



Wise Owl Properties  
Board Meeting  
September 20, 2017  
Noon  
Agenda

- |                              |           |
|------------------------------|-----------|
| 1. Call to Order             | Robert    |
| 2. Approval of Minutes       | Robert    |
| 3. Financials                | JaLynne   |
| 4. 2018 Budget               | JaLynne   |
| 5. 10696 Building Discussion | Committee |
| 6. Building Maintenance      | JaLynne   |
| 7. New Board Member Approval | Linda     |
| 8. Other                     | All       |
| 9. Adjourn                   | Robert    |

## **Wise Owl Properties, Inc.**

Conference Call Board Meeting

Tuesday September 5, 2017

12:00 PM

### **Present**

Bill Ternent-via phone

Don Roberts-via phone

Fran Pepis-via phone

Shawn Mollitt-via phone

### **Staff**

Linda Levin

JaLynne Santiago

Belinda Witherspoon

### **Meeting Called to Order**

Don Roberts called the meeting to order at 12:07 PM.

### **Purpose**

The purpose of the meeting was to inform the board of the results from the ad-hoc committee meeting and to make a decision regarding moving forward on the building located at 10696 Old St. Augustine Road. The ad-hoc committee consisted of board members Fran Pepis, Don Roberts and Coley Jones along with Linda Levin. This committee met last week to discuss options for the building. The last effort at securing a tenant was to bring in St. Vincent as the clinical partner but that did not work out. Fran informed the group that there were three options discussed:

- Restructure the debt on the building.
- Repay the debt by seeking a donor(s) to pay off the debt.
- Pay down the debt in some way through rent.

Fran explained that they did a summary of where the market is if Wise Owl were to lease out the building to a nonprofit. The average rent in the area is \$16.50 per square foot and we were asking about \$22 per foot. They took a look at what the market would bear if we were to lease out space to non profits. They came up with a number of \$15.50 per square foot. The building is 5,669 square feet and according to Fran the debt service on the building annually is about \$69,000. If Wise Owl were to lease out the space at \$16.50 per square foot, the entire amount of revenue to be collected is about \$94,000. There would be some expenses: insurance, pest control, landscaping, maintenance, garbage pickup and building repair. Fran told the group that if those expenses were netted out, Wise Owl would have a net positive cash flow of \$12,150 that could be used to fund programs. The tenant would pay the electric and janitorial bill and the \$16.50 would include those expenses. Colliers would handle the leasing effort and get it out to market to generate some interest.

A market review of the cost of real estate with comparable sales was done within a five mile radius of our property by Collier. The building was purchased back in September 2015 for \$1,096,000. The mortgage balance as of July is \$891,000. The average sale over the last three

years for comparable free standing buildings is \$750,000. Fran stated that we would be quite deficient in covering the mortgage balance.

The ad-hoc committee discussed options of moving forward with:

- Seeking out particular donors in the community to help with paying off the debt on the building. Currently Linda and Don are reaching out to a couple of donors that may be able to help.
- Inquiring if Brooks or Jacksonville Speech and Hearing want more of the building space.
- Carving up the space in sections and sublease or rent space out to non profits in the community.

Shawn Mollitt is referring an acquaintance that owns a home health care company who is interested in looking at the building. Fran informed Shawn that all leads should come through her office and she will handle making the introduction to Linda and her staff and then take any prospective tenants/buyers on a walkthrough of the building.

Bill suggested that there is a need to look strategically at this building with all options including selling the building. After much discussion the board decided to move forward with the leasing agreement which has an option to sell.

#### **Motion**

A motion to approve the leasing agreement and sale agreement with Collier was made by Bill Ternent and seconded by Don Roberts. Motion passed unanimously.

Fran will correct the error on Exhibit A regarding the percentages.

**Meeting Adjourned at 1:25 PM**

**Minutes prepared by Sherry Holmes, Administrative Assistant**

**Wise Owl Properties**  
**Balance Sheet/Statement of Financial Position**  
**As of August 31, 2017**

	<b>Balance as of August 2017</b>	<b>Balance as of July 2017</b>	<b>Balance as of December 2016</b>
<b>ASSETS</b>			
Cash and Equivalents	37,320.94	23,233.46	4,617.65
Prepaid Expenses	8,482.73	9,847.90	2,633.94
<b>Total Current Assets</b>	<b>45,803.67</b>	<b>33,081.36</b>	<b>7,251.59</b>
<b>Fixed Assets</b>			
Building	2,247,266.44	2,247,266.44	2,247,266.44
Furniture and Equipment	42,218.50	42,218.50	42,218.50
Less: Accumulated Depreciation	(201,863.17)	(196,482.71)	(158,819.49)
<b>Net Fixed Assets</b>	<b>2,087,621.77</b>	<b>2,093,002.23</b>	<b>2,130,665.45</b>
<b>TOTAL ASSETS</b>	<b>\$2,133,425.44</b>	<b>\$2,126,083.59</b>	<b>\$2,137,917.04</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Accounts Payable	2,582.00	4,166.92	4,822.83
Mortgage Payable	1,508,206.05	1,514,888.61	1,561,892.86
Other Payables			
Intercompany Payables	550,136.23	549,385.58	549,849.55
<b>Total Liabilities</b>	<b>2,060,924.28</b>	<b>2,068,441.11</b>	<b>2,116,565.24</b>
<b>Fund Balance (unrestricted)</b>	<b>21,351.80</b>	<b>21,351.80</b>	<b>(41,403.58)</b>
<b>Net Margin - Current Year</b>	<b>51,149.36</b>	<b>36,290.68</b>	<b>62,755.38</b>
<b>Total Net Fund Balance</b>	<b>72,501.16</b>	<b>57,642.48</b>	<b>21,351.80</b>
<b>TOTAL LIAB. AND FUND BALANCES</b>	<b>\$2,133,425.44</b>	<b>\$2,126,083.59</b>	<b>\$2,137,917.04</b>

**Wise Owl Properties, Inc.**

**Net Margin Report**

For the Twelve Months Ending August 31, 2017

	2017 Budget	2017 January	2017 February	2017 March	2017 April	2017 May	2017 June	2017 July	2017 August	YTD Total	Remaining Budget
Rental Income	135,000	11,250	11,250	11,250	11,250	11,250	11,250	11,250	11,250	90,000	45,000
Miscellaneous Revenue				810						810	(810)
<b>Total Other Revenues</b>	<b>135,000</b>	<b>11,250</b>	<b>11,250</b>	<b>12,060</b>	<b>11,250</b>	<b>11,250</b>	<b>11,250</b>	<b>11,250</b>	<b>11,250</b>	<b>90,810</b>	<b>44,190</b>
<b>Gross Margin</b>	<b>135,000</b>	<b>11,250</b>	<b>11,250</b>	<b>12,060</b>	<b>11,250</b>	<b>11,250</b>	<b>11,250</b>	<b>11,250</b>	<b>11,250</b>	<b>90,810</b>	<b>44,190</b>
<b>Operating Expenses</b>											
Salaries	6,332	516	522	522	783	522	527	553	532	4,478	1,855
Employee Benefits	525	31	31	31	44	45	60	59	57	359	166
Payroll Taxes	484	45	49	45	62	40	40	20	41	342	142
Other Employee Expenses	153	10	23	23	35	23	23	23	23	183	(30)
Building Maintenance	30,000	1,564	2,885	1,484	2,028	1,586	13,927	4,361	559	28,392	1,608
Utilities & Security	40,000	2,716	2,477	2,572	2,493	3,123	2,947	4,524	3,084	23,937	16,063
Telephone & Internet	1,000	80	80	80	82	82	82	82	82	650	350
Printing & Supplies	1,000	0	0	0	0	0	0	0	0	0	1,000
Postage & Shipping	49	7			0	0	0	0	0	7	42
Property & Liability Insurance	14,540	1,156	1,156	1,375	1,375	1,375	1,365	1,365	1,365	10,533	4,007
Taxes & Licenses	1,380			61		75				136	1,244
Interest Expense 10688	19,000	1,659	1,648	1,479	1,627	1,565	1,606	1,544	1,585	12,714	6,286
Interest Expense 10696	41,000	3,249	3,240	2,918	3,221	3,108	3,202	3,090	3,184	25,211	15,789
Audit Fees	63	0								0	63
Depreciation & Amortization	63,890	5,380	5,380	5,380	5,380	5,380	5,380	5,380	5,380	43,044	20,847
<b>Total Operating Expenses</b>	<b>155,526</b>	<b>11,032</b>	<b>12,112</b>	<b>10,592</b>	<b>11,750</b>	<b>11,544</b>	<b>23,779</b>	<b>15,621</b>	<b>10,511</b>	<b>106,942</b>	<b>48,585</b>
<b>Net Operating Margin</b>	<b>(20,526)</b>	<b>218</b>	<b>(862)</b>	<b>1,468</b>	<b>(500)</b>	<b>(294)</b>	<b>(12,529)</b>	<b>(4,371)</b>	<b>739</b>	<b>(16,131)</b>	<b>(4,395)</b>
Plus: Transfers In	84,955	45,000					46,000		19,500	110,500	(25,545)
<b>Net Margin</b>	<b>64,429</b>	<b>45,218</b>	<b>(862)</b>	<b>1,468</b>	<b>(500)</b>	<b>(294)</b>	<b>33,471</b>	<b>(4,371)</b>	<b>20,239</b>	<b>94,369</b>	<b>(29,940)</b>

WISE OWL PROPERTIES  
2017 CASH FLOW PROJECTIONS

CASH BASIS

Month:	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year total
Cash on Hand (beginning cash)	4,618	44,837	39,238	15,228	10,438	2,717	32,947	23,227	36,522	19,676	14,330	7,683	4,618
<b>RECEIPTS from Revenue</b>													
Rent/facility use	11,250	11,250	11,250	11,250	11,250	11,250	11,250	11,250	11,250	11,250	11,250	11,250	135,000
													0
<b>RECEIPTS from other sources</b>													
Transfers in	45,000					46,000		19,500				600	111,100
Other	4,311												4,311
<b>TOTAL RECEIPTS</b>	<b>60,561</b>	<b>11,250</b>	<b>11,250</b>	<b>11,250</b>	<b>11,250</b>	<b>57,250</b>	<b>11,250</b>	<b>30,750</b>	<b>11,250</b>	<b>11,250</b>	<b>11,250</b>	<b>11,850</b>	<b>250,411</b>
<b>DISBURSEMENTS for Operations</b>													
Security	406	406	406	406	406	460	428	428	428	428	428	428	5,058
Utilities	1,945	2,154	1,915	2,010	2,294	2,199	2,331	2,822	2,200	2,200	2,200	2,200	26,470
Maintenance, repair	1,761	1,978	5,116	1,203	831	11,759	4,415	1,772	10,104	1,504	1,504	1,504	43,451
<b>TOTAL OCCUPANCY</b>	<b>4,112</b>	<b>4,538</b>	<b>7,437</b>	<b>3,619</b>	<b>3,531</b>	<b>14,418</b>	<b>7,174</b>	<b>5,022</b>	<b>12,732</b>	<b>4,132</b>	<b>4,132</b>	<b>4,132</b>	<b>74,979</b>
Office exp (phone, postage, supplies)	550	66	365	176	271	230	385	189	220	220	220	220	3,112
Printing and marketing													0
Equipment leases													0
Insurance			15,215				1,167						16,382
Taxes & Licenses					75	129					1,300		1,504
Due to AAA	2,635				2,849				2,900			2,900	11,284
<b>TOTAL OTHER OPERATING</b>	<b>3,185</b>	<b>66</b>	<b>15,580</b>	<b>176</b>	<b>3,195</b>	<b>359</b>	<b>1,552</b>	<b>189</b>	<b>3,120</b>	<b>220</b>	<b>1,520</b>	<b>3,120</b>	<b>32,282</b>
<b>Legal</b>													0
Accounting & audit	800												800
Janitorial	793	793	793	793	793	793	793	793	793	793	793	793	9,516
<b>TOTAL PROFESSIONAL SERVICES</b>	<b>1,593</b>	<b>793</b>	<b>793</b>	<b>793</b>	<b>793</b>	<b>793</b>	<b>793</b>	<b>793</b>	<b>793</b>	<b>793</b>	<b>793</b>	<b>793</b>	<b>10,316</b>
													0
<b>TOTAL OPERATING DISBURSEMENTS</b>	<b>8,890</b>	<b>5,397</b>	<b>23,810</b>	<b>4,588</b>	<b>7,519</b>	<b>15,570</b>	<b>9,519</b>	<b>6,004</b>	<b>16,645</b>	<b>5,145</b>	<b>6,445</b>	<b>8,045</b>	<b>117,577</b>
<b>DISBURSEMENTS for Financing</b>													
Mortgage payments	11,452	11,452	11,450	11,452	11,452	11,450	11,451	11,451	11,451	11,451	11,452	11,452	137,416
10688 - Interest Exp	1,659	1,648	1,479	1,627	1,565	1,606	1,544	1,585	1,575	1,514	1,554	1,494	18,680
10688 - Principal	4,043	4,054	4,222	4,075	4,137	4,095	4,157	4,116	4,127	4,188	4,148	4,208	49,570
10696 - Interest Exp	3,249	3,240	2,918	3,221	3,108	3,202	3,090	3,184	3,174	3,083	3,156	3,045	37,690
10696 - Principal	2,501	2,510	2,831	2,529	2,642	2,547	2,660	2,566	2,575	2,686	2,594	2,705	31,346
Loan payments													0
Payments on past due obligations													0
<b>DISBURSEMENTS for Capital Expenses</b>													0
<b>TOTAL DISBURSEMENTS</b>	<b>20,342</b>	<b>16,849</b>	<b>35,260</b>	<b>16,040</b>	<b>18,971</b>	<b>27,020</b>	<b>20,970</b>	<b>17,455</b>	<b>28,096</b>	<b>16,596</b>	<b>17,897</b>	<b>19,497</b>	<b>254,993</b>
<b>NET CASH FOR THE PERIOD</b>	<b>40,219</b>	<b>(5,599)</b>	<b>(24,010)</b>	<b>(4,790)</b>	<b>(7,721)</b>	<b>30,230</b>	<b>(9,720)</b>	<b>13,295</b>	<b>(16,846)</b>	<b>(5,346)</b>	<b>(6,647)</b>	<b>(7,647)</b>	<b>(4,582)</b>
<b>ENDING CASH</b>	<b>44,837</b>	<b>39,238</b>	<b>15,228</b>	<b>10,438</b>	<b>2,717</b>	<b>32,947</b>	<b>23,227</b>	<b>36,522</b>	<b>19,676</b>	<b>14,330</b>	<b>7,683</b>	<b>36</b>	<b>36</b>

Wise Owl  
2018 Draft Budget

	Wise Owl 2018 Budget	10688 Property	10696 Property	Wise Owl 2017 Proj Actual	Change \$\$	Change %	NOTES
<b>Revenue</b>							
Rental Income	135,000.00	135,000.00		135,810.25	(810.25)	-1%	
<b>Total Program Revenues</b>	<b>135,000.00</b>	<b>135,000.00</b>	<b>-</b>	<b>135,810.25</b>	<b>(810.25)</b>	<b>-1%</b>	
<b>Operating Expenses</b>							
Salaries	7,156.91	7,156.91		6,938.96	217.95	3%	
Employee Benefits	735.77	735.77		595.14	140.63	24%	2018 - Anticipated premium increase
Payroll Taxes	602.34	602.34		402.87	199.47	50%	
PEO Fees	300.00	300.00		275.51	24.49	9%	
Building Maintenance	35,000.00	21,018.00	13,982.00	55,525.41	(20,525.41)	-37%	2017 - Included several building improvements
Utilities & Security	40,000.00	25,956.00	14,044.00	34,353.27	5,646.73	16%	
Telephone & Internet	1,000.00	1,000.00		977.06	22.94	2%	
Printing & Supplies	200.00	200.00		-	200.00	#DIV/0!	
Postage & Shipping	50.00	50.00		6.94	43.06	620%	
Audit Fees	500.00	500.00		500.00	0.00	0%	
Interest Expense	53,652.00	17,347.64	36,304.36	56,499.20	(2,847.20)	-5%	
Property & Liability	18,392.97	11,650.68	6,742.29	15,993.89	2,399.08	15%	
Taxes & Licenses	1,500.00	945.12	554.88	1,436.25	63.75	4%	
<b>Total Operating Expenses</b>	<b>159,089.99</b>	<b>87,462.46</b>	<b>71,627.53</b>	<b>173,504.50</b>	<b>(14,414.51)</b>	<b>-8%</b>	
<b>Net Operating Margin</b>	<b>(24,089.99)</b>	<b>47,537.54</b>	<b>(71,627.53)</b>	<b>(37,694.25)</b>	<b>13,604.26</b>		
<b>Plus: Transfer In</b>	<b>91,000.00</b>		<b>91,000.00</b>	<b>110,500.00</b>	<b>(19,500.00)</b>		2017 - Transfer in for building improvements
<b>Net Margin</b>	<b>66,910.01</b>	<b>47,537.54</b>	<b>19,372.47</b>	<b>72,805.75</b>	<b>(5,895.74)</b>		
<b>Less: Depreciation &amp; Amortization</b>	<b>(65,240.00)</b>	<b>(36,517.76)</b>	<b>(28,722.24)</b>	<b>(64,565.52)</b>	<b>(674.48)</b>		2018 - New HVAC unit purchase
<b>Total Net Margin</b>	<b>1,670.01</b>	<b>11,019.78</b>	<b>(9,349.77)</b>	<b>8,240.23</b>	<b>(5,221.26)</b>	<b>-80%</b>	

2018 budget is subject to change. Currently in the process of assessing life span of HVAC units







## EXCLUSIVE RIGHT TO LEASE LISTING AGREEMENT

**THIS EXCLUSIVE RIGHT TO LEASE LISTING AGREEMENT ("Agreement")** is entered into on            **day**, September, 2017 ("**Effective Date**"), by and between Colliers International Northeast Florida ("**Colliers**" or "**Agent**") and Wise Owl Properties, Inc. as owner ("**Owner**").located at 10688 Old St. Augustine Rd, Jacksonville, Fl. 32257

1. Owner hereby engages Agent, its successors and assigns, as Owner's exclusive agent and grants to Agent the sole and exclusive right to negotiate a lease (or leases) of the Property described as:10696 Old St Augustine Rd., Jacksonville, Fl. 32257
2. Said Property shall be offered at a rental rate of \$16.50 per sq. ft, modified gross, plus Tenant pays electric and janitorial, for a term acceptable to Owner. Expenses on the Property shall be paid as follows: :Common Area Maintenance ('CAM') and Insurance included in modified gross rent.. Owner agrees to cooperate with Agent in bringing about a lease(s) of the Property and to immediately refer to Agent all inquiries of anyone interested in the Property. All negotiations are to be through Agent. Agent is authorized to accept a deposit from any prospective lessee.
3. In consideration of this exclusive listing, Agent agrees to: market the Property as Agent deems advisable; place a sign(s) on Property if, in Agent's opinion, such would facilitate the leasing of the Property; assist cooperating brokers in closing a transaction on said Property; promptly pay any cooperating broker who represents a party leasing at the property; keep Owner informed as to the progress being made toward consummation of a transaction(s); and make all commercially reasonable efforts to find a lessee(s) for said Property. Notwithstanding the foregoing, Agent shall not be responsible for maintenance of the Property or for damages of any kind to the Property or its contents, including, but not limited to, vandalism and theft, unless Agent caused such damage by its gross negligence. Owner hereby releases and waives all rights, claims and causes of action against Agent, except claims based on its gross negligence, for damages to the Property or its contents.
4. Owner agrees to pay Agent a lease commission in accordance with EXHIBIT A, the Schedule of Sales & Lease Commissions, a copy of which is attached hereto, and made a part hereof, plus any applicable Florida state sales tax as may be mandated by the Florida Legislature. Agent's commission shall be earned and paid for services rendered if, during the Term: (a) A lessee is procured (by Agent, Owner, or anyone else) who is ready, willing, and able to lease the Property on the terms above stated, or on any other terms agreeable to Owner; (b) Any contract for the lease of all or any portion of the Property is executed by Owner; (c) Owner removes the Property from the market, makes the property unmarketable, fails to cooperate with Agent in accordance with the terms and conditions of this Agreement or otherwise prevents Agent from leasing the Property; (d) Owner contributes or conveys the Property, or any interest therein, to a partnership, joint venture, or other business entity; or (e) Owner receives notice that an entity having the power of condemnation has condemned or intends to condemn all or a substantial portion of the Property; provided, all or a substantial portion of the Property is thereafter conveyed to or condemned by such entity either during or after the Term.
5. This Agreement shall commence on the date of execution of the Agreement and shall terminate, one hundred and twenty (120) days from the date of full execution. If Owner and a tenant are involved in lease negotiations upon the termination date, this Agreement shall be automatically extended until those negotiations end without the tenant's execution of a lease or until the tenant occupies leased premises under a lease with Owner. Owner further agrees that Owner shall pay Agent the aforementioned commission if, within 180 days after the expiration of the term, any of the following occurs: (a) the Property or any portion thereof is leased to any person or entity with whom Agent or Owner has negotiated (either directly or indirectly through another broker or agent) or to whom the Property has been submitted prior to the expiration of the term in an effort to effect a lease of the Property (hereinafter referred to as Prospect); (b) Owner enters into a contract to lease the Property with a Prospect; (c) Owner commences, resumes, or continues negotiations with a Prospect, which thereafter lead to a lease of the Property to a Prospect; or (d) Owner contributes or conveys the Property, or an interest therein, to a partnership, joint venture, or other business entity in which a Prospect is a partner, joint venturer, or participant. Agent agrees to submit a list of Prospects to Owner no later than 15 days following the expiration of the term.

6. Owner further agrees that in the event the Property is sold to a buyer procured by Agent, Owner, or anyone else during the term of this Agreement or is sold as a result of any option to purchase contained in a lease, Owner shall pay Agent a sales commission, under separate Commission Agreement, The commission shall be due and payable at the closing on the purchase transaction

7. Owner further acknowledges that, pursuant to §475.2755, Fla. Stat., Owner and buyer may request that Agent designate sales associates of Agent to act as single agents for Owner and any prospective buyer in the applicable transaction. In the event that circumstances warrant that the applicable transaction involve Designated Sales Associate(s), Agent will timely notify Owner of same and Agent will be required to obtain Owner's consent to the transition by Owner signing the **Consent to Designated Sales Associate** form attached hereto as **Exhibit "B."**

8. If Owner knows of any facts that materially affect the value of the Property, whether such facts are readily observable or not readily observable, Owner shall either disclose all such facts to Agent or notify Agent in writing that Owner elects not to disclose such facts to Agent. Owner shall indemnify and hold harmless Agent from any and all damages, claims, causes of action, attorney's fees, costs, or other expenses made against Agent or incurred by Agent as the result of Owner's failure to disclose such facts to Agent or as a result of Owner's inaccurate or incomplete disclosure of such facts.

9. Unless expressly agreed otherwise in writing, Colliers is authorized to publish this listing with the online listing sites such as CoStar, MLS, etc., "O.L.S" and otherwise advertise the Property and prepare and/or secure plans of the Property, subject to Owner's approval and at Owner's expense.

10. The Florida Commercial Real Estate Leasing Commission Lien Act provides that when a broker has earned a commission by performing licensed services under a brokerage agreement with you, the broker may claim a lien against your interest in the property for the broker's commission. The broker's lien rights under the act cannot be waived before a commission is earned. (Chapter 475.803(6), F.S.)

11. Owner shall defend, indemnify and hold harmless Agent, its parent, subsidiaries, affiliates, shareholders, officers, managers, directors, employees and agents, from and against any and all claims, lawsuits, harm, costs, demands, settlements, judgments, losses, liabilities, damages and expenses, including, but not limited to, attorneys' fees, costs and related expenses, through the appellate and bankruptcy levels (collectively, "Liabilities"), relating to, arising out of or in connection with (i) any lease or sale of the Property pursuant to this Agreement, (ii) the use of, or access to, the Property by any person pursuant to this Agreement, (iii) Agent's performance of its obligations under this Agreement, or (iv) any breach of, or failure to perform, any provision of this Agreement by Owner. Owner shall not be responsible for indemnification for Liabilities to the extent caused by Agent's gross negligence or willful misconduct in performing its obligations under this Agreement. Neither party shall be liable to the other for, and each party hereby waives any and all rights to claim against the other, any special, indirect, incidental, consequential, punitive or exemplary damages in connection with this Agreement, including, but not limited to, lost profits, even if the party has knowledge of the possibility of such damages; and in no event shall Colliers' liability to Owner for any claim or action related to this Agreement exceed the fees paid to Colliers in connection with the Transaction.

12. This Agreement is entered into and shall be governed and construed in accordance with the laws of the state of Florida. Each party hereby consents and irrevocably submits to the exclusive personal jurisdiction of the state of Florida, and waives any objection to the convenience of each such venue. The Parties waive any right to trial by jury in any action at law or in equity in any other proceeding based upon this Agreement. In the event of dispute between the parties to enforce a right or rights provided by or arising out of this Agreement, the non-prevailing party shall pay to the prevailing party reasonable attorneys' fees and other costs and expenses of enforcement proceedings through the appellate and bankruptcy levels. The "prevailing party" shall be the party receiving a net affirmative award or judgment. This Agreement shall be binding on the heirs, successors, and assignees of the parties.

The undersigned hereby acknowledge receipt of a copy of this Agreement and agree to its terms and conditions.

Colliers International \_\_\_\_\_

OWNER :Wise Owl Properties Inc.

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

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

**EXHIBIT A**

**EXHIBIT A  
Schedule of Lease Commissions**

Schedule of payments for lease transaction:

- a. Colliers International shall receive from Client a leasing commission as follows:
  1. **Five (5%)** percent of the gross projected rent collections for the initial base term. (standard commission 6% discounted)
  2. **Three (3%)** percent of all lease renewals and option years
  3. **If there are two or more Brokers** involved, then a total of six **(5%)** percent commission is paid. (standard commission 7% discounted)
- b. Commissions on leases, renewals or options to expand shall be paid as follows:
  - Fifty (50) percent upon execution of lease agreement
  - Balance in full upon the commencement of rent payments

**EXHIBIT B**

**CONSENT TO DESIGNATED SALES ASSOCIATE**

**FLORIDA LAW PROHIBITS A DESIGNATED SALES ASSOCIATE FROM DISCLOSING, EXCEPT TO THE BROKER OR PERSONS SPECIFIED BY THE BROKER, INFORMATION MADE CONFIDENTIAL BY REQUEST OR AT THE INSTRUCTION OF THE CUSTOMER THE DESIGNATED SALES ASSOCIATE IS REPRESENTING. HOWEVER, FLORIDA LAW ALLOWS A DESIGNATED SALES ASSOCIATE TO DISCLOSE INFORMATION ALLOWED TO BE DISCLOSED OR REQUIRED TO BE DISCLOSED BY LAW AND ALSO ALLOWS A DESIGNATED SALES ASSOCIATE TO DISCLOSE TO HIS OR HER BROKER, OR PERSONS SPECIFIED BY THE BROKER, CONFIDENTIAL INFORMATION OF A CUSTOMER FOR THE PURPOSE OF SEEKING ADVICE OR ASSISTANCE FOR THE BENEFIT OF THE CUSTOMER IN REGARD TO A TRANSACTION. FLORIDA LAW REQUIRES THAT THE BROKER MUST HOLD THIS INFORMATION CONFIDENTIAL AND MAY NOT USE SUCH INFORMATION TO THE DETRIMENT OF THE OTHER PARTY.**

Owner acknowledges and agrees that Agent represents Owner under this Agreement as a **Single Agent**. **FLORIDA LAW REQUIRES THAT REAL ESTATE LICENSEES OPERATING AS SINGLE AGENTS DISCLOSE TO BUYERS AND SELLERS THEIR DUTIES.** Owner acknowledges that as long as Agent is operating as a Single Agent, Agent owes to Owner the following duties:

- (1) Dealing honestly and fairly;
- (2) Loyalty;
- (3) Confidentiality;
- (4) Obedience;
- (5) Full disclosure;
- (6) Accounting for all funds;
- (7) Skill, care and diligence in the transaction;
- (8) Presenting all offers and counteroffers in a timely manner, unless a party has previously directed the licensee otherwise in writing; and
- (9) Disclosing all known facts that materially affect the value of real property and are not readily observable.

Owner hereby acknowledges and agrees that all of the above conditions are satisfied with respect to Owner, and hereby agrees that Agent shall be authorized and directed to designate one or more Designated Sales Associates for the purposes of this Agreement, and the Transaction.

OWNER: Wise Owl Properties Inc.

\_\_\_\_\_  
Name:

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