Noelia Perez*

EXHIBIT "A"
RENT SCHEDULE

Area Leased in SF 20,000

Base Rate Rent Schedule for the Fourth Amendment Lease Term:

Year	Rent / SF.	Annual Rent	Monthly Rent
1	\$6.00	\$120,000.00	\$10,000.00
2	\$6.18	\$123,600.00	\$10,300.00
3	\$6.37	\$127,400.00	\$10,616.67
4	\$6.56	\$131,200.00	\$10,933.33
5	\$6.76	\$135,200.00	\$11,266.67

*Per the Lease, rental rates above are NNN rental rates.

Common Area Maintenance expenses are set at \$1.90/ SF or \$3,166.67 per month throughout the Fourth Amendment Lease Term. Lessor shall agree to cap the Controllable Operating Expenses (which shall include all Operating Expenses other than Real Estate Taxes, Building Insurance, and common utilities) at five percent (5%) per annum on a cumulative and compounding basis. Lessor shall, within one hundred twenty days (120) after the end of each Lease Year, provide Lessee with a statement (the "Statement") of the actual Operating Expenses for such Lease Year together with such additional information and/or documentation as may be reasonably necessary, or reasonably requested, by Lessee, to verify the statement of Operating Expenses and the Lessor's calculation of Lessee's Proportionate Share for such Lease Year. If Lessee's total payments of Operating Expenses for any year are less than Lessee's Proportionate Share of actual Operating Expenses for such year, then Lessee shall pay the difference to Lessor within thirty (30) days after demand, and if more, then Lessor shall retain such excess and credit it against Lessee's next payments of Operating Expenses. For purposes of calculating Lessee's Proportionate Share of Operating Expenses, a year shall mean a calendar year except the first year, which shall begin on the Commencement Date, and the last year, which shall end on the expiration of this Lease.