



UNIVERSITY OF CENTRAL FLORIDA

**Board of Trustees
Finance and Facilities Committee Meeting
August 15, 2018
8:30 a.m.
President's Boardroom, Millican Hall, 3rd floor
Conference call in phone number 800-442-5794, passcode 463796**

REVISED AGENDA

- | | |
|--|---|
| I. CALL TO ORDER | David Walsh <i>Trustee, Finance and Facilities Committee</i> |
| II. ROLL CALL | Tracy D. Slavik <i>Coordinator for Administration Services for Administration and Finance Division</i> |
| III. MEETING MINUTES | |
| <ul style="list-style-type: none">• Approval of the June 20, 2018 Finance and Facilities Committee meeting minutes | Trustee Walsh |
| IV. NEW BUSINESS | Trustee Walsh |
| <ul style="list-style-type: none">• Campus Master Plan Updates (FFC-1) | William F. Merck II <i>Vice President for Administration and Finance and Chief Financial Officer</i> Lee Kernek <i>Associate Vice President for Administration and Finance</i> |
| <ul style="list-style-type: none">• UCF Downtown Campus Housing Management Agreement (FFC-2) | William F. Merck II Jennifer Cerasa <i>Associate General Counsel</i> |

- Purchase of L3 Building ([FFC-3](#))

William F. Merck II
Jennifer Cerasa

- Status of UCF Projects ([INFO-1](#))

Lee Kernek

V. OTHER BUSINESS

Trustee Walsh

VI. CLOSING COMMENTS

Trustee Walsh



UNIVERSITY OF CENTRAL FLORIDA

Board of Trustees
Finance and Facilities Committee Meeting
Provost's Conference Room, Millican Hall, 3rd floor
June 20, 2018

MINUTES

CALL TO ORDER

Trustee Alex Martins, chair of the Finance and Facilities Committee, called the meeting to order at 8:30 a.m. Committee members Joshua Bolona and David Walsh were present. Committee members Robert Garvy, John Lord, and John Sprouls attended by teleconference call. Chairman Marcos Marchena was present.

MINUTES APPROVAL

The minutes of the April 18, 2018, and May 24, 2018, Finance and Facilities Committee meetings were approved as submitted.

NEW BUSINESS

Direct Support Organizations' 2017-18 Third-Quarter Financial Reports (INFO-1)

William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer, and John C. Pittman, Associate Vice President for Administration and Finance, Debt Management, reported that the 2017-18 third-quarter financial reports for the period that ended March 31, 2018, for the UCF DSOs were provided as information items.

Release of Unrestricted UCF Stadium Corporation Revenues (FFC-1)

Merck and Brad Stricklin, Senior Associate Athletics Director and Chief Financial Officer, requested the release of unrestricted UCF Stadium Corporation revenues. The 2018-19 budget, which was approved by the UCF Stadium Corporation's board, reflects projected unrestricted excess revenues of \$4,899,340 to be available for transfer to the UCFAA. The committee unanimously approved the release of unrestricted UCF Stadium Corporation revenues as presented.

2018-19 Direct Support Organizations' Budgets (FFC-2)

Merck presented for approval the 2018-19 operating budgets for the following DSOs: UCF Athletics Association, UCF Convocation Corporation, UCF Finance Corporation, UCF Foundation, UCF Limitless Solutions, UCF Research Foundation, and the UCF Stadium Corporation. The committee unanimously approved the budgets as presented, but the UCF Athletics Association budget was approved contingent upon its approval by the UCFAA board at

their meeting on June 20. It also was requested the UCF Athletics Association come back before the committee at the October committee meeting to present an update and review of the budget.

Five-year Capital Improvement Plan (FFC-3)

Merck and Lee Kernek, Associate Vice President for Administration and Finance, requested approval of the capital improvement plan options for 2019-20 through 2023-24. Each year, the university must submit an updated capital improvement plan to the Board of Governors. This plan identifies projects that will be included in the three-year Public Education Capital Outlay list and provides information to the State Board of Education for its request for capital project funding for 2019-20. The capital improvement plan must be submitted to the Board of Governors' staff by August 1, 2018.

Kernek requested that the Academic Health Sciences Center Parking Garage (FFC-7 on the agenda) be added to Attachment B "2019-20 Fixed Capital Outlay Projects Requiring Board of Governors Approval to be Constructed, Acquired, and Financed by a University or a University Direct Support Organization with Approved Debt" if the Academic Health Sciences Center Parking Garage is approved.

Trustee Garvy requested that after the election primaries in August, the committee discuss how to voice concerns to the state legislature over lack of plant operations and maintenance funds.

The committee unanimously approved the 2019-20 Capital Improvement Plan with the addition of the Academic Health Sciences Center Parking Garage to Attachment B, contingent upon the garage's approval by the committee.

Razing of Building 38 (FFC-4)

Kernek requested approval for the demolition of Building 38. The estimated cost to correct the problems within the building is \$3,000,000, which is greater than 187 percent of the building cost. Building 39 already received survey recommendation from the Board of Governors in 2015 for demolition, and a supplemental survey recommendation has been received to demolish Building 38, as well.

According to Florida Board of Governors' Regulation 9.004 Razing of Buildings, each university's Board of Trustees shall have the authority to raze buildings. Prior to demolition of any educational support facility with a replacement cost exceeding \$1,000,000, the university shall obtain an Educational Plant Survey recommendation for demolition. The university Board of Trustees shall review and approve the Educational Plant Survey recommendation and transmit to the Board of Governors for validation.

The cost to demolish Buildings 38 and 39 is estimated to be approximately \$300,000.

Trustee Garvy requested that the pictures of Building 38 in its debilitated condition be presented to the state legislature when discussing the lack of plant operations and maintenance funds. The committee unanimously approved the demolition of Building 38.

2018-19 College of Medicine Faculty Practice Plan Budget (FFC-5)

Deborah German, Vice President for Medical Affairs and Dean of the College of Medicine, and Steve Omli, Assistant Dean of Medical School Finances, presented the 2018-19 College of

Medicine Faculty Practice Plan budget. The College of Medicine's Faculty Practice Plan, UCF-Health, operates a clinic on University Boulevard that provides multi-specialty care to the community, as well as a second location in the Gateway building at the Lake Nona Health Sciences Campus.

The committee unanimously approved the 2018-19 Faculty Practice Plan budget as presented. It was requested the College of Medicine budgeting process be added to the UCF Athletics Association budget update in October, and Chairman Marchena suggested instead a general budgeting workshop for the trustees.

2018-19 College of Medicine Self-insurance Program Budget (FFC-6)

German and Omli discussed the 2018-19 College of Medicine Self-insurance Program budget. The Self-insurance Program provides comprehensive professional and general liability protection in connection with the delivery of health care services in the College of Medicine, College of Nursing, College of Health and Public Affairs, UCF Health Services, and Counseling and Psychological Services. The committee unanimously approved the 2018-19 Self-insurance Program budget as presented.

Academic Health Sciences Center Parking Garage (FFC-7)

Kernek requested approval of the Health Sciences Campus Parking Garage I and to move forward with the advertisement and solicitation of an architect and engineer for the design of this project. The Academic Health Sciences Center, which comprises the College of Medicine, Burnett School of Biomedical Sciences, and the future Health Sciences and College of Nursing building, is in need of a parking garage. Preliminary studies have begun on temporary parking solutions, along with the location and size of future buildings.

The estimated total project cost of the parking garage is \$20,000,000, which is based on a 1,000-car parking garage at \$20,000 per parking space. This value is a total project cost and includes design fees, permitting, site development, and the parking garage. An additional \$500,000 will be reserved for a temporary parking solution. The garage will be 100 percent financed, with \$1 million set aside for design and permitting (which will be reimbursed via bond proceeds). This arrangement is typically a 25-year amortization, paid for by parking revenues.

The committee unanimously approved the Health Sciences Campus Parking Garage I and the advertisement and solicitation of an architect and engineer for the design. Chairman Marchena said he supports the parking garage as long as fee increases are not needed to pay for it.

Use of Spectrum Stadium for Professional Football Games (FFC-8)

Merck and David Hansen, Chief Operating Officer for the UCF Athletics Association, requested approval to rent Spectrum Stadium to Legendary Field Exhibitions (LFE) to conduct professional football games beginning in February 2019.

The use agreement consists of an initial three-year term beginning with the 2019 season and an option to extend the term for an additional three years. LFE will hold a minimum of five and maximum of seven games plus playoff games at Spectrum Stadium between January 15 and May 15 of each year. Games are scheduled to be played on Fridays, Saturdays, or Sundays, with most being played on Sundays. Attendance is projected to average 17,500 spectators per game.

Previous questions and concerns brought up at the May 24 Finance and Facilities Committee meeting regarding this item were answered by Athletics staff in conversation with the trustees following that meeting.

The committee unanimously approved the use of Spectrum Stadium for the professional football games.

Amendment to Sublease Agreement between UCF and Pegasus Hotel (FFC-9)

Scott Cole, Vice President and General Counsel, requested approval of an amendment to the sublease with Pegasus Hotel for the on-campus hotel and conference center. Modifications have been made to the original sublease since its approval by the Board of Trustees at the November 29, 2015 meeting. The number of room keys has increased from 135 to 179. Because of this increase, the base rent and variable rent have been increased proportionally to the new number of rooms. Also, the construction start date is now no later than September 1, 2018.

The committee unanimously approved the amendment.

Assignment of Option to Purchase 11.4 Acres at Lake Nona (FFC-10)

German, Cole, and Jeanette Schreiber, Associate Vice President for Medical Affairs and Chief Legal Officer for the UCF College of Medicine, requested approval for the assignment to Central Florida Health Services the option to purchase 11.4 acres of land adjacent to the site for the UCF Lake Nona Medical Center.

This land is adjacent to the 25-acre parcel owned by UCF and leased to the UCF-HCA joint venture, Central Florida Health Services, for use as the hospital campus of UCF Lake Nona Medical Center. The additional 11.4 acres is needed to complete the hospital campus and for future growth. UCF owns the option, which expires on June 25, 2018.

It was proposed that UCF assign the option to Central Florida Health Services, which will purchase the 11.4 acres from Lake Nona, subject to the same conditions of use imposed for the 25 acres. The value of the option will be credited to the UCF Academic Health direct support organization as part of its equity in the hospital joint venture. In 25 years, ownership of the 11.4 acres will revert to UCF Academic Health and UCF to be joined with the 25 acres and subleased by UCF Academic Health to Central Florida Health Services as a single 36-acre hospital campus.

The committee unanimously approved the assignment of the option to purchase the 11.4 acres of land to Central Florida Health Services.

UCF Investments Quarterly Report Ended March 31, 2018, Including Annual Review (INFO-2)

Merck and Tracy Clark, Associate Provost for Budget, Planning, and Administration and Associate Vice President for Finance, presented the UCF Investments Quarterly Report for the quarter that ended March 31, 2018. The report also included annual review information

Campus Master Plan Public Comment Meeting Minutes (INFO-3)

Because of the committee's request at the May 24, 2018 FFC meeting, the minutes of the May 22, 2018 campus master plan public meeting were provided by Kernek as an information item.

Student Transportation Rebid Discussion

Merck and Kris Singh, Director of Parking of Transportation Services, informed the committee the current contract for the campus student shuttle service expires in June 2020, so it is time to take the contract to bid. The university will be seeking a 10-year agreement that includes the use of 12-year busses, which are heavy-duty and longer lasting than the current shuttle fleet. The university also is exploring the use of propane, compressed natural gas, diesel, and electric fuel options. The final agreement will come before the committee for approval.

Arecibo Observatory Update Discussion

Elizabeth Klonoff, Vice President for Research and Dean of the College of Graduate Studies, provided an update on UCF's acquisition of the Arecibo Observatory in Puerto Rico. They moved at the end of May from the transition grant to the real grant and have written additional grant proposals to assist with the management and running of the facility. They also are in the process of replacing scientists who left following the transition.

Chair Martins adjourned the Finance and Facilities Committee meeting at 9:50 a.m.

Respectfully submitted: William F. Merck II
William F. Merck II
Vice President for Administration and Finance
and Chief Financial Officer

7-27-18
Date

ITEM: FEC-1

**University of Central Florida
Board of Trustees
Finance and Facilities Committee**

SUBJECT: Campus Master Plan Updates

DATE: August 15, 2018

PROPOSED COMMITTEE ACTION

Approve a minor amendment to the University of Central Florida 2015-25 Campus Master Plan Update to modify the Capital Improvements List (Attachment D), Urban Design and Capital Improvements map (Attachment D), Future Land Use map (Attachment E), and Recreation and Open Space map (Attachment F).

BACKGROUND INFORMATION

The purpose of the proposed amendment is to amend the Capital Improvements, Urban Design, Future Land Use, and Recreation and Open Space elements. Three new projects will be added to the main campus:

1. Learning Laboratory - Active Learning, Teaching Lab, and Maker Space Facility to be located within the Academic Core.
2. Ara District Energy Plant to be located in the Ara Drive research area.
3. Dining, Housing, and Residence Life, and Creative School for Children Partnership Building to be located on one of two proposed main campus sites.

One project will be added to the Rosen Campus, the Rosen Garage parking facility.

On the main campus, Research II will be relocated from the Partnership Campus to one of two optional sites. Also, the name of Research II will be changed to Research II - Science, Engineering, and Commercialization Facility.

As detailed in the attached memorandum, this amendment would constitute a minor amendment that needs only Board of Trustees approval for adoption.

Supporting documentation: Attachment A: Memorandum
Attachment B: Project Locations
Attachment C: Urban Design and Capital Improvements
Map
Attachment D: Capital Improvements List
Attachment E: Future Land Use Map
Attachment F: Recreation and Open Space Map

Prepared by: Lee Kernek, Associate Vice President for Administration and Finance

Submitted by: William F. Merck II, Vice President for Administration and Finance and
Chief Financial Officer

Attachment A

MEMORANDUM

TO: Scott Cole, Vice President and General Counsel

FROM: Susan B. Hutson, Assistant Director of Planning, Facilities Planning & Construction

SUBJECT: Minor Amendment to the University of Central Florida 2015-25 Campus Master Plan Update

DATE: August 15, 2018

The University of Central Florida proposes a minor amendment to the University of Central Florida 2015-2025 Campus Master Plan Update (CMP) in order to add three (3) new projects on the Main Campus by modifying the Capital Improvements List (2.14 Capital Improvements Element), the Urban Design and Capital Improvements map (Figure 3-1), the Future Land Use Map (Figure 4-1), and the Recreation and Open Space Map (Figure 8-1).

Further, UCF proposes to add one project on the Rosen Campus, change the site for Research II, and change the name of Research II.

Main Campus buildings to be added include:

1. *Learning Laboratory - Active Learning, Teaching Lab, and Maker Space Facility*
2. *Ara District Energy Plant*
3. *Dining, Housing, Residence Life, and Creative School for Children Partnership Building*

On the Rosen Campus, there will be a new *Parking Garage*. As this project is not located on the UCF Main Campus, it is included in the UCF Campus Master Plan for information purposes only, and is not subject to F.S. 1013.30.

Other changes:

The proposed site will be changed for *Research II*, a project that was added to the Campus Master Plan in 2016.

The name of *Research II* will be changed to *Research II - Science, Engineering, and Commercialization Facility*.

Modifications for the addition of three new projects on the Main Campus:

1. *Learning Laboratory - Active Learning, Teaching Lab, and Maker Space Facility* (Attachment D Capital Improvements List, line 112)

Description: A new interdisciplinary learning facility that will include teaching labs for four UCF colleges; nine general purpose classrooms to support active learning; maker space; and supporting study and office space.

Site: Within the Academic Core, south of UCF Global.

Land Use need not be modified from Academic Land Use.

This new project requires modification of the

- *Capital Improvements List*
- *Urban Design and Capital Improvements map*

2. *Ara District Energy Plant* (Attachment D Capital Improvements List, line 113)

Description: A new district energy plant to serve the Ara Drive research area with chilled water. Contingent upon time of construction, and the cost to purchase electricity at that time, UCF will need to evaluate the economics of coupling electrical generation and storage with this plant.

Site: Ara Drive, just north of Robinson Observatory.

Land Use need not be modified from Utility Land Use.

This new project requires modification of the

- *Capital Improvements List*
- *Urban Design and Capital Improvements map*

3. *Dining, Housing, and Residence Life, and Creative School for Children Partnership Building* (Attachment D the Capital Improvements List, line 115)

Description: A new auxiliary building complex that will include graduate and non-traditional student housing, a campus meal-plan dining hall, the Creative School for Children, and supporting office space.

Site Option 1: At the current site of Wayne Densch Buildings 38 and 39, and part of Parking Lot B7.

Land use will be modified from Recreation/Open Space and Parking to Mixed Use Land Use.

This site requires modification of the

- *Capital Improvements List*
- *Urban Design and Capital Improvements map*
- *Future Land Use map*
- *Recreation/Open Space map*

Site Option 2: At the current site of Ferrell Commons buildings 7A–7H.

Land use will be modified from Support to Mixed Land Use.

This site requires modification of the

- *Capital Improvements List*
- *Urban Design and Capital Improvements map*
- *Future Land Use map*

Modifications for changes to projects already included in the CMP

This amendment proposes that:

1. The name of *Research II* will be changed to *Research II – Science, Engineering, and Commercialization Facility*.
2. The site for *Research II* will be relocated from the Partnership Campus to:

Research II Site Option 1: Within the Academic Core, north of Research I.

Land Use needs no modification.

This site requires modification of the:

- *Capital Improvements List*
- *Urban Design and Capital Improvements map*

Research II Site Option 2: Corner of Ara Drive and Libra Drive.
Land use will be modified from Academic and Utility to all Academic

This site requires modification of the:

- *Capital Improvements List*
- *Urban Design and Capital Improvements map*
- *Future Land Use map*

COMPLIANCE WITH FLORIDA STATUTE 1013.30:

F.S. 1013.30 An amendment to a campus master plan must be reviewed and adopted under subsections (6) - (8) of F.S. 1013.30 if such amendment, alone or in conjunction with other amendments, would:

- (a) Increase density or intensity of use of land on the campus by more than 10 percent;
- (b) Decrease the amount of natural areas, open space, or buffers on the campus by more than 10 percent; or
- (c) Rearrange land uses in a manner that will increase the impact of any proposed campus development by more than 10 percent on a road or on another public facility or service provided or maintained by the state, the county, the host local government, or any affected local government.

University Response to F.S. 1013.30 for the 3 new projects on the Main Campus

Response to F.S. 1013.30 (a) ... effect on density or intensity of use of land...

UCF proposes the addition of three new facilities totaling 420,000 gross square feet (gsf):

- 1) Learning Laboratory - Active Learning, Teaching Lab, and Maker Space Facility - 150,000 gsf*
- 2) Ara Drive District Energy Plant - 10,000 gsf*
- 3) Dining, Housing, and Residence Life, and Creative School for Children Partnership Building - 260,000 gsf*

UCF has just over 9,100,000 gsf of buildings on the Main Campus. The addition of 420,000 gsf constitutes a 4.62% increase in overall campus square footage. This change does not trip the 10 percent threshold for density or intensity of use of land on campus.

Response to F.S. 1013.30 (b) ... effect on natural areas, open space, or buffers...

Of the proposed new facilities, only the Dining, Housing, and Residence Life, and Creative School for Children Partnership Building would affect Recreation and Open Space if located on Site Option 1 (current site of Wayne Densch Buildings 38 and 39).

UCF has 298 acres of Recreation and Open Space Land Use. Site Option 1 will reduce Recreation and Open Space by about 4 acres that will be reclassified for Mixed Use. This represents a reduction of 1.34%, and does not trip the 10% threshold for effect on natural areas, open space, or buffers

Response to F.S. 1013.30 (c) ... effect on roads or on another public facility or service...

No additional parking is planned for any of the three new projects, therefore traffic would not be affected. Nor will the projects affect any other public facility or service.

University Response to F.S. 1013.30 for Research II and Research III site changes

Response to F.S. 1013.30 (a) ... effect on density or intensity of use of land...

The change of building site for Research II will not change density or intensity, as the project was already included on the CMP in December 2016.

Response to F.S. 1013.30 (b) ... effect on natural areas, open space, or buffers...

Neither of the proposed sites for Research II will change natural areas, open space, or buffers.

Response to F.S. 1013.30 (c) ... effect on roads or on another public facility or service...

Research II Site Option 1

Site option 1, within the Academic Core will not affect roads or another public facility or service.

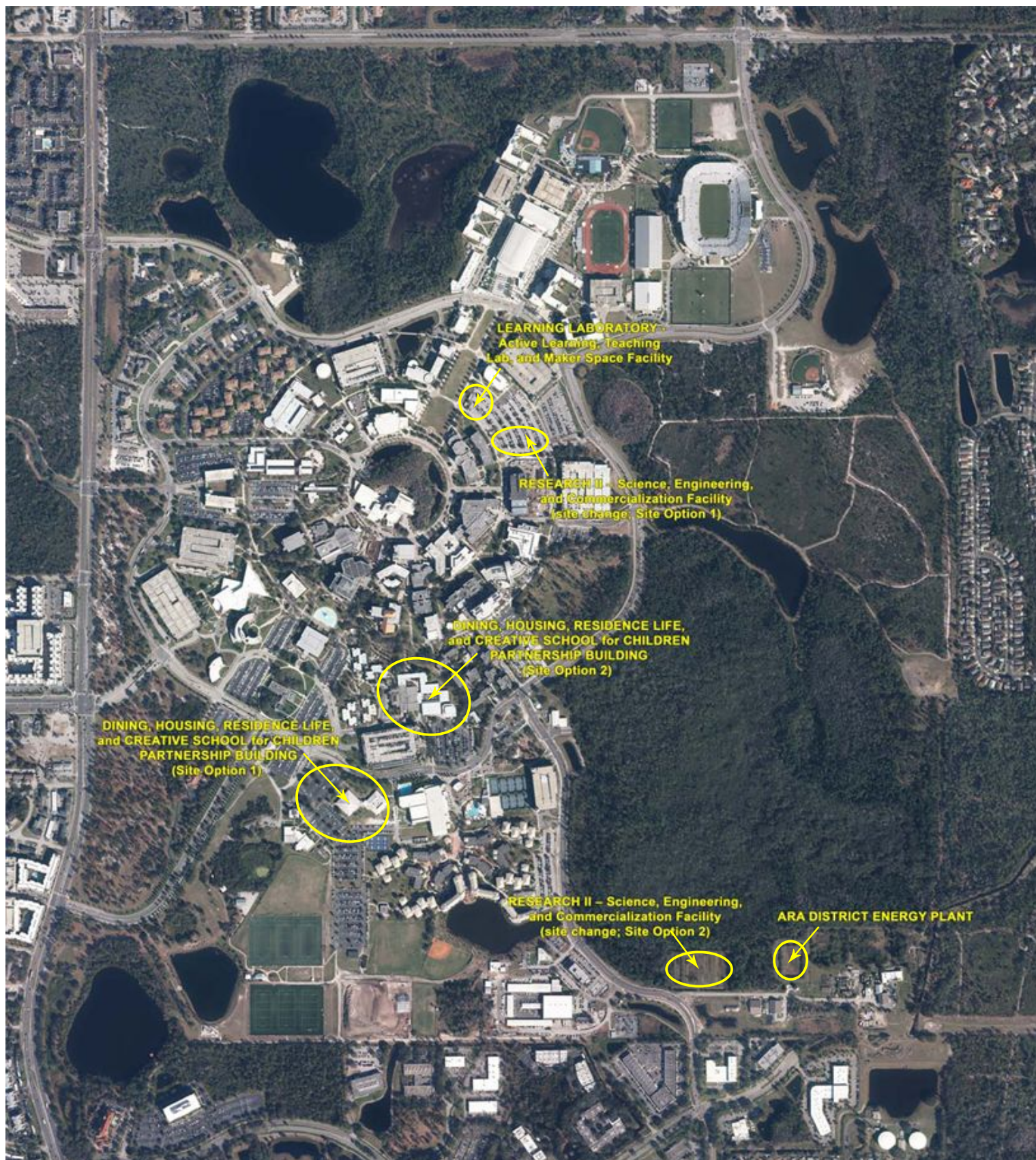
Research II Site Option 2

If Research II is located on Site Option 2, it will add about 207 cars feeding into Libra Drive from Ara Drive. When the CMP 2015-2025 was published, the traffic count on Libra Drive was 14,051 cars per day. Libra Drive has since been improved from a 2-lane to a 4-lane road. The increase to 14,258 cars represents a 1.47% increase, and does not trip the 10 percent threshold for impact on a road.

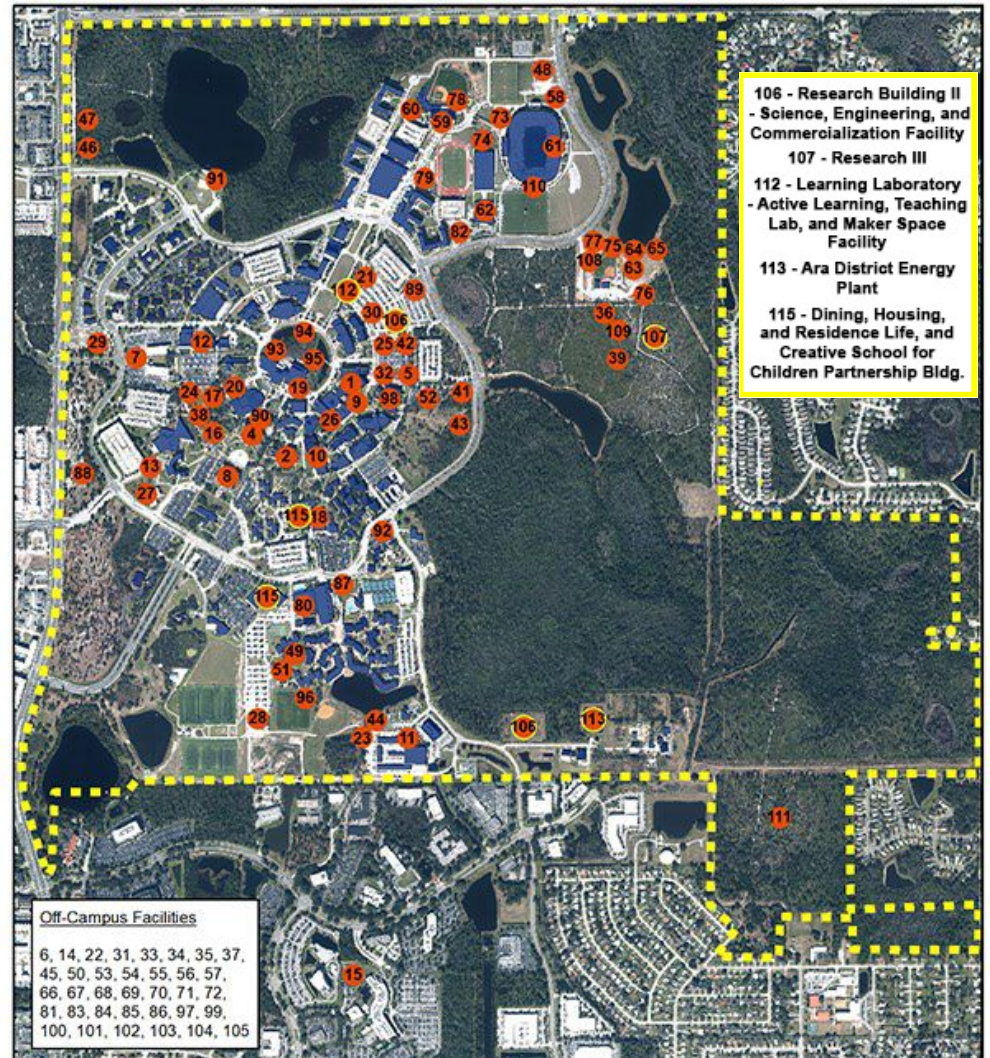
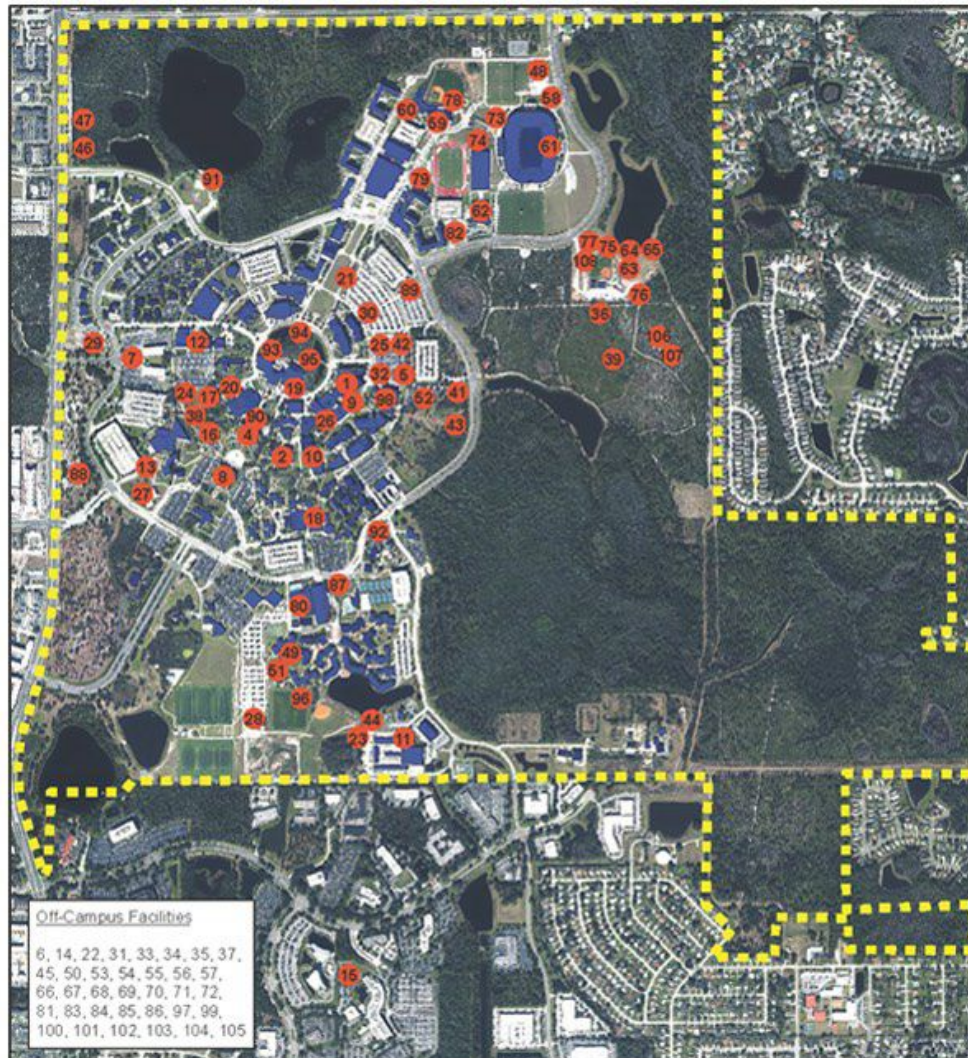
Other forward-thinking strategies will further reduce impact on roads and facilitate UCF's commitment to reducing our carbon footprint:

- *Increasing public transit use by adding a shuttle loop to Ara Drive.*
- *Reducing automobile use by planning parking conservatively on Ara Drive. New surface lots will accommodate no more than 1.5 cars per 1,000 gross square feet.*

Attachment B - Project Locations - August 2018



Attachment C - Urban Design and Capital Improvements map - Revised August 2018



Finance and Facilities Committee - New Business

Attachment D

| UNIVERSITY OF CENTRAL FLORIDA | | | | | | | | | | | | | | | | | |
|-------------------------------|---|-----------|---------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------------------|---------|-------------|
| CAPITAL IMPROVEMENTS LIST | | | | | | | | | | | | | | | | | |
| MAIN CAMPUS FTE | | | | 23,890 | 23,128 | 23,484 | 23,661 | 23,661 | 23,646 | 23,833 | 24,038 | 24,237 | 24,291 | | | | |
| PROJECT LIST 2015 -25 | | | | Fund | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | | | |
| Revised 08/07/2018 | | | | Type | YR #1 | YR #2 | YR #3 | YR #4 | YR #5 | YR #6 | YR #7 | YR #8 | YR #9 | YR #10 | Net | Gross | |
| | | | | | | | | | | | | | | | Total Estimated Cost (\$M) | | |
| 1 | ENGINEERING BUILDING I RENOVATION | PECO | \$13,954,277 | \$925,000 | | | | | | | | | | | 118,186 | 130,805 | 14,879,277 |
| 2 | MATHEMATICAL SCIENCES BUILDING REMODELING AND RENOVATION | PECO | \$9,422,105 | \$700,000 | | | | | | | | | | | 100,389 | 106,521 | 10,122,105 |
| 3 | ATHLETICS INFRASTRUCTURE | PECO | \$14,000,000 | \$14,000,000 | | | | \$14,000,000 | \$14,000,000 | \$14,000,000 | \$14,000,000 | \$14,000,000 | \$14,000,000 | \$14,000,000 | | | 140,000,000 |
| 4 | JOHN C. BITT LIBRARY RENOVATION PHASE II | PECO/CTFF | \$3,500,000 | \$20,500,000 | \$1,500,000 | | | | | | | | | | 222,367 | 226,586 | 36,500,000 |
| 5 | RESEARCH BUILDING I (INTERDISCIPLINARY RESEARCH AND INCUBATOR FACILITY) | PECO | \$5,924,183 | \$3,852,470 | \$5,924,183 | | | | | | | | | | 78,676 | 118,013 | 45,700,636 |
| 6 | UCF VCC CLASSROOM BUILDING | PECO | \$7,500,000 | | | | | | | | | | | | | | 7,500,000 |
| 7 | AREX COMPLEX PHASE II (PERFORMANCE) | PECO | \$5,000,000 | \$40,000,000 | \$5,000,000 | | | | | | | | | | 100,386 | 150,584 | 50,000,000 |
| 8 | MILBURN HALL RENOVATION | PECO | \$539,418 | \$6,363,058 | \$539,418 | | | | | | | | | | 87,742 | 88,880 | 7,261,894 |
| 9 | BUSINESS ADMINISTRATION RENOVATION | PECO | \$9,475,943 | \$494,000 | | | | | | | | | | | 118,634 | 121,074 | 9,969,944 |
| 10 | CHEMISTRY RENOVATION | PECO | \$539,943 | \$9,815,538 | \$539,943 | | | | | | | | | | 43,265 | 49,073 | 10,895,234 |
| 11 | FACILITIES & SAFETY COMPLEX RENOVATION | PECO | \$4,859,238 | | | | | | | | | | | | | | 4,859,238 |
| 12 | VISUAL ARTS RENOVATION AND EXPANSION | PECO | | \$3,000,000 | \$24,000,000 | \$3,000,000 | | | | | | | | | 47,317 | 85,000 | 30,000,000 |
| 13 | MULTI-PURPOSE RESEARCH AND EDUCATION BUILDING | PECO | \$2,779,189 | \$2,225,512 | \$2,779,189 | | | | | | | | | | 70,703 | 73,584 | 27,793,889 |
| 14 | COLLEGE OF NURSING AND ALLIED HEALTH | PECO, C | \$7,520,000 | \$38,800,000 | \$7,520,000 | | | | | | | | | | 119,286 | 179,084 | 79,820,000 |
| 15 | PARTNERSHIP IV | PECO, C | \$2,450,000 | \$19,600,000 | \$2,450,000 | | | | | | | | | | 78,284 | 117,442 | 24,500,000 |
| 16 | HOWARD PHILLIPS HALL RENOVATION | PECO | | \$6,564,996 | \$652,249 | | | | | | | | | | 56,903 | 64,819 | 7,217,245 |
| 17 | COLORBORN HALL RENOVATION | PECO | | \$7,865,978 | \$410,075 | | | | | | | | | | 73,500 | 83,957 | 8,276,073 |
| 18 | PERRELL COMMONS (E AND G SPACE) RENOVATION | PECO | | \$6,564,996 | \$652,249 | | | | | | | | | | 86,149 | 93,680 | 7,217,245 |
| 19 | COLLEGE OF SCIENCES BUILDING RENOVATION | PECO | | \$3,017,457 | \$2,539,494 | \$3,017,457 | | | | | | | | | 49,980 | 54,648 | 3,174,747 |
| 20 | REHARRAL HALL RENOVATION | PECO | | \$48,007 | \$384,055 | \$48,007 | | | | | | | | | 9,322 | 10,743 | 480,058 |
| 21 | CLASSROOM BUILDING III | PECO | \$2,400,000 | \$19,200,000 | \$2,400,000 | | | | | | | | | | 53,332 | 79,998 | 24,000,000 |
| 22 | FACILITIES BUILDING AT LAKE NONA | P, P | \$600,000 | \$4,800,000 | \$600,000 | | | | | | | | | | 13,866 | 20,759 | 6,000,000 |
| 23 | RECYCLING CENTER | PECO | | \$2,300,000 | \$18,400,000 | \$2,300,000 | | | | | | | | | 26,666 | 40,000 | 23,000,000 |
| 24 | HUMANITIES AND FINE ARTS II (Phase I) | PECO | \$2,772,353 | \$17,060,631 | \$2,772,353 | | | | | | | | | | 58,362 | 87,543 | 22,605,337 |
| 25 | SIMULATION AND TRAINING BUILDING | PECO | \$2,370,336 | \$18,410,374 | \$2,370,336 | | | | | | | | | | 59,924 | 99,924 | 23,514,046 |
| 26 | BUSINESS ADMINISTRATION III BUILDING | PECO | \$1,284,527 | \$12,307,012 | \$1,284,527 | | | | | | | | | | 41,118 | 61,627 | 15,476,066 |
| 27 | EDUCATION BUILDING II | PECO | \$2,062,318 | \$13,594,083 | \$2,062,318 | | | | | | | | | | 51,475 | 77,479 | 19,718,719 |
| 28 | RAND BUILDING | PECO | | \$455,045 | \$2,800,279 | \$455,045 | | | | | | | | | 10,024 | 13,529 | 3,710,369 |
| 29 | ARTS COMPLEX PHASE III | PECO | | \$1,210,857 | \$7,627,447 | \$1,210,857 | | | | | | | | | 25,447 | 38,171 | 10,049,161 |
| 30 | SOCIAL SCIENCES BUILDING | PECO | | | | | | | | | | | | | | | 0 |
| 31 | COASTAL BIOLOGY STATION | PECO | | | | \$2,500,000 | | | | | | | | | | | 2,500,000 |
| 32 | RESEARCH BUILDING IV (INTERDISCIPLINARY RESEARCH BUILDING II) | PECO | | | | | | | | | | | | | | | 0 |
| 33 | CENTER FOR EMERGING MEDIA BUILD OUT | PECO | | | | | | | | | | \$2,370,336 | \$17,330,596 | \$2,370,336 | 40,543 | 60,815 | 22,071,268 |
| 34 | ROSEN STORAGE SHED | P | \$235,000 | | | | | | | | | \$6,360,339 | | | 16,544 | 24,816 | 6,360,339 |
| 35 | ROSEN EDUCATIONAL FACILITY | P | \$17,000,000 | | | | | | | | | | | | | | 17,000,000 |
| 36 | TEMPORARY GAME DAY PARKING | O | \$200,000 | | | | | | | | | | | | | | 200,000 |
| 37 | UCF HEALTH EXPANSION AND WELLNESS CENTER | P, B | | | | | | \$1,145,664 | \$9,165,312 | \$1,145,664 | | | | | | | 11,456,640 |
| 38 | HUMANITIES AND FINE ARTS II (Phase II) | PECO | | | | | | | | | | \$1,107,260 | \$8,600,076 | \$1,107,260 | 27,364 | 41,043 | 10,814,266 |
| 39 | PARTNERSHIP CAMPUS | PECO | | | | | | | | | | | | | N/A | N/A | 0 |
| 40 | CAPITAL IMPROVEMENT RESERVE II | PECO | | | | | | | | | | | | | N/A | N/A | 0 |
| 41 | SUSTAINABILITY CENTER (Phase I) | PECO, C | | | | | | | | | | \$5,000,000 | | | 5,000 | 7,500 | 5,000,000 |
| 42 | CIVIL AND ENVIRONMENTAL ENGINEERING | PECO, C | \$1,160,667 | \$14,508,333 | \$1,741,000 | | | | | | | | | | 50,000 | 75,000 | 17,410,000 |
| 43 | SUSTAINABILITY CENTER (Phase II) | PECO, C | | | | | | | | | | | | | 5,000 | 7,500 | 5,000,000 |
| 44 | LABORATORY AND ENVIRONMENTAL SUPPORT EXPANSION | O | \$1,800,000 | | | | | | | | | | | | | | 1,800,000 |
| 45 | CREATIVE VITAL GALLERY | P, B | \$13,000,000 | | | | | | | | | | | | | | 13,000,000 |
| 46 | SPECIAL PURPOSE HOUSING AND PARKING GARAGE I | P, B | \$25,000,000 | | | | | | | | | | | | 106,667 | 160,000 | 25,000,000 |
| 47 | SPECIAL PURPOSE HOUSING II | P, B | \$8,000,000 | | | | | | | | | | | | 21,333 | 32,000 | 8,000,000 |
| 48 | PARKING DECKS | P, B | \$17,000,000 | | | | | | | | | | | | 112,000 | 168,000 | 17,000,000 |
| 49 | GRADUATE HOUSING | P, B | \$50,000,000 | | | | | | | | | | | | 150,000 | 225,000 | 50,000,000 |
| 50 | REFINANCE UCF FOUNDATION PROPERTIES | P, B | \$37,410,000 | | | | | | | | | | | | 285,167 | 432,250 | 37,410,000 |
| 51 | STUDENT HOUSING | P, B | \$50,000,000 | | | | | | | | | | | | 149,333 | 224,000 | 50,000,000 |
| 52 | GARAGE EXPANSION | P, B | \$5,000,000 | | | | | | | | | | | | 33,691 | 50,827 | 5,000,000 |
| 53 | WEST TEACHING LAB AND EXPANDED STEM FACILITY (CLASSROOM AND LAB BUILDING) | P, B | | | | | | | | | | \$14,258,248 | ***** | \$14,258,248 | | | 14,258,248 |
| 54 | FACILITIES BUILDING AT LAKE NONA | P, B | \$6,000,000 | | | | | | | | | | | | 13,866 | 20,759 | 6,000,000 |
| 55 | EXPO CENTER HOUSING | P, B | \$16,000,000 | | | | | | | | | | | | 68,667 | 103,000 | 16,000,000 |
| 56 | REGIONAL CAMPUS MULTI-PURPOSE BUILDINGS | P, B | \$28,000,000 | | | | | | | | | | | | 40,000 | 60,000 | 28,000,000 |
| 57 | PARTNERSHIP GARAGE | P, B | \$7,000,000 | | | | | | | | | | | | 99,400 | 149,100 | 7,000,000 |
| 58 | PARKING DECK (ATHLETIC COMPLEX) | P, B | \$5,000,000 | | | | | | | | | | | | 112,000 | 168,000 | 5,000,000 |
| 59 | BASSETT STADIUM EXPANSION PHASE II | P, B | \$4,500,000 | | | | | | | | | | | | 3,800 | 5,700 | 4,500,000 |
| 60 | BASSETT CLUB HOUSE EXPANSION AND RENOVATION | P, B | \$1,000,000 | | | | | | | | | | | | | | 1,000,000 |
| 61 | BRIGHTHOUSE NETWORKS STADIUM EXPANSION AND IMPROVEMENTS PHASE I | P, B | \$11,000,000 | | | | | | | | | | | | 21,337 | 112,000 | 11,000,000 |
| 62 | WAYNE DENSCH SPORTS CENTER EXPANSION | P, B | \$1,000,000 | | | | | | | | | | | | 12,000 | 18,000 | 1,000,000 |
| 63 | TENNIS COMPLEX PHASE I | P, B | \$1,400,000 | | | | | | | | | | | | 4,980 | 7,470 | 1,400,000 |
| 64 | TENNIS COMPLEX PHASE II | P, B | \$1,000,000 | | | | | | | | | | | | | | 1,000,000 |
| 65 | TENNIS COMPLEX PHASE III | P, B | \$2,000,000 | | | | | | | | | | | | | | 2,000,000 |
| 66 | MULTI-PURPOSE MEDICAL RESEARCH AND INCUBATOR FACILITY | P, B | \$112,863,923 | | | | | | | | | | | | | | 112,863,923 |
| 67 | HEALTH SCIENCES CAMPUS PARKING GARAGE I | P, B | \$15,000,000 | | | | | | | | | | | | | | 15,000,000 |
| 68 | BIO-MEDICAL ANNEX RENOVATION AND EXPANSION | P, B | \$12,800,000 | | | | | | | | | | | | | | 12,800,000 |
| 69 | OUTPATIENT CENTER | P, B | \$75,000,000 | | | | | | | | | | | | | | 75,000,000 |
| 70 | DENTAL SCHOOL | P, B | | \$75,000,000 | | | | | | | | | | | | | 75,000,000 |
| 71 | INFRASTRUCTURE AND STEWWORK LAKE NONA CLINICAL FACILITIES | P, B | | | | \$10,000,000 | | | | | | | | | | | 10,000,000 |
| 72 | STRATEGIC LAND AND PROPERTY | P, B | \$100,000,000 | | | | | | | | | | | | N/A | N/A | 100,000,000 |
| 73 | BRIGHTHOUSE NETWORKS STADIUM EXPANSION AND IMPROVEMENTS PHASE II | P, B | \$5,000,000 | | | | | | | | | | | | 14,225 | 21,337 | 5,000,000 |
| 74 | TRACK AND SOCCER CLUB HOUSE | P, B | \$850,000 | | | | | | | | | | | | 2,800 | 4,200 | 850,000 |
| 75 | SOFTBALL PRACTICE FIELD | P, B | \$250,000 | | | | | | | | | | | | N/A | N/A | 250,000 |
| 76 | ATHLETICS PRACTICE FIELD | P, B | \$500,000 | | | | | | | | | | | | N/A | N/A | 500,000 |
| 77 | WOMENS COMPETITION AND PRACTICE FIELD | P, B | \$2,000,000 | | | | | | | | | | | | N/A | N/A | 2,000,000 |
| 78 | BASSETT PRACTICE FIELD | P, B | \$400,000 | | | | | | | | | | | | N/A | N/A | 400,000 |
| 79 | BASKETBALL PRACTICE FACILITY | P, B | \$12,000,000 | | | | | | | | | | | | 32,000 | 48,000 | 12,000,000 |
| 80 | RECREATION AND WELLNESS CENTER PHASE III | P, B | \$20,000,000 | | | | | | | | | | | | 5,200 | 7,800 | 20,000,000 |
| 81 | LIFE SCIENCES INCUBATOR LAKE NONA | P, B | \$30,000,000 | | | | | | | | | | | | 36,667 | 55,000 | 30,000,000 |
| 82 | EAST ATHLETICS CENTER | P, B | \$15,000,000 | | | | | | | | | | | | 11,706 | 17,559 | 15,000,000 |
| 83 | KARACHAR BUILDING | C | \$70,000 | | | | | | | | | | | | 49,520 | 72,552 | 70,000 |
| 84 | BURNETT BIO-MEDICAL SCIENCE CENTER INFRASTRUCTURE | C | \$7,500,000 | | | | | | | | | | | | 6,271 | 9,407 | 7,500,000 |
| 85 | ORLANDO REPERTORY THEATRE III RENOVATIONS | C | \$75,000 | | | | \$75,000 | | | | | | | | 8,000 | 12,000 | 75,000 |
| 86 | RESEARCH HALL LAKE NONA | C, P, B | \$6,412,842 | | | | \$9,180,000 | | | | | | | | 1,520,018 | 198,027 | 11,200,000 |
| 87 | FOOD RETAIL VENEZ | D | \$2,500,000 | | | | | | | | | | | | | | 2,500,000 |
| 88 | HOTEL AND CONFERENCE CENTER | P | \$60,000,000 | | | | | | | | | | | | 190,000 | 250,000 | 60,000,000 |
| 89 | PARKING GARAGE VII | B | \$20,000,000 | | | | | | | | | | | | 242,667 | 364,000 | 20,000,000 |
| 90 | JOHN C. BITT LIBRARY EXPANSION | CTFF, P | \$48,114,399 | \$40,473,926 | \$40,473,926 | | | | | | | | | | 199,703 | 164,524 | 123,028,251 |
| 91 | LAKE CLAIRE RENOVATION | CTFF | \$5,000,000 | | | | | | | | | | | | 10,000 | 150,000 | 3,000,000 |
| 92 | CREATIVE SCHOOL FOR CHILDREN | CTFF | \$6,000,000 | | | | | | | | | | | | 25,000 | 37,500 | 6,000,000 |
| 9 | | | | | | | | | | | | | | | | | |

Funding sources denote probable building completion year.

Projects in green denote projects planned off-campus.

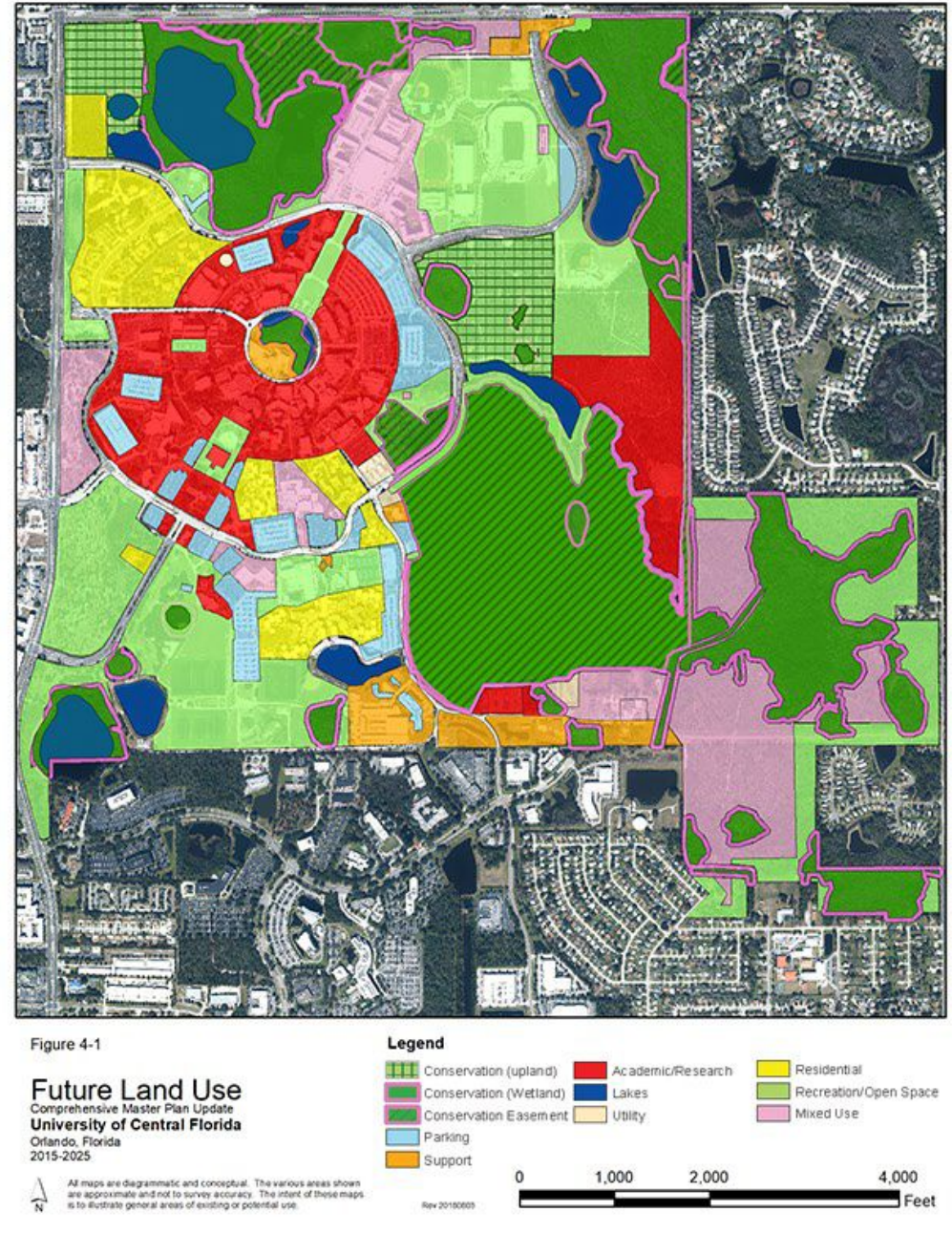
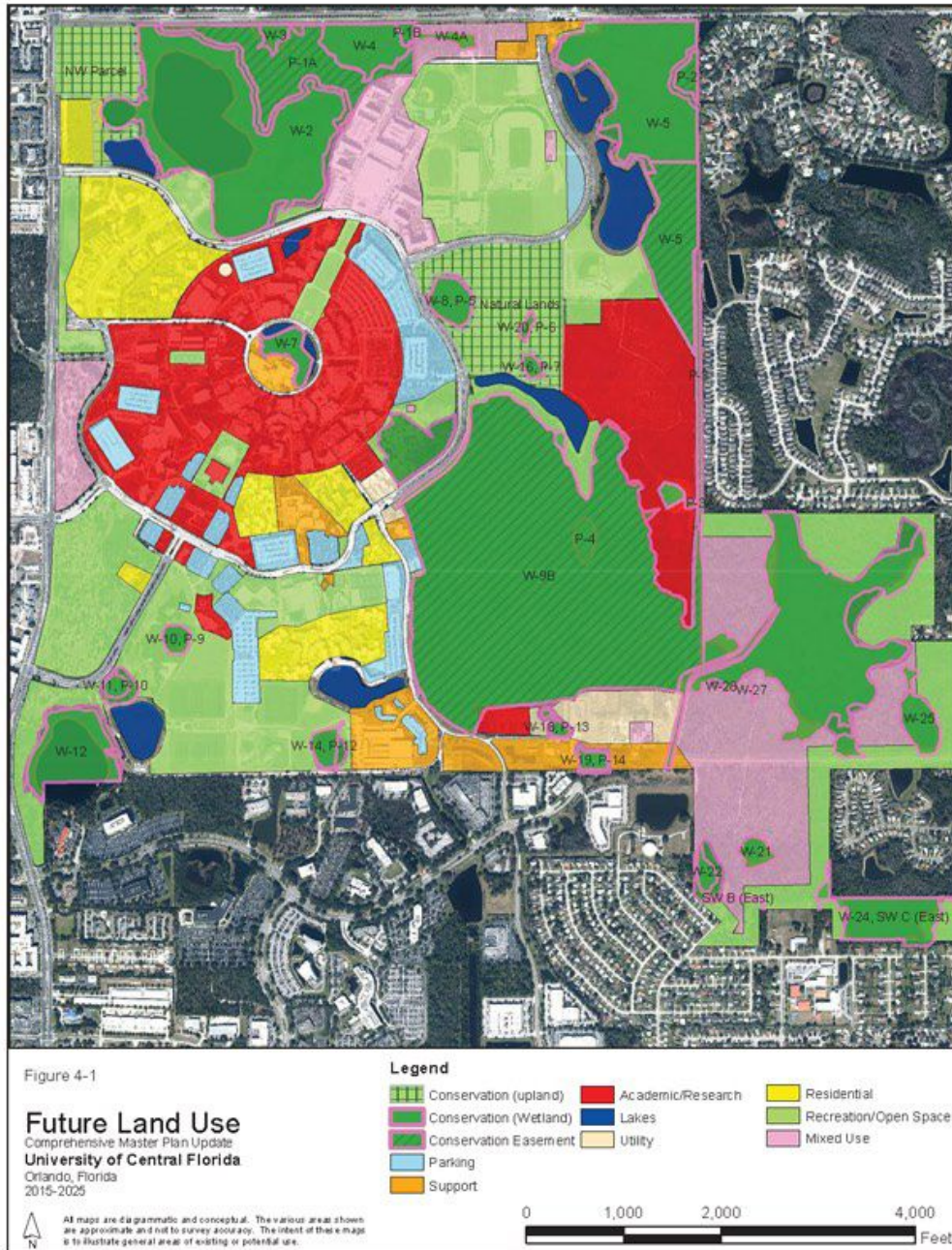
Projects in blue denote renovation and/or remodeling projects.

*Fund Types:

PECO (Public Education Capital Outlay) C (Courtisic) P (Private)

B (Bond), CITE (Capital Improvement Trust Fund), O (Other)

Attachment E - Future Land Use map - Revised August 2018



Attachment F - Recreation and Open Space map - Revised August 2018

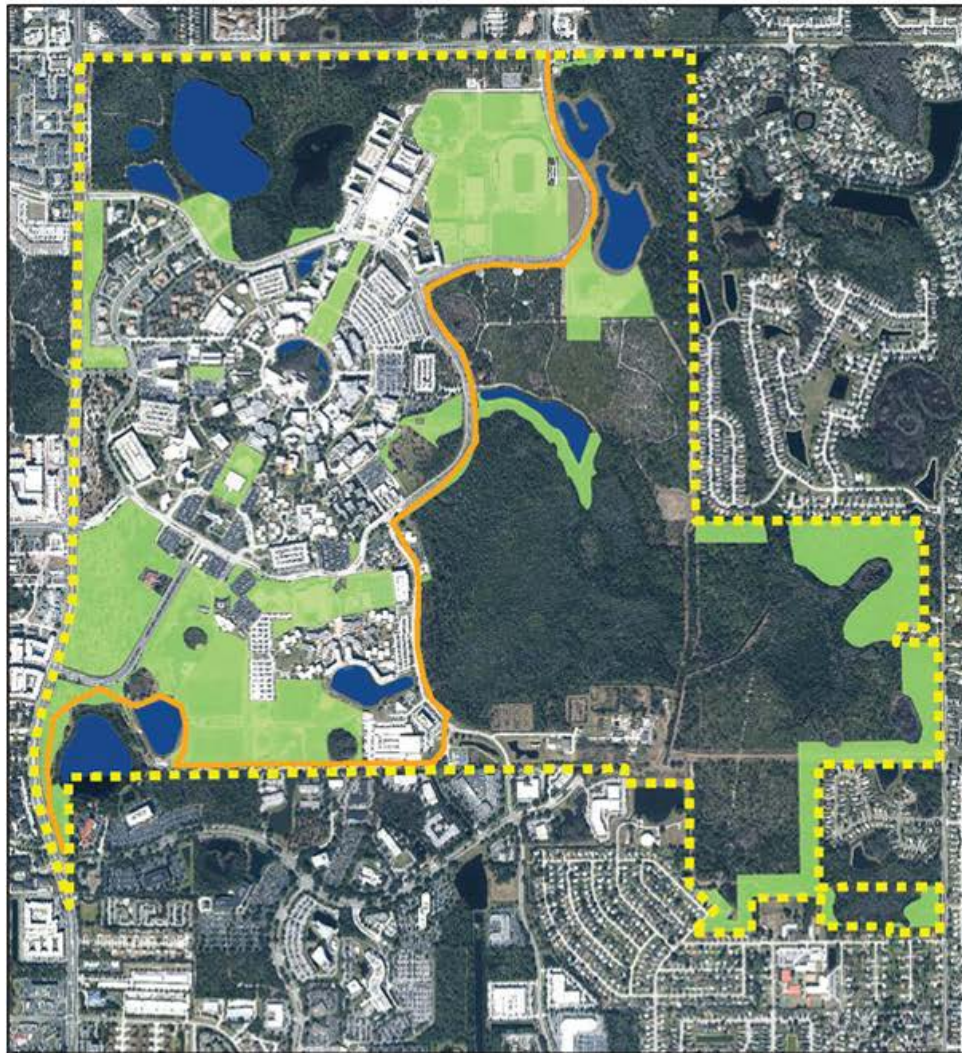


Figure 8-1

Recreation and Open Space

Comprehensive Master Plan Update
University of Central Florida
Orlando, Florida
2015-2025

All maps are diagrammatic and conceptual. The various areas shown are approximate and not to survey accuracy. The intent of these maps is to illustrate general areas of existing or potential use.

Legend

- Boundary
- Proposed Little Econ Greenway Trail
- Recreation and Open Space
- Lakes and Ponds

0 1,100 2,200 4,400
Feet

Rev 20161204

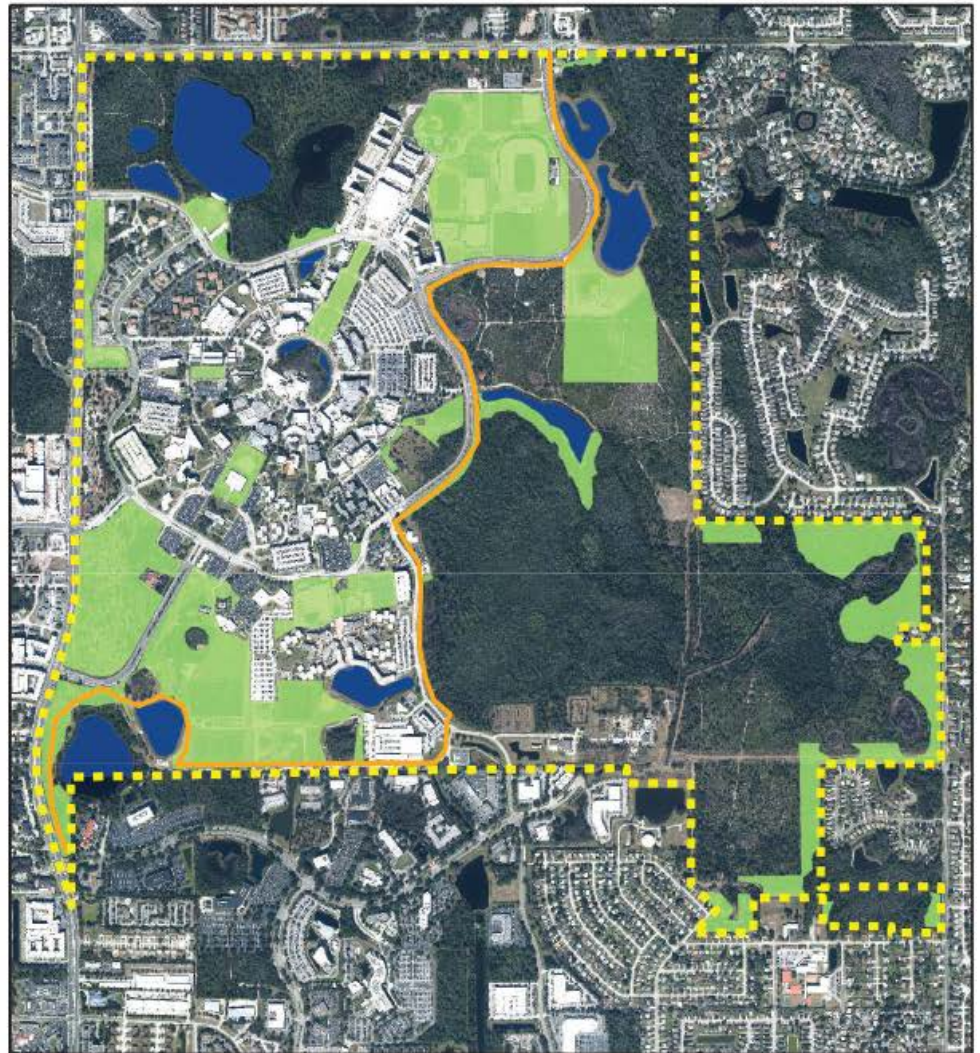


Figure 8-1

Recreation and Open Space

Comprehensive Master Plan Update
University of Central Florida
Orlando, Florida
2015-2025

All maps are diagrammatic and conceptual. The various areas shown are approximate and not to survey accuracy. The intent of these maps is to illustrate general areas of existing or potential use.

Legend

- Boundary
- Proposed Little Econ Greenway Trail
- Recreation and Open Space
- Lakes and Ponds

0 1,100 2,200 4,400
Feet

Rev 20160705

ITEM: FFC-2

**University of Central Florida
Board of Trustees
Finance and Facilities Committee**

SUBJECT: UCF Downtown Campus Housing Management Agreement

DATE: August 15, 2018

PROPOSED COMMITTEE ACTION

Recommend approval of the Student Housing Management Agreement between Creative Village SHP, LLC, and the University of Central Florida for UCF's management of privately built downtown student housing adjacent to the UCF Downtown campus.

BACKGROUND INFORMATION

Ustler Development, Inc. and Development Ventures Group, Inc. and UCF previously entered into a project agreement outlining the general terms of UCF's construction of the UCF Downtown campus and Creative Village SHP's development of private student housing. Creative Village SHP is currently constructing a privately built and privately funded student housing building, which will also contain academic and student support service space that will be leased to UCF and Valencia College.

Creative Village SHP has requested, and UCF has agreed, to manage the student housing portion of the building for 20 years. Pursuant to the Student Housing Management Agreement, UCF will be responsible for the day-to-day maintenance, repairs, and housekeeping of the student housing portion of the building, as well as marketing, advertising, resident relations, and general management items, in accordance with a budget as supplied by Creative Village SHP. Creative Village SHP will pay UCF a management fee equal to 3 percent of gross revenues per month.

Supporting documentation: Attachment A: Student Housing Management Agreement

Prepared by: Jennifer Cerasa, Associate General Counsel

Submitted by: William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer

Attachment A

MANAGEMENT AGREEMENT

Between

CREATIVE VILLAGE SHP OWNER, LLC
Owner,

And

**UNIVERSITY OF CENTRAL FLORIDA
BOARD OF TRUSTEES**

Manager

Dated Effective as of _____, 2018

TABLE OF CONTENTS

Note: This Table of Contents is for convenience of reference only. It is not part of the Management Agreement.

| | <u>Page</u> |
|--|-------------|
| 1. Recitals; Defined Terms..... | 2 |
| 2. Appointment and Acceptance | 2 |
| 3. Manager Authority and Responsibility; Costs and Expenses | 2 |
| 4. Operating Budget, Operating Accounts, Reports, Books and Records. | 8 |
| 5. Expenses | 12 |
| 6. Compensation. | 13 |
| 7. Term; Termination | 14 |
| 8. Insurance, Liability Limitation, and Environmental Indemnification. | 16 |
| 9. Time; Force Majeure | 18 |
| 10. Reciprocal Assurances | 18 |
| 11. Notices | 19 |
| 12. Entire Agreement; Amendments; Waiver | 21 |
| 13. Assignment; Successors and Assigns; Third Party Beneficiaries | 21 |
| 14. Independent Contractor | 22 |
| 15. Governing Law; Venue..... | 22 |
| 16. Severability | 22 |
| 17. Counterpart Execution; Further Assurances | 22 |
| 18. Exhibits..... | 22 |
| 19. Headings; Construction | 22 |
| 20. Competing Projects and Activities..... | 23 |
| 21. Access..... | 23 |

22. Designated Representatives 23

EXHIBIT “A”: FLOOR PLANS AND UNIT PLANS FOR THE HOUSING COMPONENT

EXHIBIT “B”: DETAILED STUDENT HOUSING SERVICES

EXHIBIT “C”: INITIAL OPERATING BUDGET

Attachment A

MANAGEMENT AGREEMENT

THIS MANAGEMENT AGREEMENT (“**Management Agreement**”) is made and entered into as of the _____ day of _____, 2018 (the “**Effective Date**”) by and between **CREATIVE VILLAGE SHP OWNER, LLC**, a Delaware limited liability company (the “**Owner**”) and the **UNIVERSITY OF CENTRAL FLORIDA BOARD OF TRUSTEES**, an institution of higher education of the State of Florida (“**UCF**” or “**Manager**”).

RECITALS:

A. Ustler Development, Inc. and Development Ventures Group, Inc. (together, the “**Prior Developer**”) and Manager previously entered into a Project Agreement (UCF and Ustler/KUD), (the “**Project Agreement**”), pursuant to which UCF has committed to construct the UCF/Valencia Buildings at Creative Village to establish the UCF/Valencia Downtown Campus, and Owner as successor by assignment from Prior Developer has committed to construct on the Owner’s Site, a building that will include without limitation student housing for UCF Students and Valencia students, as well as academic and student support service space to be leased to UCF and to Valencia (the “**Owner’s Building**”).

B. A portion of the Owner’s Building shall include housing for not less than six hundred (600) students together with ancillary facilities and amenities to serve the residents of such living quarters as described in the floor plans and unit plans attached or to be attached hereto as **Exhibit “A”** (the “**Housing Component**”). The portion of the Owner’s Building which is not included in the Housing Component (the “**Non-Housing Component**”) is not included in or governed by this Management Agreement.

C. Manager has the experience and qualifications to manage and market student housing, in reliance upon which Owner desires to engage and appoint Manager to manage and market the Housing Component, and Manager desires to accept such engagement and appointment, all upon the terms and conditions set forth in this Management Agreement.

D. Manager and Owner have agreed in the Project Agreement that, subject to the terms and conditions thereof, the student housing beds provided by Owner will be the UCF managed housing for the UCF/Valencia Downtown Campus and that Owner will be the exclusive provider of UCF managed student housing for the UCF/Valencia Downtown Campus.

E. Owner and Manager (each a “**Party**” and collectively the “**Parties**”) desire to enter into this Management Agreement for the purpose of memorializing the terms and conditions upon and subject to which Owner engages and appoints Manager to manage and market the Housing Component and Manager accepts such engagement and appointment and agrees to manage and market the Housing Component.

F. Owner (as successor by assignment from Prior Developer) and Manager are also parties to a Lease Agreement (the “**Lease Agreement**”) setting forth the respective rights and obligations of Owner and UCF with respect to Owner’s development and UCF’s lease of academic support space in the Owner’s Building.

NOW, THEREFORE, for and in consideration of the covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party, the Parties hereby covenant and agree as follows:

1. Recitals; Defined Terms. The foregoing Recitals are true and correct and they are hereby incorporated into and made a part of this Management Agreement. The defined terms set forth in the Project Agreement shall have the same meaning in this Management Agreement unless and to the extent otherwise defined herein.

2. Appointment and Acceptance. Owner hereby engages and appoints Manager as the exclusive manager and marketer of the Housing Component and Manager hereby accepts such engagement and appointment and agrees to manage and market the Housing Component, all upon and subject to the terms and conditions set forth in this Management Agreement.

3. Manager Authority and Responsibility; Costs and Expenses.

3.1. Generally. Manager shall use commercially reasonable efforts to manage, operate, maintain, and market the Housing Component, and to lease the housing units in the Housing Component to Eligible Tenants (as defined in Section 3.5), in accordance with this Management Agreement and in a manner generally consistent with the corresponding standards of management, operation, maintenance, marketing, and leasing of on-campus student housing at the UCF campus on Alafaya Trail in Orange County, Florida (the “**Main Campus**”), all of which shall be performed and carried out solely at the expense of Owner and for the Housing Component. Manager’s obligations under this Section 3.1 are subject to the availability of funds to be provided by Owner pursuant to this Management Agreement. Manager shall have no obligation to manage, operate, maintain, repair, market or lease the Non-Housing Component.

3.2. Pre-Opening Services. The foregoing and any other provision of this Management Agreement to the contrary notwithstanding, prior to the completion of the construction of the Owner’s Building and issuance of certificates of occupancy or equivalent as to all of the improvements constituting the Owner’s Building by the City, Manager’s obligations to manage, operate, maintain and repair the Housing Component shall be limited to providing the Pre-Opening Services. For the purposes hereof, “**Pre-Opening Services**” means and refers to the marketing and leasing of the student beds in the Housing Component, the hiring and training of personnel, the ordering of supplies, the engagement of contractors and other service providers and otherwise taking such steps as Manager deems necessary in accordance with this Management Agreement and the Initial Operating Budget (as defined in Section 4.1) to prepare for the opening and occupancy of the Housing Component upon completion of construction. Owner may retain an independent and qualified marketing consultant with respect to the marketing and leasing of the student beds in the Housing Component, in which event Owner will review with Manager the reasonable suggestions of such consultant and Manager will implement the agreed recommendations of the consultant in its marketing and leasing of the student housing beds. During the initial leasing period beginning September 1, 2018 and ending August 1, 2019, Manager will deliver to Owner monthly leasing reports on or before the 10th of each month beginning January 10, 2019 and continuing through August 10, 2019, identifying the student beds that have been leased and providing appropriate documentation as requested by Owner. The leasing reports will otherwise contain such information

and be in a form customarily provided by Manager for its internal recordkeeping purposes and approved by Owner.

3.3. Personnel.

3.3.1. Staffing. Manager shall hire such on-site personnel as may be necessary for the performance of the duties of Manager hereunder. On-site personnel may include, without limitation, resident managers, assistant managers, leasing managers, maintenance engineers, porters, cleaners, and handymen. Compensation for the services of such on-site managerial and maintenance personnel, including, but not limited to, base salaries, incentive bonuses, payroll taxes and all other costs of such employment, shall be operating expenses of the Housing Component to be borne by Owner.

3.3.2. Orientation and Training. Manager agrees that all employees hired for the Housing Component will be provided orientation and training as needed for all policies and procedures that pertain to their duties.

3.4. Resident Relations. Manager shall maintain professional, courteous and respectful relations with residents of the Housing Component.

3.5. Tenant Qualifications. Manager shall lease space at the Housing Component only to Eligible Tenants (as defined herein) at rates established from time to time by Owner. Manager is not authorized to establish, change or revise any rents, fees, deposits or other charges for the Housing Component without the prior written approval of Owner; notwithstanding the foregoing, Manager shall be able to add charges, to reverse charges due to erroneous or appealed amounts, and make reasonable non-material adjustments as necessary in the ordinary course of business. “**Eligible Tenants**” shall mean UCF Students and Valencia Students who are qualified to occupy the Housing Component under the terms of the Project Agreement and this Management Agreement. The parties agree that (a) if by the beginning of UCF’s spring semester, 2020, fewer than 95% of the student housing beds within the Housing Component are occupied, then the definition of Eligible Tenants shall be automatically expanded to include any full or part-time UCF Students or Valencia Students on any UCF or Valencia campus or on-line; and (b) if by the beginning of UCF’s fall semester, 2020, fewer than 95% of the student housing beds within the Housing Component are occupied, then the definition of Eligible Tenants shall be automatically expanded to include any full-time or part-time students from any university or college. A “**Tenant**” shall mean an Eligible Tenant who has (i) completed the necessary application and approval process established by Manager, and (ii) executed and delivered to the Manager a Lease (as defined in Section 3.6, a “**Lease**”) to occupy a student bed in the Housing Component.

Manager will at all times seek to fill empty beds with Eligible Tenants, and will expand its marketing to include as target residents the expanded definition of “Eligible Tenants”, if, whenever and so long as such expanded definition may take effect pursuant to this Section 3.5.

Manager shall utilize only lease forms that have been approved by Owner. Any material modification by the Manager to the lease form in connection with any specific Lease shall be subject to the prior approval by Owner. The lease form shall provide that it is the responsibility of each Tenant to maintain his or her status as an Eligible Tenant during the entire term of the

Lease. At the time each new Lease is executed or any Lease is renewed or modified, Manager shall obtain each prospective or renewing or modifying Tenant's written certification that such prospective or renewal Tenant is an Eligible Tenant and understands his or her obligation to maintain such status during the entire term of the Lease. If Manager acquires actual knowledge that any resident of the Housing Component is not an Eligible Tenant, then Manager will use reasonable efforts to evict such Tenant at the end of the semester (or sooner if the resident is a disciplinary problem or the advance payment of rent by the resident is not subject to rebate), unless such Tenant can establish and document to the reasonable satisfaction of Manager that the loss of such status will not last longer than the end of the then current semester and was a result of an unintended change in circumstances. Manager shall notify Owner whenever a resident is evicted at anytime other than the end of a semester and such eviction results in an obligation to rebate rent to the resident.

UCF's Golden Rule and other rules of student conduct of UCF shall be incorporated into the Leases [currently at <http://goldenrule.sdes.ucf.edu/>].

3.6. Leases. Manager shall execute and deliver, in the name of and on behalf of Owner, housing and residence life agreements on forms approved by Owner and executed by each student Tenant (each a "**Lease**" and collectively "**Leases**") for student beds in the Housing Component and any renewals and cancellations of such Leases and Manager shall comply with laws applicable to Owner's or Manager's responsibility for maintaining and refunding security deposits (if any) paid pursuant to the Leases and any interest thereon. Each Lease will be for an eleven and one-half (11 ½) month lease term from the beginning of the fall semester in August through the end of the next summer semester, unless (i) empty beds exist after the beginning of a semester, in which case, Manager may elect to offer a shorter term to fill the empty bed for the balance of the semester or lease term; or (ii) otherwise approved by Owner for a longer or shorter period. Manager shall use commercially reasonable efforts to enforce all Leases pertaining to the Housing Component, and is hereby authorized (a) to request, demand, collect, receive and receipt for all monthly rents, late payment charges, non-negotiable check charges and any other taxes or charges due from Tenants of the Housing Component permitted or required to be collected by Owner or Manager under any Lease with such Tenant under the Lease, as such amounts become due; (b) to initiate legal proceedings to collect overdue payments or, subject to the prior approval of Owner take such action as may be necessary to evict Tenants who are delinquent in such payments; and (c) to take all lawful and reasonable actions necessary to enforce, to the extent practicable, each Tenant's compliance with the applicable Lease. All legal actions shall be in the name, and on behalf of, Owner and all costs and expenses of suit and legal fees for the Housing Component shall be borne by Owner. Owner shall be kept advised of the status of legal actions concerning the Housing Component. The foregoing and any other provision of this Management Agreement to the contrary notwithstanding, Manager shall not be responsible for any losses due to uncollectible rents, deposits, fees, charges or any tax due thereon assuming Manager has exercised commercially reasonable best efforts to avoid any such losses.

Manager shall adjust rent payment due dates based upon payouts from UCF Financial Aid, and from the University Dormitory Plan offered by the Florida Prepaid College Board, which payouts typically provide for payment in September for the fall semester, and in January for the spring and summer semesters. Manager may allow a resident to defer the payment of rent in certain hardship cases based upon the same criteria as are applied to such cases on the

Main Campus, recognizing that such deferred rent payment represents a relatively minor portion (+/-3%) of the Gross Revenues. Manager shall adopt UCF's medical withdrawal policy for lease terminations [currently at <http://goldenrule.sdes.ucf.edu/>].

3.7. Purchases. Manager shall make, and is hereby authorized to make, such purchases as Manager shall deem advisable, so long as such contracts conform to the requirements of the approved Operating Budget (as defined in Section 4.1(a) below, the “**Operating Budget**”) and are reasonably necessary for Manager to perform its duties as defined hereunder. Manager shall also place purchase orders for such equipment, tools, appliances, materials and supplies as are necessary to perform Manager's maintenance, housekeeping and other duties as required by this Management Agreement. All such contracts and orders shall be made in the name of and on behalf of Owner, and all costs and expenses related thereto shall be operating expenses for the Housing Component and borne by Owner. At all times, Manager shall make purchases of, and where necessary or desirable let bids for, necessary labor and materials at the lowest cost that is, in Manager's judgment, consistent with good quality service standards. The foregoing is subject to the qualification that, if the estimated annual expenditures under any contract exceed one percent (1%) of the then current Operating Budget and more than one (1) provider is available, unless waived in writing by Owner, Manager shall obtain at least two (2) competitive pricing proposals.

Manager shall (a) whenever commercially reasonable and feasible, as determined by Manager, request that any such contracts include a provision for cancellation without penalty upon not more than thirty (30) days written notice by Manager; (b) require that all contractors provide evidence of sufficient insurance (with minimum coverage limits and maximum deductibles as required by UCF standard requirements and this Management Agreement; (c) require with respect to such insurance that Manager and Owner are named as additional insured parties (which may be waived by either party, in that party's sole discretion, if such waiver is not inconsistent with UCF standard requirements); and (d) require the contractor to obtain and maintain in good standing all licenses required by Florida law.

3.8. Residence Life Services. Manager shall retain staff from its UCF Housing and Residence Life department to provide residence life services at the Housing Component consistent with how such services are provided from time to time for UCF student housing on the Main Campus [currently see <http://www.housing.ucf.edu/pdf/communitylivingguide.pdf>]. Manager will provide a detailed monthly summary setting forth all current and projected expenses associated with the residence life program for the Housing Component, including the cost associated with providing housing subsidies (if any) for residence life staff. The number of beds to be allocated for use by residence life staff shall be as provided for in each annual Operating Budget. The Initial Operating Budget (as defined in Section 4.1(a) below, the “**Initial Operating Budget**”) provides for twelve (12) beds to be used for this purpose, but the number may vary from year to year as approved by Owner. Manager will not take action on any residence life matter if the matter is not budgeted for or otherwise may become an expense for the Housing Component without prior written approval of Owner. While this Management Agreement is in effect and the Manager is providing personnel and services, the expenses associated with the program shall be an operating expense for the Housing Component which shall be paid from the Manager's Account (as defined in Section 4.1(a) below, the “**Manager's Account**”). If Owner has a concern with any employee, personnel or staff provided by Manager, such concern shall be timely addressed directly by Manager.

3.9. Repairs, Maintenance and Housekeeping. Owner shall be responsible for all necessary repairs (including any capital repairs and maintenance of building systems) within the Owner's Building, including without limitation the Housing Component. To the extent permitted by the Operating Budget and funds then in the Manager's Account and not required by the Operating Budget to be used for other purposes, Manager shall be responsible for all regular maintenance, cleaning, janitorial, trash pick-up, and housekeeping for the Housing Component in a manner generally consistent with the corresponding standards for similar services of on-campus student housing at the Main Campus. Regular maintenance work shall be performed by Manager so as to maintain the Housing Component and its furniture, fixtures and equipment in accordance with the standard set forth above and to comply with any applicable law, ordinance, order or other requirement of any governmental authority with jurisdiction over the Housing Component; provided, however, that Manager shall not be required to perform those maintenance and housekeeping obligations required to be performed by a Tenant under such Tenant's Lease unless the Tenant fails to perform such obligations.

The foregoing to the contrary notwithstanding, Manager shall not be required to coordinate or manage capital improvements to the Owner's Building or Housing Component which fall outside the ordinary course of business of managing the Housing Component unless and until the Parties enter into a separate, mutually agreeable capital improvement management agreement which shall further specify the Parties' respective duties and obligations and the fees or other compensation to be paid by Owner to Manager for such additional services.

Except for the Pre-Opening Services, and except as set forth in the Project Agreement, the Lease Agreement, and this Management Agreement, Manager shall have no responsibility in connection with the initial construction of the Owner's Building or the Housing Component. Manager agrees to cooperate with any contractors and construction manager engaged by Owner for any Tenant improvements or other construction work in Owner's Building.

3.9.1. Pests. Manager agrees to perform inspections of the Housing Component, and to communicate and coordinate with Owner and Owner's pest control service so as to prevent and control infestations by insects, rodents and vermin, and as provided for in the Operating Budget. Manager will cooperate with any corrective or extermination work reasonably recommended by such services to be performed.

3.9.2. Work Orders. Manager shall implement a work order system for Tenants of the Housing Component to report maintenance and repair issues and for Manager to use to communicate and coordinate the need for repairs, if any, with Owner. Maintenance and service requests of the Tenants of the Housing Component shall be received, considered and promptly acted upon and recorded in systematic fashion in order to make a permanent record of action taken with respect to each such request. Such system shall have the ability to prioritize work orders, appropriately alert the correct responder both during normal working hours and after hours' operations, and track completion of the order. Additionally, Manager shall provide to Owner a quarterly report setting forth all maintenance and repair requests and how such requests were resolved.

3.9.3. Inspections and Reports. Manager shall conduct a daily walk-through of the grounds and common areas for the Housing Component and a bi-monthly inspection of the

accessible portions of the Housing Component. Items found in need of maintenance, repair, or replacement will be logged into the work order system and scheduled for action by Manager or Owner. Manager shall provide to Owner a quarterly written report setting forth the results of that quarter's walk-through inspections of the Housing Component. Except in the event of an emergency, Manager shall submit to Owner written recommendations for required repairs, replacements and alterations to the Housing Component that are Owner's responsibility under this Management Agreement, together with estimated costs associated with such repairs, replacements and alterations.

3.10. Taxes and Assessments; Filing for Exemptions. Owner will pay when due all real estate and personal property taxes (if any), improvement assessments and other like charges which are or may become liens against the Housing Component. Manager shall assist Owner with the annual preparation, timely filing, and prosecution of any applications or documents needed to be filed for the exemption of the Housing Component from ad valorem real estate taxes if and to the extent allowed by law. Manager shall timely request execution by Owner of any papers or documents needed to file for such exemption.

3.11. Licenses and Permits. At Owner's sole cost and expense pursuant to the Operating Budget, Manager shall maintain in effect all licenses, permits and other governmental approvals required with respect to the Housing Component (such as, without limitation, certificates of occupancy, elevator permits, telecommunications licenses, and health permits). In addition, Manager will secure and keep in effect during the term of this Management Agreement all licenses, permits, certifications, and authorizations required to qualify and enable Manager to perform its duties under this Management Agreement (such as, without limitation, any required property manager's license) and Manager shall comply with all local, state and federal laws applicable to the performance of its duties under this Management Agreement.

3.12. Marketing and Promotion. For the Housing Component, Manager shall engage in any and all commercially reasonable marketing, advertisement, social networking and other promotions, programs and activities that are equivalent to those same services utilized on the Main Campus and appropriate for an urban student housing project such as the Housing Component. Such promotions, programs and activities shall be at the expense of Owner, as permitted by the applicable approved Management and Marketing Plan (as defined in Section 4.1 below, the "**Management and Marketing Plan**") and Operating Budget and which are appropriate for the purpose of marketing and promoting the leasing of student beds in the Housing Component to UCF Students and Valencia Students. Manager shall coordinate and cooperate with Valencia College and assist Valencia College in its marketing, promoting and leasing of student beds in the Housing Component to Valencia Students. Each year, Manager will submit to Owner a proposed annual marketing, advertising and promotion plan for the upcoming school year that begins in the fall semester as part of the Management and Marketing Plan. Manager agrees to provide to Owner upon request at any time and from time to time, copies of the advertising and promotional materials then being used by Manager to market and lease the Housing Component. Manager will at all time seek to fill empty beds with Eligible Tenants as defined in Section 3.5 of this Management Agreement, and will expand its marketing program to include as target residents the expanded definition of Eligible Tenants, if, whenever and so long as such expanded definition may take effect pursuant to said Section 3.5.

3.13. Compliance. To the extent permitted by each Operating Budget and funds from time to time available in the Manager's Account, Manager shall use commercially reasonable efforts to manage, operate, maintain, and market the Housing Component in accordance with this Management Agreement, the Project Agreement and applicable law and to take all actions consistent with Manager's obligations under this Management Agreement which are required in order to fulfill and comply with Owner's obligations under all contracts or agreements for the Housing Component.

3.14. Services. As part of the services required by this Management Agreement, Manager agrees to provide the Detailed Student Housing Services as outlined in Exhibit "B" attached to this Management Agreement.

3.15. Valencia Participation. Manager acknowledges and agrees that a portion of the student beds are to be leased to Valencia Students. Further, Manager agrees that it will work with Owner and Valencia (i) to develop an appropriate website and marketing materials for the ongoing leasing of student beds in the Owner's Building to Valencia Students, and (ii) to define the student life services, including access to parking, to be provided to and received by Valencia and the Valencia Students at the Owner's Building. The allocation of student beds to Valencia Students at the Owner's Building will be subject to agreement by Owner, Valencia and UCF to be set forth in an Addendum to this Management Agreement to be executed by the Parties and Valencia; however in no event will the number of student beds allocated to Valencia be less than thirty percent (30%) of the total student beds in the Housing Component unless agreed between UCF and Valencia and approved by Owner. If Valencia does not fill the student beds allocated to Valencia Students, UCF shall be allowed to lease those beds to UCF Students for the applicable time period and the foregoing allocation will be re-established for the next leasing period subject to demand by Valencia Students.

4. Operating Budget, Operating Accounts, Reports, Books and Records.

4.1. Operating Budget and Management and Marketing Plan. Manager shall submit to Owner for Owner's review and approval, an annual plan for the ensuing Fiscal Year that includes the following:

(a) Not later than sixty (60) days prior to the expiration of each Fiscal Year ("Fiscal Year", which shall mean the period commencing July 1 of each calendar year and ending June 30 of the following calendar year), a proposed budget (each, an "**Operating Budget**") for the operation of the Housing Component for such Fiscal Year, including but not limited to line items for proposed rents, charges, projected revenues from Leases to Eligible Tenants and other operations of the Housing Component and proposed operating expenses for all regular maintenance, housekeeping and other operating and administrative expenses of the Housing Component. Owner shall respond to Manager's proposed Operating Budget within twenty (20) days after submission from Manager with questions, comments and suggested edits to the proposed Operating Budget, and thereafter Manager and Owner shall discuss and resolve any differences of opinion as to any specific matter towards the end of finalizing the Operating Budget prior to the beginning of each Fiscal Year. Rents shall be established by Owner from time to time in amounts which Owner in its sole discretion determines are reflective of market conditions, without caps, controls or limitations. To the extent supported by prevailing market conditions determined by Owner and subject to any

applicable requirements and restrictions imposed by law, Manager will assist Owner in its efforts to establish and charge rental rates for the student housing beds in the Housing Component and charges for other revenue producing facilities of the Housing Component and the services related thereto at a level sufficient to maintain maximum practicable occupancy and use of the Housing Component and the services related thereto. The Operating Budget for the first Fiscal Year of operation of the Housing Component (the “**Initial Operating Budget**”) will be attached to this Management Agreement as **Exhibit “C”**. It shall not be necessary to amend this Management Agreement in order to establish or revise the Initial Operating Budget.

(b) Not later than November 1, a proposed management and marketing plan (each, a “**Management and Marketing Plan**”) for the Housing Component for the following Fiscal Year, including policies, staffing, staff training inclusive of fair housing and nondiscrimination training and awareness, facilities management, Eligible Tenant satisfaction and retention measurements, marketing and promotional plans, and student and student’s guest conduct regulations, insurance program, and other programs or activities in discharge of Manager’s duties under this Management Agreement.

(c) Any additional information that may be reasonably requested by Owner.

Each Operating Budget and Management and Marketing Plan is subject to approval in writing by Owner. In the event Owner and Manager are unable to agree upon a mutually-acceptable Operating Budget or Management and Marketing Plan for any Fiscal Year, the Operating Budget and Management and Marketing Plan for the preceding Fiscal Year shall remain in effect, but the expenses in the Operating Budget shall be adjusted for any increase in the consumer price index until the dispute is resolved.

Manager shall manage, operate, maintain, and market the Housing Component in accordance with each approved Operating Budget and Management and Marketing Plan, as amended and replaced from time to time in accordance with this Management Agreement; provided, however, that Manager shall have the option, at its professional discretion, to reallocate amounts among the various line items in the then current Operating Budget if the amount of reallocation does not cause the original amount of such line item to vary by more than ten percent (10%) and the reallocation of line item amounts does not increase the total amount of the Operating Budget. Otherwise, Manager shall obtain the written consent of Owner prior to incurring any item of expense in excess of the amount budgeted for such expense within a particular line item category of the applicable Operating Budget; provided, however, that, if adequate funds are available in the Manager’s Account (as defined in Section 4.2.1 below), and Manager determines in its professional discretion that actions are required for the preservation and safety of the Housing Component or its residents or to avoid the suspension of any necessary service to the Housing Component, Manager may take such actions, despite the cost limitations imposed by this Section 4.1, without obtaining Owner’s prior written approval but with an obligation to notify Owner as quickly as possible upon discovery of such emergency and subject at all times to Owner’s direction once notified.

If Manager discovers a need to incur any expense not anticipated as to type or amount by the applicable approved Operating Budget, Manager shall develop and recommend for approval by Owner such amendment or supplement to the Operating Budget as shall be necessary to

include such unanticipated expense. Any revisions shall be subject to review and approval in writing by Owner, and any disputes with regard thereto shall be resolved, in the same manner and with the same effect as is the original Operating Budget. If Owner does not provide the funds to cover the unanticipated expense when needed, any failure of Manager to make payment of such expense shall not be considered a default by Manager under this Management Agreement.

4.2. Operating Accounts.

4.2.1. Operating Accounts. All gross income from the Housing Component (“**Gross Revenue**”), including but not limited to all rents, fees, assessments, tenant storage, coin operated machines of all types (e.g., vending machines and pay telephones) and interest, promptly upon receipt by Manager, shall be accepted and held by Manager in trust for the benefit of the Owner and deposited into a bank account (the “**Manager’s Account**”) established and maintained by Manager in the name of Manager with a financial institution selected by Manager whose accounts are insured by the Federal Deposit Insurance Corporation, up to specified limits, or collateralized with securities held in Florida’s multiple financial institution collateral pool required by Chapter 280, Florida Statutes. The Manager shall maintain books and records to segregate these funds held in trust for the benefit of Owner. On the first business day of each calendar month, and on the fifteenth day of January, May and September (or the first business day thereafter if the fifteenth day is not a business day), Manager will wire transfer all Gross Revenues received by Manager that have not been previously disbursed to an account established and maintained by Owner in the name of Owner (the “**Owner’s Account**”) with a financial institution selected by Owner whose accounts are insured by the Federal Deposit Insurance Corporation. From time to time, as and when required, Owner shall make disbursements from the Owner’s Account back to the Manager’s Account. The amounts disbursed from Owner’s Account into Manager’s Account shall be those amounts which Owner and Manager have estimated in the approved Operating Budget as required for Manager to pay and discharge the obligations of Manager in accordance with this Management Agreement and each approved Operating Budget, including, but not limited to, the Pre-Opening Services Fee (as defined below), Management Fee (as defined below) and reimbursements due Manager. Promptly following Manager’s receipt of monthly statements from the Manager’s Account bank, Manager shall provide to Owner copies of the same, together with such account reconciliations as Owner may require.

4.2.2. Capital Expenditures. Manager is not responsible for any capital expenditure unless Owner and Manager have agreed in writing as to items for which Manager will take responsibility.

4.2.3. Ownership of Operating Accounts. All funds from time to time held in the Owner’s Account or the Manager’s Account shall be the property of Owner, and as it relates to the funds in the Manager’s Account, subject to disbursement by Manager in accordance with this Management Agreement. Disbursements shall be made from the Manager’s Account by Manager from time to time only (a) in accordance with the then current Operating Budget, this Management Agreement and other written approvals by Owner, and (b) upon the signatures of Manager’s authorized personnel.

4.3. Reports and Returns. Within thirty (30) days following each Fiscal Year quarter during the term of this Management Agreement and also within thirty (30) days following

the expiration of the term of this Management Agreement, Manager shall provide to Owner financial statements with respect to the results of operations of the Housing Component during such quarter, including, but not necessarily limited to: (a) a statement of receipts and disbursements; (b) an aging of accounts receivable; (c) a comparison of income and expense to the Operating Budget, with variance explanations; (d) a security deposit statement (if any are collected); (e) a rolling twelve (12) month actual and forecast projection for Owner's current Fiscal Year; and (f) Manager's comments and recommendations. Such statements shall present fairly the financial position and results of the operations of the Housing Component in relationship to the approved annual Operating Budget, and shall be reasonably detailed, including cash flow statements reflected operating results, supporting schedules of revenues and expenditures, and a balance sheet showing the Manager's Account cash position at the end of such quarter. Such statements shall be accompanied by an update with respect to the occupancy of the Housing Component at the end of such quarter.

Working in conjunction with an accountant designated by Owner, Manager shall assist in the preparation, for execution and filing by Owner, of all forms, reports and returns required by any governmental authority having jurisdiction over the Housing Component; provided, however, that Manager shall not be obligated to prepare any of Owner's state or federal income tax returns. Manager shall prepare and file all forms, reports and returns for unemployment insurance, workmen's compensation insurance, disability benefits and social security for Manager's on-site employees for the Housing Component;

4.4. Processing of Invoices. So long as sufficient funds are available in the Manager's Account, Manager shall timely pay, prior to delinquency, all bills or invoices for the Housing Component whenever satisfactory service or supplies have been received so as to maintain good credit and payment history for the Housing Component. Manager shall receive, review and approve all invoices for expenses incurred in managing, operating, and maintaining the Housing Component and shall pay such invoices in a timely manner from funds available in the Manager's Account if they are within the approved Operating Budget or if they have been approved in writing by Owner.

4.5. Books and Records. Manager shall keep accurate books and records for the Housing Component in accordance with generally accepted accounting principles consistently applied. Owner shall have the right to inspect and copy the Manager's books and records for the Housing Component after reasonable prior notice to Manager. In addition to such inspections, Owner has the right to conduct during customary business hours, at the expense of the Owner, audits of all books and records pertaining to the Housing Component under the control of Manager, and Manager shall make all such books and records available in Orlando, Florida to Owner or any reputable outside accounting firm retained by Owner. Audits may be made on a periodic basis and may be conducted by employees of Owner or by reputable, independent auditors retained by Owner. Manager shall make available to Owner, at mutually agreeable times, upon reasonable prior notice and for reasonable periods of time, any employees or officers of Manager with knowledge of the Housing Component for interviews regarding the Housing Component. Manager shall develop a records retention and storage policy consistent with Owner's needs. Manager shall not destroy or dispose of any records without Owner's consent. Manager may develop an electronic storage method for any or all records as opposed to incurring the expense associated with physical storage and security. Promptly following expiration or termination of this Management Agreement for any

reason, Manager shall deliver to Owner all books, records, accounts, contracts, Leases, deposits, unpaid bills and other papers required for the continuing management and operation of the Housing Component. Owner acknowledges that Manager may retain a copy of such information in its own files and for recordkeeping purposes.

4.6. Meetings.

4.6.1. Quarterly Meetings. Within thirty (30) days after the close of each Fiscal Year quarter, a representative of Manager shall meet with representatives of Owner to discuss Manager's financial reports, the financial performance of the Housing Component, the adequacy of the Operating Budget, and any other matters pertaining to the Housing Component and this Management Agreement.

4.6.2. Budgetary Meetings. Upon request from time to time during the Fiscal Year, a representative of Manager shall meet with representatives of Owner to discuss and develop the Operating Budget and Management and Marketing Plan for the upcoming Fiscal Year.

4.6.3. Telephone or Video Conferencing. At the discretion of Owner, any meeting under this Section 4.6 may take place by telephone or video conference.

5. Expenses.

5.1. Generally. Except as otherwise provided in Section 5.3, and any provision other than said Section 5.3 of this Management Agreement to the contrary notwithstanding, and whether or not so stated elsewhere in this Management Agreement, all costs and expenses incurred by Manager in the performance and carrying out of Manager's authority, responsibilities and obligations under this Management Agreement to manage, operate, maintain, and market the Housing Component and which are consistent with this Management Agreement and approved Operating Budgets shall be deemed operating expenses for the Housing Component and shall be borne solely by Owner and paid from the rents and other revenues of the Housing Component. Any other provision of this Management Agreement to the contrary notwithstanding, the Parties acknowledge and agree that the sole source of funds to pay the costs and expenses of managing, operating, maintaining, repairing and marketing of the Housing Component in accordance with this Management Agreement are the rents, revenues and other proceeds of the Housing Component and any funding provided by any mortgagee for such purpose. All actions taken by Manager in the performance of, and which are not inconsistent with, Manager's obligations under this Management Agreement shall be taken as independent contractor for Owner and, except as provided in Section 5.3 below, all obligations or operating expenses so incurred shall be for the account of, on behalf of, and at the expense of, the Owner for the Housing Component.

5.2. Reimbursable Expenses. Any payments to be made by Manager in the performance of its obligations under this Management Agreement shall be made out of such sums as are available in the Manager's Account. Manager shall not be obligated to expend its own funds for any payments which Manager is authorized or required to make under this Management Agreement. If Manager, in Manager's professional discretion, advances any cost or expense which is consistent with this Management Agreement and an approved Operating Budget, Manager shall

be entitled to reimbursement for such cost or expense incurred on Owner's behalf or for the benefit of the Housing Component from funds available for that purpose in the Manager's Account.

Reimbursable expenses shall include, but are not limited to, all amounts specifically referenced in this Management Agreement and any approved Operating Budget, together with (a) costs of operation incurred by Manager such as, but not limited to, administrative third-party costs relating to late rent payments, non-negotiable check charges and credit reporting fees, (b) marketing, advertising and promotional materials and other documentation preparation and reproduction charges, long distance telephone charges, postage and shipping charges, such as but not limited to next-business-day courier and registered mail, and (c) reasonable attorney's fees, court costs, and expenses and time costs incurred by Manager in connection with any claim, proceeding or suit involving an alleged violation by Manager or Owner of any law pertaining to fair employment, fair credit reporting, environmental protection, taxes, persons with disabilities, fair housing or otherwise relating to the Housing Component, except that Owner shall not be liable for such reimbursements if Manager is finally adjudicated to have violated such law personally, and not in its representative capacity.

5.3. Non-Reimbursable Expenses. Other than on-site and pre-approved off-site employees hired by Manager pursuant to Section 3, Owner shall not be obligated to pay any costs and expenses of the supervisory services to be rendered by Manager's employees or other overhead or indirect costs of Manager; provided, however, Manager shall be entitled to include in the Operating Budgets, as an expense of Owner for the Housing Component, fair and reasonable allocations of portions of the salaries, other compensation and benefits and related overhead costs and expenses of any off-site employees of Manager who assist in providing Manager's services under this Management Agreement.

6. Compensation.

6.1. Pre-Opening Services Fee. As compensation for the Pre-Opening Services, Manager shall be entitled to receive a fee (the "**Pre-Opening Services Fee**") in the fixed and agreed amount of Ten Thousand Dollars (\$10,000.00). The Pre-Opening Services Fee shall be paid to Manager by Owner upon the Housing Occupancy Date as defined in the Project Agreement.

6.2. Management Fee. As compensation for the services to be performed by Manager under this Management Agreement, other than the Pre-Opening Services Fee, Manager shall be entitled to receive a fee (the "**Management Fee**") in the amount equal to three percent (3.0%) of the Gross Revenue received with respect each calendar month of the term of this Management Agreement. The Management Fee payable to Manager with respect to any calendar month during the term of this Management Agreement shall be payable in arrears after the end of such calendar month, and Manager shall be entitled and authorized to pay such Management Fee from the monies available in the Manager's Account and pursuant to the Operating Budget. No error by Manager in calculation of the Management Fee shall constitute a waiver by Manager of payment of all amounts due under this Management Agreement.

6.3. Interest. If and to the extent that sufficient funds are not available in the Manager's Account to pay when due any Management Fee or expense reimbursement due Manager under this Management Agreement, the amount due and owing shall bear interest from the date due

through the date on which Manager receives payment at the lesser of the prime rate of interest published from time to time by the Wall Street Journal or similar United States publication, plus five hundred (500) basis points, or the maximum lawful rate of interest.

7. Term; Termination. If this Management Agreement is not terminated early by one or more of the events described below, this Management Agreement shall have a term of twenty (20) years, commencing at 12:01 a.m., Orlando, Florida time, on August 1, 2019 and expiring at midnight, Orlando, Florida time, on July 31, 2039. This Management Agreement may only be terminated by Owner or Manager pursuant to this Section 7.

7.1. Termination For Cause.

7.1.1. By Owner. For purposes of Section 7.1, the following events shall constitute “cause” for the termination of this Management Agreement by Owner:

(a) A petition in bankruptcy is filed by Manager, or Manager makes an assignment for the benefit of creditors or takes advantage of any insolvency act, or any act affording protection against creditors, or a petition in bankruptcy is filed against Manager and not dismissed within ninety (90) days following filing;

(b) The dissolution or liquidation of Manager;

(c) A breach by Manager of, or failure by Manager to keep or perform, any material covenant made or required to be kept or performed by it under this Management Agreement;

(d) Gross negligence or willful misconduct of Manager;

(e) Fraud, misappropriation, embezzlement by Manager; or

(f) The failure of Manager to maintain all licenses and permits necessary for Manager to discharge its duties under this Management Agreement.

(g) Default of Manager under the Project Agreement or Lease Agreement which is not cured within any applicable cure period thereunder.

7.1.2. By Manager. For purposes of Section 7.1, the following events shall constitute “cause” for the termination of this Management Agreement by Manager:

(a) A petition in bankruptcy is filed by Owner, or Owner makes an assignment for the benefit of creditors or takes advantage of any insolvency act, or any act affording protection against creditors, or a petition in bankruptcy is filed against Owner and not dismissed within ninety (90) days following filing;

(b) The dissolution or liquidation of Owner;

(c) A breach by Owner of any material covenant made or required to be kept or performed by it under this Management Agreement;

- (d) Gross negligence or willful misconduct of Owner;
- (e) Fraud, misappropriation, embezzlement by Owner; or

(f) The failure of Owner to pay any Management Fee or reimbursement due Manager pursuant to this Management Agreement or to fund the Manager's Account with sufficient funds to satisfy the cash requirements of Manager with respect to the Housing Component; provided, however, that no default in this regard by Owner shall be deemed to have occurred so long as there are sufficient funds in the Manager's Account or the Owner's Account to pay Manager the amounts due it hereunder, and to pay when due all anticipated liabilities and obligations of the Housing Component.

(g) Default of Owner under the Project Agreement or Lease Agreement which is not cured within any applicable cure period thereunder.

7.1.3. Notice and Cure. This Management Agreement may be terminated by the non-defaulting Party (the "**Aggrieved Party**") upon thirty (30) days written notice delivered to the defaulting Party (the "**Defaulting Party**") in the event the Defaulting Party has defaulted for any reason stated in Section 7.1.1 (a) or (b) or Section 7.1.2 (a) or (b). If either Party believes the other Party has breached any material covenant made or required to be kept or performed by it under this Management Agreement, has acted in any grossly negligent manner or has engaged in any willful misconduct, then, prior to terminating this Management Agreement for cause pursuant to Section 7.1.1 (c), (d), (e), (f) or (g) or Section 7.1.2 (c), (d), (e), (f) or (g), the Aggrieved Party must provide written notice to the Defaulting Party giving specific reasons why the Defaulting Party is in breach of Section 7.1.1 (c), (d), (e), (f) or (g) or Section 7.1.2 (c), (d), (e), (f) or (g), as the case may be, and giving specific details as to what efforts or actions the Allegedly Defaulting Party is required to take in order to cure such breach. If the Defaulting Party fails to cure the breach noted in the Aggrieved Party's notice within thirty (30) days after the Defaulting Party's receipt of said notice, or within such longer period as may reasonably be necessary due to the nature and extent of the required cure, and the Aggrieved Party is still dissatisfied, the Aggrieved Party shall provide a further written notice to the Defaulting Party specifying the breach still considered to be in need of correction. If the Defaulting Party still does not cure the breach within fifteen (15) days after receipt of the second notice from the Aggrieved Party, or within such longer period as may reasonably be necessary due to the nature and extent of the required cure, then the Defaulting Party shall be in default of this Management Agreement and the Aggrieved Party shall be entitled to terminate this Management Agreement by further written notice to the Defaulting Party, in which event the termination shall take effect thirty (30) days after the Defaulting Party's receipt of the said notice of termination.

7.2. Termination of Project Agreement or Lease Agreement. This Management Agreement shall also terminate immediately upon any termination of the Project Agreement or the Lease Agreement.

7.3. Obligation to Pay Survives Termination. Manager's right to receive payment of the Management Fee, reimbursements and interest thereon as provided in this Management Agreement shall survive the termination or expiration of this Management Agreement for any reason.

7.4. Remedies Upon Breach; Limitation on Liability. Upon a breach of this Management Agreement by a Party, the other Party shall be entitled to exercise any and all remedies available at law or in equity and such other remedies as are expressly provided in this Agreement. Any provision of this Management Agreement to the contrary notwithstanding, the Parties agree that neither Party shall have liability for any speculative, exemplary or consequential damages under or in connection with this Management Agreement or any alleged default hereunder by a Party.

8. Insurance, Liability Limitation, and Environmental Indemnification.

8.1. Owner's Insurance. Owner shall obtain and maintain for the Housing Component, in Owner's and Manager's names and at Owner's expense, all insurance policies required by this Management Agreement and applicable law, with the exception that Manager shall provide for the Housing Component, at the expense of Owner, fidelity insurance coverage as required from time to time by the Owner. Without limiting the foregoing, Owner shall obtain and maintain comprehensive general public liability insurance against claims for all injury, death or property damage occurring on, in, or about the Housing Component with a combined single limit of not less than Five Million Dollars (\$5,000,000) for each occurrence for personal injury, death and property damage, with such deductible limits as Owner may deem advisable. Owner and Manager shall be named insureds on such policy. Owner shall deliver to Manager a copy of the required insurance policy and a certificate evidencing such insurance no later than the date that the Housing Component of the Owner's Building is open for student occupancy. Insurance premiums in the Initial Operating Budget, and any future costs or expenses with respect to the insurance described in this Section 8.1, shall be reflected in the Operating Budgets as an operating expense payable by Owner from the Gross Revenues.

8.2. Manager's Insurance. Manager shall provide to Owner a certificate evidencing Manager's applicable insurance coverage, including but not limited to fidelity insurance coverage, in an amount of not less than \$2,500,000.00 and with coverage limits approved by Owner, said certificates to be provided not later than the date Manager first collects any funds on account of the Leases.

8.3. Claims. Manager shall investigate and make a written report to Owner as to any accidents or claims for damages relating to the Housing Component, including, but not limited to, any damage or destruction to the Housing Component. Manager shall promptly notify Owner of any single loss or event likely to give rise to a claim against an insurer for an amount in excess of \$500.00 covered by any insurance required to be maintained pursuant to this Management Agreement. If any claim, demand, suit or other legal proceeding is threatened in writing or instituted by any person against Manager or Owner with respect to the Housing Component, Manager shall deliver to Owner and such other affected party prompt written notice and all pertinent information and reasonable assistance in the defense or other disposition thereof, all at the expense of Owner for the Housing Component. Manager shall cooperate with insurance carriers in the processing of insurance claims.

8.4. Limitations on Liability. Neither Party shall be liable for any speculative, exemplary or consequential damages under or in connection with this Management Agreement or the contractual relationship hereby memorialized. All personal property placed or moved into the

Housing Component will be so moved or placed at the sole risk of the Manager or individual Tenant that is the owner of such personal property. ANY PROVISION OF THIS MANAGEMENT AGREEMENT TO THE CONTRARY NOTWITHSTANDING, MANAGER SHALL NOT BE DEEMED TO INSURE THE TRANQUILITY OF THE PROJECT OR THE SAFETY OR SECURITY OF ANY PERSON OR ANY PERSONAL PROPERTY FROM TIME TO TIME LOCATED UPON, WITHIN OR IN THE VICINITY OF THE PROJECT. Except as may be expressly set forth in this Management Agreement, Manager disclaims, and Owner, on behalf of itself and its tenants, guests, invitees, successors and assigns releases, exonerates and discharges Manager from, any and all warranties and representations, whether oral or written, express or implied, including, but not limited to, any warranty of suitability, merchantability or fitness for a particular purpose, in any way related to or arising out of the design, engineering, obtaining of licenses, permits and approvals for, or the development, construction, installation or furnishing of the Owner's Building or the Housing Component. The provisions of this Section 8.4 shall survive any expiration or termination of this Management Agreement.

8.5. Environmental Indemnification. Manager shall not, and except for Owner Manager shall not allow others to, dig, grow gardens or otherwise have contact with the soil under or outside of the Owner's Building. Manager shall not cause or permit any Hazardous Substances (as defined in the Lease Agreement) to be used, stored, generated or disposed of on or in the Housing Component or any portion of the Owner's Building by Manager, Manager's employees, agents, assignees, Tenants, concessionaires, licensees, contractors, subcontractors, guests or invitees. Subject to limitations, if any, of 768.28 Florida Statutes, Manager shall be responsible for any and all damages from Manager causing or permitting Hazardous Substances on the Housing Component or any portion of the Owner's Building. If Manager causes or permits the presence of any Hazardous Substances on the Housing Component or any portion of the Owner's Building and such results in contamination, Manager shall promptly, notify Owner and then at Owner's option, (i) Manager shall at Manager's sole expense, take any and all necessary actions approved by Owner to return the Owner's Building to the condition existing prior to the presence of any such Hazardous Substances, or (ii) pay Owner to take any and all necessary actions to return the Owner's Building to the condition existing prior to the presence of any Hazardous Substance. Manager shall undertake no testing for Hazardous Substances on the Owner's Building or take any remedial actions without in each instance obtaining Owner's prior written consent, which consent shall not be unreasonably withheld or delayed. Owner shall have access to the Housing Component in order to investigate and test with respect to any suspected release of Hazardous Substances in contravention of this Section 8.5, and to access the Housing Component as needed for any remedial action deemed necessary by Owner. Except to the extent that any of the following described circumstances arises from a failure of Manager to comply with the provisions of this Section 8.5, Owner shall protect, indemnify, save, defend, and hold harmless Manager from and against any and all liability, loss, damage, actions, causes of action, costs or expenses whatsoever (including reasonable attorneys' fees and expenses) and any and all claims, suits and judgments which Manager may suffer, as a result of or with respect to: (a) any environmental claim relating to or arising from the Owner's Building; (b) the violation of any Environmental Law in connection with the Owner's Building; (c) any release, spill, or the presence of any Hazardous Materials affecting the Owner's Building; and (d) the presence at, in, on or under, or the release, escape, seepage, leakage, discharge or migration at or from, the Owner's Building of any Hazardous Materials, whether or not such condition was known or unknown to Owner. This indemnity shall survive the expiration or termination of this Management Agreement.

9. Time; Force Majeure. Time is of the essence in all matters pertaining to the performance of this Management Agreement. If any deadline for the performance of any act or the giving of any notice, demand or request required or permitted by this Management Agreement would otherwise expire on a non-business day, the deadline for such performance or giving or sending of such notice, demand or request period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the majority of the banks operating in Orange County, Florida shall not be regarded as business days.

Any provision of this Management Agreement to the contrary notwithstanding, any failure or delay of a Party to perform as provided under this Management Agreement shall not be a breach of this Management Agreement, and any applicable deadline shall be automatically extended, if and to the extent such failure or delay results from any of the following: act of God, inclement weather, discovery of any adverse physical or environmental condition of the Housing Component, moratorium or other stop work order issued by any governmental authority, delay caused by any governmental authority in issuing or refusing to issue any license, permit or approval required for the Housing Component, litigation, labor disputes, material shortage, terrorist act, war, sabotage, theft, vandalism, riot or civil commotion.

10. Reciprocal Assurances.

10.1. Owner. Owner represents and warrants to Manager, and Owner covenants with Manager, as of the Effective Date and continuously throughout the term of this Management Agreement, that (a) Owner is a limited liability company, duly organized and validly existing under the laws of the State of Delaware, (b) Owner is qualified to conduct business in the State of Florida; (c) Owner has the requisite right, legal capacity, power and authority to enter into this Management Agreement and to perform its obligations under this Management Agreement; subject, however, to Owner's construction of the Owner's Building as described in the Project Agreement and Lease Agreement, (d) neither the execution and delivery of this Management Agreement nor the performance of this Management Agreement by Owner will result in any breach of, or constitute a default under or conflict with, any agreement, covenant or obligation binding upon Owner, (e) the persons signing this Management Agreement on behalf of Owner have the authority to do so and to bind Owner to this Management Agreement, and (f) this Management Agreement has been duly authorized and executed by Owner and, upon delivery to and execution by both Parties, this Management Agreement will constitute the legal, valid and binding obligation of Owner, enforceable in accordance with its terms against Owner, subject only to applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting or limiting the rights of contracting parties generally.

10.2. Manager. Manager represents and warrants to Owner, and Manager covenants with Owner, as of the Effective Date and continuously throughout the term of this Management Agreement, that (a) Manager is a State University, duly organized and validly existing in the State of Florida, (b) Manager is qualified to conduct business in the State of Florida; (c) Manager has the requisite right, legal capacity, power and authority to enter into this Management Agreement and to perform its obligations under this Management Agreement, (d) neither the execution and delivery of this Management Agreement nor the performance of this Management Agreement by Manager will result in any breach of, or constitute a default under or conflict with, any agreement, covenant or obligation binding upon Manager, (e) the person signing this Management Agreement on behalf of

Manager has the authority to do so and to bind Manager to this Management Agreement, (f) this Management Agreement has been duly authorized and executed by Manager and, upon delivery to and execution by both Parties, this Management Agreement shall constitute the legal, valid and binding obligation of Manager, enforceable in accordance with its terms against Manager, subject only to applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting or limiting the rights of contracting parties generally, and (g) Manager is qualified, and Manager currently has and will continuously maintain in effect and in good standing all licenses and permits required by law, in order to provide and perform the services required by this Management Agreement.

11. Notices. Any notice, demand or request permitted, required or desired to be given in connection with this Management Agreement shall be in writing and shall be hand delivered, sent by United States certified or registered mail, return receipt requested, postage prepaid, or sent by private, receipted carrier guaranteeing same-day or next-business-day delivery, addressed as follows:

If to Manager:

Mr. William F. Merck II
Vice President
328 Millican Hall
University of Central Florida
Orlando, Florida 32816
Telephone: (407) 823-2351
Email: William.Merck@ucf.edu

With a copy to:

Scott Cole, Esq.
General Counsel
University of Central Florida
4000 Central Florida Blvd. MH360
Millican Hall, Suite 360
Orlando, Florida 32816
Telephone (407) 823-2482
Email: Scott.Cole@ucf.edu

If to Owner:

Mr. Craig Ustler
Ustler Development, Inc.
800 North Orange Avenue, Suite 200
Orlando, FL 32801
Telephone (407) 839-1070
Email: Custler@ustler.net

Mr. Dennis Biggs
President
Development Ventures Group, Inc.
1251 Avenue of the Americas, Suite 910
New York, NY 10020
Telephone: (212) 899-10020
Email: DBiggs@devengroup.us

With a copy to:

Michael A. Ryan, Esquire
Lowndes, Drosdick, Doster, Kantor &
Reed, P.A.
215 North Eola Drive
Orlando, FL 32801
Telephone: (407) 418-6355
Email: mike.ryan@lowndes-law.com

Karen W. Wankelman, Partner
Shutts & Bowen, LLP
300 South Orange Avenue, Suite 1000
Orlando, FL 32801
Telephone: (407) 835-6780
Email: kwankelman@shutts.com

Except as otherwise provided in this Management Agreement, any notice, demand or request shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day.

The failure by any Party to deliver a courtesy copy as referenced above shall not constitute a default under the terms of this Management Agreement nor shall it create a defect in any notice, demand or request which is otherwise properly given. To the extent practical, copies of all notice, demand or request shall be sent by email as well, but a failure to send such an email copy shall not constitute a default under the terms of this Management Agreement nor shall it create a defect in any notice which is otherwise properly given.

If any Party hereto is represented by legal counsel, such legal counsel is authorized to deliver any written notice, demand or request directly to the other Party or its counsel on behalf of his or her client, and the same shall be deemed a proper notice, demand or request hereunder if delivered in the manner hereinabove specified.

Any Party or other person to whom any notice, demand or request is required to be sent or copied may notify the Parties and other addressees of any change in name or address to which notice, demand or request shall be sent or copied by providing written notice of the same to the Parties and addressees set forth herein, and any such change shall be effective five (5) days after such notice is delivered in accordance with this Section.

12. Entire Agreement; Amendments; Waiver. This Management Agreement, including all exhibits and addenda hereto, and together with any relevant provisions in the Project Agreement and Lease Agreement, represents the entire agreement between Manager and Owner with respect to the subject matter dealt with herein. This Management Agreement and the provisions hereof may not be waived, amended, modified or discharged except by a writing signed by the Party against whom enforcement of such waiver, amendment, modification or discharge is sought. No failure by either Party to insist upon the strict performance of any provision of this Management Agreement or to exercise any right, power or remedy consequent to any breach thereof, and no waiver of any such breach, or the acceptance of partial payment during the continuance thereof, shall constitute a waiver of any such breach or of any such provision. No waiver of any breach by either Party shall affect or alter this Management Agreement, which shall continue in full force and effect, or the rights of either Party with respect to any other breach then existing or any subsequent breach.

13. Assignment; Successors and Assigns; Third Party Beneficiaries. Except as otherwise provided in this Section 13, neither Manager nor Owner shall assign or delegate this Management Agreement or any of their respective rights or obligations hereunder without the prior written consent of the other Party.

13.1 Assignment by Owner. After completion by Owner of the Owner's Building, Owner shall be permitted to transfer its rights and obligations under this Management Agreement to a Permitted Transferee under the Project Agreement. Upon the written assumption by the Permitted Transferee of all obligations of Owner under this Management Agreement arising as of and after the date of such assignment, the assigning Owner shall be released from all obligation and liability hereunder, except as to any liability, the claim for which may have accrued prior to the date of such assignment and assumption.

13.2 Manager's Right to Continue Management Upon Sale. During the term of this Management Agreement, Owner shall notify the Manager in writing of the possible sale or transfer of Owner's fee simple interest in the Owner's Building (the "**Notice of Sale**") not later than thirty (30) days prior to consummating such sale or transfer. The Notice of Sale shall include the name of the proposed transferee, and contact information for an individual representative of the proposed transferee. Unless Owner and Manager otherwise agree in writing to a termination of this Management Agreement prior to the consummation of such sale or transfer: (i) the terms and provisions of this Management Agreement shall be binding upon such transferee of Owner's Building, and (ii) the Owner shall be obligated to obtain from the transferee a written assumption by the transferee of those Owner's obligations under this Management Agreement that may arise from and after the consummation of such transfer, and (iii) the Manager shall agree in writing to attorn to such transferee and to continue to be bound by the terms and provisions of this Management Agreement for the benefit of such transferee. Manager and Owner shall cooperate to effect a smooth transition of Manager and Owner responsibilities upon such transfer.

13.3 Owner's Right to Collaterally Assign. Owner shall have the right to pledge or collaterally assign its rights under this Management Agreement to any lender providing mortgage financing with respect to the Owner's Building, and no such pledge or collateral assignment shall require the consent or approval of Manager.

13.4 Manager Right to Subcontract. Manager shall have the right to subcontract to one or more third parties certain portions of Manager's duties or functions under this Management Agreement subject to the approval by Owner of such subcontractor; provided, however, that Manager shall not subcontract its administrative or resident relations functions under this Management Agreement.

13.5 Generally. This Management Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective permitted assigns and successors in interest. All of the covenants and provisions of this Management Agreement are solely for the benefit of the Parties hereto. There are no third party beneficiaries of this Management Agreement.

14. Independent Contractor. Manager and Owner expressly disavow any intent to create through this Management Agreement a partnership, joint venture, association, joint ownership of property or employer/employee relationship. It is expressly understood and agreed that Owner has engaged Manager, and Manager has agreed to serve, only in the capacity of an independent contractor.

15. Governing Law; Venue. This Management Agreement shall be governed by, and construed in accordance with, the laws of the State of Florida without resort to its conflicts of laws provisions. Venue for all litigation shall be in the local and state courts located in Orange County, Florida and in the federal district court for the district in which the Owner's Building is located.

16. Severability. If any provision of this Management Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Management Agreement, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected by such invalidity or unenforceability, and each provision of this shall be valid and be enforced to the fullest extent permitted by law.

17. Counterpart Execution; Further Assurances. This Management Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument. Each party agrees to execute and deliver such other documents as are reasonably necessary to give effect to and carry out the transaction herein contemplated.

18. Exhibits. The exhibits referred to in this Management Agreement and attached hereto are hereby incorporated by reference into this Management Agreement and made part hereof.

19. Headings; Construction. The headings contained in this Management Agreement are for reference purposes only and shall not modify or affect this Management Agreement in any manner whatsoever. Wherever required by the context, any gender shall include any other gender, the singular shall include the plural, and the plural shall include the singular. Each Party has fully participated in the negotiation and preparation of this Management Agreement and each Party has received independent legal advice from its attorneys with respect to the advisability of executing this Management Agreement and the meaning of the provisions hereof. The provisions of this Management Agreement shall be construed as to the fair meaning and not for or against any Party based upon any attribution of such Party as the sole source of the language in question.

20. Competing Projects and Activities. Manager discloses and Owner acknowledges that Manager owns and/or manages student housing and related facilities other than the Housing Component. Owner agrees that Manager and its affiliates may continue to engage in such activities and may own and/or manage student housing and related facilities other than, and in addition to, those presently owned and/or managed by it, whether or not such other facilities may be in direct or indirect competition with the Housing Component, and Manager may in the future engage in other businesses which may compete directly or indirectly with activities of Owner, subject at all times to UCF's compliance with the terms of the Project Agreement. Subject to the terms of the Project Agreement, Owner irrevocably consents to and waives any and all such conflicts of interest on the part of Manager and its affiliates,

21. Access. Subject to the rights of Tenants under the Leases, Manager shall have access to all portions of the Housing Component at all times throughout the term of this Management Agreement as necessary for the performance of Manager's rights and obligations under this Management Agreement.

22. Designated Representatives. Each Party shall designate in writing and maintain on record with the other Party at all times a single individual who shall be authorized to deal with the other Party hereto on any matter relating to this Management Agreement. In the absence of any such designation, the chief executive officer of the applicable Party shall have this authority.

[END OF THIS PAGE. CONTINUED ON NEXT PAGE.]

[Attached to Management Agreement]

IN WITNESS WHEREOF, each Party has caused this Management Agreement to be executed on its behalf by its undersigned lawful representative, hereunto duly authorized, on the date set forth below, with the intent that this Management Agreement shall take effect on and as of the Effective Date.

WITNESSES:

Signature of First Witness
Printed Name: _

Signature of Second Witness
Printed Name: _

“OWNER”

**CREATIVE VILLAGE SHP OWNER,
LLC**, a Delaware limited liability company

By: _____
Name: _____
Title: _____

Date: _____, 2018

[Attached to Management Agreement]

WITNESSES:

Signature of First Witness

Printed Name:_____

Signature of Second Witness

Printed Name:_____

“MANAGER”:

**UNIVERSITY OF CENTRAL FLORIDA
BOARD OF TRUSTEES**

By:_____

Name:_____

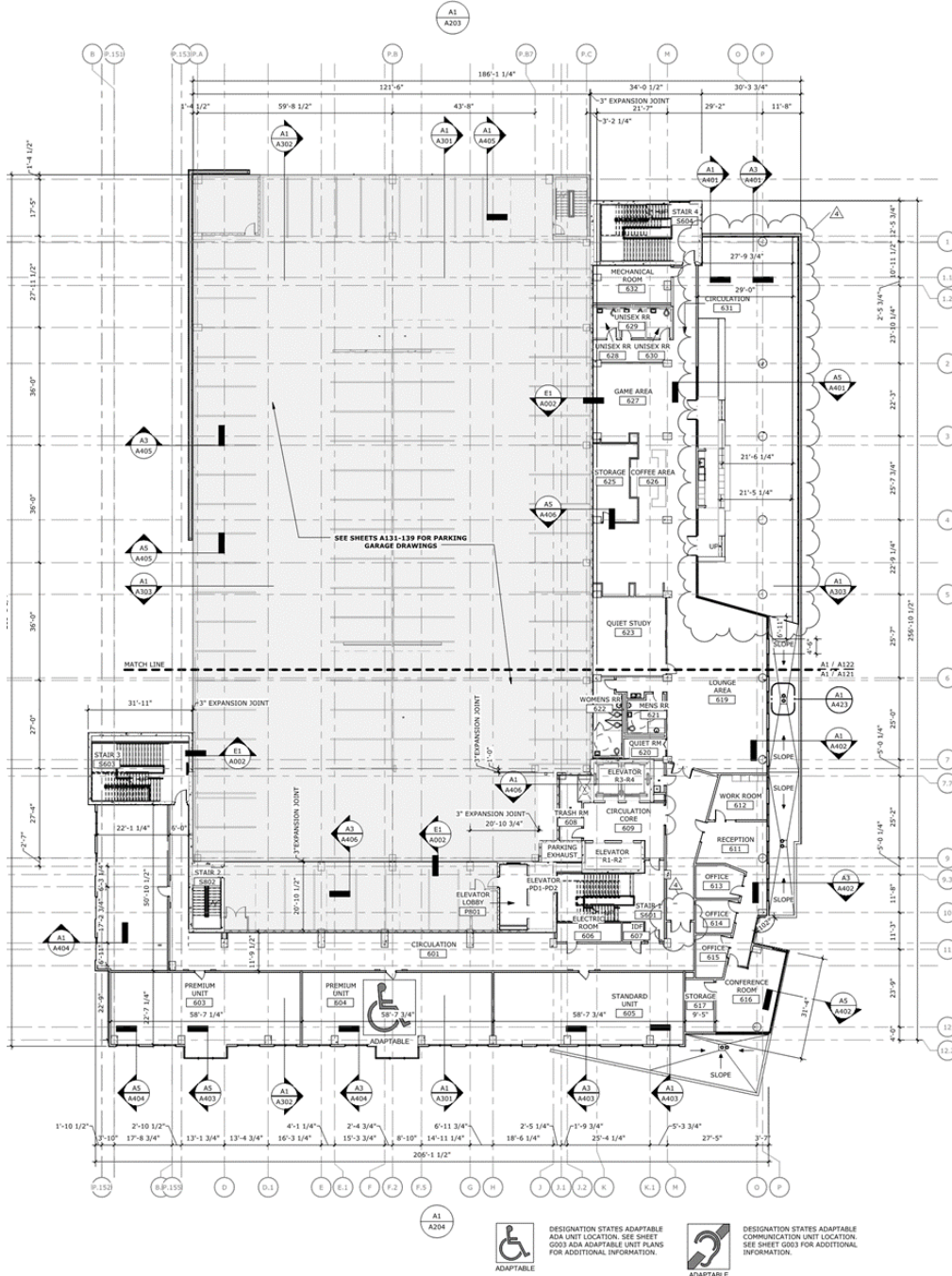
Title: _____

Date:_____, 2018

EXHIBIT “A”
(See Recital B)

FLOOR PLANS AND UNIT PLANS FOR THE HOUSING COMPONENT

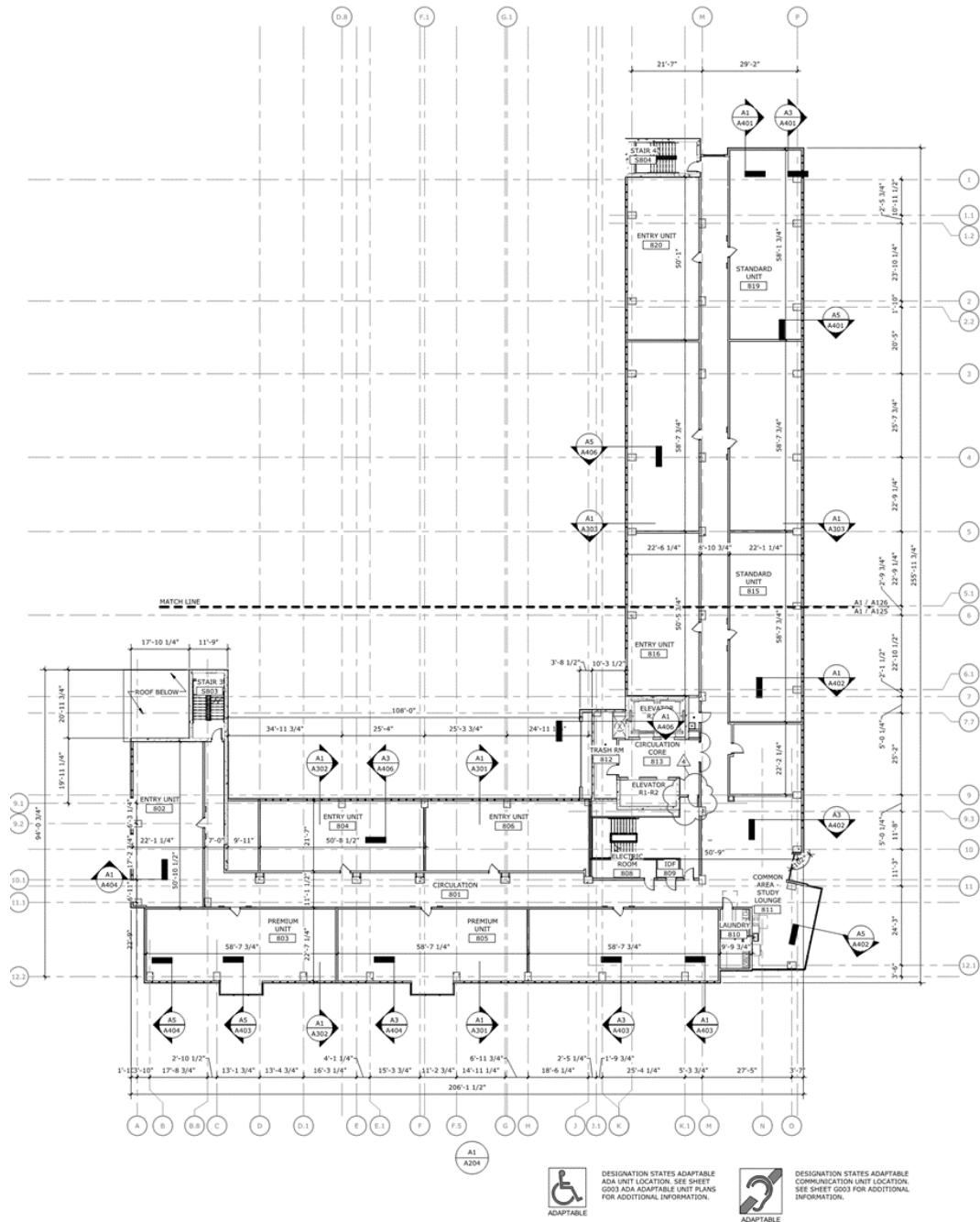
Exhibit A Management Agreement
Floor Plans and Unit Plans Sheet 1 of 5



A2 OVERALL FLOOR PLAN - LEVEL 6
 1/16" = 1'-0"



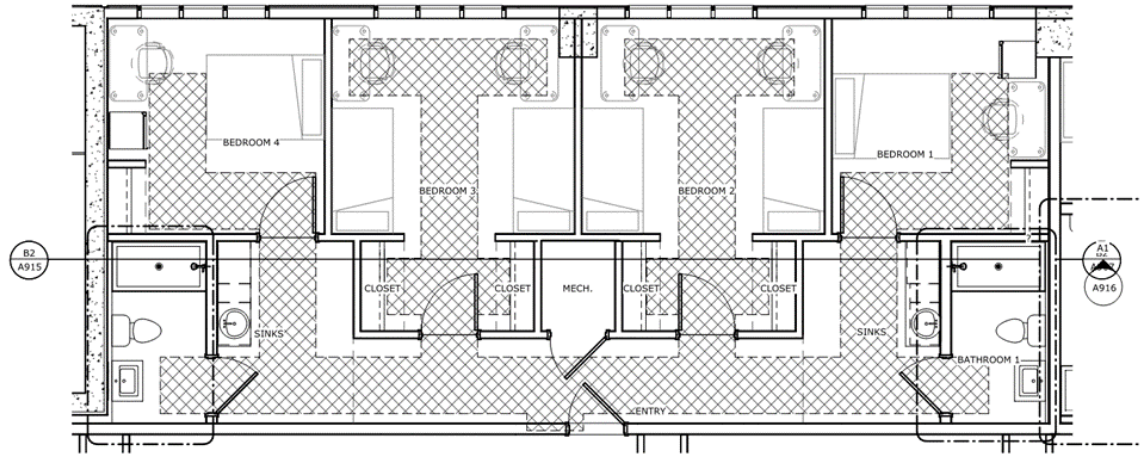
Exhibit A Management Agreement
Floor Plans and Unit Plans Sheet 2 of 5



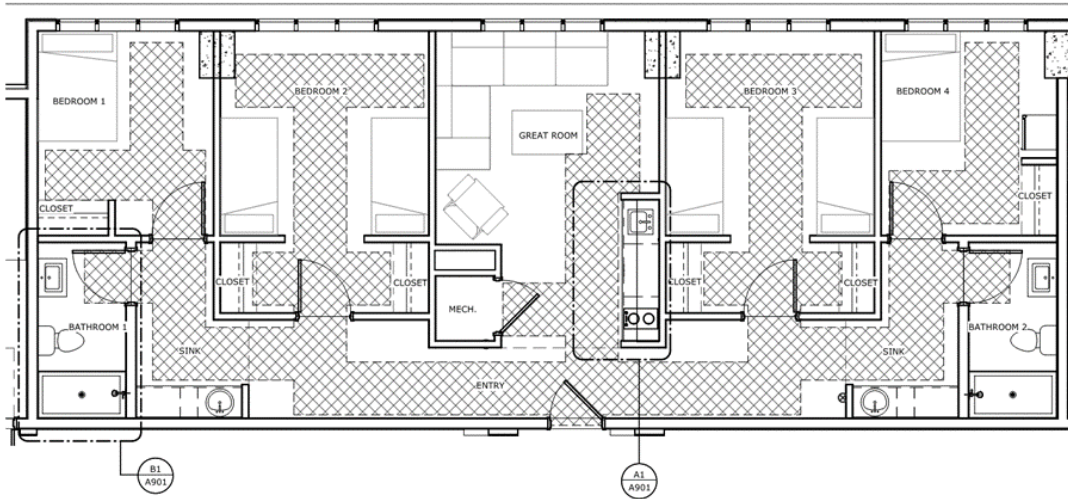
A2 OVERALL FLOOR PLAN - LEVEL 8-15
 1/16" = 1'-0"



Exhibit A Management Agreement
Floor Plans and Unit Plans Sheet 3 of 5

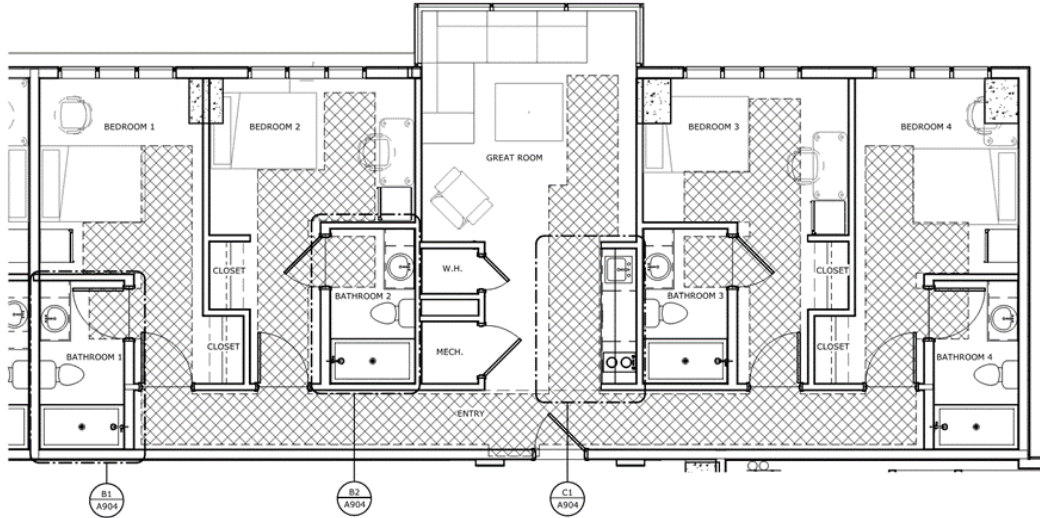


B4 ENTRY UNIT - FHA
1/4" = 1'-0"

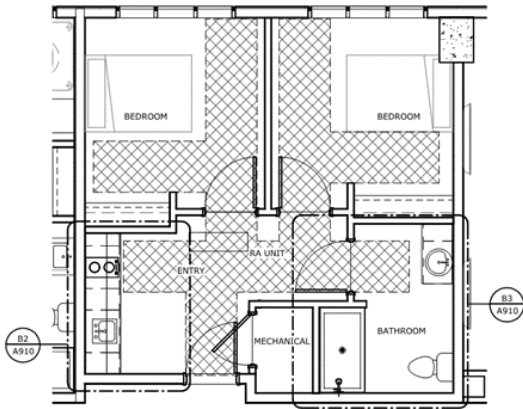


B4 STANDARD UNIT - FHA
1/4" = 1'-0"

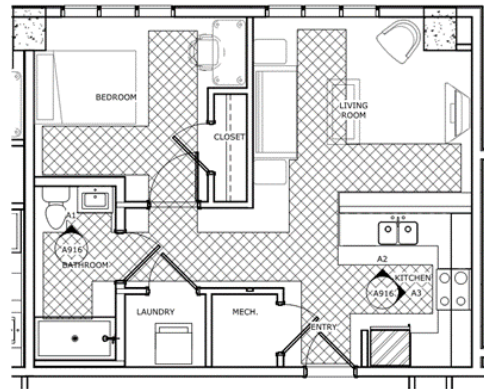
Exhibit A Management Agreement
Floor Plans and Unit Plans Sheet 4 of 5



B4 PREMIUM UNIT - FHA
 1/4" = 1'-0"

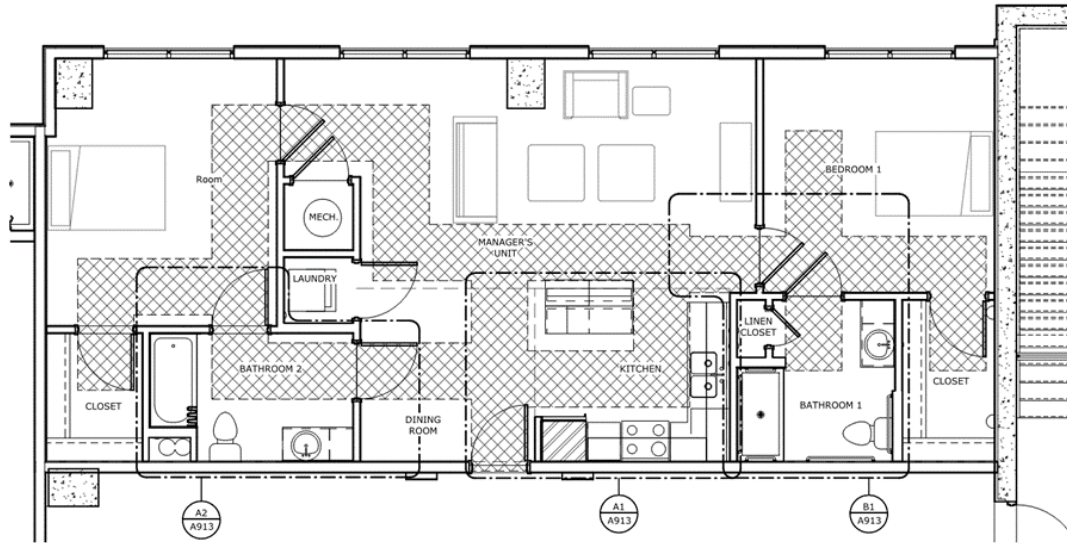


B5 RA UNIT - FHA
 1/4" = 1'-0"



B5 ASSISTANT MANAGER UNIT - FHA
 1/4" = 1'-0"

Exhibit A Management Agreement
Floor Plans and Unit Plans Sheet 5 of 5



B4 **MANAGER APARTMENT - FHA PLAN**
1/4" = 1'-0"

EXHIBIT “B”
(See Section 3.14)

DETAILED STUDENT HOUSING SERVICES

Manager shall provide management, administration, marketing and resident-life services similar to, but in no event lesser than those services provided for Main Campus housing, including but not necessarily limited to the following:

Conceptual

- Provide comment to Owner’s development of Pricing and Leasing Structure
- Provide comment to Owner’s Floor Plans and Units Plans
- Provide comment and recommendations relating to amenities and services to be provided to Tenants

Initial Financial Analysis and Planning

- Participate in the preparation of the detailed Initial Operating Budget including income and expense projections and staffing models
- Prepare cash flow projections supporting the Initial Operating Budget

Management Services – on a quarterly basis

- Provide information and reports to Owner as required under this Management Agreement
- Identify current and potential competitive student housing, including on-campus housing at the Main Campus
- Perform regular student surveys to determine resident acceptance and satisfaction of the Housing Component
- Identify student and market pricing conditions, trends and thresholds having influence upon the Housing Component
- Assess general competitive housing environment

Initial Lease-up and Marketing

- Develop brochures and marketing materials
- Develop information for inclusion in UCF Housing and Residence Life website
- Identify and contact target market
- Develop initial Management and Marketing Plan
- Coordinate with Valencia and agree on the process for allocating student beds (per section 3.15)
- Implement lease-up, allocating student beds among Valencia Students and UCF Students as agreed
- Accomplish pre-opening operations and transition

Personnel - Ongoing

- Hire, train and oversee management personnel
- Hire, train and oversee other required staff
- Provide human resources support and benefit administration for all employees and contract staff

Accounting/Financial Reporting - Ongoing

- Prepare annual Operating Budget for review and approval of Owner
- Perform accounts payable and receivable functions and reporting

- Prepare monthly financial reports
- Prepare monthly Tenant tracking reports
- Manage the Manager's Account, including cash management, distributions and balancing

General and Administrative - Ongoing

- Perform the standard administration duties associated with the Housing Component
- Perform the standard duties associated with the administration of Leases
- Perform all Tenant relations activities
- Perform all third-party service contract negotiations and administration
- Manage insurance related claim activity
- Coordination move-in/move-out cycles
- Manage ongoing housekeeping and maintenance
- Coordinate with other tenants and uses within Owner's Building
- Coordinate with Valencia College

Marketing and Leasing

- Prepare the annual Management and Marketing Plan
- Develop focused marketing programs
- Coordination with UCF and Valencia College Financial Aid
- Create form of Lease and guaranty with enforceability of collections for approval of Owner
- Develop an annual marketing events calendar
- Develop on-going marketing and leasing programs to include:
 - Direct mailings
 - Advertising
 - Internal promotions
 - Summer program marketing
 - Community and public relations
 - Display signs on-site

Maintenance - Ongoing

- Manage the process of Tenant maintenance requests
- Prepare and maintain a work order system to address required housekeeping, maintenance and repairs
- Provide recommendations to Owner for preventive maintenance programs
- Assist in the management relating to the upkeep of the grounds, landscaping and common areas

Residence Life/Student Development - Ongoing

- Hire, train and support para-professional student staff (Resident Assistants/Community Assistants)
- Provide student support for Tenants as defined within the Residence Life program
- Provide educational, recreational and social programming for Tenants
- Provide customer service administration for Tenants
- Managing parental relationships with Tenants
- Participation in national and regional professional organizations relating to student housing

EXHIBIT "C"
(See Section 4.1(a))

| Projected 2019-2020 Budget | |
|---|---------------------|
| Operating Revenues | |
| Rental income | \$ 7,057,320 |
| Vacancy Loss | \$ (518,970) |
| Model Loss | \$ - |
| Rental Revenue | \$ 6,538,350 |
| Late Charges | \$ 10,000 |
| Early Termination/Cancel Fees | \$ 110,000 |
| Miscellaneous Income | \$ 12,500 |
| Other Revenue | \$ 132,500 |
| Total Operating Revenue | \$ 6,670,850 |
| Operating Expenses | |
| Plant and Maintenance | |
| Maintenance Costs | |
| Maint-Repairs and Maint | \$ 95,500 |
| Electricity - Common Area | \$ 250,000 |
| Water and Sewer | \$ 100,000 |
| Furniture Repairs | \$ 13,000 |
| Pool and Hot Tub Maintenance | \$ 11,500 |
| Maint-Supplies | \$ 74,250 |
| Equipment Repairs and Maintenance | \$ 6,200 |
| Uniforms | \$ 2,500 |
| Contracts | |
| Trash Removal | \$ 16,000 |
| Cleaning Supplies | \$ - |
| Security Services | \$ 20,000 |
| Tools and Equipment | \$ 20,000 |
| Pest Control/Exterminating | \$ 5,000 |
| Fire Protection | \$ 1,000 |
| Lawn and Landscaping | \$ 33,000 |
| General Cleaning | \$ 16,000 |
| Total Plant and Maintenance | \$ 663,950 |
| Management Fees | |
| Management Fees | \$ 200,126 |
| Management Fees | \$ 200,126 |
| Administrative and General | |
| Administrative Salaries | |
| Salaries and Wages | \$ 515,984 |
| Resident Assistants | \$ 55,440 |
| Fringe Benefit Rate | \$ 163,386 |
| Utilities | |
| Cable TV | \$ 157,500 |
| Leasing and Promotions | |
| Advertising | \$ 74,500 |
| Professional Fees | |
| Audit and Accounting | \$ 36,000 |
| Legal Fees | \$ 1,500 |
| Information Technology Support | \$ 2,000 |
| Professional Fees and Services | \$ 2,000 |
| Communications | |
| Telephone | \$ 15,500 |
| Cell Phones and Pagers | \$ 1,000 |
| Telecom/Data Support | \$ 2,400 |
| Postage and Shipping | \$ 1,000 |
| Office Equipment Rental | |
| Furniture and Equipment Rental | \$ 4,000 |
| Other Admin | |
| Office Supplies | \$ 4,100 |
| Copies and Printing | \$ 5,200 |
| Conference Registration | \$ 500 |
| Entertainment | \$ 500 |
| Entertainment-Meals | \$ 6,500 |
| Filing and Registration Fees | \$ 1,500 |
| Bank Charges | \$ 1,200 |
| Travel Expenses | \$ 2,500 |
| Other: Property Taxes | \$ 168,394 |
| Miscellaneous | \$ 1,000 |
| Admin-Repairs and Maintenance | \$ 20,000 |
| Insurance | |
| Insurance | \$ 93,900 |
| Total Administrative and General | \$ 1,337,504 |
| Bad Debt | |
| Bad Debt Expense | \$ 6,000 |
| Bad Debt Expense | \$ 6,000 |
| Total Operating Expenses | \$ 2,207,579 |
| Net Operating Income | \$ 4,463,271 |

| Pre-Opening Budget | |
|---|-----------------|
| | Amount |
| Printing and Mailing | |
| Postcards and letters- printing and postage | Included |
| Major publications- printing and postage | Included |
| Door hangers | Included |
| Mailbox Stuffers | Included |
| Move-in Guides | Included |
| In-House Printing- Posters and Flyers | Included |
| Banners, Table drapes, stand banners and other fabric displays | Included |
| Directional Signage | Included |
| Open House Board | Included |
| Sub-Total Printing & Mailing | \$13,000 |
| Paid Advertising | |
| Online Ads: FB/Google Ad Words | Included |
| Sub-Total Paid Advertising | \$1,000 |
| Events | |
| Staff Trainings- O-Team, Admissions, Open House Team, HAs etc. | Included |
| Move-in event/Grand Opening | Included |
| Awareness Launch Event(s) | Included |
| Recognition Events- Staff and partners | Included |
| UCF Open Houses | Included |
| UCF Orientations- setup materials | Included |
| Valencia Orientations- setup materials | Included |
| Resident appreciation events | Included |
| Tabling-Student Union, Direct Connect, etc. | Included |
| Sub-Total Events | \$13,500 |
| Promotions and Incentives | |
| Orientation- Promo and raffle items | Included |
| Promotional giveaways- Sunglasses, pens, magnets, etc. | Included |
| Resident Welcome Packages | Included |
| Promotional T Shirts | Included |
| Concierge services/Coffee Lounges | Included |
| Partnership support | Included |
| Room Design Contest Incentives | Included |
| Sub-Total Promotions & Incentives | \$15,450 |
| Tours | |
| Preleasing and model facilities* (may vary substantially) | By Owner |
| Tour Room Setup (décor only- does not include furnishings- should be provided by developer at no additional cost to project) | Included |
| Sub-Total Tours | \$0 |

Technology/Video/Media Production

Move-in and Social Media Videos

Included

Software- Social media support, graphic design, etc.

Included

Equipment

Included

Sub-Total Technology/Video/Media

\$10,000

Online/Web Development

3D Floorplans and virtual walk through

By Owner

Sub-Total Online/Web Development

Total Marketing Activities:

\$52,950

Staffing

\$93,426

Total Pre-Opening UCF Budget

\$146,376

ITEM: FFC-3

**University of Central Florida
Board of Trustees
Finance and Facilities Committee**

SUBJECT: Purchase of L3 Building

DATE: August 15, 2018

PROPOSED COMMITTEE ACTION

Recommend approval of a Purchase and Sale Agreement to permit the UCF Foundation or a related entity to purchase the building, commonly known as L3, located at 12351 Research Parkway.

BACKGROUND INFORMATION

The proposed Purchase and Sale Agreement permits the UCF Foundation or a related entity to purchase the property located at 12351 Research Parkway, also known as L3, for \$6 million dollars. The UCF Foundation will be seeking a loan to secure the purchase. The UCF Division of Digital Learning will lease the building from the UCF Foundation for five years and pre-pay all of the lease payments. The 46,185-square-foot building contains both office space and a high bay area and is situated on five acres of land that backs up to the south border of campus.

The Purchase and Sale Agreement contains a 75-day due diligence period to confirm the land and building is suitable for its intended purposes.

Supporting documentation: Attachment A: Purchase and Sale Agreement

Prepared by: Jennifer Cerasa, Associate General Counsel

Submitted by: William F. Merck II, Vice President for Administration and Finance and
Chief Financial Officer

Attachment A

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT (this "Agreement") is made and entered into as of the Effective Date (as hereinafter defined), by and between **UNIVERSITY OF CENTRAL FLORIDA REAL ESTATE FOUNDATION, INC.**, a Florida not-for-profit corporation ("Buyer") and **RESEARCH PARK INVESTMENTS INC.**, a Florida corporation ("Seller").

RECITALS:

WHEREAS, Seller owns certain real property located at 12351 Research Parkway, Orlando, in Orange County Florida, consisting of approximately five (5) acres and a building consisting of approximately 46,185 square feet as more particularly described in Exhibit "A" (the "Property"); and

WHEREAS, Buyer desires to purchase and Seller desires to sell the Property, subject to the terms and conditions more particularly set forth in this Agreement;

NOW THEREFORE, IN CONSIDERATION of the mutual covenants and agreements herein set forth, the parties hereto agree as follows:

1. **PURCHASE AND SALE.**

1.1 Seller agrees to sell and convey to Buyer, and Buyer agrees to purchase and acquire from Seller, fee simple title to the Property subject to the terms conditions set forth in this Agreement.

1.2 The Property shall include the following:

A. **Appurtenances and Improvements.** All of the appurtenances and improvements thereunto belonging or appertaining to the Property.

B. **Alleys, Strips or Gores.** All right, title and interest of the Seller in and to all alleys, strips, canals or gores of land, if any, lying adjacent to the Property.

C. **Leases, Access and Awards.** All right, title and interest of Seller in and to any leases, rights-of-way, canals, ponds, borrow pits, rights of ingress or egress, or other interests in, on or to any land, highway, street, road or avenue, open or proposed, on or across, in front of abutting Property; and all right, title and interest of Seller in and to any awards made, or to be made in lieu thereof, and in and to any unpaid awards for damages thereto by reason of a change of grade of any such highway, street, road or avenue.

D. **Reversionary Rights.** All right, title and interest of Seller in and to reversionary rights, if any, attributable to the Property or appurtenances.

E. Permits and entitlement. All permits, licenses, approvals, entitlements associated with the Property.

F. Personal Property. All personal property installed in and comprising a part of the Property.

2. PURCHASE PRICE AND PAYMENT: Buyer shall pay Six Million and 00/100 U.S. Dollars (\$6,000,000.00) at the time of Closing, subject to adjustments, credits and prorations as herein provided (the "Purchase Price"). The Purchase Price shall be paid by bank wire transfer delivered to the Escrow Agent for disbursement in compliance with the Settlement Statement (hereinafter defined).

3. EARNEST MONEY DEPOSIT.

3.1 Deposit. Within five (5) business days after the Effective Date, Buyer shall deliver One Hundred Thousand and 00/100 U.S. Dollars (the "Deposit") to the Escrow Agent, in immediately available funds. If Buyer does not terminate this Agreement under Section 5.1 below, the Deposit shall be applied to payment of the Purchase Price at Closing (hereinafter defined). If this Agreement is terminated during the Due Diligence Period, the Deposit shall be refunded to the Buyer. If this transaction is terminated before the Closing, the Escrow Agent shall deliver the Deposit to Seller or to Buyer as required by the terms of this Agreement.

3.2 Escrow Agent. The Escrow Agent is Earl M. Barker, Jr., of Slott, Barker & Nussbaum, 334 East Duval Street, Jacksonville, Florida 32202. The Escrow Agent is directed to hold and retain the Deposit in its attorney's trust account without interest and to deliver the same, subject to the notice provisions hereinafter contained, to the party who is to receive it under the provisions of this Agreement. The Escrow Agent joins in the execution of this Agreement for the express purposes of (i) acknowledging receipt (subject to collection) of the Deposit and (ii) agreeing to be bound by the provisions set forth in this Agreement with respect to the disbursement of the Deposit.

- (a) The parties hereby authorize disbursement and delivery of the Deposit by the Escrow Agent in accordance with the terms and provisions set forth in this Agreement. If, however, in the sole discretion of the Escrow Agent, some doubt exists as to when, to whom, or under what circumstances the Deposit shall be disbursed hereunder, and the parties are unable after ten (10) days written notice thereof from Escrow Agent to agree and direct Escrow Agent in writing with respect thereto, the Escrow Agent shall be entitled, as of right, to interplead and deposit of the Deposit (or such part of the Deposit as to which the Escrow Agent believes some doubt exists) in the Circuit Court in and for the County of Orange, State of Florida, and upon such interpleader and deposit, the Escrow Agent shall be relieved and discharged of all further liability or responsibility with respect to the Deposit (or the part thereof that is deposited) and with respect to this Agreement.

Costs, expenses and attorneys' fees incurred by the Escrow Agent in connection with such interpleader and deposit shall be deducted from the Deposit by the Escrow Agent prior to its deposit into the registry of the Court.

- (b) The parties understand that the Escrow Agent is the attorney for the Seller in this Agreement. The parties agree that the Escrow Agent may act as Escrow Agent notwithstanding such representation and understand and agree that upon interpleader with respect to the Deposit and in any other dispute arising under this Agreement, the Escrow Agent may represent such party, including but not limited to representation in connection with any claim made or to be made against the Deposit. The parties each waive any claim which they or either of them may have against the Escrow Agent and which may arise under or pursuant to the terms of this Agreement unless such claim shall constitute a willful and knowing breach of the Escrow Agent's duties and obligations under this Agreement or unless the same shall constitute conversion of the Deposit to the use of the Escrow Agent.

3.3 In any case arising under this Agreement, the Escrow Agent shall be entitled to recover and shall receive judgment for a reasonable attorney's fee and all costs and expenses incurred by the Escrow Agent, including attorney's fees, costs and expenses for services rendered by the Escrow Agent in any interpleader action filed by the Escrow Agent. Attorney's fees, costs and expenses of the Escrow Agent shall be taxed against the parties as provided for taxable costs of litigation or as provided in this Agreement.

3.4 Exculpation of Escrow Agent. The Escrow Agent shall not be liable to either party for damages or otherwise for any action taken in good faith or in reliance upon a written document that purports to be executed on behalf of a party, provided however, that this release of liability shall not apply to intentional disbursement in violation of this Agreement. The Escrow Agent is authorized to act in reliance upon a written document, regular on its face, that purports to be executed by a party unless the Escrow Agent is advised in writing or has actual knowledge to the contrary prior to taking action. Buyer acknowledges and agrees that in the event of any dispute between Buyer and Seller, Escrow Agent shall be entitled to continue to represent Seller in addition to serving as Escrow Agent.

4. CLOSING. Delivery of all documents and payment of all moneys required by this Agreement shall occur at a closing (the "Closing"). The Closing will occur on the later of: (i) the day that is fifteen (15) days after the expiration of the Due Diligence Period or its termination by written notice as hereinafter provided; or (ii) the day that is ten (10) days of the satisfaction of all Closing Conditions. A party shall not be required to attend Closing if the party delivers documents or makes payment to the Escrow Agent as required by this Agreement for delivery or payment at Closing in consummation of this Agreement. The Closing shall take place at the offices of the Title Company (hereinafter defined and sometimes called "Closing Agent") or at such other place within Orange County, Florida, as the parties may agree. Unless otherwise agreed in writing, the Closing shall convene at 10:00 AM prevailing local time at the offices of the Closing Agent on the day hereinabove specified or, if the day specified is a Saturday, Sunday or legal holiday at such

offices, on the first day thereafter that is not a Saturday, Sunday or legal holiday. A legal holiday is any day that SunTrust Bank is not open for the conduct of banking business.

5. DUE DILIGENCE PERIOD.

5.1 Feasibility for Use. Buyer shall have seventy-five (75) days from the Effective Date ("Due Diligence Period") to in its sole discretion, whether acquisition of the Property is feasible and the Property is suitable for its use. If the Buyer, in its sole discretion, decides that acquisition of the Property is not feasible or the Property is unsuitable to Buyer for any reason whatsoever, the Buyer shall have the unilateral right to terminate this Agreement at any time before expiration of the Due Diligence Period by delivering written notice thereof to Seller and the Escrow Agent; whereupon, the Escrow Agent shall refund the Deposit to Buyer and neither party shall have any further obligations hereunder, except those obligations that expressly survive the termination hereof; provided however, as a condition to Buyer receiving refund of the Deposit as provided in this Section 5.1, Buyer shall deliver to the Escrow Agent Seller's Certification or Receipt that Buyer shall have delivered to Seller copies of all inspection or test reports, surveys, studies, site plans and/or related documents prepared or obtained as part of such inspections and investigations (excluding any of Buyer's proprietary or confidential information). Such documents delivered to Seller shall become the property of Seller, with the understanding that Buyer makes no representations or warranty with regard to such test reports, surveys, studies, site plans and/or related documents. Buyer may terminate the Due Diligence Period at any time by written notice.

5.2 Buyer's Investigation of the Property. During the Due Diligence Period, provided this Agreement has not been terminated, Buyer shall have the right to enter upon all portions of the Property and to make all inspections and investigations of the condition of the Property which it may deem necessary, including, but not limited to, soil borings, percolation tests, engineering and topographical studies, and the availability of utilities, all of which inspections shall be undertaken at Buyer's expense. Buyer and Buyer's representatives and their agents, employees and representatives shall exercise due care and ordinary prudence in performing such inspections, examinations, investigations and tests and shall be responsible for all liabilities and obligations arising from or during such inspections, examinations, investigations and tests.

Buyer agrees that its inspections and investigations of the Property pursuant to this Agreement shall not unreasonably interfere with the Seller's current use or enjoyment of the Property nor shall Buyer, without the prior written consent of Seller, conduct any invasive or destructive testing or bore or drill into any part of the Building or improvements on the Property. In the event that Buyer's inspections or investigations unreasonably interfere with such use or enjoyment, Buyer and Seller shall work in good faith to resolve such interference, such that Buyer can continue its inspections and investigations without interfering with the Seller's use and enjoyment of the Property. In connection therewith, Buyer will conduct its inspections and investigations upon reasonable prior notice to Seller, and Buyer will adhere to Seller's reasonable access and security requirements.

5.3 Seller Information. Seller has provided and may provide documents and information to assist Buyer in its investigation of the Property. The parties stipulate and agree that all information that Seller provides to Buyer is provided without warranty or representation of any kind except that the document or documents are within Seller's possession or control. Seller specifically does not warrant or represent that any statement or statements within any document or paper or any information is true and correct in fact. Buyer agrees that it shall not rely on Seller's statements or documents that Seller may provide or make available to Buyer but that Buyer shall rely on its independent investigation and consultants and, to the extent the same are material, that it shall verify or confirm any information, facts, statements, assertions or opinions that Seller provides or that are contained within documents that Seller provides or makes available to Buyer.

6. TITLE.

6.1 Title to be Conveyed. At Closing, Seller shall convey good and marketable, fee simple title to the Property to Buyer by statutory special warranty deed, complying with requirements of the Title Company, free and clear of any and all liens, encumbrances, conditions, easements, assessments, restrictions and other conditions except the following which shall be referred to herein as the "Permitted Exceptions":

A. General real estate taxes and special assessments for the year of Closing and subsequent years not yet due and payable;

B. Restrictions, covenants, conditions and easements shown on the Plat of Central Florida Research Park Section I, recorded in Plat Book 12, pages 123, et seq., of the Public Records of Orange County, Florida, which among other matters, shows an easement of 30 feet along the westerly property line for drainage purposes, as set out and reserved on said Plat;

C. Restrictions, covenants, conditions and easements, which include provisions for a private charge or assessment, as contained in the Declaration of Covenants, Conditions, Restrictions, Reservations and Easements dated January 26, 1982, filed July 16, 1982, in Official Records Book 3296, page 1248, together with the First Amendment, as recorded in Official Records Book 3326, page 302, Second Amendment recorded in Official Records Book 3334, page 466, Third Amendment recorded in Official Records book 3423, page 2491, and further amended by Amended and Restated Declaration of Covenants, Conditions, Restrictions, Reservations and Easements recorded in Official Records Book 3602, page 2270, Second Amended and Restated in Official Records Book 3867, page 4376, Second Amendment to Third Amended in Official Records Book 4784, page 4268, Third Amended and Restated in Official Records Book 4294, page 3790 and First Amendment to Third Amended and Restated in Official Records Book 4521, page 1093, all of the Public Records of Orange County, Florida;

D. Agreement by and between Orange County and Orange County Research and Development Authority dated March 5, 1981, filed January 29, 1982, in Official Records Book 3256, page 1876, Public Records of Orange County, Florida;

E. Memorandum of Utility Service Contract by and between University of Central Florida and Orange County Research and Development Authority dated

March 13, 1981, filed January 29, 1982, in Official Records Book 3256, page 1859, and First Addendum to Utility Service Contract recorded in Official Records Book 3589, page 981, and Second Addendum to Utility Service Contract recorded in Official Records Book 37 43, page 218, Public Records of Orange County, Florida;

F. Easement Dedication Agreement recorded September 28, 1983, in Official Records Book 3423, page 1484, Public Records of Orange County, Florida;

G. Utility Agreement recorded November 14, 1983, in Official Records Book 3440, page 2703, Public Records of Orange County, Florida;

H. The Central Florida Research Park Development Order recorded December 18, 1984, in Official Records Book 3587, page 2217, and First Amendment recorded September 22, 1989, in Official Records Book 4117, page 2464, Public Records of Orange County, Florida;

I. Easement Agreement in favor of Southern Bell Telephone and Telegraph Company dated August 31 , 1984, filed September 25, 1984, in Official Records Book 3558, page 44, Public Records of Orange County, Florida;

J. Distribution Easement in favor of Florida Power Corporation recorded March 15, 1985, in Official Records Book 3618, page 1650, Public Records of Orange County, Florida;

K. Interlocal Agreement by and between Orange County Research and Development Authority and the University of Central Florida recorded January 30, 1986, in Official Records Book 3744, page 1731 , Public Records of Orange County, Florida;

L. Right-of-Way Easement granted to Southern Bell Telephone and Telegraph Company recorded October 3, 1985, in Official Records Book 3697, page 1722, Public Records of Orange County, Florida;

M. Covenants, conditions, easements, dedications and rights-of-way approved in writing Buyer; and

P. Matters of record disclosed in the Title Commitment to which Buyer fails to object or agrees to accept pursuant to Section 6.

6.2 Title Review.

6.2.1 Title Commitment. Within fifteen (15) days after the Effective Date of this Agreement, Buyer shall obtain a commitment for issuance to Buyer by First American Title (the "Title Company") to issue to Buyer an owner's title insurance policy regarding the Property together with complete copies of all instruments identified as conditions or exceptions in Schedule B, Section 2 thereof (the "Title Commitment") and shall provide a copy thereof to Seller.

6.2.2 Buyer's Review. No later than thirty (30) days after the Effective Date, Buyer shall notify Seller in writing of any objections Buyer has to the condition of title. Buyer shall have the right to object to any requirement, matter, interest or condition that has any adverse effect on the the Property (each of which shall be called a "Title Objection"). If Buyer fails to notify Seller in writing of specific objections to title within the fifteen (15) day review period, title shall be deemed accepted subject to the conditions set forth in the Title Commitment, which shall be Permitted Exceptions. Buyer may not object to the matters listed in Section 6.1.A through D, all which shall be Permitted Exceptions.

6.2.3 Seller Response. Seller shall may, but shall not be obliged, to undertake to eliminate or cure any Title Objection to the reasonable satisfaction of the Buyer and the Title Company, provided that Seller shall be obliged to discharge liens or claims, the discharge of which requires only the payment of money ("Monetary Liens"), which shall be discharged by Seller as of or at Closing. Seller may apply any funds Seller would receive at Closing to discharge of Monetary Liens. In the event Seller declines or fails to eliminate or cure any Title Objection within thirty (30) days after receipt of Buyer's objection notice, Buyer may terminate this Agreement by notice in writing to Seller and, upon such termination, shall be entitled to refund of the Deposit or, in the alternative, Buyer may accept such title as Seller can convey, in either event with no further liability of Seller under this Agreement. Except as set forth herein, any exceptions listed in the Title Commitment other than those to which Buyer gives notice of a Title Objection within the period set forth above shall be deemed acceptable to Buyer. At Closing, Seller shall provide the Title Company with such certification and affidavits as are required by law for removal of standard title exceptions other than exceptions for matters that would be disclosed by an accurate survey or knowledgeable inspection of the Property.

6.3 Survey. Buyer has the right to obtain, at Buyer's sole cost and expense, a survey of the Property from a properly licensed land surveyor and such survey may be used to delete any standard survey exceptions for the Owner's Policy of Title Insurance.

6.4 Owner's Title Insurance. Buyer shall not be obligated to proceed to Closing unless the Title Company is prepared to issue a standard form Owner's Title Insurance Policy (the "Owner's Policy") in the amount of the Purchase Price, subject only to the Permitted Exceptions and deleting the standard exceptions for (1) rights of parties in possession, (2) taxes or assessments for the year of Closing, (3) and construction, mechanics and materialmen's liens which have not been filed of record but relate to work performed for Seller before the Closing. Buyer will pay all charges, fees and premiums related to title insurance.

7. REPRESENTATIONS AND WARRANTIES.

7.1 Seller Representations and Warranties. The Property is sold and conveyed without warranty or representation in its **AS IS** condition except only that Seller represents and warrants to Buyer as of the Effective Date and as of the Closing Date as follows:

7.1.1 Authority. The execution and delivery of this Agreement by Seller and the consummation by Seller of the transaction contemplated by this Agreement are within

Seller capacity and all requisite action has been taken to make this Agreement valid and binding on Seller in accordance with its terms.

7.1.2 No Legal Bar. The execution by Seller of this Agreement and the consummation by Seller of the transaction hereby contemplated does not, and on the Closing Date will not, result in a breach of or default under any indenture, agreement, instrument or obligation to which any Seller is a party and which affects all or any portion of the Property.

7.1.3 No Default. Seller is not in default under any indenture, mortgage, deed of trust, loan agreement, or other agreement to which any Seller is a party and which would have an adverse effect on any portion of the Property.

7.1.4 Litigation. There are no legal actions, suits or other legal or administrative proceedings, pending or threatened, that affect the Property or any portion thereof, and Seller has no knowledge that any such action is presently contemplated.

7.1.5 Hazardous Material. Motor vehicles containing Petroleum, domestic cleaning products containing organic solvents and other Hazardous Materials, paints and adhesives containing Petroleum products, and Petroleum lubricants and solvents have been brought and used on the Property from time to time. Tenants of the Property used leased premises for electronics manufacturing (which involved or may have involved the use of Hazardous Materials in fabricating electronic circuit boards, cleaning electronic parts and manufacturing equipment and lubricating manufacturing equipment) and for other uses that would involve use of hydraulic fluid, a Petroleum product. The Building is equipped with an hydraulic elevator. Hazardous Materials were collected in barrels and removed from the Property by and as a result of the activity of a former tenant. Releases of Hazardous Materials may have occurred on the Property. Hazardous Materials includes all toxic or hazardous materials, chemicals, wastes, pollutants or similar substances, including, without limitation, Petroleum (as hereinafter defined), asbestos insulation and/or urea formaldehyde insulation, which are regulated, governed, restricted or prohibited by any federal, state or local law, decision, statute, rule, regulation or ordinance currently in existence or hereafter enacted or rendered, including, but not limited to, those materials or substances defined as "hazardous substances," "hazardous materials," "toxic substances" or "pollutants" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq., the Clean Air Act, 42 U.S.C. Section 7401 et seq., the Clean Water Act, 33 U.S.C. Section 1251 et seq., and any applicable statutes, ordinances or regulations under the laws of the State in which the Property is located, and any rules and regulations promulgated thereunder, all as presently or hereafter amended. "Petroleum" for purposes of this Agreement shall include, without limitation, oil or petroleum of any kind and in any form including but not limited to oil, petroleum, fuel oil, oil sludge, oil refuse, oil mixed with other waste, crude oil, gasoline, diesel fuel and kerosene.

7.1.6 Title. No party has any right or option to acquire the Property or any portion thereof, and no party has any interest in the Property other than the Buyer.

7.1.7 No Unrecorded Commitments or Contracts. The Property is subject to no pre-existing commitments for contributions or assessments of money or land or use agreements, easements or restrictions which would be binding upon Buyer, except as set forth in the public records of Orange County Florida, or as required by utility providers

7.1.8 Continuing Status of Title. The title to the Property shall remain unchanged from and after the Effective Date through Closing except for any title defects which Seller or Buyer shall cause to be removed. The Property is and will continue to be, from the date hereof through the Closing hereunder, free from all mechanic's liens and any rights to mechanic's liens arising at the request of Seller. There are no rights of first refusal or options of any kind applicable to the Property.

7.1.9 No Disturbance of Property. Except for crops, if any, which may be picked and harvested in the ordinary course of business, Seller shall not remove, disturb or damage any minerals, vegetation, wetlands, bodies of water or animals located on, in or under the Property.

7.1.10 Compliance with Laws. Seller will abide by and comply with all laws, ordinances and regulations applicable to the Property.

7.2 Buyer's Representations and Warranties. Buyer hereby represents and warrants to Seller as of the Effective Date and as of Closing Date as follows:

7.2.1 Authority. The execution and delivery of this Agreement by Buyer and the consummation by Buyer of the transaction contemplated by this Agreement are within Buyer's capacity and all requisite action has been taken to make the execution delivery and performance of this Agreement valid and binding on Buyer in accordance with its terms.

7.2.2 No Legal Bar. The execution by Buyer of this Agreement and the consummation by Buyer of the transaction hereby contemplated does not, and on the Closing Date will not, result in a breach of or default under any indenture, agreement, instrument or obligation to which Buyer is a party and which affects all or any portion of the Property.

7.3. Survival. Seller and Buyer's representation and warranties contained in this Section 8 shall survive the Closing Date for three (3) months.

8. CONDITIONS OF CLOSING.

8.1 Conditions of Obligation to Close. Neither party shall be obligated to close unless each of the following conditions (the "Closing Conditions") are either fulfilled or waived in writing by the respective party:

8.1.1 Compliance with Covenants. Seller shall have performed all covenants, agreements and obligations and complied with all conditions required by this Agreement to be performed or complied with by Seller prior to the Closing Date, and Seller

representations and warranties shall be true and correct in all material respects as of the date of Closing.

8.1.2 Status of Title. The Title Company shall be prepared to issue the Owner's Policy in the form required by Section 6.4 hereof.

9. CLOSING DOCUMENTS.

9.1 Seller Documents. At Closing, Seller shall deliver the following documents ("Seller Closing Documents") to Buyer:

9.1.1 Deed. A statutory Special Warranty Deed, which shall be duly executed by Seller, sufficient to convey to Buyer good and marketable fee simple title free and clear of all liens, encumbrances and other conditions of title other than the Permitted Exceptions.

9.1.2 Construction Lien Affidavit. An affidavit without indemnity from Seller in the form required by law for removal of standard title exceptions other than exceptions regarding survey or personal inspection of the Property.

9.1.3 FIRPTA. A FIRPTA Non-Foreign Transferor Affidavit in accordance with Section 1445 of the Internal Revenue Code.

9.1.4 Closing Statement. A Closing statement setting forth the Purchase Price, Deposit and all credits, adjustments and proration's between Buyer and Seller, and the net proceeds due to Seller.

9.1.5 Buyer's Documents. At Closing, Buyer shall deliver the Closing Documents, if any, required to be delivered by Buyer, including any such additional documents as the Title Company may reasonably require and as may be consistent with local custom and practice to cause the Property to be conveyed as required hereby and the Owner's Policy to be issued (collectively, "Buyer's Closing Documents").

10. CLOSING PROCEDURES. The Closing shall proceed in the following manner:

10.1 Transfer of Funds. Buyer shall deliver the Purchase Price to the Escrow Agent by wire transfer to a depository designated by Escrow Agent.

10.2 Delivery of Documents. Seller shall deliver Seller Closing Documents to the Escrow Agent and Buyer shall deliver Buyer's Closing Documents to the Escrow Agent.

10.3 Disbursement of Funds and Documents. At Closing, when authorized by the parties (which authorization may be provided by email message), the Escrow Agent shall (i) disburse the proceeds of the sale received at the Closing to Seller, (ii) deliver to the Seller Closing Documents to Buyer, and (iii) deliver the Buyer's Closing Documents to Seller. Seller and Buyer

shall coordinate with the Title Company the recording of their Closing Documents in the appropriate order.

11. PRORATIONS AND CLOSING COSTS.

11.1 Prorations. The following items shall be prorated and adjusted between Seller and Buyer as of midnight of the day before the Closing, except as otherwise specified:

11.1.1 Taxes. Real estate property taxes for the Property shall be prorated based on amounts for the current year with maximum discount permitted by law, except that if tax amounts for the current year are not available, proration's shall be made based upon the taxes for the preceding year, with maximum discount permitted by law.

11.1.2 Pending and Certified Liens. Certified municipal liens and pending municipal liens for which work has been substantially completed shall be paid by Seller and other pending liens shall be assumed by Buyer, provided however, that Buyer shall be exclusively responsible for payment of any liens or assessments arising from its use of the Property.

11.1.3 Other Items. All other items required by any other provision of this Agreement to be prorated or adjusted.

11.2 Re-Prorations. If subsequent to the Closing, taxes for the year of Closing (or any other item prorated hereunder) are determined to be higher or lower than as prorated (except due to any Land Use Approvals), a re-proration and adjustment will be made at the request of Buyer or Seller upon presentation of actual tax or other bills and any payment required as a result of the re-proration shall be made within thirty (30) days following demand therefor. The provisions of this Section 11.2 shall survive the Closing.

11.3 Seller's Closing Costs. Seller shall pay for the following items at the time of Closing:

- A. Certified and pending municipal special assessments liens for which the work has been substantially completed;
- B. Any State and local transfer taxes and documentary stamps on the Deed; and
- C. Seller's attorney fees and fees of Seller's real estate broker.

11.4 Buyer's Closing Costs. Buyer shall pay for the following items at the time of Closing:

- A. Recording of the Deed;
- B. Survey;
- C. All title insurance premiums and costs;

- D. Buyer's attorney fees and fees of Buyer's real estate broker; and
- E. All costs and expenses related to any loans or financing arrangements of Buyer, including but not limited to any Documentary stamps on Notes and intangible tax on mortgages.

12. CONDEMNATION.

In the event of the institution of any proceedings by any governmental authority which shall relate to the taking or proposed taking of any material portion of the Property by eminent domain prior to Closing, Seller shall promptly notify Buyer and Buyer shall thereafter have the right and option within ten (10) days after receipt by Buyer of the notice from Seller to terminate this Agreement by giving Seller written notice of Buyer's election to terminate. Seller hereby agrees to furnish Buyer with written notice of a proposed condemnation within ten (10) business days after the Seller's receipt of such notification. Should Buyer terminate this Agreement, the Deposit shall be disbursed to Buyer, and thereafter the parties hereto shall be released from their respective obligations and liabilities hereunder except pursuant to those provisions which expressly survive the termination hereof. Should Buyer elect not to terminate, the parties hereto shall proceed to Closing and Seller shall assign and convey all of its right, title and interest in all awards in connection with such taking to Buyer.

13. DEFAULT.

13.1 Buyer's Default. In the event that the transfer of the Property fails to close due to wrongful refusal or default on the part of Buyer, the Deposit shall be paid to the Seller as agreed liquidated damages and thereafter, unless otherwise expressly provided herein, neither Buyer nor Seller shall have any further obligation under this Agreement except pursuant to those provisions which expressly survive the termination hereof. Buyer and Seller acknowledge that if Buyer defaults, Seller will suffer damages in an amount that cannot be ascertained with reasonable certainty on the Effective Date and that the amount of the Deposit to be paid to or retained by Seller most closely approximates the amount necessary to compensate Seller in the event of such default. Buyer and Seller agree that this is a bona fide liquidated damages provision and not a penalty or forfeiture provision. Seller waives all other remedies including the right to recover damages in excess of the Deposit and the right to enforce specific performance.

13.2 Seller's Default. In the event that the Seller shall fail to fully and timely perform any of its obligations hereunder prior to or at the Closing, then Buyer may, at its option (i) declare Seller in default under this Agreement by written notice delivered to Seller, in which event the Buyer may terminate this Agreement and the Deposit shall be refunded to Buyer or (ii) seek specific performance of this Agreement. Buyer waives all other remedies including the right to recover damages in excess of the Deposit prior to the Closing.

13.3 Notice. Prior to declaring a default and exercising the remedies described herein, the non-defaulting party shall issue written notice of default to the defaulting party

describing the event or condition of default in sufficient detail to enable a reasonable person to determine the action necessary to cure the default. The defaulting party shall have ten (10) days from delivery of the notice in which to cure the default. If the default has not been cured within the ten (10) day period, the non-defaulting party may exercise the remedies described above.

14. REAL ESTATE COMMISSION

If and when Closing occurs and Seller receives the Purchase Price, Seller will pay to Colliers International a commission pursuant to the terms of a separate listing agreement entered into between Seller and Broker for services rendered in connection with this transaction. Seller hereby represents and warrants to Buyer that except for the above referenced broker, no real estate broker, salesman or finder is involved in this transaction that is entitled to receive any real estate brokerage commission in the event of a closing hereunder.

If and when Closing occurs, Buyer will pay to Cushman and Wakefield a commission pursuant to the terms of a separate agreement entered into between Buyer and broker for services rendered in connection with this transaction. Buyer hereby represents and warrants to Buyer that except for the above referenced broker, no real estate broker, salesman or finder is involved in this transaction that is entitled to receive any real estate brokerage commission in the event of a closing hereunder.

This Section 14 shall survive Closing or termination of this Agreement.

15. NOTICES.

Any notice, request, demand, instruction or other communication to be given to either party hereunder, except where required to be delivered at the Closing, shall be in writing and shall be hand-delivered or sent by Federal Express or a comparable overnight mail service, or mailed by U.S. registered or certified mail, return receipt requested, postage prepaid, to Buyer, Seller, Seller's Counsel and Escrow Agent, at their respective addresses set forth below. Notice shall be deemed to have been given upon receipt or refusal of delivery of said written notice. The addressees and addresses for the purpose of this Section may be changed by giving written notice. Unless and until such written notice is received, the last addressee and address stated herein shall be deemed to continue in effect for all purposes hereunder.

| | |
|--------------|---|
| If to Buyer: | University of Central Florida Real Estate Foundation, LLC 12424 Research Parkway, Suite 250 Orlando, FL 32826 Attn: Legal Counsel |
|--------------|---|

| | |
|-----------------|---|
| With a copy to: | University of Central Florida 4365 Andromeda Loop North Suite 360 Orlando FL 32816 Attn: Scott Cole |
|-----------------|---|

If to Seller: Research Park Investment, Inc.
12351 Research Parkway
Orlando, Florida 32826
Attn: Daniel B. Webb

With a copy to: Earl M. Barker, Jr.
Slott, Barker & Nussbaum
334 East Duval Street
Jacksonville, FL 32202

If to Escrow Agent: Earl M. Barker Jr.
Slott, Barker & Nussbaum
334 East Duval Street
Jacksonville, FL 32202

16. ASSIGNMENT.

The terms and conditions of this Agreement are hereby made binding on the successors and assigns of the parties hereto. Neither party may assign its interest in this Agreement without the prior written consent of the other party.

17. MISCELLANEOUS.

17.1 Counterparts. This Agreement may be executed in any number of counterparts, any one and all of which shall constitute the Agreement of the parties and each of which shall be deemed an original.

17.2 Section and Paragraph Headings. The section and paragraph headings herein contained are for the purposes of identification only and shall not be considered in construing this Agreement.

17.3 Amendment. No modification or amendment of this Agreement shall be of any force or effect unless in writing executed by both Seller and Buyer.

17.4 Governing Law. This Agreement shall be interpreted in accordance with the laws of the State of Florida.

17.5 Entire Contract. This Agreement sets forth the entire agreement between Seller and Buyer relating to the Property and all subject matters herein and supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, between the parties.

17.6 Time of the Essence. Time is of the essence in performance of all obligations by Buyer and Seller under this Agreement.

17.7 Computation of Time. Any reference herein to time periods of less than six (6) days shall exclude Saturdays, Sundays and legal holidays in the computation thereof. Any time period provided for in this Agreement which ends on a Saturday, Sunday or legal holiday in Florida will extend to 5:00 p.m., local time in Florida, on the next full business day.

17.8 Construction of Contract. Each of the parties to this Agreement have participated freely in the negotiation and preparation hereof; accordingly, this Agreement shall not be more strictly construed against any one of the parties hereto.

17.9 Gender. As used in this Agreement, the masculine shall include the feminine and neuter; the singular shall include the plural; and the plural shall include the singular as the context may require.

17.10 Relationship of the Parties. Nothing herein contained shall be deemed to (i) create a relationship between Seller and Buyer as other than buyer and seller; (ii) authorize either party to bind the other in any manner whatsoever; or (iii) create a fiduciary duty on the part of either party to the other.

17.11 NoRecording. Neither this Agreement nor any memorandum thereof shall be recorded in the public records. Any such recordation shall be a breach of this Agreement.

17.12 Recitals. All of the recitals shall be incorporated and become a part of this Agreement.

17.13 Confidentiality. Except as required in the normal conduct of the business of the parties hereto by law, or as part of Buyer's investigation of the Property, neither party shall, without the prior written approval of the other party, at any time during the term of this Agreement or thereafter, divulge to any third party, other than its attorneys, accountants, employees, lenders, investors, and professional advisors (and in the case of Seller, to members of the Board of Directors of the University of Central Florida Foundation, Incorporated or University of Central Florida Board of Trustees) who are bound by confidentiality, any information concerning the contents of this Agreement.

17.14 Force Majeure. No party to this Agreement shall be liable to the other for any failure to perform any obligation of such party or for delay in such performance if and to the extent nonperformance or delay is the result of acts of God, war, insurrection, casualty, catastrophic weather events, inability of any party to access banking and financial institutions, governmental order or directive, lack of materials, personnel or labor, interruption in commerce or any other act or event that is beyond the reasonable control of the party required to perform. In the event of such an act or event, unless performance is made permanently impossible or impracticable by the act or event, the time for performance shall be extended until the same reasonably may be accomplished by commercially reasonable means. If the act or event cannot be accomplished by commercially reasonable means within a reasonable time, nonperformance shall be excused and upon the election of either party this Agreement shall terminate on the basis that no default shall have occurred, the Deposit shall be returned to the Buyer and the obligations

of the Parties hereunder, other than those that expressly survive termination of this Agreement, shall be cancelled..

17.15 Radon Gas. Pursuant to Florida statute, Seller hereby notifies Buyer as follows: **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.**

17.16 Effective Date. Effective Date shall be the date upon which the last of the parties signs this Agreement.

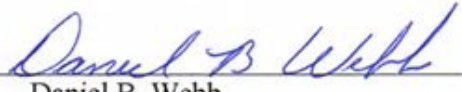
Signatures appear on following pages

Seller Execution Page

IN WITNESS WHEREOF, the Parties have caused these presents to be executed on the day and year indicated above.

SELLER

RESEARCH PARK INVESTMENTS, INC.

By: 
Daniel B. Webb
Its President



Buyer Execution Page

IN WITNESS WHEREOF, the Parties have caused these presents to be executed on the day and year indicated above.

BUYER

**UNIVERSITY OF CENTRAL FLORIDA
FOUNDATION, INC.**

By: _____
Michael J. Morsberger, Vice President
and Chief Executive Officer

Approved as to form and legality

_____, 2018

Associate General Counsel

**“EXHIBIT A”
Legal Description**

Lot 7, Block 2, Central Florida Research Park Section 1, according to the plat thereof on file in the office of the Comptroller in and for Orange County, Florida recorded in Plat Book 12, Pages 123, situate lying and being in Orange County, Florida.

ITEM: INFO-1

**University of Central Florida
Board of Trustees
Finance and Facilities Committee**

SUBJECT: Status of UCF Projects

DATE: August 15, 2018

For information only.

Supporting documentation: Attachment A: Status of UCF Projects Presentation

Prepared by: Lee Kernek, Associate Vice President for Administration and Finance

Submitted by: William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer

University of Central Florida

Status of Projects – August 2018



UCF Status of Projects Update August 2018

University of Central Florida

Status of Projects – August 2018

Project Statistics 2014 to 2018

University of Central Florida

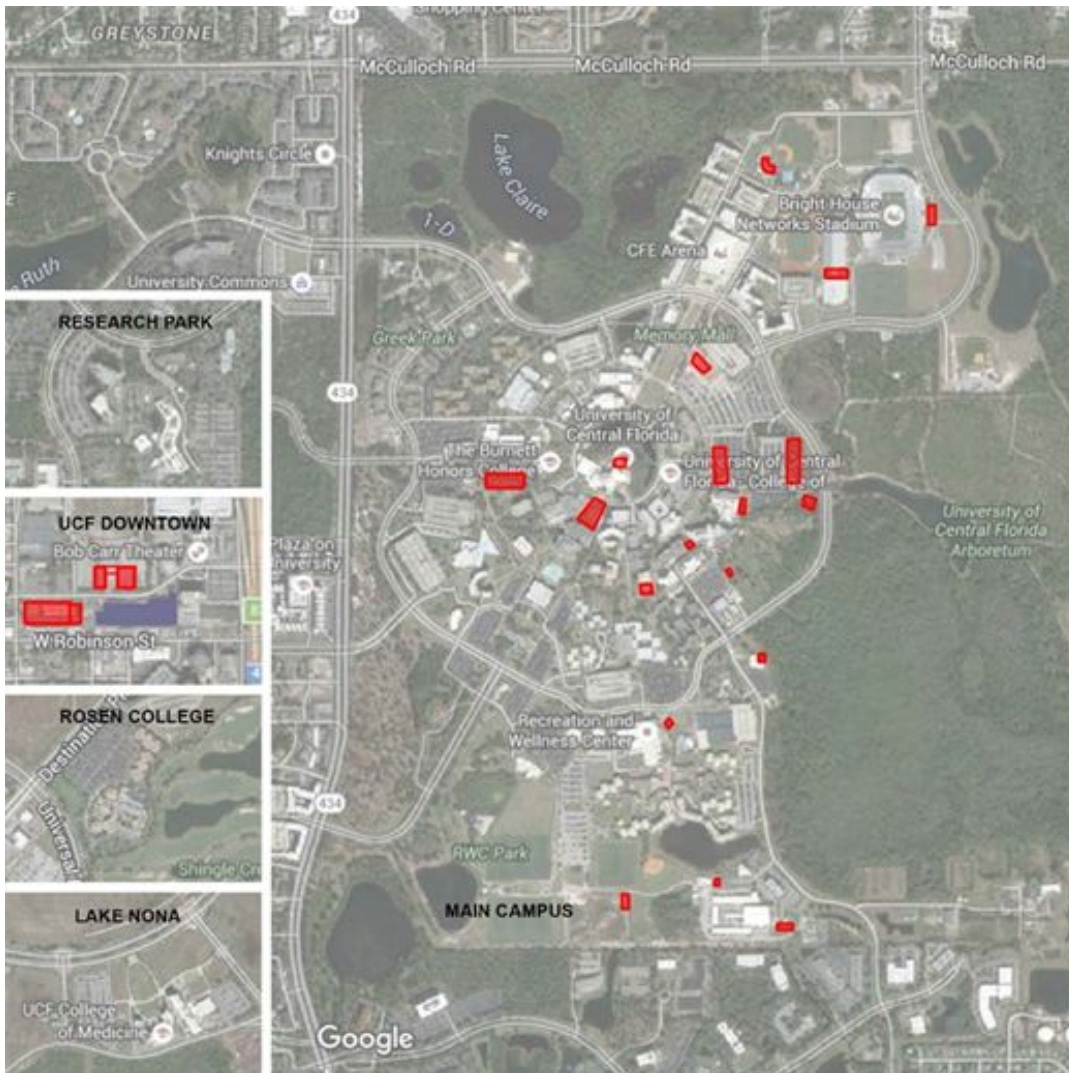
Status of Projects – August 2018

675,060gsf+

NEW CONSTRUCTION

Spectrum Stadium East Club – 10,000 gsf
 Theater Addition – 1,400gsf
 WDSCAL – 21,000gsf
 Global UCF – 54,000gsf
 Student Health Center Expansion – 11,000gsf
 Pollo Tropical – 3,500gsf
 Band Building – 4,000gsf
 Arboretum Greenhouse – 960gsf
 Library Phase 1 – 21,000gsf
 Library Phase 1A – 40,000gsf
 Student Union Expansion – 28,300gsf
 Baseball Expansion – 18,400gsf
 District Energy Plant IV – 11,000gsf
 Research I – 105,000gsf
 Trevor Colbourn Hall – 137,000gsf
 Facilities and Safety 16F – 10,000gsf
 Wayne Densch 77 Expansion – 37,000gsf
 CREOL Expansion – 13,500gsf
 Downtown Academic Commons – 148,000gsf

*does not include Parking Garage C expansion
 or UCF Downtown Parking Garage*



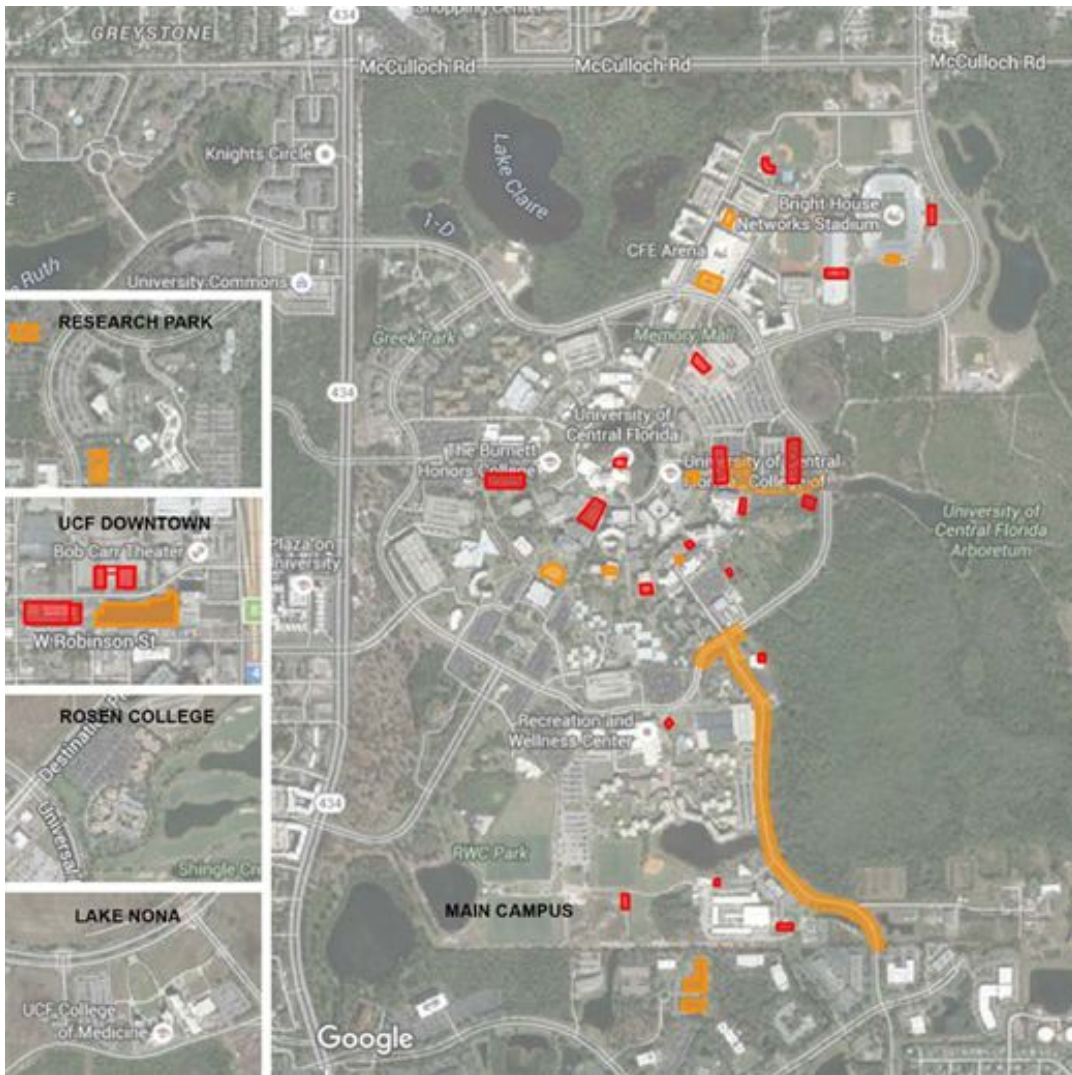
University of Central Florida

Status of Projects – August 2018

721,200gsf+

RENOVATIONS

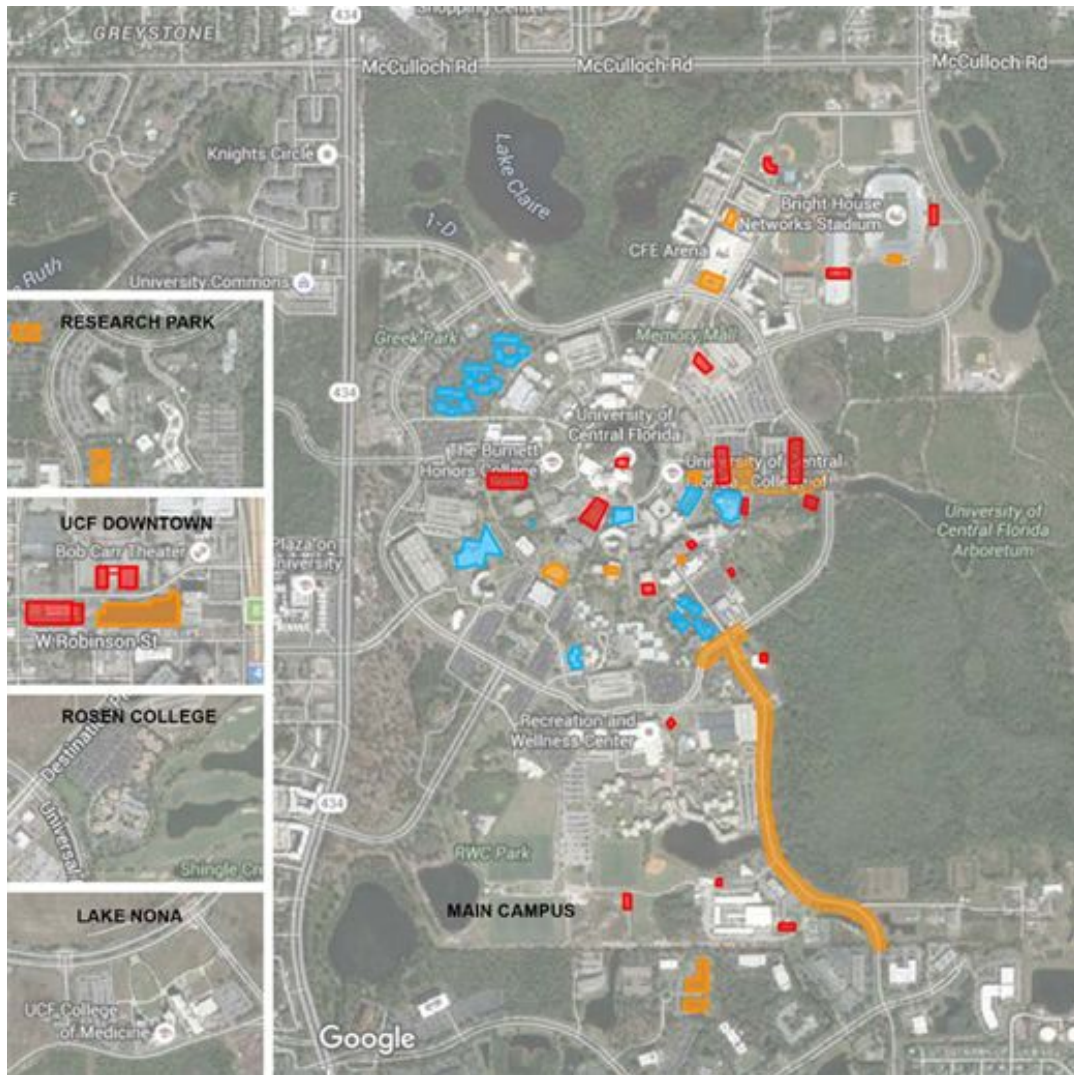
Minor Project Renovations (581,200gsf +)
Bennett Buildings
Partnership IV
Partnership V
Libra Road
Engineering I HVAC
Mathematical Sciences HVAC
Venue HVAC
Reflecting Pond
Arena Plaza



University of Central Florida

Status of Projects – August 2018

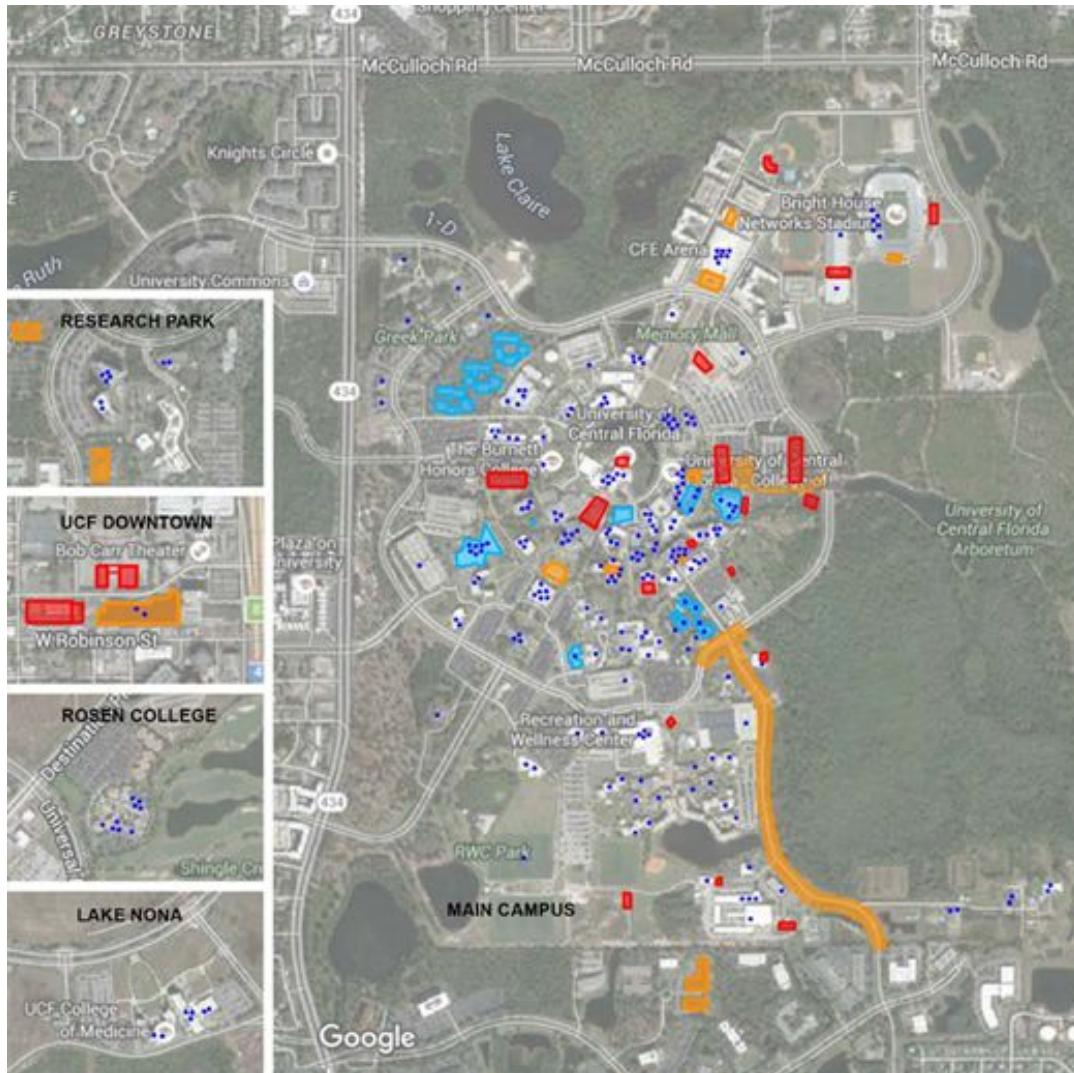
325,340gsf+
ROOF REPLACEMENTS



Engineering I
CREOL
Education Complex
College of Sciences
Polk Hall
Flagler Hall
Osceola Hall
Citrus Hall
Sumner Hall
Lake Claire Complex
Outdoor Study Pavilion

University of Central Florida

Status of Projects – August 2018



808

COMPLETED PROJECTS

+

381

ACTIVE AND
ACTIVE CLOSE-OUT

WITH ONLY

8-14

PROJECT MANAGERS

University of Central Florida

Status of Projects – August 2018

\$566 million

PROJECTS IN PLANNING FY 2019-2023

New Construction

Main Campus

- Science, Engineering, and Commercialization Facility (Research II)
- Active Learning, Teaching Lab, and Maker Space Facility (Learning Laboratory)

Academic Health Sciences Center

- College of Nursing and Health Sciences
- Parking Garage

Rosen College of Hospitality Management

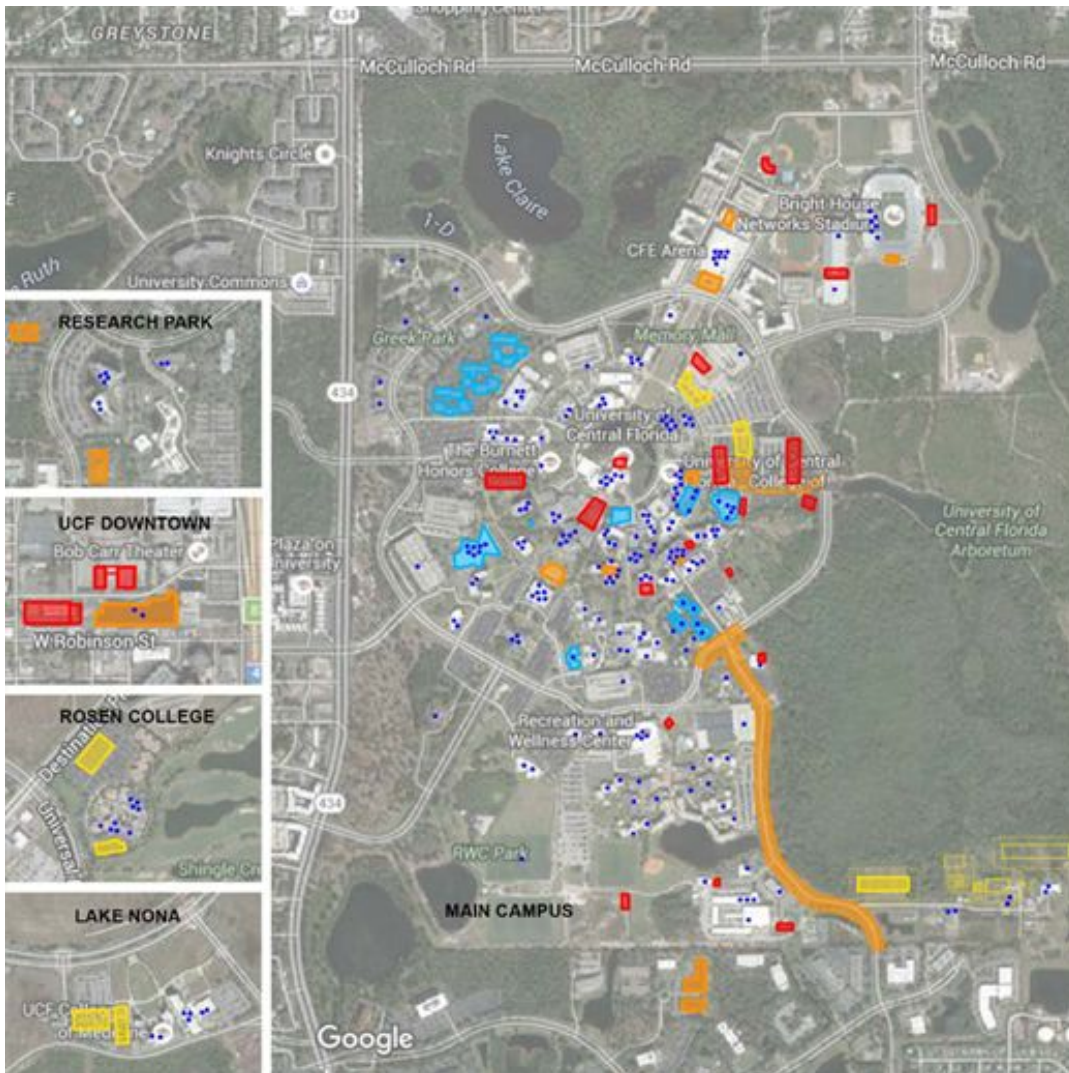
- Rosen Education Facility
- Parking Garage

Athletics

- Roth Athletics Center
- Kenneth G. Dixon Athletic Village Enhancements

Ara Drive Masterplan

- Partnership Campus



University of Central Florida

Status of Projects – August 2018

UCF Facilities Planning and Construction
and UCF Downtown Facilities Team



University of Central Florida

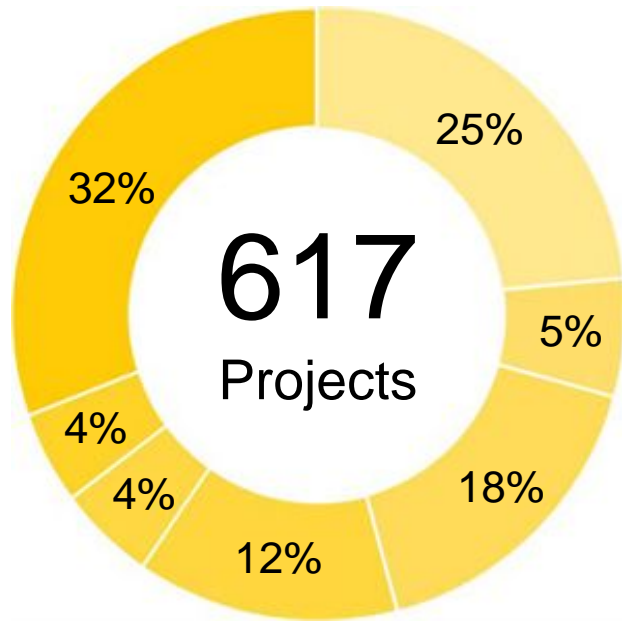
Status of Projects – August 2018

Project Statistics 2017-18

University of Central Florida

Status of Projects – August 2018

April 2017 to April 2018



Design – 154



Permit - 31



Construction - 109



Close-out - 73



Awaiting Customer Approval - 27



Temporary Hold - 27



COMPLETED - 196

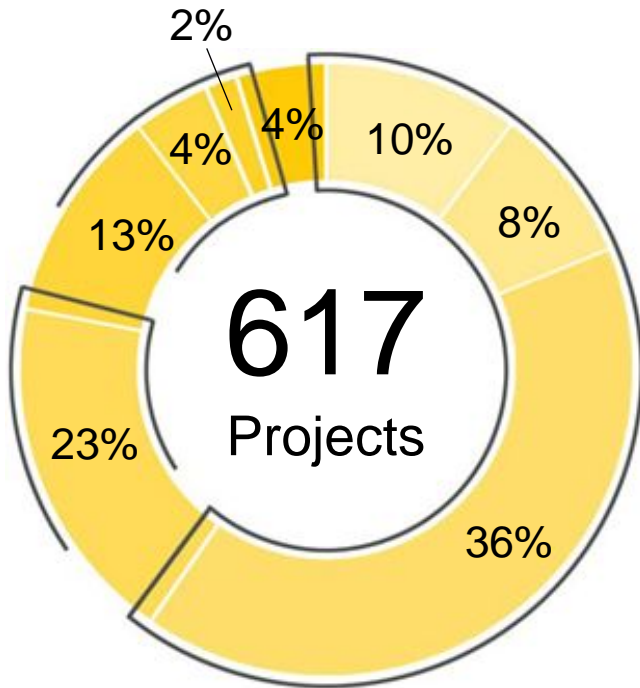
367
ACTIVE
PROJECTS

Projects by Phase

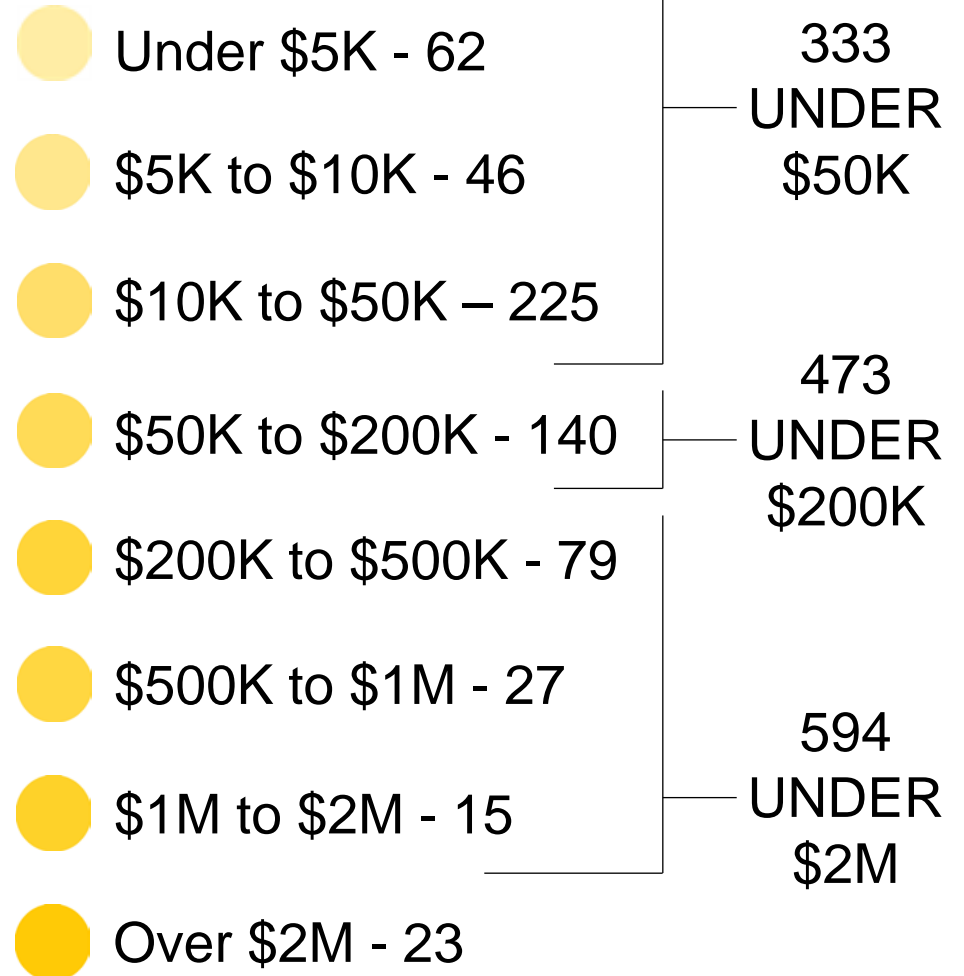
University of Central Florida

Status of Projects – August 2018

April 2017 to April 2018



54% UNDER \$50K
77% UNDER \$200K
96% UNDER \$2M



University of Central Florida

Status of Projects – August 2018

SAMPLE MINOR PROJECTS

University of Central Florida

Status of Projects – August 2018



Electron Microscope Power

Architect: RLF

Contractor: RCG

Project Cost: \$11K



Engineering Lathe Power

Engineer: N/A

Contractor: Territo

Project Cost: \$1,783

University of Central Florida

Status of Projects – August 2018



Anatomy Lab

Engineer: TLC

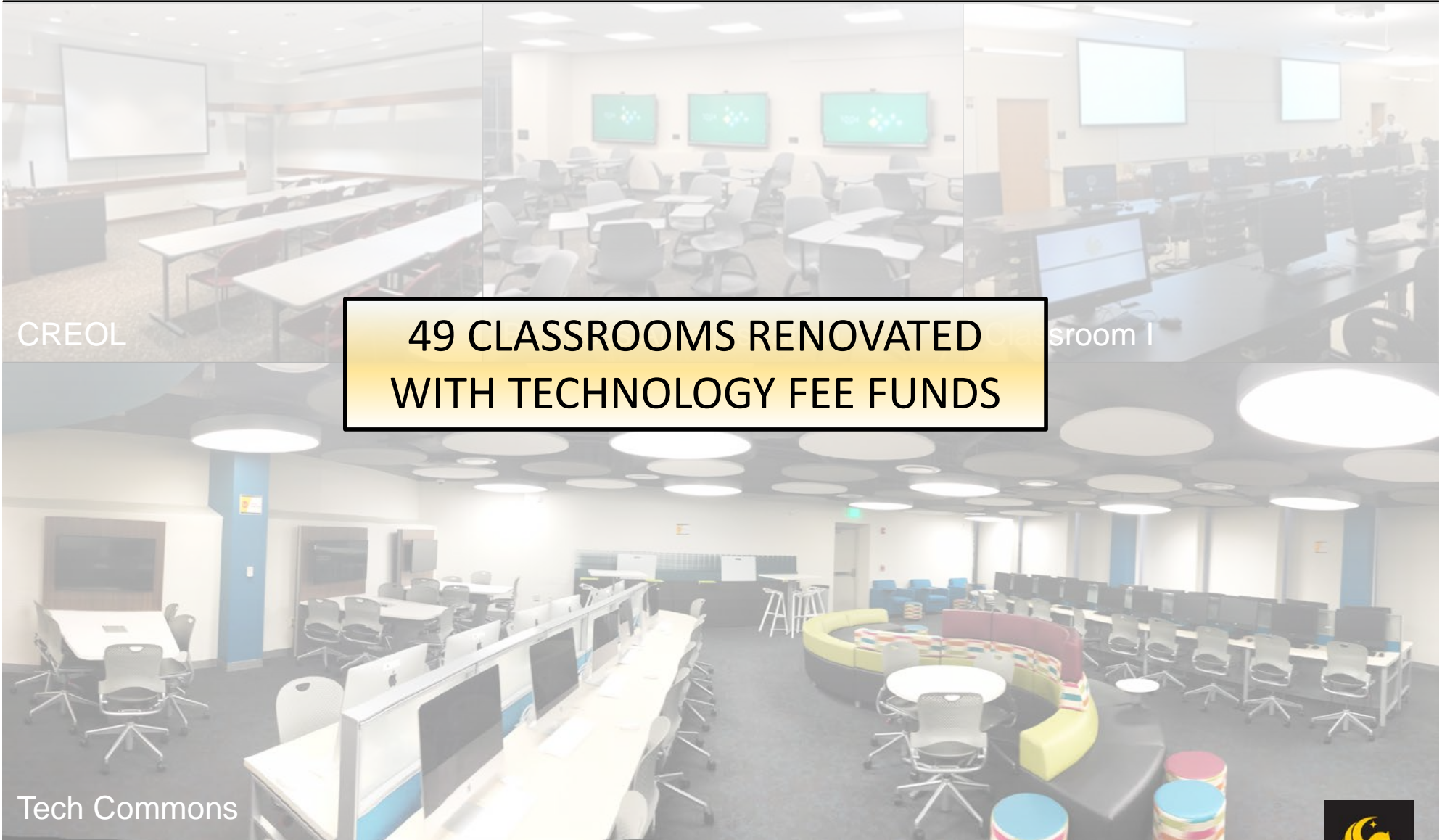
Contractor: Johnson Laux

Project Cost: \$223K

Funding Source: College/Tech Fee/F&S

University of Central Florida

Status of Projects – August 2018



Architect: Varies

Contractor: Varies

Project Cost: Varies – Avg. \$23,500/Room

Funding Source: Technology Fee

University of Central Florida

Status of Projects – August 2018



Visual Arts Kilns

Architect: Long

Contractor: ACY

Project Cost: \$324K

Funding Source: College/Tech Fee

University of Central Florida

Status of Projects – August 2018



Partnership I Office Renovation

Architect: SchenkelShultz Contractor: ACY Project Cost: \$56K



Business Administration Donor Wall

Architect: KMF Contractor: CPPI Project Cost: \$150K



University of Central Florida

Status of Projects – August 2018



Provost Suite Renovation

Architect/Interiors: Long/Ramski

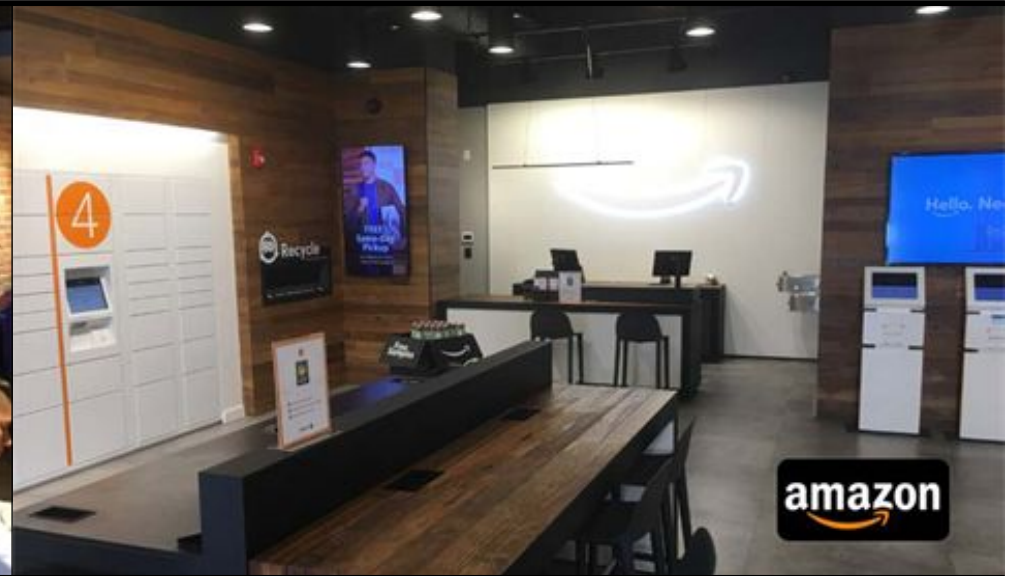
Contractor: Merritt

Project Cost: \$465K

Funding Source: University, Carry Forward

University of Central Florida

Status of Projects – August 2018



Business Services

Architect: Varies

Contractor: Varies

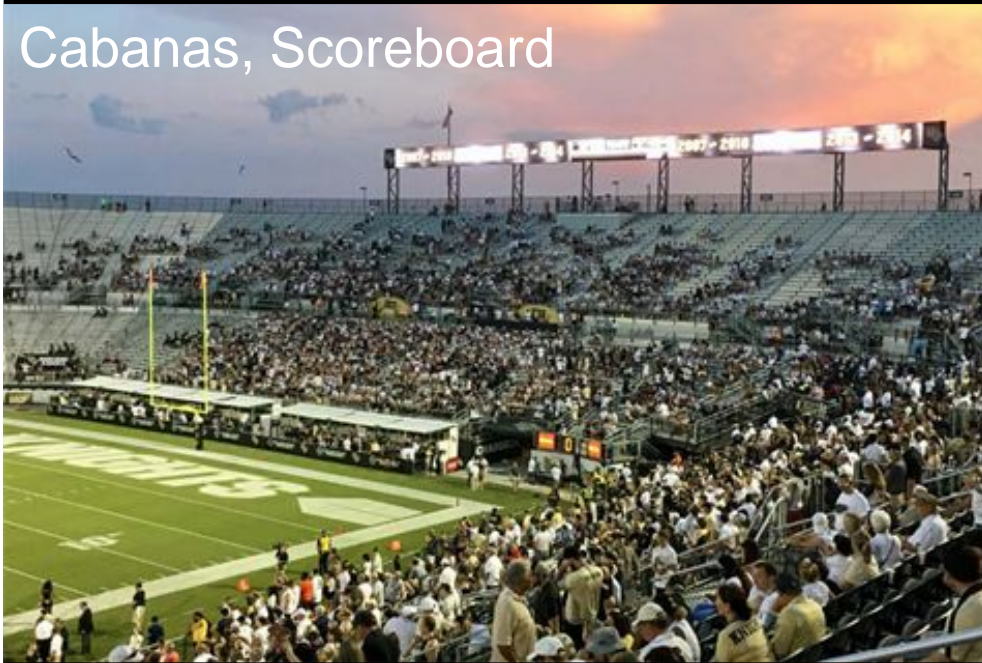
Project Cost: Varies

Funding Source: Business Services

University of Central Florida

Status of Projects – August 2018

Cabanas, Scoreboard



Spectrum Stadium Club



Donor Signage



Spectrum Signage



Nicholson Fieldhouse
HVAC



Architect: Varies

Contractor: Varies

Project Cost: Varies

Funding Source: Athletics

University of Central Florida

Status of Projects – August 2018



Engineering Re-Roof

Engineer: CMC

Contractor: RSS Solutions

Project Cost: \$839K

Funding Source: Carry Forward

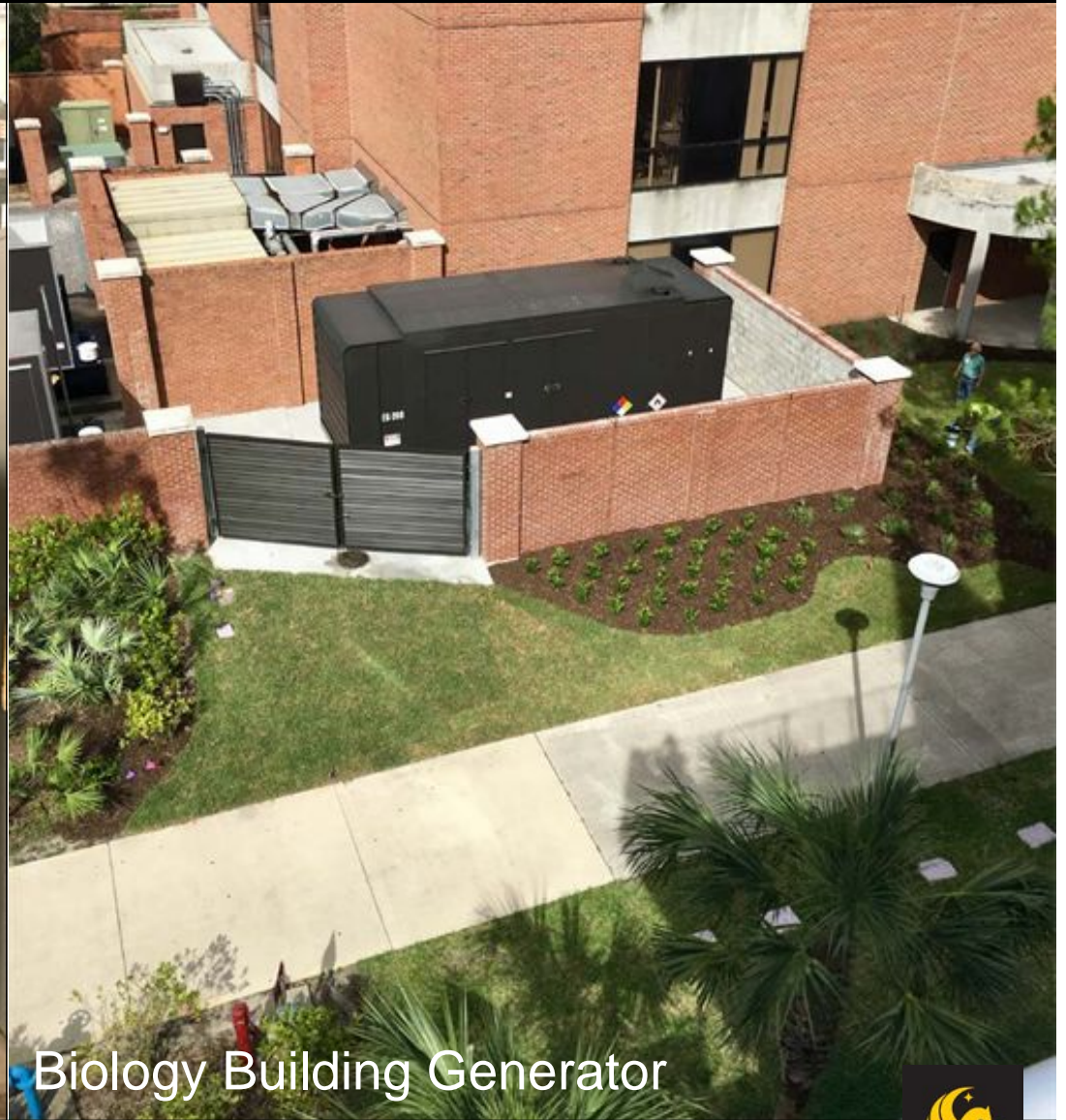
University of Central Florida

Status of Projects – August 2018



Libra Boiler Replacement

Engineer: Matern Contractor: Merritt Project Cost: \$212K



Biology Building Generator

Engineer: SWC Contractor: Wharton Smith Project Cost: \$1.2M

University of Central Florida

Status of Projects – August 2018



Reflecting Pond

Engineer: SWC

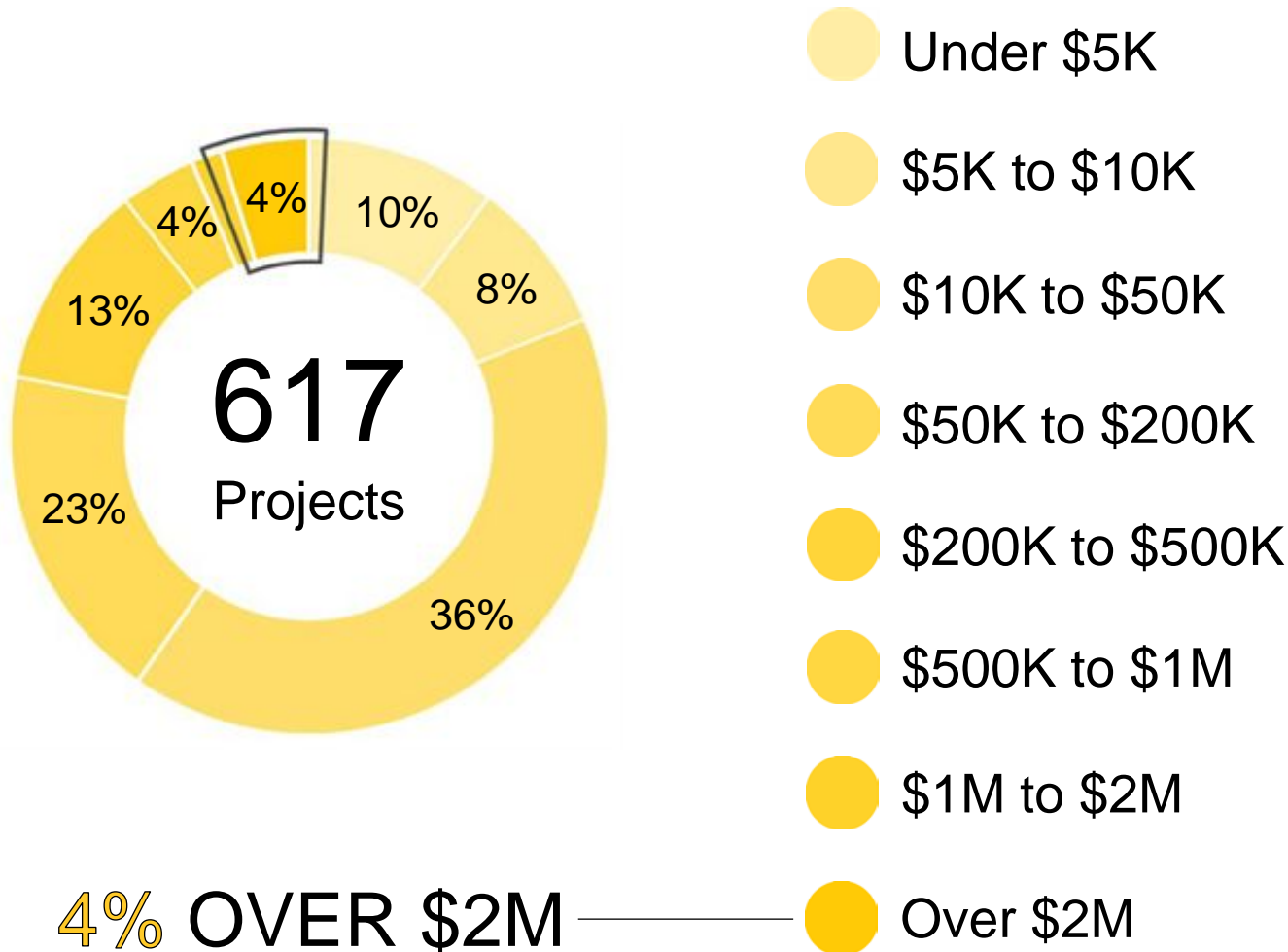
Contractor: Canaveral

Project Cost: \$2.2M

Funding Source: Carry Forward

University of Central Florida

Status of Projects – August 2018



University of Central Florida

Status of Projects – August 2018

MAJOR PROJECTS

University of Central Florida

Status of Projects – August 2018



Research I

Architect: Ponikvar

Contractor: CPPI

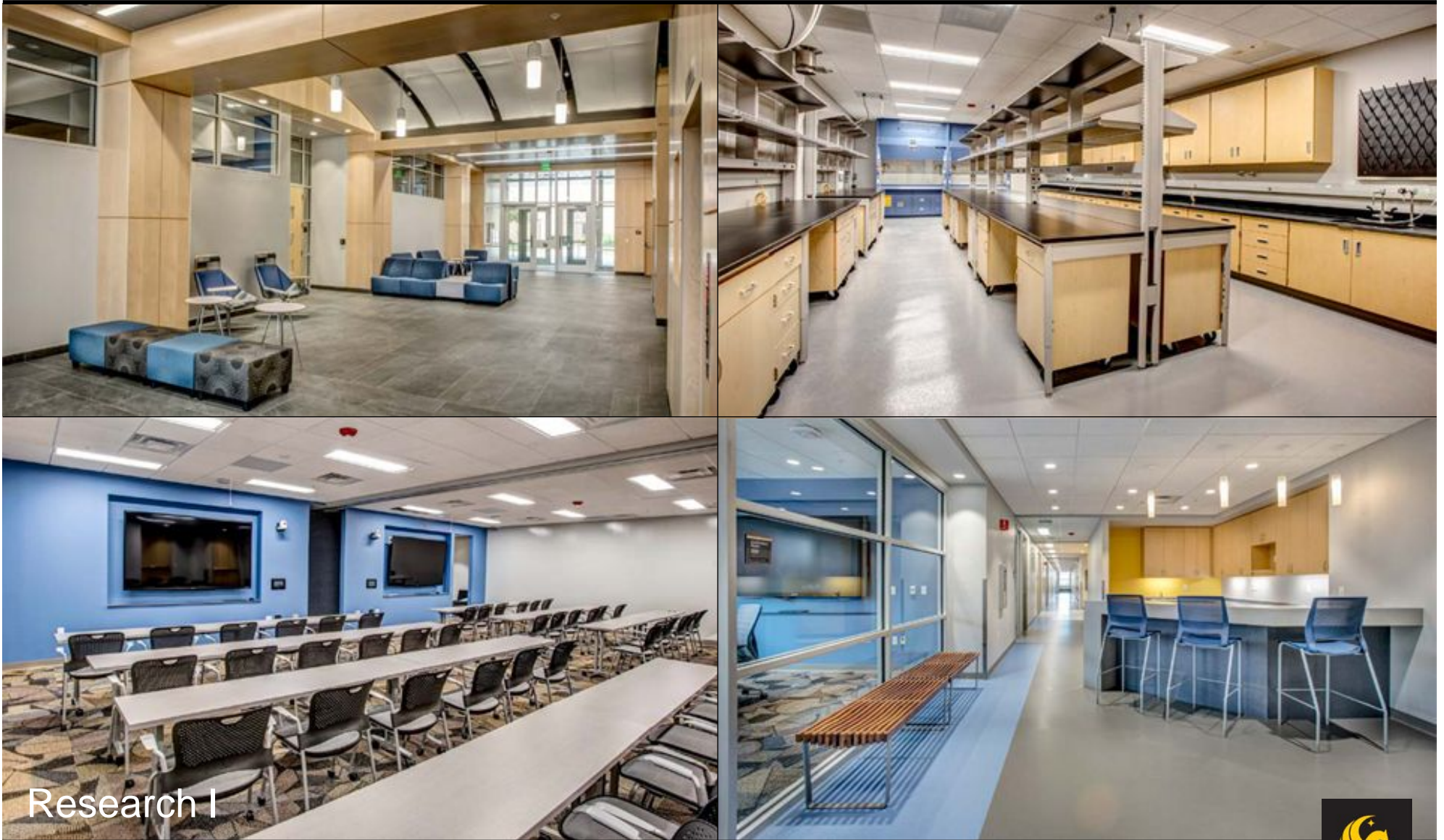
Project Cost: \$53M

Funding Source: University



University of Central Florida

Status of Projects – August 2018



University of Central Florida

Status of Projects – August 2018



Facilities and Safety Building 16F

Architect: SchenkelShultz

Contractor: Heard

Project Cost: \$2.3M

Funding Source: Surplus and Carry Forward

University of Central Florida

Status of Projects – August 2018



Engineering I HVAC Renovation



Engineer: SGM

Contractor: Barr and Barr

Project Cost: \$4.2M

Funding Source: PECO

University of Central Florida

Status of Projects – August 2018



District Energy Plant IV

Architect: RLF

Contractor: CPPI

Project Cost: \$15M

Funding Source: University



University of Central Florida

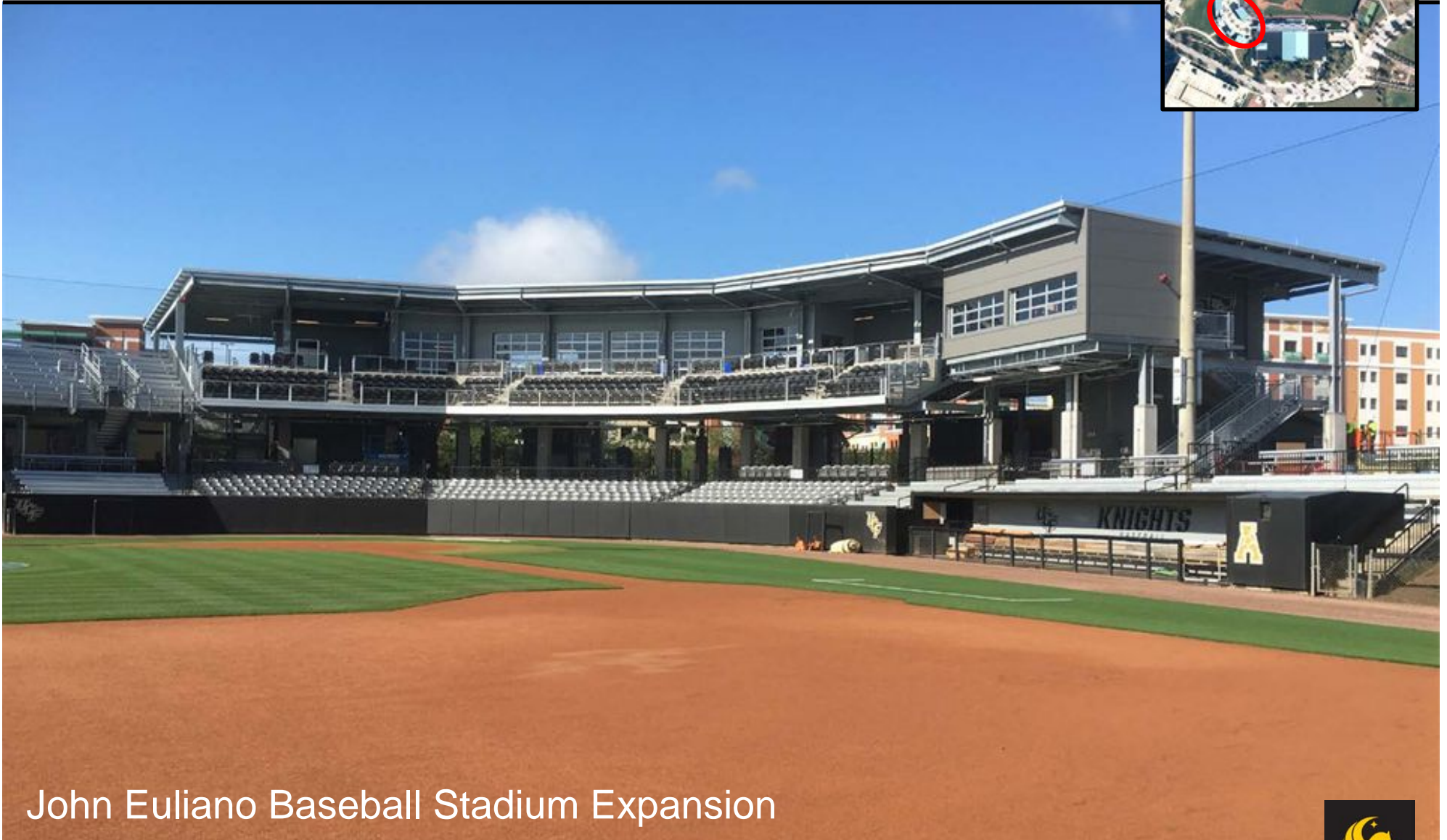
Status of Projects – August 2018



District Energy Plant IV

University of Central Florida

Status of Projects – August 2018



John Euliano Baseball Stadium Expansion

Architect: DLR

Contractor: Skanska

Project Cost: \$3.6M

Funding Source: Donor

University of Central Florida

Status of Projects – August 2018



Trevor Colbourn Hall

Architect: SchenkelShultz

Contractor: Pirtle

Project Cost: \$39M

Funding Source: University



University of Central Florida

Status of Projects – August 2018



Trevor Colbourn Hall





University of Central Florida

Status of Projects – August 2018



CREOL Building Expansion

Architect: RLF

Contractor: Robins and Morton

Project Cost: \$6.8M

Funding Source: University

University of Central Florida

Status of Projects – August 2018



Roth Athletic Center

Engineer: Cape Design

Contractor: Wharton Smith

Project Cost: \$11.6M

Funding Source: Donor

University of Central Florida

Status of Projects – August 2018



Garvy Center for Student Athlete-Nutrition

Architect: KZF

Contractor: CPPI

Project Cost: \$2.7M

Funding Source: Donor

University of Central Florida

Status of Projects – August 2018



John C. Hitt Library Expansion, Phase 1

Architect: Holzman Moss Bottino

Contractor: Turner

Project Cost: \$19.3M PH1

Funding Source: CITF

University of Central Florida

Status of Projects – August 2018



John C. Hitt Library Expansion

Automated Retrieval Center



University of Central Florida

Status of Projects – August 2018



John C. Hitt Library Expansion, Phase 1A

Architect: Holzman Moss Bottino

Contractor: Turner

Project Cost: \$20.8M PH1A

Funding Source: CITF



University of Central Florida

Status of Projects – August 2018



John C. Hitt Library Expansion, Phase 1A

University of Central Florida

Status of Projects – August 2018

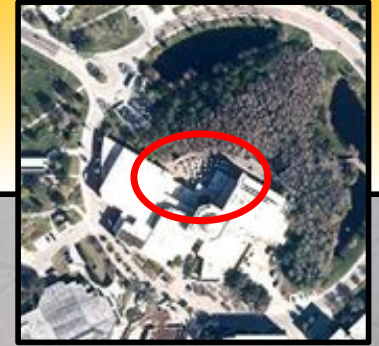


Student Union Expansion

Architect: Zyscovich Contractor: CPPI Project Cost: \$18.5M Funding Source: Student Union, Aramark, and Business Services

University of Central Florida

Status of Projects – August 2018



Student Union Expansion

University of Central Florida

Status of Projects – August 2018



Partnership IV



Partnership V

Architect: RLF

Contractor: Robins and Morton

Project Cost: \$42M

Funding Source: PECO

University of Central Florida

Status of Projects – August 2018



UCF Hotel and Conference Center

Architect: Baker Barrios

Contractor: Batson Cook

Project Cost: Confidential

Funding Source: Private

University of Central Florida

Status of Projects – August 2018



UCF Downtown Center for Emerging Media Renovations

Architect: SchenkelShultz

Contractor: TBD

Project Cost: \$5M

Funding Source: University

University of Central Florida

Status of Projects – August 2018



Dr. Phillips Academic Commons

UCF DOWNTOWN

Architect: SchenkelShultz and RAMSA Contractor: Skanska Project Cost: \$60M Funding Source: University, PECO, and Donor



University of Central Florida

Status of Projects – August 2018



UCF Downtown Parking Garage

UCF DOWNTOWN

Architect: Walker Parking and CT Hsu

Contractor: PCL Construction

Project Cost: \$13.5M

Funding Source: University



University of Central Florida

Status of Projects – August 2018



UCF Downtown Central Energy Plant

UCF DOWNTOWN



Architect: RLF

Contractor: Robins & Morton

Project Cost: \$12.3M

Funding Source: University

University of Central Florida

Status of Projects – August 2018



Architect: BBA and CannonDesign

Contractor: Batson-Cook

Project Cost: N/A

Funding Source: Privately Owned

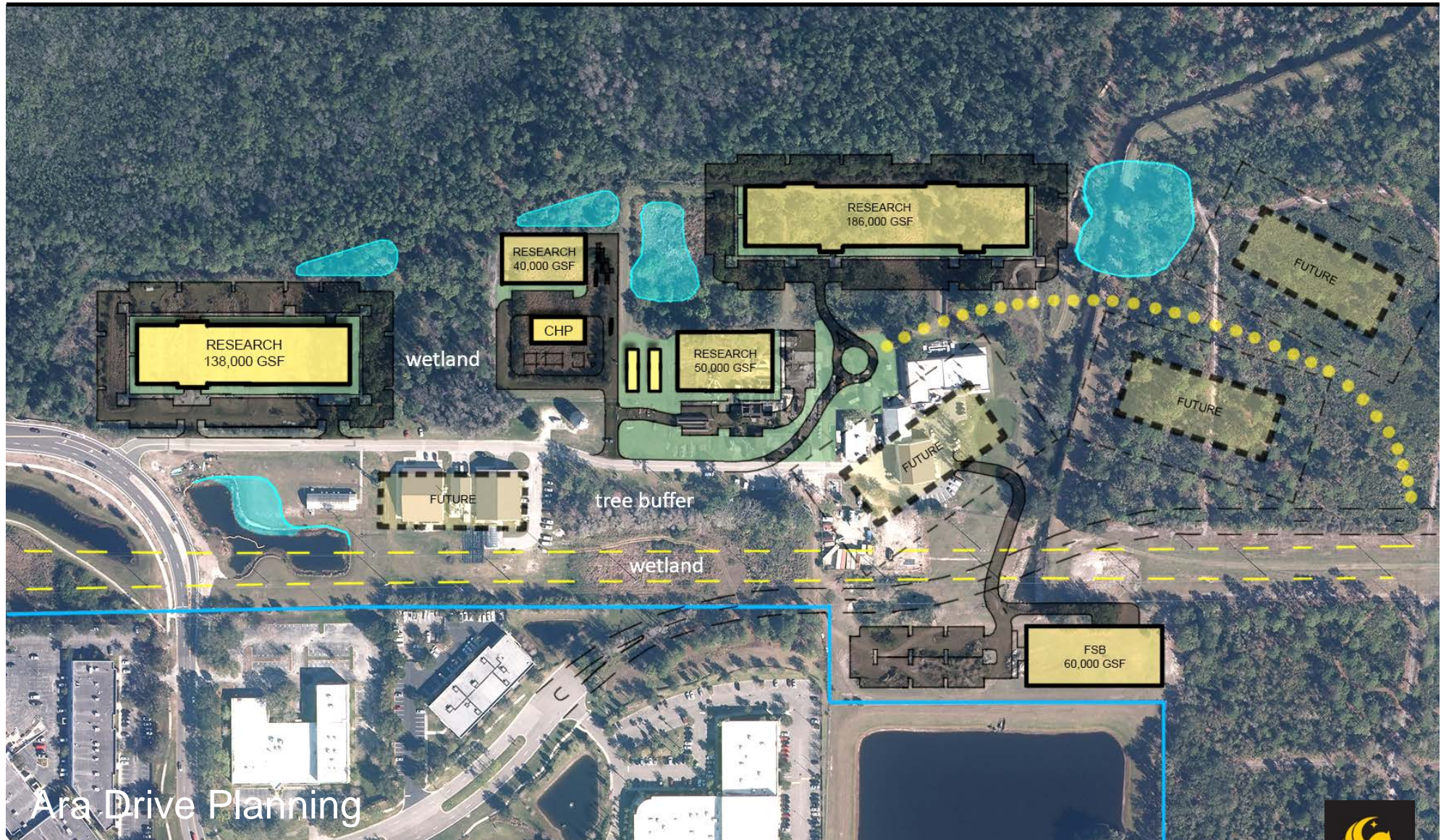
University of Central Florida

Status of Projects – August 2018

CONCEPTS

University of Central Florida

Status of Projects – August 2018



Ara Drive Planning

Planning: UCF – Research Needs, Roadwork, Wetland Mitigation

University of Central Florida

Status of Projects – August 2018



Planning: UCF – College of Nursing and Health Sciences, Parking Garage, Temporary Parking

University of Central Florida

Status of Projects – August 2018



Rosen College of Hospitality Management

Planning: UCF – Rosen Education Facility, Parking Garage

University of Central Florida

Status of Projects – August 2018



University of Central Florida

Status of Projects – August 2018

Observations Requiring Immediate Action

- Minor Project Planning and Programming
- Project Manager Workload
- Evaluation of Proposals
- Refinement of GC Quotes
- Contract Closeout and Transition
- EHS Staffing Needs
- Financial and Schedule Progress Reports

External Requirement

Funding Requests Submitted

Completed

Completed

Completed

Working with ORC

eBuilder in place, reports to be created

Other Recommendations

- Project Manager Manual
- Standardized Reporting
- Project Management Software
- Lessons Learned Capture
- Project Manager Career Development
- Training Material
- Delivery Method Selection
- Contract Templates

Completed

eBuilder in place, reports to be created

eBuilder – Completed

Ongoing

Ongoing

In Progress

Completed

Ongoing

University of Central Florida

Status of Projects – August 2018

Other Recommendations (continued)

- Change Management
- Outreach Efforts
- In-house Estimating
- Contractor Cost Estimate Evaluation
- Financial Accounting Module
- Historical Project Cost Capture
- Field Progress Capture
- Scheduling Standard
- Contractor Schedule Evaluation
- Schedule Tracking
- Scalable Project Risk Management
- Issue Management Process
- Program Level Reporting
- Document Management
- Quality Management Empowerment
- Quality Management Guidance

Ongoing

Ongoing

Completed

Ongoing

eBuilder - Completed

Ongoing

Ongoing

eBuilder - Completed

Ongoing

eBuilder - Completed

eBuilder in place, reports to be created

eBuilder in place, reports to be created

eBuilder in place, reports to be created

Ongoing

Completed

Ongoing

University of Central Florida

Status of Projects – August 2018

Key Volume Indicators (KVIs)

| | |
|--------------------------------|------------|
| Number of Open Projects | 617 |
| Planning/Design | 154 |
| Permitting | 31 |
| Construction | 109 |
| Close-out | 73 |
| Awaiting Customer | 27 |
| Temporary Hold | 27 |
| Completed | 196 |

| | |
|-------------------------------|----------------------|
| Value of Open Projects | \$323,845,199 |
| Planning/Design | \$30,276,940 |
| Permitting | \$2,017,077 |
| Construction | \$186,931,418 |
| Close-out | \$74,094,181 |
| Awaiting Customer | \$2,215,213 |
| Temporary Hold | \$9,825,810 |
| Completed | \$18,484,560 |

| | |
|---|-------------|
| Number of Project Managers (PM) | 12 |
| Number of Assistant Project Managers (APM) | 2 |
| Number of Active Projects per PM/APM | 26.2 |

University of Central Florida

Status of Projects – August 2018

Key Performance Indicators (KPIs)

| Budget | Target | Actual |
|---|-------------|------------|
| Average number / % cost of change orders per project, by type | < 2 / < 10% | 1.7 / 8.8% |
| Percent of projects completed on budget | > 95% | 97.7% |
| Percent budget variance | < 5% | 7.2% |
| Percent saved in project audit and negotiations | > 2% | 2.2% |
| Percent unused contingencies | > 5% | 7.2% |

| Time | Target | Actual |
|--|-----------|-----------|
| Percent of projects completed on time | > 95% | 91.4% |
| Percent of active projects with no discernable advancement | < 2% | 1.1% |
| Percent of projects canceled due to time issues | < 1% | 2.2% |
| Average time to pay contractors | < 30 days | 26.8 days |
| Average time awaiting information from customer | < 10 days | 21 days |

| Quality | Target | Actual |
|--|-----------|-----------|
| Average FP&C customer satisfaction scores for planning, design, and construction | > 90% | 92.0% |
| Average Contractor customer satisfaction scores for construction | > 90% | 84.0% |
| Time to complete all punch list items | < 30 days | 42.2 days |
| Number of unapproved deviations per project | < 1 | 0.4% |
| Percent dollar value of errors and omissions / total value of project | < 1% | 0.8% |

| Hot Issues | Target | Actual |
|---|--------|--------|
| LEED Gold achieved on eligible projects | 100% | 100% |
| Percentage of projects that support Collective Impact | 90% | 92.2% |

* data shown above is example, not actual data

University of Central Florida

Status of Projects – August 2018



UCF Status of Projects Update
August 2018