



WISE OWL PROPERTIES

Wise Owl Properties
Board Meeting
Date: April 10, 2018
Time: 2:30pm
Agenda

- | | |
|--------------------------|-----------------------|
| 1. Call to Order | Fran Pepis, Treasurer |
| 2. Approval of Minutes | Fran |
| 3. 10696 Building Update | Fran |
| 4. Bylaws Changes | Linda |
| 5. Election of Officers | Linda |
| 6. Adjourn | New President |

WISE OWL PROPERTIES, INC.

Conference Call Board Meeting

Friday, February 23, 2018

9 AM

MINUTES

PRESENT:

Bill Ternent-via phone
Don Roberts-via phone
Fran Pepis-via phone
Melissa Gilreath-via phone
Veronica Catoe-via phone
Shawn Mollitt-via phone

STAFF:

Linda Levin-via phone
JaLynne Santiago
Belinda Witherspoon

ABSENT:

Robert Morgan-Excused
Brenda Ezell-Excused

CALL TO ORDER

Fran Pepis called the meeting to order at 4:33 PM.

PURPOSE

The purpose of the meeting was to update the Board on the Status of the Lease for the ElderSource Institute building located at 10696 Old St. Augustine Rd, Jacksonville FL 3227.

Fran began with the introduction of the Letter Of Intent (LOI) and other attachments sent to the Board received on behalf of Curaleaf Florida, LLC on February 13, 2018. Fran discussed the due diligence for Wise Owl, which included two main concerns, the modification of the loan agreement, and the real-estate taxes.

Modification of Loan Agreement

JaLynne, Chief Financial and Operations Officer, was in touch with our Lender and it was determined that due to our staff not remaining in the building and 100% of the building being non-owner occupied, a request for a loan modification would need to be made to the bank. The bank approved the modification and agreed to allow the rents collected from the leaser to continue to flow through Wise Owl and not the bank. This would only change in the event we fell into default.

Real Estate Taxes

As a non-profit we were exempt from paying real-estate taxes, however with a third party for-profit occupying the building, the tax exemption goes away. The current assessed value of the property is \$1.6 million which carries a range of \$30,000-31,000 real estate tax assessment. The tenant is aware that they are responsible for the taxes for the prorated period of time, until an appeal has been made and approved. If approved, the appeal would lower the tax assessment significantly to around \$13,000 to \$17,000. Fran

is working with the property appraiser office to get the appeal processed and is confident that there will be no issues.

There was a brief discussion concerning ElderSource's continued use of the parking lot as it relates to its impact on property taxes and whether the new tenant would allow ElderSource to continue using the parking lot. Fran stated that ElderSource's use of the parking lot does not change the tax status. She will follow up with the leaser to confirm ElderSource's use of excess parking spaces.

Fran reviewed the attachments beginning with the side by side comparison of Tenant vs Landlord Responsibilities, and continued with the drafted proposal. (See attachment with corrections.) Below are the highlights discussed but not mentioned on the LOI attachment.

- Renewal
 - Don would add a statement to be included that clarifies the use of a qualified expert vs an appraiser as acceptable for determining fair market value. The value of an appraiser is higher compared to a qualified expert. Fran will add the verbiage.
- Debt
 - JaLynne received approval for third party use, however she will attempt to get the approval for the building to be used specifically as a medical marijuana treatment center. Both Don and Shawn added that it is not typical to receive approval on specific use.
- Tenant Improvement Allowance
 - Fran will add a statement that holds the tenant solely responsible for improvement expenses.
- Terminations Right
 - Fran will be adding a caveat statement that holds the leaser responsible for all unadvertised leasing fees, which include attorney and brokerage fees, if the lease is terminated before the 5 year agreement.
- Option To Purchase
 - Leaser will be given first right of offer, however will not be given sole exclusivity. The price will be based on Fair Market Value.
- Brokerage
 - Fran explains that the brokerage fee will be negotiated to 2.5% which is an even split between our broker and theirs.

Fran explained that the property will remain listed for sale, however the listing will be private and the leaser will be given the first right of offer. She addressed Don's question regarding the assessed value and explained how the assessed value of \$700,000 was determined through the evaluation process. However, if an investor was to approach us to purchase the property, the value is 1.2 million. Fran advised the Board that she has asked for a corporate guarantee and states that the final terms are subject to review of Curaleaf's financial statements.

Linda updated the Board on the plan to move the ElderSource Institute Staff to the Executive conference room.

Motion

A motion was made by Bill Ternent for Fran to move forward with negotiations based on today's recommendations, Melissa Gilreath seconded. Motion passed unanimously.

Meeting Adjourned at 4:30 PM

Minutes prepared by Belinda Witherspoon, Office Manager

BYLAWS

WISE OWL PROPERTIES INC.

ARTICLE 1 **NAME AND PURPOSES**

Section 1.1 Name. The name of this corporation shall be WISE OWL PROPERTIES INC.

Section 1.2 Purposes. The objects and purposes for which this corporation is organized and the nature of its business and activities are as set forth in the Articles of Incorporation.

ARTICLE 2 **OFFICES AND REGISTERED AGENTS**

Section 2.1 Offices. The address of the initial registered office of the corporation in the State of Florida is set forth in the Articles of Incorporation. The Board of Directors may, from time to time, establish additional offices for the corporation within the State of Florida and may designate a different address as its registered office; provided, however, that any such designation of a different registered office shall become effective only upon the filing of a statement of such change with the Department of State of the State of Florida as is required by law.

Section 2.2 Registered Agent. The name and address of the initial registered agent of the corporation is set forth in the Articles of Incorporation. The Board of Directors may, from time to time, designate a different person as its registered agent; provided, however, that such designation shall become effective only upon the filing of a statement of such change with the Department of State of the State of Florida as is required by law.

ARTICLE 3 **MEMBERS**

The sole member of this corporation shall be Eldersource, Inc.

ARTICLE 4
MEMBER'S MEETINGS

Section 4.1 Place of Meeting. Meetings of the member shall be held at the principal office of the corporation or any other place (within or without the State of Florida) as shall be designated in the notice of the meeting.

Section 4.2 Annual Meeting. The annual meeting of the member shall be held within 120 days after the last day of the corporation's fiscal year each year at a time and place designated by the Board of Directors at which meeting the member shall elect a Board of Directors and transact other business. At least 14 days' written notice of the time, place and date of such meeting shall be provided to the member by the Secretary.

Section 4.3 Special Meetings. Special meetings of the member shall be held when directed by the President or the Board of Directors, or when requested in writing by the member. A meeting requested by the member shall be called for a date not less than ten nor more than sixty days after the request is made, unless the member designates an earlier or later date. The call for the meeting shall be issued by the Secretary, unless the President, the Board of Directors or member shall designate another person to do so.

Section 4.4 Notice, Quorum, Proxies, Action by Consent. Unless otherwise specifically provided herein, the corporation shall comply with the provisions of the Florida Statutes, Chapter 617, to the extent applicable, and said provisions shall govern the requirements as to the giving of notice and waiver thereof, the requirements for a quorum, the use and effect of proxies, and the manner and effect of actions by the member without a meeting, and all other matters relating to meetings of the member.

ARTICLE 5
BOARD OF DIRECTORS

Section 5.1 Function. Except as set forth in the following paragraph or as required by law, the affairs of this corporation shall be managed by the Board of Directors and by officers elected by said Board of Directors and by agents and employees of the corporation acting under authority of said Board of Directors.

Except as may otherwise be provided by the member through means of duly adopted policies and guidelines, the authority of the Board of Directors to exercise the following powers is conditioned on the approval of the member:

- 5.1.1 The adoption of any strategic plan developed for the corporation;
- 5.1.2 Approval of the annual operating budget;

{25589367;1}

- 5.1.3 Approval of the capital budget;
- 5.1.4 Major financing, refinancing and debt prepayments;
- 5.1.5 Real estate acquisitions and sales;
- 5.1.6 Transfer of any assets to other entities or individuals;
- 5.1.7 Any other transaction which can reasonably be expected to have a material impact on the financial position or operations of the corporation; and
- 5.1.8 Any voluntary dissolution, merger or consolidation of the corporation or the sale or transfer of all or substantially all of the corporation's assets, or the creation or acquisition of any subsidiary or affiliate corporation of the corporation or of any auxiliary organization.

Section 5.2 Number and Selection. This corporation shall have six (6) Directors who shall be elected by the sole member of the corporation, as described in Section 5.3, below, at the annual meeting of the member.

Section 5.3 Election and Terms. The members of the present Board of Directors are as set forth in the Articles of Incorporation. Directors shall be elected annually, for one (1) year terms, and until his or her successor is duly elected and qualified, unless he or she sooner resigns or is removed pursuant to Section 5.4 below. If reelected, directors may serve successive terms without limitation.

Section 5.4 Resignation and Removal.

5.4.1 Resignation. Any Director may resign at any time by giving written notice to the President. Such resignation shall take effect on the date of receipt or at any later time specified in the notice.

5.4.2 Removal. Any elected or appointed Director or Directors may be removed, for or without cause, at a meeting of the member called expressly for that purpose.

Section 5.5 Vacancies. Vacancies in elected or appointed directorships due to death, removal, resignation, or an increase in the number of directorships as allowed in these bylaws may be filled by an appointee of the member prior to its next annual meeting, and shall be filled by the member at the next annual meeting, but in any event shall be filled no later than the next annual meeting following the death, removal, resignation or increase or decrease in directorships. Any director so elected shall hold office for the unexpired portion of the term.

{25589367;1}

Section 5.6 Additional Advisors. The Board or the President may invite additional individuals with expertise in a pertinent area to meet with and assist the Board. Such advisors shall not vote or be counted in determining the existence of a quorum.

Section 5.7 Attendance at Meetings. Board members shall be required to attend at least one-half of the meetings of the Board and of Board committees of which they are members. Failure, without good cause, to satisfy these requirements may be grounds for removal from the Board or a committee, or both. Minutes of such meetings will indicate attendance.

Section 5.8 No Compensation. No member of the Board of Directors shall receive any compensation for his or her services as such Director, but may be reimbursed for such reasonable expenses incurred in furtherance of the purposes of the corporation as the Board of Directors may from time to time approve.

Section 5.9 No Favoritism. The members of the Board of Directors shall not be favored in applying for or receiving the services of the corporation.

Section 5.10 Disclosure. The members of the Board of Directors shall have no undisclosed financial interest in the assets, leases, business transactions or professional services of the corporation. Any member who individually or as a part of a business or professional firm is involved in the business transactions or current professional services of the corporation shall disclose this relationship and shall not participate in any vote taken in respect to such transaction or services. All conflicts of interest shall be reported to the Board of Directors at the time the conflict arises.

ARTICLE 6

MEETINGS OF DIRECTORS

Section 6.1 Annual Meeting. The annual meeting of the Board of Directors shall be held within 120 days after the last day of the corporation's fiscal year, at such time and location as shall be specified in the notice of the meeting. At least fourteen (14) days' written notice of the time, place and date of such meeting shall be provided to each Director by the Secretary.

Section 6.2 Regular Meetings of Directors. Regular meetings of the Board shall be held annually or more frequently as needed at such times as the Board provides by resolution. Such resolution may provide that its adoption constitutes notice of such regular meetings. Unless otherwise provided by such resolution, at least seven (7) days' written notice of the time, place and date of such meeting shall be provided to each Director by the Secretary.

Section 6.3 Special Meetings. Special meetings of the Board of Directors may be held at any time and may be called by the President or by the Secretary upon written application of two

(2) or more members of the Board of Directors, or by two (2) members of the Board of Directors in the event of failure of the Secretary to call the meeting. At least seven (7) days' written notice of the time, place, date and purpose of such meeting shall be provided to each Director by the Secretary.

Section 6.4 Waiver of Notice. Notwithstanding any provision hereof to the contrary, Notice may be waived in writing by the Director. Attendance at any meeting by a Director shall constitute waiver of any lack of proper notice unless the Director objects to lack of notice at the commencement of the meeting.

Section 6.5 Place of Meeting. All meetings of the Board of Directors shall be held at the principal office of the corporation, unless otherwise directed by the President. The time of all such meetings shall be fixed by the President unless the meeting is to be held upon application of two (2) or more members of the Board of Directors, in which case the time shall be fixed by them.

Section 6.6 Quorum. A majority of voting members of the Board of Directors shall constitute a quorum at any meeting. If a quorum is not present, a majority of the voting members present may adjourn the meeting from time to time without further notice. For purposes of determining whether a quorum is present, vacancies on the Board shall not be counted (for example, if there exist one (1) vacancy on the Board, then two (2) voting Directors would have to be present in order to constitute a quorum).

Section 6.7 Informal Action. Any action required by law to be taken at a meeting of the Board of Directors, or any action which may be taken at such a meeting, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the members of the Board of Directors entitled to vote with respect to the subject matter thereof.

Section 6.8 Proxies. A member of the Board may consent in writing to the action taken at a meeting, but proxies given by a member of the Board to allow someone to vote in his or her stead shall not be recognized.

ARTICLE 7
OFFICERS

Section 7.1 Officers. The officers of the corporation shall be a President, a Vice President, an Executive Director, a Secretary, ~~an Assistant Secretary~~ and a Treasurer and such other officers as may be designated by the Board of Directors. All officers, except the Executive Director, shall be elected by a majority of all the Board of Directors, shall be elected for a one (1) year term at the annual meeting of the Board of Directors and shall hold office until removal or resignation or their successors are elected and qualified. A vacancy in any office, except Executive Director, may be filled by majority vote at any meeting of the Board of Directors. The Executive Director shall be the Executive Director, ex officio.

ARTICLE 8
DUTIES OF OFFICERS

Section 8.1 President. The President shall preside at all meetings of the Board of Directors and shall represent the corporation in the community at large. The President shall appoint members and designate the Chairmen of all committees, except ex officio members of the Executive Committee, if any. In general, he or she shall perform all duties usually incident to the office of President, and such other duties as may be prescribed by the Board of Directors.

Section 8.2 Vice President. The Vice President shall perform such duties as are assigned by the President, including the duties of President in his or her absence. The Vice President shall possess and may exercise such power and authority that is duly assigned to him/her and that is incident to the office of vice president.

Section 8.2 8.3 Executive Director. The Executive Director shall be the chief executive officer of the corporation and shall supervise and control all of the business and affairs of the corporation. In general, he or she shall perform all duties usually incident to the office of Executive Director and chief executive officer, and such other duties as may be prescribed by the Board of Directors, including, but not limited to the following:

~~8.2.1~~ 8.3.1 responsibility for the carrying out of all policies established by the Board of Directors;

~~8.2.2~~ 8.3.2 to prepare and submit to the Board of Directors for approval, a plan of organization of the personnel and others concerned with the operation of the corporation; the development and maintenance of personnel policies and practices for the corporation and the selection, employment, control and discharge of all employees. He or she may delegate such authority as he or she is given hereunder to the employees of his or her selection, but such delegation in no way alleviates his or her responsibility to the Board of Directors;

~~8.2.3~~ 8.3.3 to prepare an annual budget showing the expected receipts and expenditures, supervise all business affairs, insure that all funds are collected and expended to the best possible advantage. Expenditures which have not been budgeted or agreements on behalf of the corporation involving more than \$10,000 shall not be made without the prior consent or approval of the Board of Directors or the Executive Committee;

~~8.2.4~~ 8.3.4 to see that all physical properties are kept in a good state of repair and operating condition;

~~8.2.5~~ 8.3.5 to attend all meetings of the Board of Directors and the Executive Committee, if any, unless excused by the Board. To submit regularly to the Board of Directors or its authorized committee, periodic reports showing the operational and financial activities, and to prepare and submit such special reports as may be required by the Board of Directors or an authorized committee thereof; and

The Executive Director shall be the Board's direct executive representative in the management of the corporation. He or she shall be given the necessary authority and held responsible for the administration of the corporation and all its activities subject only to such policies as may, from time to time, be adopted and such orders as may, from time to time, be issued by the Board of Directors or by any of its committees to which it has designated power of such action. He or she shall act as the "duly authorized representative" of the Board in all matters in which the Board has not formerly designated some other person for that specific purpose.

Section 8.3 8.4 Secretary. The Secretary shall keep, or cause to be kept, the minutes of the meetings of the member and of the Board of Directors in the book or books provided for that purpose and shall be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents the execution of which on behalf of the corporations under its seal is duly authorized. He or she shall see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law. In the absence of the Secretary from any meeting of the member or of Directors a temporary Secretary shall be designated by the presiding officer and shall record the minutes of the proceedings in the aforesaid book. In general the Secretary shall perform all duties usually incident to the office of Secretary and such other duties as may be assigned to him or her by the Board of Directors. All records of the corporation shall at all times be open to the members of the Board of Directors and the member.

Section 8.4 8.5 Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the corporation and shall receive and give, or shall cause to be received and given, receipts for moneys due and payable to the corporation from any source and deposit, or cause to be deposited, all such moneys in the name of the corporation in such banks, trust companies, or other depositories as shall be designated by the Board of Directors. The Treasurer or his or her designee shall disburse, pay out, distribute or invest the funds of the

{25589367;1}

corporation as directed by the Board of Directors. He or she shall see that a true and accurate monthly accounting of the financial transactions of the corporation has been made and that reports of such transactions are presented to the Board of Directors. He or she shall present the annual budget for the coming year to the Board of Directors at the last meeting before the end of the fiscal year. He or she shall cause annual independent audit of the corporation's books and records to be made for transmittal directly to the Board of Directors. In general he or she shall perform, or cause to be performed and shall be responsible for, all the duties usually incident to the office of Treasurer and such other duties as may be assigned to him or her by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine.

~~Section 8.5 Assistant Secretary. The Assistant Secretary, if any, in general shall perform such duties as shall be assigned by the Secretary, the President, the Executive Director, or the Board of Directors.~~

Section 8.6 Employees. Except as otherwise directed by the Board of Directors, the Executive Director shall be responsible for selecting, employing, controlling, establishing salaries of and discharging employees, as the Executive Director determines to be appropriate for the business of the corporation, other than officers elected or appointed by the Board.

Section 8.7 Removal. Any officer elected by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation would be served thereby.

ARTICLE 9 **COMMITTEES**

The President may appoint such special "ad hoc" committees as the President feels will serve the best interests of the corporation. Each such committee shall consist of members of the Board of Directors as are appointed by the President. The members of any such committee shall serve or be removed at the pleasure of the President.

ARTICLE 10
GIFTS

Section 10.1 Acceptance of Gifts. The Board of Directors may accept on behalf of the corporation any gift, grant, bequest, or devise for the general purposes or for any special purpose of the corporation.

Section 10.2 Restrictions on Gifts. Any donor who shall give, grant, bequeath, or devise any funds or other property to the corporation may do so subject to such conditions and restrictions as to the use of the principal or income thereof as the donor may see fit, and may specify such uses for the principal or the income as the donor may desire, provided such conditions, specifications, or other provisions are consistent with good public policy, the corporate purposes and these Bylaws.

ARTICLE 11
AUDIT

The Board of Directors shall cooperate with the Member in its annual audit of the books of the corporation and its affiliates by an independent certified public accountant.

ARTICLE 12
INDEMNIFICATION

The corporation shall, to the extent legally permissible, indemnify and defend each of its directors, officers, employees, or other agents against all liabilities and expenses, including, where applicable, amounts paid in satisfaction of judgments, in compromise of actions, suits, claims or other proceedings, as fines or penalties, or as counsel fees, actually and reasonably paid or incurred in connection with the defense or disposition of any action, suit or other proceeding, whether civil or criminal, in which such person may be involved by reason of corporate employment or Board service, except with respect to any matter as to which such person shall have been adjudicated in any proceeding not to have acted in good faith in the reasonable belief that such action was in the best interests of the corporation; provided that any payment by way of settlement, compromise, or consent decree shall be indemnified hereunder only to the extent that it shall be determined by the Board to have been made in the best interests of the corporation; and further provided that no settlement hereunder shall be entered into without the prior consultation and approval of a duly authorized representative of the Board. Any person believing himself to be entitled to indemnification or defense under this Section shall, in order to qualify for indemnification, or defense hereunder, notify the President immediately upon the occurrence giving rise to said entitlement.

In the event that a director, officer, employee or other agent who would otherwise be entitled to indemnification or defense hereunder is entitled, through insurance or otherwise, to

{25589367;1}

alternative source(s) of indemnification or defense for liabilities and expenses noted above, such individual will be entitled, under this provision, only to indemnification or defense to the extent not provided by such alternative source(s).

Nothing contained in this Article shall affect any rights of indemnification or defense to which corporate personnel other than directors, officers, employees, and other agents of the corporation may be entitled by contract or otherwise by law.

ARTICLE 13
PARLIAMENTARY AUTHORITY

The rules contained in Roberts Rules of Order, Newly Revised, shall govern the corporation in all cases to which they are applicable and in which they are not inconsistent with the Articles and Bylaws of the corporation.

ARTICLE 14
NOTICE

Section 14.1 Whenever notice is required to be given to any director, officer or member under the provisions of these Bylaws, such notice shall, except as herein provided, be deemed sufficient when given in person or when mailed to the last known address as it appears on the corporation records at that time.

Section 14.2 Any member, director or officer may at any time waive any notice required to be given by these Bylaws.

ARTICLE 15
AMENDMENTS

Section 15.1 Articles of Incorporation. The Articles of Incorporation of the corporation may be amended only by the member of the corporation.

Section 15.2 Bylaws. The bylaws of the corporation may be amended only by the member of the corporation.

ARTICLE 16
FISCAL YEAR

Unless otherwise designated by the Board of Directors, the fiscal year of the corporation shall begin January 1 and shall extend through December 31.

ARTICLE 17
CORPORATE SEAL

This corporation shall not have a seal.

I hereby certify that the foregoing Bylaws are the Bylaws of WISE OWL PROPERTIES INC. adopted by unanimous consent of the Board of Directors of the corporation as of the 28th day of December, 2012.

By: _____
Don Roberts, Secretary