



Interoffice Memorandum

REAL ESTATE MANAGEMENT ITEM 1

DATE: April 13, 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 First Amendment to Lease between Denholtz UCC LLC and Orange County, Florida and authorization for the Real Estate Management Division to exercise renewal options and furnish notices, required or allowed by the lease, as needed.

PROJECT: Denholtz UCC LLC
7071-7085 University Boulevard, Winter Park, Florida
Lease File #8006

District 5

PURPOSE: To continue to provide administrative offices, training and storage for the Office of the Fire Marshal.

ITEMS: Lease Agreement
Monthly
Cost: 03/11/2022 through 05/10/2022 - \$17,900.67
05/11/2022 through 08/10/2022 - \$0
08/11/2022 through 09/10/2022 - \$3,254.68
09/11/2022 through 03/10/2023 - \$17,900.67
03/11/2023 through 03/10/2024 - \$18,348.18
03/11/2024 through 03/10/2025 - \$18,806.89
03/11/2025 through 03/10/2026 - \$19,277.06
03/11/2026 through 03/10/2027 - \$19,758.99
Size: 9,764 square feet
Term: Five years
Options: One, three-year renewal

APPROVALS: Real Estate Management Division
County Attorney's Office
Risk Management Division
Fiscal and Operational Support Division
Fire Marshall Division

REMARKS: Orange County currently leases 9,764 square feet of office and storage space for the Office of the Fire Marshal at 7071-7085 University Boulevard Suite 7079, Winter Park, Florida (Premises) under a Lease Agreement approved by the Board on September 13, 2016. The lease agreement expired on March 10, 2021.

This action will renew the Lease for an additional term of five years with one renewal option of three years.

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

APR 26 2022

FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE (this "First Amendment") is made as of the date fully executed below, between **DENHOLTZ UCC LLC** ("Landlord") and **ORANGE COUNTY, FLORIDA** ("Tenant").

RECITALS:

A. Landlord's predecessor in interest and Tenant entered into a Lease dated September 13, 2016 (the "Lease"), which Lease demises certain premises comprised of approximately 9,764 Gross Rentable Square Feet in Suite 7079 (the "Demised Premises") of the building located at 7071-7085 University Boulevard, Winter Park, Florida.

B. Tenant and Landlord desire to extend the term of the Lease and to memorialize and confirm other changes to the terms and conditions of the Lease as set forth below.

AGREEMENT:

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

1. The above Recitals are specifically incorporated herein by reference.
2. In the event the terms or conditions of this First Amendment conflict with, disagree with, or add to any term(s) or condition(s) of the Lease, this First Amendment shall be deemed controlling and shall supersede any contradictory provision(s).
3. All capitalized terms and other terms not otherwise defined herein shall have the meanings ascribed to them in the Lease.
4. The term "Rent" shall be deemed to include any and all sums to be paid by Tenant to Landlord pursuant to the terms of the Lease, including, without limitation, all obligations which may have been previously defined as Rent, rent, rental, base rent, Base Rent, Basic Rent, base rental, Base Rental and/or Additional Rent.
5. All references in the Lease to Landlord shall mean Denholtz UCC LLC. Landlord's address shall be as follows:

For payment of Rent*, notices and correspondence:
c/o Denholtz Management Corp.
116 Chestnut Street
Suite 102
Red Bank, NJ 07701

6. The Term of the Lease is hereby extended by sixty (60) months commencing on March 11, 2022 ("Renewal Date") and terminating on March 10, 2027. All references to the "term" or the "Term" under the Lease shall mean the term as extended by this First Amendment.

7. As of March 11, 2022:

(a) Base Rent shall be:

<u>Period</u>	<u>Annual Base Rent</u>	<u>Monthly Base Rent</u>
March 11, 2022 through May 10, 2022	\$214,808.00	\$17,900.67
May 11, 2022 through August 10, 2022	-0-	-0-
August 11, 2022 through September 10, 2022	\$175,751.88	\$3,254.68
September 11, 2022 through March 10, 2023	\$214,808.00	\$17,900.67
March 11, 2023 through March 10, 2024	\$220,178.20	\$18,348.18
March 11, 2024 through March 10, 2025	\$225,682.65	\$18,806.89
March 11, 2025 through March 10, 2026	\$231,342.72	\$19,277.06
March 11, 2026 through March 10, 2027	\$237,107.84	\$19,758.99

(b) Tenant's Allocated Share shall be 7.63%, subject to adjustment per terms of the Lease.

(c) The Base Year shall be calendar year 2022.

8. Renewal Option

a. Tenant shall have the option to renew ("Renewal Option") this Lease for a period of thirty six (36) months from the Expiration Date (the "Renewal Term") upon the terms and conditions herein set forth.

b. The Renewal Option shall be limited to the Premises as defined in the Lease as Suite 7079, consisting of approximately 9,764 Square Feet.

c. The Renewal Option shall be exercised, if at all, by Tenant giving written notice of exercise ("Renewal Notice") to Landlord, which must be received by Landlord no less than nine (9) months prior to the Expiration Date. The Renewal Option shall be voidable by Landlord if one or more of the following conditions occur: (i) the Renewal Notice is not received by Landlord on a timely basis; (ii) Tenant assigns any of its interest in this Lease or sublets any portion of the Premises; or (iii) subsequent to Landlord's receipt of the Renewal Notice and prior to the first day of the Renewal Term an Event of Default occurs and remains uncured for more than sixty (60) days after receiving written notice thereof (or such longer period if the default cannot reasonably be cured within sixty (60) days and the Party has commenced to cure and thereafter proceeds diligently), but in no event more than ninety (90) days after receiving written notice thereof.

d. During the Renewal Term all of the terms, covenants and conditions of this Lease shall continue to apply, except as specifically otherwise provided herein, and there shall be no additional right to renew this Lease.

e. During the Renewal Term, Base Rent for the Premises shall be calculated as follows:

(i) Not later than thirty (30) calendar days after Landlord receives the Renewal Notice, Landlord shall deliver to Tenant a notice of the proposed Base Rent for each month of the Renewal Term ("Landlord's Rent Notice").

(ii) Not later than thirty (30) calendar days after receipt of Landlord's Rent Notice, Tenant may deliver to Landlord a notice of its proposed Base Rent for each month of the Renewal Term ("Tenant's Rent Notice"). Delivery of Tenant's Rent Notice shall be deemed a rejection of Landlord's Rent Notice. If Tenant does not deliver Tenant's Rent Notice to Landlord in a timely fashion, then the Base Rent set out in Landlord's Rent Notice shall be deemed accepted by both parties.

(iii) Not later than thirty (30) calendar days after receipt of Tenant's Rent Notice, Landlord may deliver to Tenant a notice of its acceptance or rejection of Tenant's proposed Base Rent. If Landlord does not deliver notice of its acceptance or rejection of the Tenant's proposed Base Rent in a timely fashion, then Tenant's proposed Base Rent shall be deemed rejected by Landlord.

(iv) If Landlord rejects Tenant's proposed Base Rent, then the parties shall obtain an appraisal of the fair market Base Rent for the Premises prepared by a member of the American Institute of Real Estate Appraisers ("Appraiser"), which Appraiser is mutually acceptable to both Landlord and Tenant. The cost of the appraisal shall be shared equally by Landlord and Tenant. The Appraiser's determination of the fair market Base Rent for the Renewal Term shall be final and binding on both parties.

f. Anything to the contrary notwithstanding, it is expressly understood and agreed that the Base Rent during the Renewal Term shall not be less than the Base Rent in the final year of the immediately preceding Term escalated by three percent (3%).

g. Any and all prior options or rights to renew or extend the Term of the Lease which may have previously been granted to Tenant have been exercised or waived by Tenant and are null, void and of no further force or effect.

9. Landlord is holding no Security and shall continue to hold same pursuant to the terms of the Lease.

10. Landlord and Tenant each warrant and represent to the other that neither employed, dealt with nor negotiated with any broker in connection with this transaction other than CBRE, Inc. and Cushman & Wakefield (each a "Broker") and each agrees to indemnify and hold harmless the other against any loss, cost or expense (including reasonable attorneys' fees) arising out of a breach of such representation by the indemnitor. Landlord shall pay any commission owing Broker pursuant to a separate agreement.

11. Landlord and Tenant affirm that the Lease is in full force and effect, and Tenant certifies that all obligations of Landlord under the Lease as of this date have been fully performed and complied with by Landlord. By entering into this First Amendment, Landlord does not and shall not be deemed either (a) to waive or forgive any default, rent arrears or other conditions with respect to the Lease or the use of the Demised Premises, whether or not in existence or known to Landlord at the date hereof, or (b) to consent to any matter as to which Landlord's consent is required under the terms of the Lease, except such as may heretofore have been waived in writing or consented to in writing by Landlord.

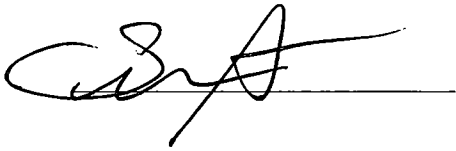
12. Tenant represents and warrants that it has obtained all required consents to enter into this First Amendment.

13. Except as expressly modified or amended by this First Amendment, all of the terms, covenants and conditions of the Lease are hereby ratified and confirmed and, except insofar as reference to the contrary is made in any such instrument, all references to the "Lease" in any future correspondence or notice shall be deemed to refer to the Lease as modified by this First Amendment.

14. This First Amendment is offered for signature by Tenant and it is understood that this First Amendment shall not be binding upon Landlord or Tenant unless and until Landlord and Tenant shall have executed and unconditionally delivered a fully executed copy of this First Amendment to each other.

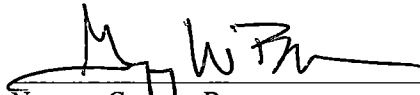
IN WITNESS WHEREOF, the parties have this day set their hands and seals.

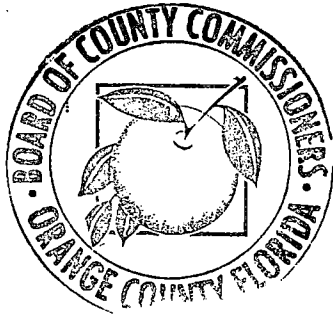
Signed, Sealed and Delivered
in the presence of:



LANDLORD:
DENHOLTZ UCC LLC

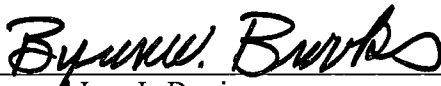
By: Denholtz Management Corp., Authorized Signatory

By: 
Name: Gregory Brown
Title: Chief Operating Officer
Date: 4/7/22



ORANGE COUNTY, FLORIDA

By: Board of County Commissioners

By: 
Jerry L. Demings
Orange County Mayor
Date: 27 April 2022

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

By: 
for Deputy Clerk

Printed Name: Emily Rivera