

## GROUND LEASE AGREEMENT

**THIS GROUND LEASE AGREEMENT** (this "**Lease**") is entered into by and between the **METROPOLITAN GOVERNMENT OF NASHVILLE & DAVIDSON COUNTY, TENNESSEE** ("**Landlord**"), and **FRIENDS OF SHELBY PARK, INC.**, a Tennessee nonprofit corporation ("**Tenant**"). This Lease shall become effective only after its approval by the Metropolitan Council and upon its filing with the Metropolitan Clerk (such date, the "**Effective Date**"). It is the intention of Landlord and Tenant that this Lease be effective between the parties as of the Effective Date and that as of such Effective Date, each of Landlord and Tenant have their respective rights and obligations hereunder.

1. **DEMISE.** Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord a portion of that certain parcel of land located at 2009 Sevier Street, Nashville, Tennessee 37206 (Tax Parcel No. 094-02-0-229.00), having an area of approximately 4.5 acres and being generally depicted on **Exhibit A** attached hereto, together with all existing improvements, rights, privileges and appurtenances thereto (hereinafter collectively called the "**Premises**"). Tenant intends to redevelop the existing Naval Reserve Building and surrounding improvements located on the Premises into a mixed-use project containing an event hall, office space, and/or retail and restaurant space, among other improvements (the "**Project**"), as generally shown in the concept plans for Shelby Naval Commons attached hereto as **Exhibit D** (the "**Concept Plans**").

2. **TERM.**

2.1. **Initial Term.** The initial term of this Lease (the "**Initial Term**") shall commence and Landlord shall deliver exclusive possession of the Premises to Tenant on the date of the Closing (as defined in **Section 7** below) (such date, the "**Commencement Date**"), and shall expire on the last day of the three hundred sixtieth (360th) full calendar month after the Commencement Date (the "**Expiration Date**"). The actual Commencement Date and Expiration Date of the Initial Term shall be set forth in an instrument in the form of **Exhibit B** attached hereto, and the parties hereby agree to execute such instrument promptly after the Commencement Date upon the request of either party.

2.2. **Option Terms.** Tenant shall have options to extend this Lease for two (2) consecutive periods of five (5) years each (each, an "**Option Term**") on the same terms, covenants and conditions as herein provided, including, without limitation, the Base Rent. Tenant may exercise any one or more of the Option Terms by giving Landlord notice at least one hundred eighty (180) days, but not more than three hundred sixty-five (365) days, prior to the expiration of the Initial Term or the then-current Option Term. If Tenant continues to occupy the Premises without objection from Landlord and does not have or does not exercise an Option Term, this Lease shall automatically extend on a month-to-month basis under the same covenants and conditions as herein provided, unless and until either Landlord or Tenant terminates this Lease by giving the other at least thirty (30) days' written notice. The Initial Term, any Option Term exercised by Tenant hereunder, and any extension or holdover of any of the foregoing are sometimes collectively referred to herein as the "**Term**".

3. RENT. Beginning on the Commencement Date, Tenant shall pay to Landlord rent during the Initial Term and any Option Terms ("Base Rent") in the amount of \$1.00 per year, which shall be due on the Commencement Date and each anniversary thereof during the Initial Term or Option Term at the address provided herein or such other address as Landlord may direct. Notwithstanding the foregoing, Tenant shall have the right to prepay the Base Rent due for the entirety of the Initial Term at any time.

4. SURVEY. Tenant may, at Tenant's expense, obtain a survey (the "Survey") of the Premises prepared by a licensed surveyor. If Tenant obtains the Survey, the metes and bounds legal description prepared by the surveyor shall be the legal description of the Premises, and Exhibit A attached hereto shall be automatically revised accordingly to reference such metes and bounds legal description. Landlord shall approve or reject and provide comments to the the property description shown on the Survey by written notice to Tenant within thirty (30) days after delivery of the Survey to Landlord. If no such objection is received by Tenant, Landlord shall be deemed to have approved the same.

5. TITLE. Tenant may, at Tenant's expense, obtain a commitment for title insurance (the "Title Commitment") from First American Title Insurance Company (611 Commerce Street, Suite 3101, Nashville, Tennessee 37203) or another title company selected by Tenant (the "Title Company"). Within ten (10) days after the Effective Date, Landlord shall deliver copies of any existing restrictive covenants and reciprocal easements (of which Landlord's Director of Public Property Administration, with no duty of inquiry, possesses as of the Effective Date) affecting the Premises to Tenant. Should such Title Commitment or Survey show that Landlord's title contains any defects, exceptions or other matters not acceptable to Tenant, then Tenant shall have the option to terminate this Lease upon written notice to Landlord, provided that such termination notice is delivered to Landlord no later than the expiration of the Inspection Period (as defined below). Upon termination under this Paragraph, Tenant shall reimburse Landlord for any unused portion of the Allowance (as defined below) made by Landlord to Tenant prior to such termination in accordance with Section 8.2 below. Tenant may obtain, at its discretion and expense, a leasehold title insurance policy ("Leasehold Title Policy") issued by the Title Company, insuring Tenant's leasehold interest in the Premises. Landlord shall, at no expense to Landlord, cooperate with Tenant in obtaining such Leasehold Title Policy and provide to the Title Company evidence of Landlord's authority to enter into this Lease.

6. INSPECTION PERIOD.

6.1 Inspection Period. It is understood and agreed between the parties hereto that this Lease and the commencement of Base Rent payments are subject to Tenant's satisfaction with the condition of the Premises. Tenant shall have until the date which is three (3) years after the Effective Date (the "Inspection Period") in which to: (i) inspect the Premises and determine, in Tenant's sole discretion, whether the Premises are suitable for Tenant's purposes and the development of the Project; (ii) obtain, to its sole satisfaction, and at its own expense, all permits and required approvals from third parties and all appropriate governmental agencies as may be required for the construction, and operation of the Project, including but not limited to, zoning approval and/or a conditional use permit, a building permit, signage permits, and any requisite Department of Transportation permits, and which authorize the demolition of certain of the

existing improvements on the Premises as contemplated by the Concept Plan, if required, and redevelopment of the Project on the Premises, and location and number of curb cuts to the Premises; and (iii) fundraise and/or obtain financing for the planning and construction of the Project. Tenant's right to access and inspect the Premises shall include, without limitation, the right to conduct an investigation and/or feasibility study of the Premises, including, without limitation, a physical inspection of the Premises, an appraisal of the Premises, an engineering inspection of the Premises, and performance of environmental Phase I and Phase II studies of the Premises.

Prior to Tenant or its contractors or consultants entering the Premises to conduct any inspections or perform any of the Demo Work described in Section 6.5 below, Tenant and Tenant's contractors and consultants shall obtain and maintain (and shall deliver to Landlord a certificate of insurance thereof), at Tenant's cost, general liability insurance in the amount of at least One Million and 00/100 Dollars (\$1,000,000.00) combined single limit for personal injury and property damage per occurrence with respect to all inspection activities conducted at the Premises other than the Demo Work, and in the amount of at least Two Million and 00/100 Dollars (\$2,000,000.00) combined single limit for personal injury and property damage per occurrence with respect to the Demo Work. Such general liability policies shall name Landlord as an additional insured and shall provide coverage against any claim for personal liability or property damage caused by Tenant or its agents, representatives, contractors or consultants in connection with its inspection of the Premises. Such policies further shall expressly provide that they may not be cancelled except upon 30 days' written notice to Landlord and shall not require any deductible exceeding \$10,000.

6.2 Delivery of Property Information. In order to facilitate Tenant's investigation of the Premises, on or before thirty (30) days after the Effective Date, Landlord shall provide Tenant with copies of any and all documentation then in the actual possession or control of Landlord's Director of Public Property Administration relevant to Tenant's inspection of the Premises, including, without limitation, environmental assessments, results of soils tests, existing surveys, leases, encumbrances, utilities, drainage, covenants, easements and restrictions affecting the Premises (collectively, the "Property Information").

6.3 Inspection Approval Notice. It shall be a condition of the continued effectiveness of this Lease after the Inspection Period that Tenant shall notify Landlord in writing within the Inspection Period that Tenant wishes to proceed to lease the Premises pursuant to the terms and conditions of this Lease (the "Inspection Approval Notice"). Tenant's failure to provide such Inspection Approval Notice to Landlord shall automatically constitute Tenant's termination of this Lease. Notwithstanding the foregoing, however, Tenant may elect to terminate this Lease for any reason or no reason at all prior to the expiration of the Inspection Period by providing notice to Landlord. If this Lease is terminated under this paragraph, it will be of no further force and effect, and Landlord and Tenant will be released from all obligations under this Lease and will have no further liability to each other, except for such provisions which survive the termination of this Lease. Upon termination of the Lease pursuant to this paragraph, Tenant shall repay to Landlord the full amount of the Allowance (as defined below) actually provided to Tenant by Landlord prior to Tenant's termination of this Lease, less all amounts already expended on the planning, entitlement and development of the Project in accordance with Section 8.2 below. Notwithstanding the foregoing or anything to the contrary contained in this Lease, Tenant's

delivery of the Inspection Approval Notice shall not in any way affect the scope or availability of any rights or remedies available to Tenant under this Lease, or at law or in equity, for Landlord's failure to timely perform any of its obligations hereunder.

Notwithstanding any other provision of this Lease to the contrary, Tenant shall pay Landlord the sum of One Hundred and No/100 Dollars (\$100.00) as "Independent Consideration" (herein so called) for the execution of this Lease and the rights granted herein. The Independent Consideration shall be paid to Landlord in all instances, upon execution hereof is fully earned, and shall not be applied against the payment of Base Rent. Tenant hereby agrees to restore the Premises to its original condition upon the completion of any tests and inspections, to the extent altered thereby. Tenant further agrees to indemnify, defend and hold Landlord harmless from any and all claims, liabilities, costs and expenses suffered by or asserted against Landlord which are caused by Tenant's entry onto the Premises during the Inspection Period (or entry by any of Tenant's agents, employees, or contractors). The terms and conditions of Tenant's obligation to indemnify Landlord shall survive the expiration or termination of this Lease for a period of one (1) year. Notwithstanding the foregoing, Tenant shall not indemnify Landlord for (i) any matter caused by the gross negligence or willful misconduct of Landlord or any of its agents, representatives or employees, or (ii) the mere discovery of existing environmental or physical conditions at the Premises.

6.4 Zoning. In the event that the Premises is not zoned for the Permitted Use (as defined below) or requires a conditional use permit or special legislation pursuant to any applicable Governmental Requirements, Tenant shall have the right, at its sole cost and expense and during the Inspection Period, to seek by regular application any variance, change of zoning, special use permit, legislation, or order necessary to allow the Premises to be used for the Permitted Use. Nothing in this Lease shall constitute a waiver of Landlord's rights or duties to act in the public interest or require Landlord to enact, waive, or amend any ordinance, rule, or regulation relating to Tenant's use of the Premises. Nothing in this Lease shall be construed to entitle Tenant to any permit, or to Landlord's assistance in obtaining any permit, required for Tenant's use of the Premises or any of the work contemplated herein.

6.5 Early Access. Provided Tenant and its contractors carry the insurance coverages required under Section 6.1 above and in addition to the inspections otherwise permitted under this Section 6, Tenant shall have the right to enter the Premises prior to the Commencement Date to remove any dangerous or hazardous conditions from the Premises and to perform certain demolition work on the Premises as may be necessary to make the existing improvements safe for the inspections and other planning work to be carried out during the Inspection Period in Tenant's sole discretion (collectively, the "Demo Work"), provided that Tenant shall be required to obtain any required permits or approvals in connection with the Demo Work and further provided that Landlord shall have the right to approve in advance all Demo Work, such approval not to be unreasonably withheld. In addition, Tenant may hire security for the Premises during all or any portion of the Inspection Period at Tenant's option and at Tenant's sole cost and expense. All the Demo Work shall be at Tenant's cost but may be funded in part or in whole with the Allowance. Payment and performance bonds each with a penal sum in the full amount of the contract price for all Demo Work and any other construction work occurring on the Premises during the Term, naming Landlord as an additional obligee, must be provided to and approved by Landlord prior to

commencement of the Demo Work or such other construction work. Such bonds shall be in form acceptable to the Metropolitan Government and issued by a corporate surety authorized to do business in Tennessee.

7. CLOSING; DELIVERY OF PREMISES. The "**Closing**" of this Lease is defined as the time (to occur no later than fifteen (15) business days after the date that the Inspection Approval Notice has been delivered by Tenant to Landlord unless otherwise mutually agreed to in writing by the parties hereto) at which time (i) the parties shall enter into an Amendment to Lease, if necessary, to amend **Exhibit A** of this Lease by substituting the final legal description from the approved Survey; (ii) the Leasehold Title Policy is issued in accordance with Section 5; (iii) any outstanding recordable documents between Landlord, Tenant and third parties are executed and recorded, including but not limited to, the Memorandum of Lease referenced in Section 30 herein; (iv) the delivery of any other documentation expressly provided for in this Lease; (v) all broker's fees then due and payable have been paid; and (vi) any related items are completed, including the provision of any documentation required by the Title Company in connection with the issuance of the Leasehold Title Policy, and approval of the Settlement Statement. Upon the Closing, Landlord shall deliver possession of the Premises to Tenant in its "As-Is" condition.

8. PLANNING AND CONSTRUCTION OF IMPROVEMENTS.

8.1 Approval of Plans and Specs for Tenant's Work. Landlord acknowledges that Tenant intends to redevelop the existing Naval Reserve Building and the surrounding improvements on the Premises in accordance with the Concept Plans for the Project (collectively, "**Tenant's Work**"); Landlord hereby approves and waives any further right to comment or request changes to, the Concept Plans.

Tenant shall be responsible for the design and construction of the Project, including selection of an architect, engineer and general contractor (collectively, the "**Contractors**"). Landlord shall have the right to approve such Contractors and to review and approve each construction and design contract entered into with any of the Contractors (collectively, the "**Contracts**"); provided that such approval shall not be unreasonably withheld, conditioned or delayed, and provided further that if Landlord fails to respond within twenty-one (21) business days of Tenant's written request for approval of a Contractor or any Contract, such failure shall be deemed an approval by Landlord of the Contractor or Contract. Landlord acknowledges that Tenant will co-sign each of the Contracts with Arts and Business Council of Greater Nashville, Inc., a Tennessee nonprofit corporation ("**ABC**"), which entity will sublease a portion of the Project from Tenant pursuant to the ABC Sublease (as defined in Section 18.2 below). During the Inspection Period, Tenant shall deliver to Landlord, for Landlord's approval, a complete set of engineered plans and specifications for Tenant's Work based on the approved Concept Plans, which plans and specifications shall describe in detail all work to be performed on the Premises in connection with the redevelopment of the Project and which shall be in the format required for submission to the applicable governmental authority for building permits (the "**Plans and Specs**"). Landlord shall either approve of such Plans and Specs or provide specific written comments to the same within thirty (30) days after receipt from Tenant, provided that Landlord's failure to respond within such thirty (30)-day period shall be deemed an approval of same. If Landlord provides comments to the Plans and Specs, Tenant shall revise such Plans and Specs accordingly and re-

submit them to Landlord for approval within fifteen (15) days after its receipt of Landlord's comments. This process shall repeat until the Plans and Specs for Tenant's Work are finally approved by Landlord. Notwithstanding the foregoing, Landlord hereby further approves (i) any subsequent changes to the approved Plans and Specs that may be necessitated or required in connection with the Code of the Metropolitan Government of Nashville and Davidson County, Tennessee, any related ordinances or regulations, conditional permits, permits, or building permit review in connection with the building permit process for Tenant's Work (collectively, "**Governmental Requirements**"), and (ii) any non-material changes made to the approved Plans and Specs during construction.

Landlord agrees that it shall review and promptly provide feedback to any interim plans and specifications for Tenant's Work which are prepared by Tenant or its Contractors prior to the preparation of the Plans and Specs. Additionally, Tenant shall provide Landlord with cost estimates for Tenant's Work at regular intervals during the planning and design process, including a cost estimate for the work shown in the Plans and Specs at the time such Plans and Specs are initially submitted to Landlord for approval. Landlord shall provide Tenant with written approval or disapproval of material changes (not necessitated or required by Governmental Requirements) to the approved Plans and Specs within fifteen (15) days of Landlord's receipt of Tenant's renderings therefore. If Landlord fails to provide acceptance or objections to such changes to the Plans and Specs within such fifteen (15)-day period, the changes to the Plans and Specs will be deemed approved. Landlord agrees to cooperate with Tenant in the submission of any plans or other documentation which may be required in connection with the issuance of a building permit for Tenant's Work.

8.2 **Allowance.** Tenant will raise through donations or loans in an amount at least equal to Six Million One Hundred Thousand and No/100 Dollars (\$6,100,000) ("**Tenant's Cost Share**") to be applied to all costs and expenses incurred in connection with the design, planning and construction of Tenant's Work, including, without limitation, costs for all consultants and costs associated with the Demo Work, regardless of whether such costs are incurred during the Inspection Period or after the Commencement Date (collectively, the "**Project Costs**"). Landlord will provide Tenant with an improvement allowance equal to Two Million Five Hundred Thousand and No/100 Dollars (\$2,500,000) (the "**Allowance**") to be applied toward the Project Costs. Within thirty (30) days after the Effective Date, Landlord shall disburse twenty percent (20%) of the Allowance to Tenant. Within thirty (30) days following Tenant's provision of reasonable documentation to Landlord showing that Tenant has raised, through firm commitments from donors or one or more lenders, an amount at least equal to twenty percent (20%) of Tenant's Cost Share, Landlord shall disburse to Tenant an additional twenty percent (20%) of the Allowance. In the same manner, subsequent disbursements of twenty percent (20%) of the Allowance will be made to Tenant within thirty (30) days of Tenant's furnishing the required evidence showing that it has raised at least forty percent (40%) and sixty percent (60%) of Tenant's Cost Share, with the final twenty percent (20%) of the Allowance being disbursed to Tenant within thirty (30) days after Tenant's furnishing to Landlord the required evidence showing that it has raised at least eighty percent (80%) of Tenant's Cost Share. Notwithstanding the foregoing, Tenant shall not use more than twenty-five percent (25%) of any disbursement of the Allowance received from Landlord for Project Costs which are so-called "soft costs", such as planning and design costs and costs paid to consultants in connection with the planning and development of the Project.

In connection with Tenant's fundraising of Tenant's Cost Share and such other amount as may be deemed necessary or desirable by Tenant in connection with the development and operation of the Project, Tenant shall have the right to maintain a sponsorship program for the recognition of major donors of the Project with respect to certain portions of the Project, provided that Landlord approves the sponsorship program for donor recognition (such approval not to be unreasonably withheld, conditioned or delayed) and provided that such sponsorship program shall terminate upon the expiration or earlier termination of the Term hereof. Landlord also shall have the right to approve the size, design, and placement of any signage on the exterior of any improvements on the Premises, including, without limitation, signage relating to sponsorships, provided that such approval shall not be unreasonably withheld, conditioned or delayed.

9. USE OF PREMISES. Tenant shall have the right to use the Premises for the development and operation of the Project for retail, restaurant, office and/or event venue uses, including for the service and consumption of beer and liquor in connection with such uses (collectively, the "Permitted Use"). Tenant shall obtain a Certificate of Occupancy (whether permanent or temporary), and any other permits necessary to conduct the Permitted Use, from a proper governmental authority prior to opening for business at the Premises.

10. UTILITIES. Landlord shall cooperate in Tenant's efforts to obtain, during the Inspection Period, (i) at least two (2) curb cuts providing the Premises with access to Davidson Street which are approved by all applicable governmental authorities and acceptable to Tenant; (ii) access for ingress and egress to the Premises over any private drives within Shelby Park such that the Premises may be accessed via Davidson Street; and (iii) connections at the boundary line of the Premises for all necessary utilities for the development and operation of the Project for the Permitted Use (including water, sewer, natural gas, telephone, electricity, and cable/fiber optic data). Tenant shall pay all public utility charges, including water, sewer, electricity, cable, telephone and other utility services on the Premises from and after the expiration of the Inspection Period.

11. TAXES AND ASSESSMENTS. The parties hereto acknowledge and agree that Landlord is exempt from the payment of any Taxes (as defined below) with respect to the Premises. In the event any Taxes are ever assessed against the Premises during the Term, Landlord shall reimburse Tenant for the full amount of any Taxes actually paid by Tenant within sixty (60) days after the first day of the fiscal year following the one in which such Taxes were paid. As used herein, "Taxes" shall mean all real estate taxes and assessments (special or otherwise) levied or assessed by Landlord in its capacity as a governmental entity directly or indirectly against the Premises (land, buildings, and/or improvements as the same may be enlarged or reduced from time to time), or any portion thereof. Tenant shall not be entitled to reimbursement for any taxes paid by Tenant to the extent Tenant has assumed responsibility for such payment by contract or otherwise. Nothing herein shall require Landlord to reimburse any party other than Tenant.

Notwithstanding the foregoing, Tenant shall be responsible, without reimbursement, for any business or other taxes assessed against the FF&E or other personal property owned by Tenant or any of its subtenants.



12. INSURANCE.

12.1. Tenant Liability Insurance. Prior to entering upon the Premises for any purpose permitted under this Lease, and throughout the Term of this Lease, Tenant shall, at its expense, provide and keep in force commercial general liability insurance containing bodily injury and property damage coverage of not less than One Million Dollars (\$1,000,000.00) per occurrence during the Inspection Period and prior to commencement of the Demo Work and not less than Two Million Dollars (\$2,000,000.00) per occurrence immediately prior to commencement of the Demo Work in accordance with Section 6.1 above. Such limits may be reached through a combination of commercial general liability and umbrella insurance policy limits. Such policies shall cover the entire Premises and shall include Landlord as an additional insured. Tenant shall, deliver evidence of such policies to Landlord if so requested in the form of an ACORD 25 Certificate of Insurance (or equivalent form). All such insurance policies shall be with responsible insurance companies with an A.M. Best rating of not less than A- and authorized to do business in the State of Tennessee.

12.2. Property Insurance. Upon completion of the construction of the Project in accordance with the terms hereof and continuing throughout the Term of this Ground Lease, Tenant shall, at its expense, maintain and keep in force standard fire, extended coverage, vandalism and malicious mischief insurance on the Building Improvements and related improvements located on the Premises. In no event shall the insurance coverage be less than the full insurable value of the Building Improvements, on a current basis. The term "full insurable value" shall mean the actual current replacement cost, excluding land, excavation, foundation, paving and underground facilities. Tenant shall deliver evidence of such policies to Landlord if so requested in the form of an ACORD 28 Evidence of Property Insurance (or equivalent form). All such insurance policies shall be with responsible insurance companies with an A.M. Best rating of not less than A- and authorized to do business in the State of Tennessee. Tenant shall be the loss payee under such property insurance policy or policies, provided that all insurance proceeds from such policy or policies shall be subject to Section 21 hereof. In the event any insurance coverage required to be maintained by Tenant hereunder lapses and such failure is not cured within ten (10) days after written notice from Landlord, then, in addition to any other remedies of Landlord hereunder, Landlord shall have the right (but not the obligation) to obtain such lapsed coverage on behalf of Tenant, and Tenant shall promptly reimburse Landlord for the reasonable cost of such replacement policy or policies.

13. SUBROGATION. Anything herein to the contrary notwithstanding, each party hereto hereby releases and waives all claims, rights of recovery and causes of action that either party or any party claiming by, through or under such party by subrogation or otherwise may now or hereafter have against the other party or any of the other party's partners, directors, officers, employees or agents for any loss or damage that may occur to the Premises, Tenant's improvements or any of the contents of any of the foregoing by reason of fire or other casualty, or any other cause except gross negligence or willful misconduct (but including negligence of the parties hereto or their partners, directors, officers, employees, or agents) that could have been insured against under the terms of (i) any standard fire and extended coverage insurance policies required under the terms of this Lease; or (ii) any other loss covered by insurance required to be maintained under the terms of this Lease. The waiver set forth in this Section shall not apply to



the payment of any deductibles on policies carried by the parties or to any coinsurance penalty that either party might sustain.

Except for any of the claims, rights of recovery and causes of action that Landlord has released and waived pursuant to this Section, Tenant hereby releases, indemnifies, defends and holds harmless, Landlord and Landlord's partners, agents, directors, officers, employees, invitees and contractors from all claims, losses, costs, damages or expenses (including, but not limited to, attorneys' fees) resulting or arising from any and all injuries or death of any person or damage to any property occurring during the Term caused or alleged to have been caused by any act, omission, or neglect of Tenant or Tenant's directors, officers, employees, agents, invitees or guests, or any parties contracting with Tenant relating to the Premises, except (i) when such loss results from a default by Landlord under this Lease or the willful conduct or negligent act or omission of Landlord, its agents, employees or contractors; or (ii) to the extent of any insurance proceeds received (or receivable) by Landlord or payable under any insurance maintained by Landlord.

14. MAINTENANCE AND REPAIRS. Between the Effective Date and the Commencement Date, Landlord shall not be required to maintain or repair any portion of the Premises or any improvements located thereon, except such maintenance and repairs necessary, in Landlord's sole but reasonable discretion, to protect public safety. After the expiration of the Inspection Period and until the completion of the Project, Tenant shall, at its sole cost and expense, maintain the Premises and any improvement located thereon to the extent reasonably necessary to protect public safety in accordance with applicable Governmental Requirements. Subject to any applicable Governmental Requirements and the applicable provisions of this Lease, Tenant shall be entitled to paint, decorate or change the architectural treatment of any part of its building or signage. From and after the completion of the Project and throughout the Term, Tenant shall keep the entire Premises in good condition and repair, including the roof system and all building systems (including, without limitation, HVAC, plumbing, ventilation, and electrical) safe and fully operational. Landlord shall maintain Davidson Street in good condition and repair comparable to other street and roads maintained by Landlord in the vicinity of the Premises.

15. TENANT'S EQUIPMENT; TITLE TO IMPROVEMENTS. Landlord recognizes and agrees that all furniture, trade fixtures, signage, and equipment located on the Premises are the property of Tenant (and its subtenants, as applicable) and are not to automatically become the property of the Landlord upon the termination hereof (collectively, the "**FF&E**"). Landlord further agrees that Landlord's rights in any such FF&E shall at all times be subordinate to the rights of Tenant (or its subtenants, as applicable) or any other person or entity who acquires a security interest in same as a result of a financial transaction with Tenant. Tenant does, however, recognize and agree that Landlord shall have a reversionary interest in any buildings, improvements, site improvements, or any equipment that is an integral part of the structure, such as air conditioning and heating equipment, lighting fixtures, electric switch boxes, plumbing, restroom fixtures, and the like, which may be located on the Premises (collectively, the "**Building Improvements**"), and due to Landlord's reversionary interest therein, shall become the property of Landlord upon, and only upon, termination hereof, subject to the provisions of Section 20, which shall control in the event of any termination resulting from condemnation. Landlord waives all statutory and contractual liens or any other so-called "landlord's liens", which Landlord may be entitled to assert

against any property of Tenant other than the Building Improvements as security for the payment of Base Rent or the performance of any other obligation of Tenant hereunder. Except at the end of the Term, without waiving any declaration that the Lease has been terminated or that the Tenant's right of possession has been terminated, Landlord shall grant Tenant a license to enter the Premises for a period of up to thirty (30) days after the termination of this Lease or termination of Tenant's right of possession of the Premises to remove its property from the Premises, including, but not limited to, the FF&E, but excluding the Building Improvements; provided that Tenant repairs any damage caused by such removal.

16. COMPLIANCE WITH LAWS. Tenant shall comply with all laws, orders and regulations of federal, state and municipal authorities, which shall impose any duty upon Tenant with respect to Tenant's use of the Premises. Tenant, at its expense, shall obtain all licenses or permits that may be required for its use of the Premises, or for alterations, improvements, or additions that Tenant may desire to make, and Landlord, if necessary, shall join with Tenant in applying for all such permits or licenses.

17. SIGNS AND LIGHTING. Tenant shall have the right to erect signs advertising Tenant's business and building image lighting on the Premises; provided that such signs are in accordance with applicable provisions of the Metropolitan Code of Laws and further provided that Landlord shall have the right to approve exterior signage in accordance with Section 8.2 above.

18. ASSIGNMENT.

18.1. Assignment by Tenant. Subject to Tenant's right to mortgage its interest in this Ground Lease pursuant to Section 29 below, Tenant shall not assign its interest in this Ground Lease to any party other than to an Affiliate of Tenant without the prior written consent of Landlord, which may be given or refused by Landlord for any reason or no reason. For the purposes of this Lease, an "Affiliate" of any person or entity means a person or entity which shall control, be under the control of, or be under common control with such person or entity and where "control" shall mean the ownership of more than fifty percent (50%) of the outstanding voting ownership interests of the entity in question or the power to direct the management of the entity in question.

18.2. Subletting by Tenant. Tenant intends and shall have the right to sublease or license all or any portion of the Project to one or more sublessees or licensees; provided that Tenant shall nevertheless remain primarily liable hereunder, and provided further that Landlord shall have the right to approve such subtenants and licensees, such approval not to be unreasonably withheld, conditioned or delayed. Landlord shall either approve or deny any proposed subtenant or licensee of the Project within ten (10) days after receipt of Tenant's request for such approval, provided that Landlord's failure to respond within such ten (10)-day period shall be deemed an approval of same. Notwithstanding the foregoing, Landlord's consent shall not be required for any sublease or license of all or any portion of the Premises to an Affiliate of Tenant or with respect to any license of a portion of the Premises where the term of such license is from month-to-month or any shorter period of time. Landlord hereby acknowledges and agrees that any and all profits and rents derived from any such subletting or licensing of the Project or Premises by Tenant shall be the sole property of Tenant, and Landlord shall have no rights whatsoever with respect to such

profits and rent so long as no Tenant Default then exists and is continuing. Notwithstanding the foregoing or anything else to the contrary contained herein, Landlord acknowledges that Tenant intends to sublet the majority of the leasable floor area within the Project to ABC pursuant to a Sublease Agreement with a term that is coterminous with the Term of this Lease (the "ABC Sublease"). Landlord hereby approves the ABC Sublease and agrees that Tenant shall have the right to sublet to ABC such space within the Project and upon such terms as are desirable to Tenant, provided that the ABC Sublease shall at all times be subordinate and subject to this Lease. In the event Tenant defaults hereunder and Landlord terminates this Lease prior to the expiration of the Term, Landlord agrees that it shall consider in good faith any request of ABC to attorn to Landlord and to make the ABC Sublease a direct lease between ABC, as lessee, and Landlord, as lessor.

18.3. Assignment by Landlord. Landlord shall have the right to assign this Lease, collaterally or otherwise, without Tenant's consent; provided, however, that Landlord shall give written notice to Tenant of any proposed assignment at least thirty (30) days prior thereto. No assignment by Landlord shall alter the rights of Tenant hereunder, and all of the recitals, terms, covenants, and conditions of this Lease shall remain in full force and effect upon the assignment. Upon any assignment by Landlord, Landlord shall remain fully liable for obligations of Landlord up to the date of said assignment. Upon any assignment by Landlord, Tenant shall be entitled to continue making Base Rent payments to Landlord unless and until Landlord actually delivers to Tenant a written notice directing rental payments to thereafter be made to the assignee.

19. HOLDOVER. Any holdover by Tenant after any termination of this Lease shall automatically create a month-to-month tenancy at 110% of the then-current Base Rent and on all other applicable conditions herein provided.

20. CONDEMNATION. If the whole of the Premises shall be taken or condemned by a Federal department or agency under the right of eminent domain, then this Lease shall automatically terminate. If less than the whole of the Premises shall be taken or condemned but the part taken or condemned constitutes, in Tenant's reasonable judgment, such a substantial part of the Premises so that the remaining part of the Premises shall be insufficient for the economic and feasible operation of Tenant's Intended Use, then Tenant shall have the right to terminate this Lease. If this Lease is terminated pursuant to this Section, whether automatically or at Tenant's election, then (a) such termination shall be effective as of the date possession is lawfully acquired by the condemning authority, (b) from and after such effective date of termination, (i) this Lease shall be of no further force or effect and the parties hereto shall have no further obligations hereunder (except for any obligations expressly surviving such termination), and (ii) the obligation to pay Base Rent hereunder shall cease, and (c) notwithstanding any termination of this Lease, the awards or payment of compensation by the condemning authority on account of the taking or condemnation shall be applied as follows:

(a) Landlord shall receive that portion of the total awards or payments that are attributable to Landlord's leased fee interest in the Premises that are taken or damaged by the condemnation; and

(b) Tenant shall receive the portion of the total awards or payments that are attributable to Tenant's leasehold interest in the Premises that are taken or damaged by the

condemnation. In addition to recovering compensation for the taking or damaging of Tenant's leasehold interest, Tenant shall receive a portion of the compensation awarded for the taking or damaging of the actual improvements made by Tenant to the Premises, including but not limited to Tenant's interest in the Building Improvements and FF&E. Such portion shall be the lesser of (1) the amount awarded for the taking or damaging of the actual improvements made by Tenant to the Premises and (2) the sum calculated by multiplying Tenant's documented Project Costs by a fraction having thirty (30) as its denominator and the number of full years remaining until expiration of the Initial Lease Term as its numerator. Landlord shall receive all other compensation related to the taking or damaging of improvements made by Tenant to the Premises.

Landlord, Tenant and any person or entity having an interest in the awards or payments shall have the right to participate in any condemnation proceedings or agreements for the purpose of protecting its interests, and such party shall pay its own costs and expenses therein. If the parties are not permitted to proceed as separate parties, they shall jointly select counsel to present and prosecute their claim, and all costs thereof shall be paid by the parties in proportion to the amount of the award, settlement or sale proceeds that each receives.

If only a part of the Premises shall be taken or condemned and the part remaining can, in the sole judgment of Tenant, be economically adapted for Tenant's Intended Use, then this Lease shall remain in full force and effect. If part of the Premises is taken and this Lease remains in force and effect, Landlord shall be entitled to all compensation awarded for the land (as vacant) taken and any improvements paid for by Landlord that are in the taking (i.e., paid for with the Allowance), and for damages, if any, to Landlord's leased fee interest; and Tenant shall be entitled to the award, if any, for damages to Tenant's leasehold interest and a portion of the compensation awarded for any improvements built and paid for by Tenant, including but not limited to, the Building Improvements, Tenant's site improvements, paving, curbing, landscaping and appurtenances, and signage, that are in the taking. Such portion shall be the lesser of (1) the amount awarded for the taking or damaging of the actual improvements made by Tenant to the Premises and (2) the sum calculated by multiplying Tenant's documented expenditures in the making of the affected improvements to the Premises by a fraction having thirty (30) as its denominator and the number of full years remaining until expiration of the initial Lease Term as its numerator. Landlord shall receive all other compensation related to the taking or damaging of improvements made by Tenant to the Premises.

Landlord shall notify Tenant within ten (10) days of any notification from any governmental entity regarding the proposed taking or condemnation of any or all of the Premises. In addition, Landlord shall copy Tenant on any subsequent correspondence regarding same, including but not limited to, the condemning authority's offer(s) of compensation and appraisal(s) upon which such offer(s) is based.

Landlord, Tenant and any person or entity having an interest in the awards or payments shall have the right to participate in any condemnation proceedings or agreements for the purpose of protecting its interests, and such party shall pay its own costs and expenses therein. If the parties are not permitted to proceed as separate parties, they shall jointly select counsel to present and

prosecute their claim, and all costs thereof shall be paid by the parties in proportion to the amount of the award, settlement or sale proceeds that each receives.

Any termination of this Lease pursuant to this Section, whether automatically or by Tenant's election hereunder, shall not be deemed to terminate this Lease for purposes of Tenant's prosecuting and receiving an award or settlement from the condemning authority as compensation for the taking or damaging of its leasehold interest in the Premises, including but not limited to, the actual and constructive improvements made by Tenant to the Premises as provided for in this Section, which shall be in no way impaired.

21. DAMAGE OR DESTRUCTION OF PREMISES. In the event the whole or any part of the improvements on the Premises (including Tenant's equipment and fixtures) shall be damaged or destroyed by fire, flood, windstorm, strikes, riots, civil commotions, acts of God, or other casualty, Tenant shall restore same to their condition just prior to said loss without unreasonable delay, and the Base Rent payable hereunder shall be proportionately and equitably abated during said restoration. Any insurance proceeds received by Tenant, pursuant to the provisions of this Lease, shall be held in an escrow fund (at a bank designated by Tenant) and shall be disbursed directly to Tenant during the restoration period to pay for the cost of said restoration. Any insurance proceeds over and above the cost of restoration shall be paid to and be the property of Tenant upon completion of restoration. If the insurance proceeds are insufficient to pay for the cost of restoration, Tenant shall, at its expense, pay the difference. Landlord and Tenant may mutually agree in writing not to restore the improvements, in which case all insurance proceeds shall be paid to Landlord; provided Tenant shall receive a portion of the insurance proceeds relating to the improvements made by Tenant to the Premises, including but not limited to the Building Improvements and FF&E, such portion being equal to the sum calculated by multiplying the fair market value of the affected Building Improvements and FF&E by a fraction having thirty (30) as its denominator and the number of full years remaining until expiration of the Initial Lease Term as its numerator. In the event any such damage mentioned in the first sentence of this Section is in excess of fifty percent (50%) of the total replacement cost of the improvements during the final sixty (60) months of the Initial Term or during any Option Term, Tenant may terminate this Lease within ninety (90) days after such damage and in such event the insurance proceeds shall be divided between the parties as described above. If Tenant does not elect to terminate this Lease, Tenant shall restore the improvements as provided herein. If this Lease is terminated under any provision of this Section, (i) Tenant shall, at Tenant's expense, remove all of Tenant's improvements from the Premises and deliver the Premises to Landlord in level-grade condition; and (ii) Base Rent shall be payable through the date of casualty, and Landlord will refund to Tenant any prepaid unaccrued Base Rent, less the sum, if any, Tenant owes to Landlord. If Tenant elects to terminate the Lease in accordance with this paragraph, then Tenant shall be responsible for demolishing and scraping any improvement on the Premises affected by the casualty, provided that Tenant shall only be responsible for the cost of such demolition and scraping work up to the amount of insurance proceeds to which Tenant is entitled pursuant to this Section with Landlord being responsible for any excess cost.

22. DEFAULT.

22.1. Tenant Default. Under this Lease, each of the following is considered to be

a "**Tenant Default**": (i) Tenant fails to pay annual Base Rent to Landlord within ten (10) days after the date on which Tenant receives a written notice from Landlord that states the alleged default or breach (the "**Tenant Default Notice**"); (ii) Tenant fails to perform any other obligation of Tenant under this Lease within thirty (30) days after receiving a Tenant Default Notice; **provided however**, that if the breach or failure to perform cannot be reasonably cured within the 30-day period, then a Tenant Default shall only be deemed to occur if Tenant does not in good faith commence the cure within the 30-day period and thereafter fails to diligently pursue the cure to completion as quickly as is commercially reasonable; and/or (iii) Tenant or any guarantor of Tenant's obligations under this Lease becomes insolvent, files a petition for protection under the United States Bankruptcy Code or any other similar federal or state law, or is named in any involuntary bankruptcy proceeding, unless that proceeding is dismissed within ninety (90) days after it is filed.

22.2 **Landlord Remedies.** Upon the occurrence of a Tenant Default, Landlord may, in addition to any and all other remedies or claims for relief provided by law, declare this Lease terminated, cancelled and forfeited by written notice to Tenant of the termination. If Landlord terminates this Lease as provided in this **Section**, then Landlord shall be entitled to possession of the Premises without further notice or demand.

22.2.1. **Cure by Landlord.** Landlord may, but is not obligated to, cure any existing Tenant Default with Tenant's written permission. If Landlord does so, then as additional rent hereunder, Tenant shall reimburse Landlord upon demand for the actual out-of-pocket costs incurred by Landlord.

22.2.2. **Lease Termination.** In the event Tenant fails to cure a Tenant Default identified in a Tenant Default Notice, Landlord may terminate this Lease by written notice to Tenant (the "**Termination Notice**") effective on the date stated in the Termination Notice (the "**Termination Date**"), and take possession of the Premises and title to the Building Improvements.

22.3. **Landlord Default.** If Landlord is ever in default under the terms of this Lease, or if Landlord commits a breach of any one or more of the covenants, terms and conditions herein set forth, then Tenant shall deliver Landlord a written notice that states the alleged default or breach (the "**Landlord Default Notice**"). If Landlord does not cure the alleged default or breach within thirty (30) days after it receives the Landlord Default Notice (**provided however**, that if the breach or failure to perform cannot be reasonably cured within the 30-day period, then a Landlord Default shall only be deemed to occur if Landlord does not in good faith commence the cure within the 30-day period and thereafter fails to diligently pursue the cure to completion within ninety (90) days after receiving the Landlord Default Notice), then, in addition to any and all other remedies or claims for legal relief provided by law or in equity, Tenant may cure such default or breach, and Landlord shall reimburse Tenant for all reasonable, third-party, out-of-pocket costs expended by Tenant in connection therewith (the "**Cure Costs**"), within thirty (30) days after receiving an invoice from Tenant therefor, and if Landlord fails to reimburse Tenant within the 30-day period, then Tenant may deduct the amount of the Cure Costs from the next installment of monthly Base Rent due hereunder. Nothing herein shall be construed under any circumstances to give Tenant the ability to terminate this Lease upon a default by Landlord.



23. LANDLORD'S REPRESENTATIONS AND WARRANTIES. Landlord warrants and represents to Tenant as of the date hereof:

23.1. Authority. This Lease, and the consummation of the documents herein provided to be executed by Landlord shall be (subject to the terms and conditions herein contained), duly authorized, executed and delivered by, and, upon delivery thereof, shall be binding upon and enforceable against Landlord in accordance with their respective terms.

23.2. Public Improvements and Condemnation. No pending or proposed public improvements or condemnation proceedings exist which may result in special assessments of the Premises.

23.3. Agreements Affecting Intended Use. Landlord has no actual knowledge of any lease, rental, reciprocal easement, access, parking or other agreements that would adversely affect the ability of Tenant to operate the Premises for the Permitted Use.

23.4. Proceedings Affecting Permitted Use. Landlord has no actual knowledge of any pending or contemplated proceedings concerning impairment of access, tax adjustment, zoning changes or similar proceedings, assessments or plans by any government authority, or any pending claims or litigation, that might affect the Premises or Tenant's ability to use the Premises for the Permitted Use in accordance with the terms and conditions of this Lease, or Landlord's authority to enter into this Lease, or otherwise perform any of the duties and obligations set forth in this Lease.

23.5. Matters Affecting Permitted Use. There are no matters actually known to Landlord that would materially and adversely affect Tenant's ability to operate the Premises for the Permitted Use.

23.6. Compliance. Landlord has no actual knowledge that the Premises are not in compliance with all federal, state and local laws, ordinances, rules, regulations and requirements, including but not limited to environmental laws.

24. NOTICES. All notices and other communications that may be or are required to be given or made by any party to the other in connection herewith shall be in writing and shall be deemed to have been properly given and received on the date (i) delivered in person; (ii) deposited with Federal Express (or other similar national overnight delivery service) postage or charges prepaid for next day delivery; (iii) deposited in the U.S. Mail, certified with return receipt requested, all postage prepaid; or (iv) sent via email unless the sender receives an automated message that the email has not been delivered. All notices required or permitted by any provision of this Lease shall be directed as follows, or at such other addresses as specified by notice delivered in accordance herewith:

TO LANDLORD:

Metropolitan Director of Finance  
1 Public Square, Suite 106,  
Nashville, Tennessee 37201

Telephone: (615) 862-6151

And

Metropolitan Director of Law  
1 Public Square, Suite 108,  
Nashville, Tennessee 37201  
Telephone: (615) 862-6341

TO TENANT:

Friends of Shelby Park, Inc.  
Attn: Rebecca Ratz  
PO Box 68499  
Nashville, Tennessee 37206  
Telephone: (615) \_\_\_\_\_  
Email: rebecca@friendsofshelby.org

WITH A COPY TO:

Kaalberg Giesecke, PLLC  
Attn: Grant Luiken  
123 South 11th Street  
Nashville, Tennessee 37206  
Telephone: (615) 965-6540  
Email: grant@kgpllc.com

or to such other place as either party shall subsequently notify the other in writing.

25. QUIET ENJOYMENT. Tenant, upon paying the Base Rent and performing the covenants and agreements of this Lease, shall quietly have, hold and enjoy the Premises and all rights granted Tenant in this Lease during the Initial Term, any Option Term or any tenancy thereafter.

26. COMMISSIONS. Each of Landlord and Tenant represents and warrants to the other that it has not dealt with any broker in connection with this Ground Lease.

27. DEEMED APPROVAL. Except as otherwise expressly provided herein, whenever Landlord's approval or consent is required under this Ground Lease, Landlord shall respond to such request for approval or consent within twenty-one (21) days after receipt of Tenant's written request therefor; provided, if Landlord fails to respond to such request for approval or consent within such twenty-one (21)-day period, then Tenant may provide a second written notice to Landlord of Tenant's request for approval or consent. If Landlord thereafter fails to respond to such second written request for approval or consent within seven (7) days, then such failure shall be deemed an approval or consent to Tenant's written request.

28. FORCE MAJEURE. If the performance of any duty or obligation under this Lease is prevented, restricted, delayed or interfered with by reason of labor disputes, strikes, acts of God, floods, lightning, severe weather, shortages of materials, rationing, utility or communications failures, earthquakes, war, revolution, civil commotion, acts of public enemies, blockade, pandemics or epidemics, embargo, shortages or disruptions in available services or labor related

to national, state or local health emergency, closures and other actions in compliance with requirements of mandates or orders issued by Federal, State or local governmental authorities in connection with specific or general health concerns, or any law, order, proclamation, regulation, ordinance, demand or requirement having legal effect of any government or any judicial authority or representative of any such government, or any other act whatsoever, whether similar or dissimilar to those referred to in this Section, which are beyond the reasonable control of a party, then such party shall be excused from such performance to the extent of and during the period of such prevention, restriction, delay or interference. A party excused from performance pursuant to this Section shall exercise all reasonable efforts to continue to perform its obligations hereunder and shall thereafter continue with reasonable due diligence and good faith to remedy its inability to so perform except that nothing herein shall obligate either party to settle a strike or other labor dispute when it does not wish to do so.

29. FEE MORTGAGES; LEASHOLD MORTGAGES.

29.1. Mortgaging of the Leasehold. Tenant, and every permitted successor and assign of Tenant, shall have the right to encumber its interest in this Lease, provided that: (a) no Tenant Default has occurred and remains uncured under this Lease; (b) Landlord shall have the right to approve the general terms of any such Leasehold Mortgage provided such approval shall not be unreasonably withheld, conditioned or delayed; and (c) all rights acquired under the Leasehold Mortgage (as defined below) shall be subject to each of the provisions set forth in this Lease and to all rights and interests of the Landlord therein. If, from time to time, Tenant or Tenant's permitted successors or assigns shall encumber this Lease with a Leasehold Mortgage, and if the Leasehold Mortgagee (as defined below) delivers to Landlord an executed counterpart of such Leasehold Mortgage, together with each assignment thereof certified by the holder of the Leasehold Mortgage to be true, together with written notice specifying the name and address of the Leasehold Mortgagee and the pertinent recording data with respect to the Leasehold Mortgage, Landlord agrees that, anything in this Lease to the contrary notwithstanding, from and after the date of receipt by Landlord of such notice and for the duration of such Leasehold Mortgage, the provisions of this Section 29 shall apply.

29.2. Consent to Amendment. There shall be no cancellation, surrender, modification, or amendment to this Lease by Landlord or Tenant without the prior written consent of Leasehold Mortgagee. Notwithstanding the foregoing (but, in any event, subject to Leasehold Mortgagee's curative rights set forth in Section 29.4 and Section 29.5 hereof), nothing herein shall be deemed to prohibit Landlord from terminating this Lease in accordance with its terms.

29.3. Notices to Leasehold Mortgagees. Landlord, upon serving Tenant with any notice of default or termination, shall simultaneously serve a copy of such notice on Leasehold Mortgagee. The Leasehold Mortgagee shall then have the same period of time after service of the notice on it as was given to the Tenant under this Lease to remedy or cause to be remedied Tenant's default under this Lease, and Landlord shall accept performances by, or at the instigation of, Leasehold Mortgagee as if it had been done by Tenant. Any notice required to be given to Leasehold Mortgagee shall be provided in the manner set forth in Section 24 of this Lease and sent to the address provided by Leasehold Mortgagee to Landlord.

29.4. Curative Rights of Leasehold Mortgagees. In addition to the rights granted to Leasehold Mortgagee under Section 29.3 hereof, Leasehold Mortgagee shall have an additional period of twenty-one (21) days to remedy or cause to be remedied any default of which it receives notice, provided such Leasehold Mortgagee shall reimburse Landlord, at the time of so remedying the default, for all reasonable costs and expenses to Landlord of maintaining, protecting, insuring, and operating the Premises during the additional twenty-one (21)-day period.

29.5. Limitation Upon Termination Rights of Landlord. If Landlord shall elect to terminate this Lease by reason of any default of Tenant, Leasehold Mortgagee shall also have the right to postpone and extend the date of termination as fixed by the provisions of this Lease for a period of not more than fourteen (14) days from the expiration of the twenty-one (21)-day period specified in Section 29.4 hereof, provided that Leasehold Mortgagee shall have cured, or shall have caused to be cured, any then-existing money or nonmonetary defaults (with the exception of Tenant's nonmonetary defaults of such a nature that they cannot be cured by Leasehold Mortgagee) and meanwhile shall pay the Base Rent and other charges required to be paid under this Lease. Leasehold Mortgagee shall take steps necessary to acquire Tenant's interest and estate in this Lease by foreclosure of its Leasehold Mortgage, or otherwise, and shall prosecute such action to completion with due diligence. If at the end of the fourteen (14)-day period, Leasehold Mortgagee shall be actively engaged in steps to acquire Tenant's interest in the Lease, and all monetary defaults and nonmonetary defaults have been cured (with the exception of Tenant's nonmonetary defaults of such a nature that they cannot be cured by Leasehold Mortgagee), the time for Leasehold Mortgagee to comply with the provisions of this Section 29.5 shall be extended for such period as shall be reasonably necessary to complete these steps with reasonable diligence and continuity. In no event shall Leasehold Mortgagee have any obligation to cure any default of Tenant under this Lease.

29.6. Mortgagee Lease. Landlord agrees that in the event of a termination of this Lease by reason of any default by Tenant, or if Tenant rejects the Lease in a bankruptcy proceeding, and subject to the rights herein granted to Leasehold Mortgagee, at the request of Leasehold Mortgagee, Landlord will enter into a lease (the "Mortgagee Lease") of the Premises with the Leasehold Mortgagee for the remainder of the Term effective as of the date of termination, at the same Rent and upon the same terms, provisions, covenants, and agreements as contained in this Lease, provided:

29.6.1. Leasehold Mortgagee shall make written request upon Landlord for the execution of such a Mortgagee Lease within ten (10) days after receipt of notice of termination and shall, within fifteen (15) days after its receipt from Landlord of a written statement of all sums then due to Landlord under this Lease, pay to Landlord all such sums.

29.6.2. Leasehold Mortgagee shall pay to Landlord at the time of the execution and delivery of the Mortgagee Lease any sums that at the time of such execution and delivery would be due pursuant to this Lease but for the termination, and in addition, reasonable attorneys' fees and expenses.

29.6.3. Leasehold Mortgagee shall perform and observe all covenants contained in the Mortgagee Lease on Tenant's part to be performed during such period of time commencing with the date of the execution of the Mortgagee Lease and terminating upon the expiration or earlier termination of the Mortgagee Lease or the abandonment or surrender of possession of the Premises under the Mortgagee Lease and shall further remedy any other conditions that Tenant was obligated to perform under the terms of this Lease.

29.6.4. Leasehold Mortgagee, as Tenant under the Mortgagee Lease, shall have the same right, title, and interest in and to the Premises, the right to use the improvements thereon as Tenant had under this Lease and the right to exercise the Option Terms.

29.6.5. The Mortgagee Lease shall provide that under no circumstances shall Landlord be required to accept any further assignment or transfer of the Mortgage Lease: (a) to a tenant to which Landlord reasonably objects; (b) under any circumstances if the assignment calls for a change in the Permitted Use of the Premises; or (c) if such assignment requires any changes to the material economic terms of the Mortgage Lease.

29.7. Agreement Between Landlord and Leasehold Mortgagee. Landlord, upon request, shall execute, acknowledge, and deliver to Leasehold Mortgagee an agreement, by and among Landlord, Tenant, and Leasehold Mortgagee (provided the same has been previously executed by Tenant and Leasehold Mortgagee) confirming all the provisions of this Section 29, in form and substance reasonably satisfactory to Leasehold Mortgagee and Landlord.

29.8. No Merger. So long as any Leasehold Mortgage remains outstanding, the fee title and the leasehold estate created by this Lease shall not merge but shall always be kept separate and distinct, notwithstanding the union of such estates in either the Landlord or the Tenant or a third party, by purchase or otherwise.

29.9. Definitions. The following terms, as used in this Section 29, shall have the meanings set forth below:

"Leasehold Mortgage" shall mean any loan financing obtained by Tenant, as evidenced by any mortgage, deed of trust, or other instrument and secured by Tenant's interest in this Lease and the leasehold estate created hereby, including any extensions, modifications, amendments, replacements, supplements, renewals, and refinancing, thereof.

"Leasehold Mortgagee" shall mean the holder of a Leasehold Mortgage.

"Mortgagee Lease" shall have the meaning set forth in Section 29.7 hereof.

30. MEMORANDUM OF LEASE. Landlord agrees to execute a Memorandum of Lease (herein so-called), the form of which is attached hereto as Exhibit C, for recordation in Davidson County, Tennessee, at Tenant's expense, at the Closing.

31. ENTIRETY-EXECUTION-SUCCESSION. This Lease merges and supersedes all prior negotiations, representations, and agreements, and constitutes the entire contract between Landlord and Tenant concerning the leasing of the Premises and the consideration therefor. This Lease and all options herein shall bind and inure to the benefit of the heirs, administrators, executors, successors and assigns of Landlord and Tenant. If more than one person or entity executes this instrument as Landlord, his, her, their, or its duties and liabilities under this Lease shall be joint and several.

32. GOVERNING LAW AND VENUE. The laws of the State of Tennessee shall govern this Lease, and all obligations of the parties to this Lease are fully performable in Davidson County, Tennessee. Any action arising under this Lease shall be brought exclusively in the Chancery or Circuit Courts of Davidson County, Tennessee.

33. SEVERABILITY. If any provision of this Lease shall, for any reason, be held to violate any applicable law, and so much of this Lease is held to be unenforceable, and provided that the essential purpose of the Lease may be carried out without such unenforceable provision, then the invalidity of such specific provision shall not be held to invalidate any other provision of this Lease, which shall remain in full force and effect.

34. EXHIBITS. The Exhibits that are referenced in, and attached to, this Lease are incorporated in, and made a part of, this Lease for all purposes.

Exhibit A	Depiction of Premises
Exhibit B	Lease Term Commencement and Termination Dates
Exhibit C	Memorandum of Lease
Exhibit D	Concept Plans

35. CALCULATION OF TIME PERIODS. Should the calculation of any of the various time periods provided for herein result in an obligation becoming due on a day occurring on a Saturday, Sunday or recognized Federal Reserve Bank holiday, then the due date of such obligation or scheduled time of occurrence of such event shall be delayed until the next business day. For purposes of calculating additional time periods following such due date, any such extended time period shall thereafter be deemed to have expired on the extended due date, and not the due date of original expiration before taking into account the weekend or recognized Federal Reserve Bank holiday. As used herein, a day is to be considered a "calendar day" (any day of the week, month or year) unless otherwise specified as a "business day" (the days between and including Monday to Friday and not including public holidays and weekends).

36. CAPTIONS. The captions in this Lease are used for convenience only, and they in no way define, limit or prescribe the scope or intent of this Lease or any provisions thereof.



37. MODIFICATION. This Lease may not be modified except by a written agreement signed by both of the parties.

38. RELATIONSHIP OF THE PARTIES. Nothing contained herein shall be deemed or construed to create the relationship of principal and agent, partnership, joint venture or any relationship between the parties hereto other than that of Landlord and Tenant.

39. FURTHER ENCUMBRANCES. From and after the Effective Date, Landlord shall not enter into any lease, license, easement, restriction or other agreement (including, but not limited to, any recorded or unrecorded exclusive use or prohibited use restriction) that would encumber the Premises, the critical access drives and/or any portion thereof or affect Tenant's rights under this Lease or result in any increase of the Tenant's obligations under this Lease without the prior written consent of Tenant; provided however, that Landlord may convey utility easements upon the Premises so long as such easements do not materially interfere with Tenant's operations at the Premises for the Permitted Use as determined by Tenant in its reasonable discretion.

40. ESTOPPEL CERTIFICATES. From time to time when requested by either party, but no more than two (2) times in any calendar year, Landlord or Tenant shall deliver to the requesting party a certificate signed by such party in the form mutually acceptable to Landlord and Tenant within thirty (30) days following the certifying party's receipt of a written request therefor from the requesting party. Any estoppel certificate required of Landlord under this Lease shall be limited to confirming whether the Lease is in effect and whether Tenant is in breach.

41. COUNTERPARTS AND ELECTRONIC SIGNATURES. This Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, and all counterparts together shall constitute one Lease. Each party agrees that the electronic signatures, whether digital or encrypted, of the parties included in this Lease are intended to authenticate this writing and to have the same force and effect as manual signatures. Delivery of a copy of this Lease or any other document contemplated hereby bearing an original or electronic signature by e-signature, by electronic mail in "portable document format" (".pdf") form, or by any other electronic means intended to replicate or signify a signature for a document, will have the same effect as physical delivery of the paper document bearing an original or electronic signature.

42. RIGHT OF FIRST REFUSAL TO PURCHASE THE PREMISES.

42.1. Right of First Refusal to Purchase. If, during the Initial Term or any Option Term, Landlord decides to sell the Premises, other than as part of an Excluded Transaction, as defined below (a "Proposed Transfer"), Tenant shall have a right of first refusal to acquire the Premises in accordance with this Section 42, and Landlord shall not consummate the sale unless Landlord shall first deliver to Tenant a notice (the "First Refusal Notice") setting forth: (a) the identity of the proposed purchaser (the "Offeree"); (b) the sale price and each of the material financial terms of the proposed transaction (the "Purchase Terms"); and (c) the proposed closing date of the Proposed Transfer (the "Transfer Closing Date").

42.2. Exercise of Right. Tenant shall, for the twenty (20) business day period commencing upon receipt of such First Refusal Notice (the "ROFR Response Period"), have the

exclusive right to purchase the Premises on the terms set forth in such First Refusal Notice, by so notifying Landlord before 6:00 p.m. Central on the last day of the ROFR Response Period, whereupon Tenant shall be bound to purchase from Landlord, and Landlord shall be bound to sell to Tenant, the Premises on the Purchase Terms and upon such other terms typical for commercial real estate transactions in Davidson County, Tennessee. Landlord and Tenant shall promptly execute a purchase and sale agreement to sell the Premises to Tenant on the Purchase Terms. If the Offeree has executed or agreed to a form of contract, then Tenant must accept and execute that form of contract, except that Landlord and Tenant may agree on additional provisions relating to this Lease in the contract.

42.3. Waiver and Re-Offer. If Tenant shall either: (a) deliver written notice of rejection of the First Refusal Notice to Landlord; or (b) fail to deliver written notice of acceptance of the First Refusal Notice within the ROFR Response Period, Tenant's right of first refusal hereunder shall conclusively be deemed to be waived with respect to the sale disclosed in the First Refusal Notice and Landlord shall be free, for a period of one hundred eighty (180) days from the end of the ROFR Response Period, to complete the Proposed Transfer to the Offeree on the Purchase Terms and the Offeree shall acquire the Premises free and clear of the Tenant's right of first refusal set forth in this Section (which shall be extinguished, null, void, and of no further force or effect upon such sale). If, however, either: (x) Landlord does not complete the Proposed Transfer within one hundred eighty (180) days from the end of the ROFR Response Period; or (y) Landlord agrees to complete the Proposed Transfer for a purchase price of less than ten percent (10%) of the purchase price stated in the First Refusal Notice, then Tenant's right of first refusal provided for in this Section shall once again apply, and Landlord shall not complete such Proposed Transfer, without first giving a new First Refusal Notice to Tenant in compliance with the terms of Section 42.1 above.

42.4. Excluded Transactions. Notwithstanding anything to the contrary contained in this Article 1, Tenant's right of first refusal shall not apply to the following transactions (the "Excluded Transactions"):

42.4.1. Any transfer or conveyance by Landlord to any Affiliate of Landlord or any other governmental entity; or

42.4.2. Any transfer in the nature of a financing transaction with a financial institution that is made for a bona fide business purpose (that is, other than in order to allow a transfer of the Premises in avoidance of Tenant's rights under this Section 42), including, without limitation, any foreclosure of a mortgage on the Building or conveyance by deed-in-lieu of foreclosure.

42.5. Consummation of Sale. A sale pursuant to this Section 42 shall be conducted in accordance with the provisions of this Section 42.5. On the Transfer Closing Date:

42.5.1. Tenant shall purchase the Premises on the Purchase Terms;

42.5.2. Landlord shall deliver to Tenant a special warranty deed with covenants against grantor's acts sufficient to convey the Premises, together with

any ancillary documents necessary for the recordation thereof and any required tax documents;

42.5.3. The closing shall occur telephonically or be held at the office of Landlord's attorney, or at another location in Davidson County, Tennessee reasonably acceptable to the parties;

42.5.4. Landlord shall deliver to the title company closing the transaction evidence of authority to transfer the Premises to Tenant, and any other customary affidavits or documentation reasonably required by any title insurance company insuring the fee interest in the Premises; and

42.5.5. All title insurance premiums, and other costs, fees, and expenses (including reasonable attorneys' fees and expenses) incurred in connection with the transfer of the Premises to Tenant shall be paid in accordance with the terms of the relevant First Refusal Notice or agreed form of contract (or, if not specified therein, in accordance with local custom for commercial real estate transactions in Davidson County, Tennessee).

42.6. Treatment of Lease. During the executory period between exercise of the option and the Closing Date, this Lease shall remain in effect. Upon the completion of such purchase, this Lease and all obligations and liabilities of Landlord and Tenant hereunder shall terminate, except for those obligations which by their terms survive the termination hereof.

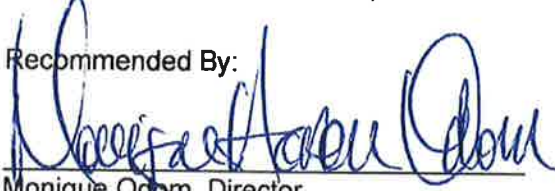
*[The remainder of this page intentionally left blank;  
signature page immediately follows.]*

**IN WITNESS WHEREOF**, the said parties have caused this Lease to be executed on the later date on which this Lease has been signed by both Landlord and Tenant.


**LANDLORD:**

Metropolitan Government of  
Nashville and Davidson County

Recommended By:

  
\_\_\_\_\_  
Monique Odom, Director  
Metropolitan Department of Parks  
and Recreation

Approved as to Availability of Funds:

  
\_\_\_\_\_  
Kevin Crumbo, Director  
Metropolitan Department of Finance

Approved as to Form and Legality:

  
\_\_\_\_\_  
Metropolitan Department of Law

**TENANT:**

Friends of Shelby Park, Inc.  
a Tennessee nonprofit corporation

  
\_\_\_\_\_  
Rebecca Ratz, Executive Director

**EXHIBIT A**

**DEPICTION OF PREMISES**





**EXHIBIT B**

**LEASE TERM COMMENCEMENT AND EXPIRATION DATES**

Executed this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between METROPOLITAN GOVERNMENT OF NASHVILLE & DAVIDSON COUNTY, TENNESSEE ("Landlord"), and FRIENDS OF SHELBY PARK, INC., a Tennessee nonprofit corporation ("Tenant"). Capitalized terms not defined herein shall have the meaning as set forth in the Lease to which this is an exhibit.

**WHEREAS**, the parties have previously entered into a Ground Lease Agreement dated \_\_\_\_\_ whereby Landlord leased to Tenant certain property located at \_\_\_\_\_ and more particularly described therein;

**WHEREAS**, the Commencement Date has passed and is now specifically identifiable; and

**WHEREAS**, the parties have agreed to specifically define the Commencement Date and Expiration Date of the Initial Term of the Lease;

**NOW, THEREFORE**, the parties hereby agree.

1. That the Commencement Date of the Initial Term of the Lease shall be the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

2. That the Expiration Date of the Initial Term of the Lease shall be the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**IN WITNESS WHEREOF**, the parties have hereunto set their hands on the day and year first above mentioned.

**TENANT:**

FRIENDS OF SHELBY PARK, INC.,  
a Tennessee nonprofit corporation

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

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

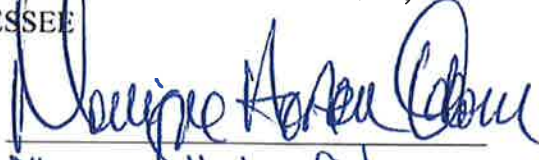
Title: \_\_\_\_\_



**LANDLORD:**

METROPOLITAN GOVERNMENT OF  
NASHVILLE & DAVIDSON COUNTY,  
TENNESSEE

By:



Name:

Monique Horton Colon

Title:

Director of Parks

**EXHIBIT C**

**MEMORANDUM OF LEASE**

This Memorandum of Lease certifies that a certain Ground Lease Agreement was executed on the \_\_\_ day of \_\_\_\_\_, 20 \_\_, by METROPOLITAN GOVERNMENT OF NASHVILLE & DAVIDSON COUNTY, TENNESSEE, a Tennessee public corporation, referred to therein as "Landlord", with offices located at 1 Public Square, Suite 100, Mayor's Office, Nashville, Tennessee 37201, and FRIENDS OF SHELBY PARK, INC., a Tennessee nonprofit corporation, referred to therein as "Tenant", with a mailing address of PO Box 68499, Nashville, Tennessee 37206, under the terms of which Landlord leased to Tenant the Premises described in Exhibit "A" attached hereto and made a part hereof (the "Premises").

The Initial Term of said Lease is thirty (30) years from the Commencement Date as said term is defined therein, together with two (2) consecutive options to renew for additional terms of five (5) years each.

The Lease contains provisions for rental payments, together with certain other terms, conditions, covenants and restrictions. Reference is hereby made to the Lease, which is hereby incorporated herein by reference, for complete statement of the rights and obligations of the Landlord and Tenant, and in the event of any conflict between the terms of the Lease and this Memorandum of Lease, the Lease shall in all events control. Any capitalized terms used and not otherwise expressly defined herein shall have the meanings given to them in the Lease.

[ADD ROFR REFERENCE]

Upon the earlier of termination or expiration of the Lease, pursuant to the terms thereof, Tenant and Landlord shall execute a release of this Memorandum of Lease (the "Release"), which shall be filed of public record. Tenant and Landlord agree to execute the Release within ten (10) days after receipt of a written request for same by either of them. If Tenant or Landlord shall fail to execute the Release within said ten (10) day period, the requesting party shall be hereby deemed the other party's attorney-in-fact for the sole purpose of executing and recording the Release on behalf of said other party.

This Memorandum may be executed by counterparts, each of which shall be deemed an original, and together the counterparts, when taken together, shall comprise one instrument.

*[The remainder of this page intentionally left blank;  
signature pages immediately follow.]*

**IN WITNESS WHEREOF**, the parties hereto have executed this Memorandum of Lease as of the acknowledgement dates set forth below so as to be effective for all purposes on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**TENANT:**

FRIENDS OF SHELBY PARK, INC.,  
a Tennessee nonprofit corporation

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

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

Title: \_\_\_\_\_

STATE OF TENNESSEE           §  
  §  
COUNTY OF \_\_\_\_\_ §

Before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared \_\_\_\_\_, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged himself/herself to be \_\_\_\_\_ of Friends of Shelby Park, Inc., the within named bargainor, a Tennessee nonprofit corporation, and that he/she, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself/herself as \_\_\_\_\_.

\_\_\_\_\_  
Notary Public, State of Tennessee

My commission expires: \_\_\_\_\_

**LANDLORD:**

METROPOLITAN GOVERNMENT OF  
NASHVILLE & DAVIDSON COUNTY,  
TENNESSEE

By: Monique Horton Coburn

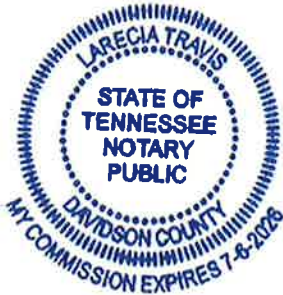
Name: Monique Horton Coburn

Title: Director of Parks

STATE OF TENNESSEE §

COUNTY OF Davidson §

Before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared Monique Coburn, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged himself/herself to be Director of Parks of Metropolitan Government of Nashville & Davidson County, Tennessee, the within named bargainer, a Tennessee public corporation, and that he/she, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself/herself as \_\_\_\_\_



Larecia Travis  
Notary Public, State of Tennessee

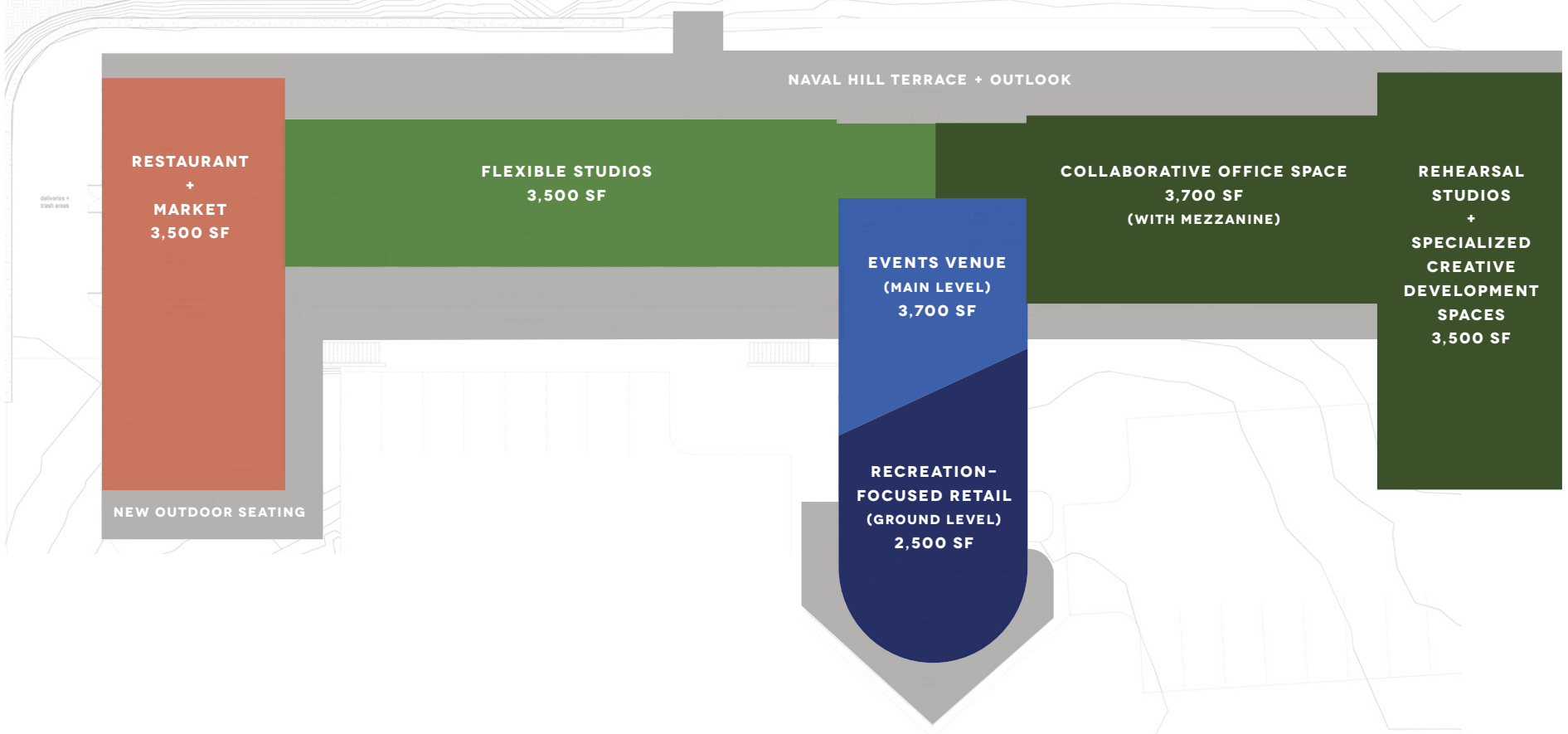
My commission expires: 7/6/2026

**EXHIBIT D**  
**CONCEPT PLANS**

**[see attached]**

# Exhibit D

## NAVAL RESERVE TRAINING CENTER CONCEPT PLAN



### A PLACE FOR CULTURE AND COMMUNITY

The redeveloped Naval Reserve Training Center will function as a welcoming and accessible third place at the park, offering a range of amenities and activities for the community to gather, work, and play. The primary uses planned for the redeveloped building include:

#### LARGE EVENT VENUE

State of the art Event Venue in the prow of the ship to host community events and private rentals for 150-300 guests.

#### RESTAURANT AND MARKET

Casual, fun, and accessible food options for dine-in or carry out picnics.

#### RECREATION-FOCUSED RETAIL

A one-stop shop for anything from bikes and boats, to fishing poles and picnic blankets to enjoy the larger park.

#### FLEXIBLE STUDIOS

Individual and group artist studios and micro-retail for creative entrepreneurs.

#### COLLABORATIVE OFFICES

Co-working spaces for arts nonprofits, multi-purpose workshop rooms, and administrative space for both Friends of Shelby Park and Arts & Business Council teams.

#### ADDITIONAL PARK AMENITIES

Public restrooms, indoor and outdoor gatherings spaces, and vibrant art throughout the entire footprint.



**SITE CONCEPT PLAN**

