

**SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS**

THIS SETTLEMENT AGREEMENT AND RELEASE (“Settlement Agreement” or “Agreement”) is entered into by and between Ghassan Ajram and Colleen Ajram (hereinafter, “Ajram”), and the City of Palm Coast, its City Manager, employees, council members, code board members, and attorneys (hereinafter, “City”).

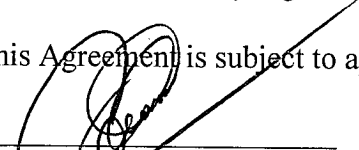
The City and Ajram desire to resolve all issues or potential issues arising from the facts and events that have occurred to date regarding Ajram’s property at 92 and 108 Bulldog Drive, Palm Coast and the City’s Bulldog Drive Improvement Project (“Improvements”), and desire to avoid the expense and uncertainty of continued threats of litigation and delay of and interference with construction of Improvements.

The City and Ajram have mediated and resolved all issues concerning events that have occurred to date and have entered into an Agreement for Purchase of Real Property, with exhibits, which is incorporated by reference herein, which resolves and settles all claims that Ajram has to date against the City.

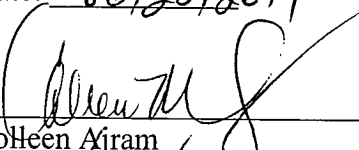
Other than monies paid by the City to Ajram for the purchase of the real property, Ajram is not entitled to any other monies, attorney’s fees, costs, expert fees, or damages of any nature from the City.

Ajram agrees to release and forever discharge the City from any and all liability now accrued or which may hereafter accrue on account of any and all causes of action, claims, liens, grievances, damages, losses, and demands of every kind or character, which the undersigned has or may hereafter have, whether known or unknown, matured or unmatured, which Ajram ever had, now has, or can, shall or may have arising from the actions of the City relating to Ajram’s property at 92 and 108 Bulldog Drive, the Improvements, the City’s dealings and settlement with Ajram’s former tenants, any claims of loss or diminution of access, business damages, severance damages, attorney’s fees, expert fees, costs, any claims for inverse condemnation, taking, constitutional violations, discrimination, section 1983, quiet title or easement rights claims, or any other causes of actions, and any claims or allegations Ajram has made, or could have been made against the City regarding events that have occurred to date.

This Agreement is subject to approval by the City Council of the City of Palm Coast.

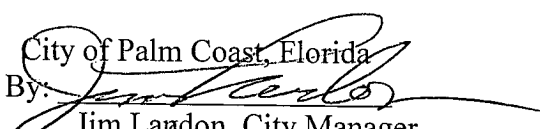
  
\_\_\_\_\_  
Ghassan Ajram

Date: 06/20/2014

  
\_\_\_\_\_  
Colleen Ajram

Date: 6/20/14

City of Palm Coast, Florida


By:   
Jim Landon, City Manager

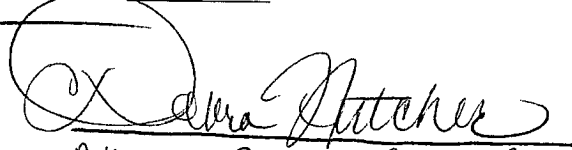
Date: 6/20/14

ATTEST:

By: \_\_\_\_\_  
Virginia Smith, City Clerk

Date: \_\_\_\_\_

  
\_\_\_\_\_  
Attorney for Ghassan &  
Colleen Ajram

  
\_\_\_\_\_  
Attorney for City of Palm Coast

6/20/2014

Approved by City Council this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Jon Netts, Mayor

**AGREEMENT FOR PURCHASE OF REAL PROPERTY**

This Agreement for Purchase and Sale of Real Property ("Agreement") is made this \_\_\_\_\_ day of \_\_\_\_\_, 2014, by and between **GHASSAN E. AJRAM** (as to Parcel 1), and **GHASSAN E. AJRAM** and **COLLEEN M. AJRAM**, husband and wife, (as to Parcel 2) hereinafter sometimes referred to as "Seller" or "Sellers," whose address is 101 Florida Park Drive, Palm Coast, FL 32137, and the **CITY OF PALM COAST, FLORIDA**, a Florida municipal corporation, hereinafter sometimes referred to as "Buyer" and/or "City," whose address is 160 Cypress Point Parkway, Ste. B106, Palm Coast, FL 32164.

Recitals:

WHEREAS, the Seller owns the property generally located on Bulldog Drive, south and abutting property owned by the City, and described in **Exhibit A** (the "Property"); and

WHEREAS, Buyer has procured a Limited Phase I Environmental Site Assessment dated August, 2010, and a Phase II Environmental Site Assessment dated November 20, 2010 (hereinafter together referred to as the "Environmental Reports"), copies of which are attached hereto as composite **Exhibit B** and made a part hereof by this reference and the reports did not disclose any hazardous substances; and

WHEREAS, City and Seller agree that Seller shall remove all personal property from the Property such as all vehicles, equipment at the termination of the Lease; and

WHEREAS, the City has agreed to purchase the Property pursuant to the terms agreed to below.

NOW THEREFORE, in consideration of the mutual promises herein contained and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each party, it is agreed as follows:

1. **INCORPORATION OF RECITALS.** The Recitals set forth in this Agreement are incorporated herein as if fully set forth below.

2. **PURCHASE PRICE.** Within 120 days of the effective date hereof, the City agrees to purchase the Property from Seller for the purchase price of \$1,150,000.00 (One million one hundred fifty thousand and no/100 dollars. Said conveyance shall be free from all encumbrances except easements, reservations, and restrictions acceptable to the City together with all appurtenances pertaining thereto.

3. **DEPOSIT.** City shall deposit into the escrow account of the Closing Agent the sum of Five Thousand and 00/100 Dollars (\$5,000.00) (the "Deposit"), within five (5) business days from the Effective Date, which shall apply to the Purchase Price at closing. If Seller fails to perform Seller's obligations under this Agreement, the Deposit shall be refunded to City, no later than five (5) business days from the date of demand by City.

AVP

4. SURVEY AND TITLE COMMITMENT, EXAMINATION PERIOD, ENVIRONMENTAL.

A. Title Insurance Commitment. Within ten (10) days following the Effective Date hereof, Seller shall cause Flagler County Abstract Company ("Title Company"), through its agent, Dawn O'Day-Sica ("Closing Agent"), to issue and deliver to City an A.L.T.A. Form B title commitment ("Title Commitment") accompanied by one (1) copy of each document supporting any exception shown on the Title Commitment to the Property.

If the Title Commitment reflects matters other than the standard exception for ad valorem real estate taxes for the current year and those matters which will be discharged by the Seller at or prior to Closing, then the City shall give the Seller written notice thereof before the expiration of ten (10) business days after receipt of the Title Commitment. In such event, the City shall state which exceptions to the Title Commitment are objectionable, and the Seller shall undertake to eliminate such exceptions. In the event the Seller is unable with the exercise of due diligence to satisfy said objections prior to Closing, the City may, in its sole discretion, (i) accept title subject to the objections raised by it, in which event said objections shall be deemed to be waived for all purposes, or (ii) rescind this Agreement and this Agreement shall be of no further force and effect (except for any indemnifications which survive hereunder).

B. Title Insurance Policy. At, and as part of Closing, the Closing Agent shall cause an A.L.T.A. title insurance policy, pursuant to the Title Commitment and subject only to those matters which have been accepted in writing, in the amount of the Purchase Price ("Title Policy") to be issued and delivered to the City.

C. Survey. City shall obtain a current survey of the Property ("Survey"). The Survey shall be prepared by a duly licensed land surveyor in accordance with the minimum technical standards for surveyors in the State of Florida. The Survey shall also certify that no hiatus or overlap exists between the parcels of land making up the Property. If the Survey reveals any encroachment, hiatus, overlap, or other survey defect, then the same shall be treated as an objection to title, which objection must be made, if at all, by the City by written notice to the Seller before the expiration of ten (10) business days after receipt of the Survey. In such event, the City shall state what matters depicted in the Survey are objectionable, and the Seller shall undertake to eliminate such objections. In the event the Seller is unable with the exercise of due diligence to satisfy said objections prior to Closing, the City may, in its sole discretion, (i) accept title subject to the objections, in which event said objection shall be deemed to be waived for all purposes, or (ii) rescind this Agreement and this Agreement shall be of no further force and effect (except for any indemnifications which survive hereunder).

D. Inspection Period. The City shall have ninety (90) days from the effective date ("Inspection Period") to perform any surveys, soil test borings environmental testing, environmental audits, or any other studies, tests or research on or about the Property as the City may desire or deem necessary. During the Inspection Period, City may, at its sole discretion and for any reason, upon written notice to the Seller, terminate this Agreement before the expiration of the Inspection Period. Upon termination, neither party shall have any further obligation to the other under the terms of this

Agreement.

E. Environmental. Seller warrants that to the best of the knowledge of the Seller, the Property does not currently contain any Hazardous Substances in violation of any applicable environmental laws or regulations, including but not limited to, Section 103 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 et seq., any "superlien" laws, any superfund laws, or similar federal or state laws, or any successor statutes thereto ("Environmental Laws"), nor to the Seller's knowledge, has any clean-up of the Property occurred pursuant to the Environmental Laws which could give rise to liability to reimburse any governmental authority for the costs of such clean-up or a lien or encumbrance on the Property.

F. Access to the Property and Records and Other Information. Seller agrees that during the Inspection Period, the City or its agents shall have the right to enter upon the Property to make such surveys, tests, inspections, analyses and similar examinations as the City may desire with respect to the Property. The City, or its agents, shall have the right to enter upon the Property for such activities provided said activities shall not materially damage the Property or unreasonably disrupt the Seller's ongoing activity at the Property. The City agrees to deliver copies of all such tests, reports, surveys, examinations, etc. to the Seller in the event the inspecting party elects not to purchase the Property. The City agrees to restore the Property to substantially the same condition as existed prior to its access thereto.

Within ten (10) days of the Effective Date, Seller shall deliver to the City all books and records, including all environmental reports and related data pertaining to the Property ("Records") that are in Seller's possession or control.

6. REPRESENTATIONS AND WARRANTIES. The following representations and warranties made by each party to the other party are true and correct as of the Effective Date and shall be true and correct as of the date of Closing and the truthfulness and correctness thereof shall constitute conditions precedent to purchase the Property. Each of the following representations and warranties are, however, subject to and limited by the disclosures set forth elsewhere in this Agreement.

A. Authority. Each party is duly organized, validly existing and in good standing under the laws of the State of Florida and of the United States. The individual executing this Agreement has full and lawful authority to bind and obligate their organization to perform its obligations as herein provided, and upon execution hereof, this Agreement shall be the binding and legal obligation of the parties hereto and is enforceable against each under the laws of the State of Florida.

B. Marketable Title. Seller shall convey and deliver at Closing good and marketable title to the Property by General Warranty Deed, in form and content acceptable to City, free and clear of all mortgages, liens, encumbrances, leases, security interests, covenants, conditions, restrictions, rights-of-way, easements, judgments and other matters affecting title, except for those matters which each accepts in writing prior to Closing, which shall be hereafter referred to as "Permitted Exceptions".

C. DELETED.

D. Adverse Information. Neither party has knowledge of any changes contemplated in any applicable laws, ordinances or regulations, or any judicial or administrative action, or any action by adjacent landowners, or natural or artificial conditions upon the Property which would prevent, limit, impede or render more costly, the current use of the Property.

E. Compliance with Laws. Other than notices of violation Seller has received from the City of Palm Coast, Seller has no knowledge of any violation of any applicable laws, ordinance, regulation, rule or restriction pertaining to or affecting the Property. Seller has no knowledge that performance of this Agreement would result in any breach of or constitute any default under or result in the imposition of, any lien or encumbrance upon the Property under any agreement or other instrument to which Seller is a party or to which Seller or the Property might be bound. Other than notices of violation Seller has received from the City of Palm Coast, Seller has not received any notices from any association, city, county, state, or other governmental authority of building, land use, zoning or health code violations in respect to the Property that have not been corrected. In the event that there shall be any notices of violations of law, ordinances, orders, protective covenants, development standards, requirements or regulations issued subsequent to the date hereof, but prior to the Closing, by any federal, state, county, municipal or other governmental or quasi-governmental department, agency, or authority relating to the Property, Seller will provide written notice thereof to the City and Seller will cause the same to be complied with, at Seller's sole cost and expense prior to the Closing, or the Seller shall escrow sufficient funds at Closing or make such other arrangements to satisfy the City.

F. Pending Litigation. Other than notices of violation Seller has received from the City of Palm Coast, there are no legal actions, suits, or other legal or administrative proceedings pending against Seller. Seller is not aware of any facts which might result in any such action, suit or other proceedings.

G. No Special Assessments or Obligations for Improvements. Seller has no knowledge that any portion of the Property is affected by any special assessments or obligations for roads or other improvements.

H. Access to Highways and Roads. Seller has no knowledge of any fact or condition which would result in the termination of ingress and egress to publicly maintained and dedicated streets and access ways.

I. Commitments to Governmental Authority. To Seller's knowledge, no commitments have been made to any governmental authority, developer, utility company, school board, church or other religious body or any property owners' association or to any other organization, group or individual relating to the Property which would impose an obligation upon the City or its successors and assigns to make any contribution or dedications of money or land or to construct, install, or maintain any improvements of a public or private nature on or off the Property. There is no requirement that Seller pay directly or indirectly any special fees or contributions or incur any

expenses or obligations in connection with any development of the Property or any part thereof. The provisions of this Section shall apply to any regular or non-discriminatory local real estate taxes assessed against the Property.

J. Subsurface Conditions. Seller has no knowledge of any environmental, soil, or subsurface conditions located on the Property which would impair the usability or developability of their Property for its present use.

K. Environmental. All of the statements regarding environmental matters contained in this Agreement are true and correct.

L. Seller represents that there are no rights of first refusal, options or contracts, oral or written, in existence pertaining to the Property. Seller, nor any person authorized to act on its behalf, is a party to any written, oral or implied contract, agreement, or other commitment affecting or relating to the Property, including, without limitation, agreements for the purchase of goods or the rendering of services, except for the current leases on the Property, which will be assigned to the City.

M. Insolvency. There has not been filed by or against Seller a petition in bankruptcy or any other insolvency proceeding, or for the reorganization or appointment of a receiver or trustee, nor has Seller made an assignment for the benefit of creditors, nor filed a petition for arrangement, nor entered into an arrangement with creditors, nor admitted in writing its inability to pay debts as they become due.

N. Covenants Pending Closing. Following the execution of this Agreement and at all times prior to the Closing:

1. No Transfers. Seller shall not transfer, sell, assign or otherwise dispose of or pledge, mortgage, hypothecate or otherwise encumber, or lease or sublease all or any portion of the Property or any interest therein during the pendency of this Agreement.

2. Leases. Seller shall not, without the prior written consent of the City in each instance, (a) enter into any new leases or occupancy agreements for space at the Property, (b) modify, amend, terminate, renew, extend or waive any rights under an existing Leases, (c) apply any rental security deposits against sums payable under any Leases, (d) grant any concessions, rebate, allowance or free rent to any tenant for any period, or (e) accept the surrender of or terminate any Lease.

3. Insurance. Seller shall maintain hazard and liability insurance in commercially reasonable amounts, but in no event less than the amount currently carried, with respect to the Property and all such policies shall be kept in full force and effect until the Closing.

4. Seller warrants that there are no facts known to them materially affecting the value of the Property which are not readily observable by the City or which have not been disclosed to the City.

7. PROVISIONS WITH RESPECT TO CLOSING.

A. Closing Date. The consummation of the transaction contemplated by this Agreement ("Closing") shall occur no later than one hundred twenty (120) days following the Effective Date of this Agreement, at the offices of the Title Company. Parties by mutual agreement may exercise one thirty (30) day extension of the Closing Date. Parties by mutual agreement may exercise the extension by providing at least three (3) days written notice to the other party. Any other extension shall be by mutual agreement of the parties.

B. Obligations at Closing.

1. The closing documents shall be prepared by the Title Company ("Closing Agent") and shall include the following which both parties agree to sign:

a. General Warranty Deeds conveying the Property subject only to the Permitted Exceptions ("Deed"), which Deed shall be in form for recording with all required documentary stamps in the proper amount affixed thereto, or provided for. The legal description of the Property on the Deed shall be as contained in the Survey and the Title Commitment.

b. A Bill of Sale conveying the Personal Property, if any.

c. Affidavits of No Liens.

d. FIRPTA affidavits that the Seller is not a foreign entity and that no part of the proceeds of this sale are required to be retained by or remitted to any governmental entity by the Closing Agent.

e. Such other affidavits as may reasonably be required by either party, the Title Companies or Closing Agent.

f. Such other documents, agreements, instruments or assignments as may reasonably be requested by either party to consummate the exchange of the Properties.

C. Closing Costs. City shall pay all of the closing costs and expenses in connection with this transaction including the costs of title insurance. Each party shall pay their own attorney fees.

D. Proration of Rents, Taxes, Utilities, and Miscellaneous Expenses. Taxes for all years prior to the year of the Closing, and taxes for the year of Closing if then due, shall be paid by the Seller prior to or at Closing. The conveyance shall be subject to taxes for subsequent years. Taxes for the tax year of Closing shall be prorated to the date of Closing, based upon the amount of taxes due for such year, if known, or the taxes for the preceding year, based upon the maximum discount allowable as of the date of Closing; provided, however, that upon the issuance of the actual tax

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statement or bill for the year of the Closing, if the actual tax varies from the amount prorated by more than five percent (5%), the parties shall promptly make such re-prorations as may be necessary to ensure that the actual amount of such taxes for the year of Closing shall be prorated between the parties, said agreement to survive Closing hereunder. All special assessments which have been levied or certified prior to Closing shall be paid in full by the Seller and any future assessments shall be assumed by the City at closing.

8. PROVISIONS WITH RESPECT TO DEFAULT. If, under the provisions hereof, either party shall be obligated to complete the sale but fails to do so within the applicable time period provided, the non-defaulting party's remedies shall be (i) to enforce specific performance of this Agreement, or (ii) terminate this Agreement, and file an action for damages and reimbursement for costs incurred in connection with this Agreement. No delay or omission in the exercise of any right or remedy upon any breach under this Agreement shall impair such right or remedy or be construed as a waiver of any condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. A waiver of any condition or breach by the other party of any term, covenant or condition herein contained shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or any other term, covenant, or condition of this Agreement.

9. OTHER CONTRACTUAL PROVISIONS.

A. Leaseback. As an inducement to Buyer to purchase the Property and as part of the consideration thereof, Seller agrees to leaseback a portion of the Property from Buyer, said lease to be entered into contemporaneously with the passing of title under this Agreement. The lease is to be for a term of six (6) months and shall be in the form attached as Exhibit C. The parties agree that such leaseback constitutes an important element of the consideration of this Agreement. [Exhibit C to include right to Business Tax Receipt for auto sales without code compliance.]

B. Assignment of Contract. This Agreement may not be assigned without the Seller's prior consent.

C. No Broker/Hold Harmless. Each party represents that it has not had dealings with any real estate broker with respect to the Properties in any manner. Each party shall hold harmless the other party from all damages resulting from any claims that may be asserted against the other party by any broker.

D. Tax Reporting Numbers. The Sellers agree to provide their tax identification numbers to the Closing Agent prior to closing.

E. Entire Agreement: Modification. Except for the separately signed Settlement Agreement and Release, this Agreement embodies and constitutes the entire understanding between the parties with respect to the transaction contemplated herein. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into and superseded by this Agreement. No representations, agreements, understandings, warranties or indemnities shall be in force hereafter or deemed to exist between the parties unless expressly set forth herein. Neither this Agreement nor any provision hereof may be waived, modified, amended,

discharged, or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

F. Applicable Law. This Agreement shall be governed by, and construed in accordance with the laws of the State of Florida. Venue for enforcement shall be in Flagler County, Florida.

G. Headings. Descriptive headings are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement.

H. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their successors and assigns, provided that no assignment shall be made except in accordance with the provisions hereof.

I. Counterparts. This Agreement may be executed in several counterparts, each constituting a duplicate original, but all such counterparts constitute one and the same Agreement.

J. Interpretation. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender and the neuter, and vice versa.

K. Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof; and this Agreement shall be as if such invalid, illegal or unenforceable provisions had never been contained herein.

L. Joint Drafting. The parties hereby agree that each have played an equal part in the negotiations and drafting of this Agreement. In the event any ambiguities should be realized in the construction or interpretation of this Agreement, the result of those ambiguities shall be equally assumed and realized by each of the parties to this Agreement.

M. Waiver. The waiver of one or more defaults by any party to this Agreement shall not be deemed a waiver of any subsequent default of that provision of the Agreement or of a default under any other provision of this Agreement.

N. Risk of Loss by Condemnation. All risk of condemnation prior to the Closing shall be on the Seller subject to this Agreement. Seller has not been notified of and is not aware of any threatened condemnation proceedings. Immediately upon obtaining knowledge of the institution of any proceedings for the condemnation of the Property, or any portion thereof (including negotiations in lieu of condemnation), the Seller will notify the City of the pendency of such proceedings. In the event any part or all of the Property is condemned, the City may terminate this Agreement.

O. Damage to or Destruction of the Property. Seller shall bear all risk of loss to the Property until the Closing date. If, between the date of this Agreement and the Closing date, all or any portion of the Property is damaged or destroyed by fire or other casualty and the loss is not covered by insurance or the cost to repair and restore the Property is more than Fifty Thousand

Dollars (\$50,000.00), or the occurrence would give the holder of any existing note and mortgage the right to accelerate its loan or apply the resulting proceeds toward repayment thereof, the City, at their sole option, may elect to terminate this Agreement without cost, obligation, or liability on its part, in which event all rights and obligations of the parties hereunder shall cease. If this Agreement is not terminated, the Seller shall assign to the City all of its right, title and interest in and to any insurance proceeds payable as a result of such damage or destruction.

P. Attorney Fees, etc. Should either party employ an attorney or attorneys to enforce any of the provisions of this Agreement, to protect its interest in any matter arising under this Agreement, or to recover damages for the breach of this Agreement, the party prevailing shall be entitled to recover from the other party all reasonable costs, charges and expenses, including attorney's fees incurred in that connection; whether incurred before or at trial, or at any rehearing or appeal. The value of time charged by legal assistants and/or other staff members operating under the supervision of an attorney, and such other legal costs as may be expended or incurred in connection therewith, whether incurred before trial, at trial, or on rehearing or appeal, shall be included in enforcing this Agreement (all of which shall be collectively, "Attorneys Fees").

Q. Time. The parties acknowledge that time is of the essence of this transaction for each time and date specifically set forth in this Agreement. Any reference herein to time periods of less than six (6) days shall in the computation thereof exclude Saturdays, Sundays and legal holidays. Any time period provided for herein which shall end on a Saturday, Sunday or legal holiday shall extend to 5:00 p.m. of the next full business day.

R. Effective Date. The Effective Date hereof shall be the date upon which the last of the parties hereto have executed this Agreement.

S. 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.

#### 10. MISCELLANEOUS.

A. Exchange. Each party agrees to cooperate with the other party in the event a 1031 exchange is utilized by either party.

B. Survival. All warranties, assurances or other agreements by the parties herein, and their responsibility therefore, shall survive the Closing.

C. Facsimile Copies: To facilitate execution, the parties hereto agree that this Agreement may be executed and telecopied to the other party and that the executed telecopy shall be binding and enforceable as an original.

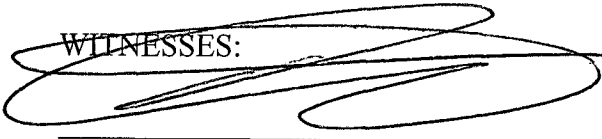
IN WITNESS WHEREOF, the parties hereto have executed this agreement on the date

indicated below their signatures intending to be bound thereby.

*[signatures to follow]*



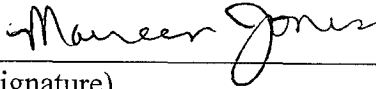
WITNESSES:



(signature)

Anthony V. Pollicastro

(print name)



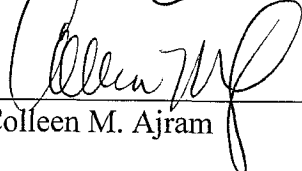
(signature)

MAUREEN JONES

(print name)



Ghassan E. Ajram



Colleen M. Ajram

WITNESSES:

\_\_\_\_\_

Printed Name

\_\_\_\_\_

\_\_\_\_\_

Printed Name

\_\_\_\_\_

CITY OF PALM COAST, FLORIDA

By: \_\_\_\_\_

Jim Landon, City Manager

ATTEST:

By: \_\_\_\_\_

Virginia A. Smith, City Clerk

Date: \_\_\_\_\_

EXHIBIT A

LEGAL DESCRIPTION

PARCEL 1:

Parcel ID 08-12-31-4300-00000-0130

Lots 13, 24, and 25, MIDWAY PARK SUBDIVISION, according to the plat thereof as recorded in Plat Book 5, Page 25, of the Public Records of Flagler County, Florida.

PARCEL 2:

Parcel ID 08-12-31-4300-00000-0260

Lots 26 and 27, MIDWAY PARK, according to the plat thereof recorded in Plat Book 5, Page 25, of the Public Records of Flagler County, Florida.



EXHIBIT B  
ENVIRONMENTAL REPORTS



EXHIBIT C

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Agreement") is made and entered into this \_\_\_ day of \_\_\_\_\_, by and between GHASSAN E. AJRAM and COLLEEN M. AJRAM, husband and wife, (the "Lessee"), whose address is 101 Florida Park Drive, Palm Coast, FL 32137, and the CITY OF PALM COAST, FLORIDA, a municipal corporation, (the "Lessor"), whose address is 160 Cypress Point Parkway, Suite B-106, Palm Coast, FL 32164.

WITNESSETH

The Lessor agrees to rent to the Lessee and the Lessee agrees to rent from the Lessor, the improved real property which is described in **Exhibit "C-1"** attached hereto and incorporated by reference (the "Property").

**NOW THEREFORE**, in consideration of the mutual promises contained in this Agreement, sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **CONDITIONS PRECEDENT**. This Lease shall be subject to the satisfaction of the following conditions precedent enumerated below. In the event any one of these conditions is not satisfied for any reason whatsoever, then this Lease shall terminate, and the parties shall be fully relieved from all further rights and responsibilities under this Lease:

(A) The complete execution of this Lease by the parties and the approval of this Lease by the City Council at a public meeting, pursuant to §166.045, Fla. Stat.

(B) No action, suit, proceeding, or official investigation shall have been threatened, announced, or commenced by any person or federal, state or local government authority or agency that seeks to enjoin, assess civil or criminal penalties against, or obtain any judgment, order, or consent decree, with respect to either party hereto, in connection with their respective representations and obligations under this Lease.

2. **RENT**: Lessee shall pay a total sum of \$1 in full payment of rent.

3. **TERM**: The term of this Lease shall expire six (6) months from the date of Closing on the Property pursuant to the Agreement for Purchase of Real Property dated June 20, 2014, between the Lessor and Lessee. This Lease is non-renewable. Lessee shall have no options to extend or renew this Lease. In the event Lessee holds over past the six (6) month term, Lessor shall have all the same rights pursuant to Florida Law to remove Lessee including recovery of Lessor's attorney's fees and legal costs.

4. **USE/INDEMNIFICATION**: Lessee shall have the right to use the Property for automobile repair and automobile sales and for all incidental uses thereto. Lessee shall make no offensive or illegal use of the Property, nor use the Property in any manner that would constitute a

public or private nuisance (as exclusively determined by the Lessor). Lessee shall not use the Property for any use incompatible with auto repair and auto sales (as exclusively determined by Lessor). Lessee shall not do anything or permit anything to be done about the Property which will in any way obstruct or interfere with the Lessor's rights or the favorable reputation of the Lessor, or injure or annoy Lessor's employees. Lessee further agrees to indemnify Lessor against any and all claims, demands, costs or judgments of any kind whatsoever made or suffered by reason of the breach of this covenant. Lessee agrees not to erect any additional improvements on the Property.

5. **INSURANCE**: Lessee shall maintain public liability insurance in the State of Florida with limits of and not less than \$1,000,000 for bodily injury and property damage per occurrence, combined single limit. Such insurance shall provide coverage for any occurrence arising out of Lessee's tenancy or out of Lessee's use of the Property and shall name the Lessor as an additional insured. Lessee shall furnish proof of insurance within ten (10) days of the execution of this Agreement.

6. **MAINTENANCE**: Lessee is obligated to maintain all improvements on the Property or abutting thereto owned by Lessor. Lessee shall also maintain the Property in a good and customary manner, such that no risk or hazard to City operations exist. Lessee shall not allow any refuse or debris to accumulate on the Property, or on the sidewalks or streets adjoining same.

7. **SUBLETTING AND ASSIGNMENT**: Lessee shall not sublet or assign the Property or any portion thereof, without the prior written consent of the Lessor.

8. **UTILITIES**. The Lessee shall pay for all utilities, including water, gas, electricity, and sewerage, and also for trash and garbage removal, as imposed by governmental authorities.

9. **BANKRUPTCY OR INSOLVENCY**. If at any time during the term of the Lease, or any extensions thereof, a voluntary case is commenced by Lessee, or an involuntary case is commenced with respect to Lessee, under the bankruptcy laws of the United States, then, and in that event, at the option of the Lessor, the commencement of either such case shall constitute a breach of this Lease by the Lessee. The Lessor may terminate this Lease by giving five (5) days notice to the Lessee or to the assignee or to the trustee or to such other person appointed pursuant to an order of the court, and thereupon the Lessor may re-enter the Property and this Lease shall not be treated as an asset of Lessee's estate. However, the Lessor shall be entitled to exercise all available rights and remedies and to recover from the Lessee all monies that may be due or become due, including damages resulting from the breach of the terms of this Lease by the Lessee.

10. **ACCEPTANCE OF PREMISES**. Lessee acknowledges that Lessor has made no representation or warranty that the Property is fit for Lessee's intended use. Lessee has inspected the Property, and Lessee accepts the Property "as is".

11. **INDEMNIFICATION/LIABILITY/LOSS**. The Lessee shall indemnify, defend and save the Lessor harmless from and against all claims, demands, obligations, penalties, fines, charges, costs and expenses, including, but not limited to, attorney's fees, costs and expenses for the defense thereof, arising from occurrences on or about the Property and from the Lessee's activities

thereon. Should claim be brought against the Lessor or the Lessor be made a party to any action relating to the Property, then the Lessee shall reimburse the Lessor for all attorney's fees, costs and expenses incurred by the Lessor in connection with the claim or action.

12. **LIENS**. The Property cannot be liened because it is City owned property. The Property must be kept free and clear of any lien or encumbrance of any kind whatsoever created by Lessee's acts or omissions and Lessee shall indemnify and defend, to the extent and limits permitted by law, Lessor against any claim or action brought to enforce any lien imposed on the Property because of Lessee's negligent act or omission. Except as specifically provided otherwise herein, Lessee shall have 10 days after receiving notice of such lien or encumbrance to have such removed. If Lessee fails to have such removed within that time, Lessee shall be in default. The parties agree to record a Notice of Non-Responsibility pursuant to Section 713.10(2)(b)(2), Florida Statutes, in the Official Records of Flagler County, Florida, informing interested parties that liens cannot be filed against the Property owned by the City.

Lessee shall have no authority or power, express or implied, to create or cause any mechanic's or material men's lien, charge or encumbrance of any kind against the Premises, the Property or any portion thereof and the interest of the Lessor shall not be subject to liens for improvements made by the Lessee. Lessee shall not be considered the agent of Lessor in the construction, erection or operation of any such improvements. Lessee shall promptly cause any such liens that have arisen by reason or any work claimed to have been undertaken by or through Lessee to be released by payment, bonding or otherwise within thirty (30) days after request by Lessor, and shall indemnify Lessor against losses arising out of any such claim (including, without limitation, legal fees and court costs). Lessee shall notify in writing any contractor or lienor making any improvements or engaging in any maintenance that this Lease contains this provision prohibiting liability of the Lessor for any lien, claim of lien, or notice of non-payment pursuant to Florida Statute § 713.10(1). Lessee shall provide a copy of such notice to Lessor before any notice of commencement is recorded.

13. **ALTERATIONS OR IMPROVEMENTS**. Lessee shall make no alterations to the Property without the prior written consent of the Lessor. All improvements built on the Property shall be the property of the Lessor at the expiration of this Lease, unless otherwise agreed by the parties.

14. **INSPECTION BY LESSOR**. Lessor and its agents shall have the right at all reasonable times during the term of this Lease and any renewal thereof to enter the Property for the purpose of inspecting the Property and showing the Property to prospective lessees and purchasers.

15. **TIME**. Time is of the essence of this Lease, including, but not limited to, the timely payment of the rental hereinabove provided for. In that regard, Lessee is hereby granted a five (5) day grace period in the payment of said rentals. However, upon the expiration of the grace period and the fifteen (15) day cure period, if the Lessee has not cured said default, then this Lease shall be deemed in default.

16. **ABANDONMENT**. If at any time during the term of this Lease, Lessee abandons the Property or any part thereof, Lessor may, at its option, obtain the possession of the Property in the

manner provided by law without becoming liable to Lessee for damages or for any payment of whatever kind. Lessor may, at its discretion, as agent for Lessee, relet the Property, or any part thereof, for the whole or any part of the then unexpired term, and may receive and collect all rent payable by virtue of such reletting, and, at Lessor's option, hold Lessee liable for any difference between the rent that would have been payable under this Lease during the balance of the unexpired term, if this Lease had continued in force, and the net rent for such period realized by Lessor by means of such reletting. If Lessor's right of re-entry is exercised following abandonment of the Property by Lessee, then Lessor may consider any personal property belonging to Lessee and left on the Property to also have been abandoned, in which case Lessor may dispose of all such personal property in any manner Lessee shall deem proper and is hereby relieved of any liability for so doing.

17. **DEFAULT**: If Lessee fails to pay rent under this Lease or permits any other default of the terms herein, and such default continues for fifteen (15) days after notice of such default given by Lessor, Lessor shall have the right to terminate this Lease. Such termination shall not bar any remedy which Lessor may have at law or in equity against Lessee or any third party. In the event of a default, Lessor shall be entitled to reasonable attorney's fees for enforcing the terms and conditions of this Agreement.

18. **NOTICES**: All notices required or permitted under this Agreement shall be in writing and mailed by certified mail, return receipt requested, to the party to receive such notice at the address set forth above in this Agreement, or to such other address as the other party has specified by written agreement and attached to this Agreement.

19. **TERMINATION**: The Lessee shall have the right to terminate this Agreement upon thirty (30) days notice to the Lessor.

(A) **Post Termination Clean Up**. Upon the termination of this Agreement or expiration of the term, Lessee shall have thirty (30) days to remove all personal property removed, or same shall become the property of the Lessor.

20. **PROPERTY TAXES**. Lessee shall pay all ad valorem and non-ad valorem property taxes on the Property during the term of this Lease.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the day and year first above written.

*[signatures to follow]*



~~WITNESSES:~~

Anthony V. Policastro  
(print)

Maureen Jones  
MAUREEN JONES  
(print)

LESSEE

Ghassan E. Ajram

Colleen M. Ajram

STATE OF FLORIDA  
COUNTY OF FLAGLER

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2014, by Ghassan E. Ajram and Colleen M. Ajram, (check one)  who is personally known to me or  who produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
Notary Public – State of Florida  
Print Name: \_\_\_\_\_  
My Commission expires: \_\_\_\_\_

WITNESSES:

\_\_\_\_\_

(print)

\_\_\_\_\_

(print)

LESSOR:

CITY OF PALM COAST, FLORIDA

By: \_\_\_\_\_  
Jim Landon, City Manager

STATE OF FLORIDA  
COUNTY OF FLAGLER

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2014, by Jim Landon, City Manager of the City of Palm Coast, Florida, (check one)  who is personally known to me or  who produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
Notary Public – State of Florida  
Print Name: \_\_\_\_\_  
My Commission expires:

**EXHIBIT "C-1"**  
**[PROPERTY]**

PARCEL 1:

Parcel ID 08-12-31-4300-00000-0130

Lots 13, 24, and 25, MIDWAY PARK SUBDIVISION, according to the plat thereof as recorded in Plat Book 5, Page 25, of the Public Records of Flagler County, Florida.

PARCEL 2:

Parcel ID 08-12-31-4300-00000-0260

Lots 26 and 27, MIDWAY PARK, according to the plat thereof recorded in Plat Book 5, Page 25, of the Public Records of Flagler County, Florida.

AMP