



**METROPOLITAN GOVERNMENT OF NASHVILLE  
AND DAVIDSON COUNTY**

Metro Office Building  
800 President Ronald Reagan Way  
P.O. Box 196300  
Nashville, TN 37219-6300

March 22, 2023

To: Ronald Colter Metropolitan Government of Nashville & Davidson County

Re: **150 2ND AVE LEASE**  
**Planning Commission Mandatory Referral # 2023M-011AG-001**  
**Council District #19 Freddie O'Connell, Council Member**

On behalf of the Metropolitan Planning Commission, the following item, referred to the Commission as required by the Metro Charter, has been recommended for *approval* to the Metropolitan Council:

*An ordinance approving a lease agreement between the Metropolitan Government of Nashville and Davidson County and Little Big Properties, LLC for use of office space located at 150 2nd Avenue North, Nashville, Tennessee (Proposal No. 2023M-011AG-001).*

The relevant Metro agencies (Metro Parks, Metro Public Works, Metro Water Services, Metro Emergency Communications, the Nashville Electric Service, Metro Finance – Public Property and the Metro Historical Commission) have reviewed the proposal and concur in the recommendation for approval. This request must be approved by the Metro Council to become effective. A sketch showing the location of the request is attached to this letter.

**Conditions that apply to this approval: none**

This recommendation for approval is given as set forth in the Metropolitan Planning Commission Rules and Procedures. If you have any questions about this matter, please contact Delilah Rhodes at [delilah.rhodes@nashville.gov](mailto:delilah.rhodes@nashville.gov) or 615-862-7208.

Sincerely,

A handwritten signature in blue ink, appearing to read "Lisa Milligan".

Lisa Milligan  
Land Development Manager  
Metro Planning Department  
cc: Metro Clerk

**Re: 150 2ND AVE LEASE**  
**Planning Commission Mandatory Referral # 2023M-011AG-001**  
**Council District #19 Freddie O'Connell, Council Member**

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**LEASE AGREEMENT**

**BASIC LEASE INFORMATION**

Lease Effective Date: \_\_\_\_\_, 2023

Landlord: Little Big Properties, LLC

Address for Notice: Little Big Properties, LLC  
Attn: Jeffrey Welk  
4216 Two Rivers Lane  
Franklin, Tennessee 37069-8724

with copy to: Sherrard Roe Voigt & Harbison, PLC  
150 Third Avenue South, Suite 1100  
Nashville, Tennessee 37201  
Attn: Mark Carver, Esq.

Tenant: Metropolitan Government of Nashville and Davidson County

Address for Notice: Metropolitan Government of Nashville and Davidson County  
Attn: Director of Finance  
Metropolitan Courthouse, Suite 106  
Nashville, Tennessee 37201

with a copy to: Metropolitan Government of Nashville and Davidson County  
Attn: Director of Law  
Metropolitan Courthouse, Suite 108  
Nashville, Tennessee 37201

Premises and Building: Suites 200, 300, and 400 containing approximately 54,483 rentable square feet of the Building (the "Building") located at 150 2<sup>nd</sup> Avenue North, Nashville, Davidson County, Tennessee 37201, containing approximately 86,784 square feet and common areas, as shown on the floor plan attached as Exhibit A. The common areas related to the Building include the lobby areas, stairs, elevators (subject to the limitations herein), trash room on the lower level, lower level elevator lobby, common area hallway on the lower level accessing the elevators, trash room, and utility rooms (main electrical service for the building) (the "Common Areas"). In the event that Landlord leases the lower level of the Building, then Landlord shall have the right to notify Tenant that the common area hallway on the lower level accessing the elevators, trash room is no longer part of the Common Areas (this will not reduce the Rent or Additional Charges due and payable hereunder). There are no parking spaces or shared restrooms associated with the Building. Another tenant has the exclusive use of one elevator and the front stairwell. The lobby area on the main level is intended for use only for ADA access.

**Commencement Date:** The Commencement Date shall be upon Landlord's completion of Tenant's Improvements and receipt of certificate of occupancy for Suite 300 and Suite 400, which Landlord estimates to be November 1, 2023 and in no case later than January 1, 2024. Landlord shall deliver possession of Suite 200 upon the later to occur of (i) the Commencement Date or (ii) surrender of such Suite 200 space by the current tenant which will occur no later than September 1, 2024. In the event that the date of delivery of Suite 200 is after the Commencement Date, then Rent shall be reduced proportionally until such time that Suite 200 is delivered.

**Lease Term:** One hundred twenty (120) months, beginning on the Commencement Date and terminating at the end of the full month that is one hundred twenty (120) months thereafter (along with any renewal periods, the "Term").

**Extension Rights:** Tenant shall have two (2) options to renew the Lease for an additional five (5) years each upon providing prior written notice to Landlord at least one hundred eighty (180) days prior to the end of the existing Term. The last day of the Term shall be referred to as the "Expiration Date".

**Tenant's Termination Right:** In the event that funding for payment of Rent and Additional Charges due and payable in connection with this Lease is discontinued by the Metropolitan Government of Davidson County, Tenant shall provide written notice to Landlord and Tenant shall have the right to terminate this Lease with at least one hundred eighty (180) days advance written notice to Landlord. In such event, Tenant shall reimburse the Landlord for the cost of any unamortized Tenant Improvement Allowance, any leasing commissions paid by Landlord in connection with the Lease, and other reasonable costs incurred by Landlord as of the termination date as more particularly described in Section 2 (c) herein.

**Rent:** Rent shall be paid monthly as follows (includes 2.5% annual increases):

Months	Base Rental Rate	Annual Rent	Monthly Rent
1 - 12	\$ 36.00	\$ 1,961,388.00	\$ 163,449.00
13 - 24	\$ 36.90	\$ 2,010,422.70	\$ 167,535.23
25 - 36	\$ 37.82	\$ 2,060,547.06	\$ 171,712.26
37 - 48	\$ 38.77	\$ 2,112,305.91	\$ 176,025.49
49 - 60	\$ 39.74	\$ 2,165,154.42	\$ 180,429.54
61 - 72	\$ 40.73	\$ 2,219,092.59	\$ 184,924.38
73 - 84	\$ 41.75	\$ 2,274,665.25	\$ 189,555.44
85- 96	\$ 42.79	\$ 2,331,327.57	\$ 194,277.30
97 - 108	\$ 43.86	\$ 2,389,624.38	\$ 199,135.37
109-120	\$ 44.96	\$ 2,449,555.68	\$ 204,129.64

**Rent for Extension of Term:** Rent during the first renewal extension shall be paid as follows (includes 3.0% annual increases):

<b>Months</b>	<b>Base Rental Rate</b>	<b>Annual Rent</b>	<b>Monthly Rent</b>
1 - 12	\$ 46.31	\$ 2,523,107.73	\$ 210,258.98
13 - 24	\$ 47.70	\$ 2,598,839.10	\$ 216,569.93
25 - 36	\$ 49.13	\$ 2,676,749.79	\$ 223,062.48
37 - 48	\$ 50.60	\$ 2,756,839.80	\$ 229,736.65
49 - 60	\$ 52.12	\$ 2,839,653.96	\$ 236,637.83

Rent during the second renewal extension shall be based upon then market rates for comparable buildings in downtown Nashville, Tennessee as determined as set forth in Section 2 herein.

First Month's Rent;  
No Security Deposit:

The first month's Rent is due and payable upon Lease execution. Tenant is not required to provide a security deposit.

Expenses:

Tenant shall pay Tenant's Share of Taxes, Insurance and Utilities as set forth in Section 4 herein.

Tenant's Share:

Tenant's Share of Property Operating Costs shall be 62.78%. Note that the first floor restaurant tenant has a submeter for its electricity and its electric charges are not part of the Property Operating Costs.

Tenant Improvement  
Allowance:

\$1,500,000.00 as defined in Section 28 herein and further described in Exhibit C attached hereto.

The foregoing Basic Lease Information is hereby incorporated into this Lease. Each reference in this Lease to any of the Basic Lease Information shall mean the respective information herein and shall be construed to incorporate all of the terms provided under the particular Lease Section pertaining to such information. In the event of any conflict between any Basic Lease Information and the Lease, the latter shall control.

## **LEASE AGREEMENT**

THIS LEASE AGREEMENT (this "Lease") is made and entered into effective the \_\_\_\_\_ day of \_\_\_\_\_, 2023, by and between **Little Big Properties, LLC** (herein called "**Landlord**"), and **Metropolitan Government of Nashville and Davidson County** (herein called "**Tenant**").

### **WITNESSETH:**

Upon and subject to the terms, covenants and conditions hereinafter set forth, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord those premises (the "Premises") identified as Suites 200, 300, and 400 on the second, third, and fourth floors and comprising the area in the Building substantially outlined and denoted as the "Premises" on Exhibit A attached hereto. The Premises contain approximately 54,483 rentable square feet of the Building which includes a proportionate share of the Building Common Area.

#### **1. *Occupancy and Use.***

Tenant may use and occupy the Premises for general office use for the Metro Government of Nashville and Davidson County and for no other purpose without Landlord's prior written consent. In addition to the foregoing use restrictions, Tenant agrees to comply with all applicable restrictions and covenants affecting the Building and the Premises. No part of the Building may be used for purposes other than as allowed by applicable zoning laws. Tenant shall not abandon the Premises at any time during the Term, and if Tenant shall abandon or surrender the Premises or be dispossessed by process of law, or otherwise, any personal property belonging to Tenant and left on the Premises shall, at the option of Landlord, be deemed to be abandoned and title thereto shall thereupon pass to Landlord.

#### **2. *Term, Renewal Right and Termination Right.***

(a) The term of this Lease (including any properly exercised renewals or extensions to the initial term shall be collectively referred to as the "Term") shall be for a period of one hundred twenty (120) months, and shall begin and expire on the dates specified in the Basic Lease Information.

(b) Landlord grants to Tenant two (2) options to renew the Lease for a period of five (5) years each provided that Tenant provides Landlord with written notice of its intent to exercise said option no later than one hundred eighty (180) days prior to the expiration of the initial term or the renewal term, as applicable, of this Lease and provided that Tenant is not in default at the time of such renewal. During the initial renewal term, the Rent paid by Tenant during the first year shall be 103% of the prior year's Rent and shall escalate by three percent (3%) annually as specified in the Basic Lease Information. During the second renewal term, the Rent paid by Tenant during any portion of such renewal term shall be equivalent to the prevailing market rent in existence for comparable office space located in the downtown Nashville submarket in Nashville, Tennessee at the time of renewal but in no event shall such Rent be less than the Rent paid for the final year of the existing Term of the Lease. Tenant shall also be obligated to pay Tenant's Share of Property Operating Costs during each year of any renewal period, as determined pursuant to Section 4 herein. The parties agree and acknowledge that at the time they agree on the "prevailing market rent" for the first year of the renewal period, they shall also agree on the rent increases (if applicable, based

on prevailing market rent) during each year of the renewal period. The “prevailing market rent” shall be reasonably determined by Landlord acting in good faith and provided to Tenant within 30 days after Tenant provides notice of an extension. Within fifteen (15) days after receiving notice of the prevailing market rent, if Tenant does not agree with such rent then Tenant shall provide a written objection to Landlord. Failure to provide such objection within such 15-day period shall be deemed agreement to the prevailing market rent. In the event that Tenant provides an objection, then Landlord and Tenant shall use their best efforts in good faith in the following thirty (30) days to agree on the prevailing market rent. In the event that the parties fail to agree during such 30-day period, then Tenant shall have the right, by providing written notice to Landlord within five (5) business days after the expiration of the 30-day period, to elect one of the following: (i) to rescind the notice of extension or (ii) to accept the prevailing market rent proposed by Landlord. Failure of Tenant to notify Landlord of its selection shall be deemed to be the selection of item (ii).

(c) In the event that funding for payment of Rent and Additional Charges due and payable in connection with this Lease is discontinued by the Metropolitan Government of Davidson County, Tenant shall provide written notice to Landlord and thereafter Tenant shall have the right to terminate this Lease with at least one hundred eighty (180) days advance written notice to Landlord (the “Termination Notice”). In such event, Tenant shall pay all costs due and payable under the Lease through the date of termination and, in addition, Tenant shall reimburse Landlord for the cost of any unamortized Tenant Improvement Allowance, any leasing commissions paid in connection with the Lease, and other reasonable costs incurred by Landlord through the date of termination (the “Unamortized Costs”). Such Unamortized Costs shall be amortized over a period of 120 months commencing on the Commencement Date. For example, if the total costs incurred by Landlord are \$2.6 million and Tenant terminates effective as of the last day of the 6th year of the Term (the 72nd month, leaving 48 months in the Term), then the Unamortized Costs payable by Tenant would be \$1,040,000 (48/120ths of \$2.6 million). Within thirty (30) days after receipt of the Termination Notice, Landlord shall notify Tenant in writing of the amount of the Unamortized Costs. Within sixty (60) days after receipt of the Unamortized Costs notification from Landlord, Tenant shall pay to Landlord the Unamortized Costs in good funds.

### **3. Rent.**

(a) Tenant shall pay to Landlord throughout the Term the annual rental amount specified in the Basic Lease Information (“**Rent**”), which sum shall be payable by Tenant in equal monthly installments on or before the first day of each month, in advance, in lawful money of the United States by electronic payment (such as ACH), without any prior demand therefore and without deduction or offset whatsoever, to Landlord at the address specified in the Basic Lease Information or to such other firm or to such other place as Landlord may from time to time designate in writing. Tenant shall pay to Landlord all charges and other amounts whatsoever as provided in the Lease, including without limitation, items described in Section 4 (collectively, the “**Additional Charges**”). All Additional Charges will be payable to Landlord at the place where the Rent is payable and Landlord shall have the same remedies for a default in payment of Additional Charges as for a default in the payment of Rent. If the Commencement Date should occur on a day other than the first day of a calendar month, or if the Expiration Date should occur on a day other than the last day of a calendar month, then the Rent and Additional Charges for such fractional month shall be prorated on a daily basis.

(b) Tenant recognizes that late payment of any Rent or Additional Charges will result in

administrative expense to Landlord, the extent of which additional expense is extremely difficult and economically impractical to ascertain. Tenant therefore agrees that if any Rent or Additional Charges remain unpaid for five (5) days or more after the amount is due, the amount of such unpaid Rent or Additional Charges shall be increased by a late charge to be paid to Landlord by Tenant in an amount equal to five percent (5%) of the amount of the delinquent Rent or Additional Charges. The amount of the late charge to be paid to Landlord by Tenant on any unpaid Rent or Additional Charges shall be added to Tenant's obligation for the monthly period on which the late charge is unpaid, all of which shall be due and payable on demand. The provisions of this Section 3(b) in no way relieves Tenant of the obligation to pay Rent or Additional Charges on or before the date on which they are due, nor do the terms of this Section 3(b) in any way affect Landlord's remedies in the event any Rent or Additional Charge is unpaid after the date due.

#### **4. *Additional Charges***

(a) **Common Area Maintenance:** Landlord shall maintain the Common Areas of the Building in a commercially reasonable manner and condition. Landlord's "Common Area Maintenance Expenses" of the Building shall include, without limitation, the costs of managing, upkeep, and repair of all Common Areas, specifically including any expenses which Landlord may elect to incur for security (but Landlord has no obligation to provide security); snow removal; trash and rubbish removal; Common Area lighting; maintenance and repair of fire protection sprinkler systems; the cost of supplies, equipment and personnel to implement such services; and all other costs and expenses which would, under generally accepted accounting principles, be regarded as maintenance or repair costs of the Building.

(b) **Taxes and Assessments:** Landlord shall pay the annual taxes and assessments assessed by the County, City, and/or other governmental authorities for the land and improvements constituting the Building, including, without limitation, real property taxes, franchise taxes, and supplemental assessments ("Taxes"). In the event any tax, excluding income taxes, shall be assessed upon rent received by Landlord by any governmental authority, said tax shall be deemed to be part of the Taxes. Notwithstanding anything to the contrary contained herein, Taxes shall not include income, inheritance, estates, transfer, excise, gift or capital gains taxes that are payable by Landlord. In the event Landlord shall elect to contest the amount of such Taxes, all expenses incurred in such contest, including reasonable attorney's fees or appraisers' fees, shall be considered Taxes under the terms of this Section. In the event the method of taxation applicable to rental property shall be modified, a modification agreement with respect to this Section shall be executed by Landlord and Tenant to equitably apply to said revised tax system.

(c) **Insurance:** Landlord shall pay the annual costs of all Landlord's insurance on the Building and Premises (including, but not limited to, public liability, fire, casualty, loss of rents, and extended coverage insurance) (the "Insurance").

(d) **Utilities:** Utilities such as heat and air conditioning services, electric current, gas, sewer, and water ("Utilities") serve the Premises and/or the Building. At Landlord's option, certain Utilities may be separately metered and, in such an event, Tenant shall be directly responsible for paying all such Utilities. To the extent that any Utilities are not separately metered, Landlord shall pay for such Utilities as may be supplied to the Building and taxes or charges on such utility services and Landlord shall include such charges in Additional Charges paid by Tenant. In the event that Landlord installs special metering or other similar equipment to measure any excessive usage, the applicable tenant shall be responsible for all costs



of such equipment, its installation, maintenance, repair, and/or replacement, and other expenses related thereto. Landlord shall not be liable for any interruption or failure in the supply of any Utilities to the Premises, unless such interruption or failure results from the negligence of Landlord.

(e) **Janitorial, Cleaning and Pest Control Services:** Landlord will responsible for providing Tenant's janitorial, cleaning and pest control services.

(f) **Tenant's Share of Property Operating Costs:** It is understood and agreed that Tenant shall pay as Additional Charges all of Tenant's Share of Taxes, Insurance, and Utilities in excess of the Taxes, Insurance and Utilities for the 2024 calendar year (collectively, the "Property Operating Costs"). Notwithstanding anything in this Lease to the contrary, Tenant's Share of "Controllable Operating Costs" (being defined as all Operating Costs other than Taxes, Utilities, Insurance and snow removal) shall not increase by more than five percent (5%) (on a cumulative basis) in any given calendar year (for the first year in which such items are charged to Tenant, Tenant's Share of the Controllable Operating Costs shall not increase by more than 5% the amount of what Tenant's Share of such costs would have been for the previous Year). Commencing on January 1, 2025, Tenant agrees to pay the Tenant's Share of the Property Operating Costs as follows:

(i) Landlord shall estimate for each calendar year, or any proportion of a calendar year at the beginning and end of this Lease, Tenant's Share of the Property Operating Costs for the forthcoming year. Commencing on January 1, 2025, Tenant shall pay with each monthly installment of rent, one-twelfth (1/12<sup>th</sup>) of Tenant's Share of Property Operating Costs. The amount of any such Property Operating Costs shall be prorated on a daily basis for any partial month during which this Lease begins and ends.

(ii) Within ninety (90) days after the expiration of each calendar year, Landlord shall deliver to Tenant a statement showing Tenant's Share of actual Property Operating Costs. Should Tenant's actual share differ from the amount actually paid by Landlord, then, within thirty (30) days after the delivery date of the Landlord's statement, either Landlord shall provide Tenant with a credit against Tenant's obligations to pay Landlord for any such amount paid in excess of its actual share or Tenant shall remit to Landlord any amount by which its payments were deficient.

(iii) If Tenant does not agree with Landlord's statement, then Tenant shall have the right, within 45 days after receipt of Landlord's statement but no more often than once in a calendar year, to cause an audit to be made of Landlord's records concerning Property Operating Costs within twelve (12) months of receipt of Landlord's statement. Such audit shall be at the expense of Tenant unless such audit discloses an error in favor of Tenant in excess of ten percent (10.0%) in the computation of Property Operating Costs, in which event such audit shall be at the expense of Landlord (including reasonable costs and expenses of Tenant in conducting such audit).

(iv) Neither party may claim a re-adjustment with respect to the Property Operating Costs if based upon any error of computation or allocation except by written notice delivered to the other party within twelve (12) months after the date of delivery of the statement by Landlord to Tenant.

## **5. *Compliance With Laws.***

(a) Tenant shall not use the Premises, and or the Building, in any manner, which will in any way violate or conflict with any law, statute, ordinance or governmental rule or regulation now in force or

which may hereafter be enacted or promulgated. Tenant shall not do or permit anything to be done on or about the Premises, and or the Building, or bring or keep anything therein which will in any way increase the rate of any insurance upon the Building or any of its contents or cause a cancellation of such insurance upon the Building or any of its contents or otherwise affect such insurance in any manner, and Tenant shall at its sole cost and expense promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force relating to or affecting the condition, use or occupancy of the Premises and/or the Building, excluding structural changes not related to or affected by alterations or improvements made by or for Tenant or Tenant's acts.

(b) Tenant shall not cause or permit the release or disposal of any hazardous substances, wastes or materials, on or about the Premises or the Building. As such term is used in this Lease, "hazardous substances" means any hazardous or toxic substance, material or waste, regulated or listed pursuant to any federal, state or local environmental law, including without limitation, the Clean Air Act, the Clean Water Act, the Toxic Substances Control Act, the Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation and Recovery Act, the Federal Insecticide, Fungicide, Rodenticide Act, the Safe Drinking Water Act and the Occupational Safety and Health Act. Tenant shall comply with all rules and policies set by Landlord, and with all federal, state and local laws, regulations and ordinances which govern the use, storage, handling and disposal of hazardous substances, wastes or materials. Tenant shall not permit undue accumulations of garbage, trash, rubbish or other refuse within the Premises and shall keep all refuse in proper containers until disposal of such refuse.

## **6. *Alterations.***

(a) After completion of the initial Tenant Improvements by Landlord, Tenant shall not make or suffer to be made any alterations, additions or improvements costing in excess of \$25,000 in any single instance or series of related alterations performed within a six (6) month period (provided that Tenant shall not perform any improvements, alterations or additions to the Premises in stages as a means to subvert this provision) (collectively, "**Alterations**") in, on or to the Premises or any part thereof without the prior written consent of Landlord, which consent shall not be unreasonably withheld. However, regardless of the cost of any Alteration, if such Alteration would affect the structural integrity or architectural appearance of the Premises, then Landlord shall have the right to withhold consent to such Alteration at Landlord's discretion. Any Alterations in, on or to the Premises, except for Tenant's movable furniture and equipment, shall immediately become Landlord's property and at the end of the Term, shall remain on the Premises without compensation to Tenant. In the event Landlord consents to the making of any Alterations by Tenant, the same shall be made by Tenant, at Tenant's sole cost and expense, in accordance with plans and specifications approved by Landlord, and any contractor or person selected by Tenant to make the same must be first approved in writing by Landlord. Tenant shall give to Landlord at least five (5) business days prior notice of commencement of any construction on the Premises.

(b) Notwithstanding anything herein to the contrary, Tenant shall have the right from time to time without Landlord's consent, but with notice and provision of plans to Landlord, to: (i) paint and install wall coverings; (ii) install and remove office furniture; (iii) relocate electrical outlets; (iv) install and remove workstations; (v) install and remove Tenant's equipment and perform cable pulls in connection therewith; and (vi) install and remove carpeting and other floor coverings; provided that such alterations, improvements or additions do not affect the base building structural, mechanical, or electrical systems or

materially adversely affect other tenants in the Building, in which case Tenant must receive Landlord consent as provided in subsection (a), above.

(c) Tenant, at its expense and at any time and from time to time, may install in and remove from the Premises Tenant's property, including, without limitation, its trade fixtures, equipment, removable walls and wall systems, furniture and furnishings, provided such installation is accomplished without damage to Building and Tenant repairs any damage occasioned by such removal. Fixtures other than trade fixtures shall become the property of Landlord.

## **7. Repairs**

(a) Except as set forth herein, Landlord shall keep and maintain the Premises, Common Areas serving the Premises, heating, ventilation and air conditioning equipment, plumbing systems, lighting in the Premises, electrical systems serving the Premises, and the roof and the structural elements of the Building in good repair and working order (reasonable wear and tear excepted). Notwithstanding the foregoing, Tenant shall not commit waste at the Premises and Tenant, at Tenant's cost and expense, shall make all repairs and replacements necessitated by the act or omission of Tenant, Tenant's employees, or guests. Landlord shall not be liable for and there shall be no abatement of Rent or Additional Charges with respect to any injury or interference with Tenant's business arising from any repairs, maintenance, alteration or improvement in or to any portion of the Building, including the Premises, or in or to the fixtures, appurtenances and equipment therein except that Tenant shall be entitled to a rental abatement for any portion of the Premises which becomes unusable during such repair, maintenance, alterations or improvements; provided, however, that Tenant's inability to use such portion of the Premises materially, adversely interrupts Tenant's operations.

(b) All repairs and replacements made by or on behalf of Tenant or any person claiming through or under Tenant shall be made and performed (a) at Tenant's cost and expense (b) by qualified, licensed contractors or mechanics, (c) so that same shall be at least equal in quality, value, and utility to the original work or installation, and (d) in accordance with all applicable laws and regulations of governmental authorities having jurisdiction over the Premises.

## **8. No Liens.**

Tenant shall keep the Premises free from any liens arising out of any work performed, material furnished or obligations incurred by Tenant. In the event that Tenant does not, within twenty (20) days following the imposition of any such lien, cause the same to be released of record by payment or posting of a proper bond and providing Landlord with notarized lien waivers, Landlord shall have, in addition to all other remedies provided herein and by law, the right, but not the obligation, to cause the same to be released by such means as it shall deem proper, including payment of the claim giving rise to such lien. All such sums paid by Landlord and all expenses incurred by it in connection therewith shall be considered Additional Charges and shall be payable to it by Tenant on demand with interest at the maximum rate permitted by law; such sums not paid by Tenant as billed within ten (10) days from notice by Landlord shall constitute a default under the terms provided herein. Landlord shall have the right at all times to post and keep posted on the Premises any notices permitted or required by law, or which Landlord shall deem proper, for the protection of Landlord, the Premises, the Building and any other party having an interest therein. Tenant agrees and acknowledges that Tenant is not the agent for Landlord for any purpose, including, without limitation, contracting with third parties for improvements to the Premises. Tenant

agrees that any construction contract related to the Premises executed by Tenant shall contain a provision stating that Tenant is not the agent for Landlord for any purpose, including, without limitation, contracting with third parties for improvements to the Premises. Tenant agrees that any party providing construction services or materials to the Premises shall execute a waiver of such party's right to file a mechanic's lien against the Landlord's interest in the Premises and Tenant shall deliver such waiver to Landlord prior to permitting such party to begin work on the Premises.

## **9. Assignment and Subletting**

(a) Except as permitted herein, Tenant shall not directly or indirectly, voluntarily or by operation of law, sell, assign, encumber, pledge or otherwise transfer or hypothecate all or any portion of its interest or rights with respect to the Premises or Tenant's leasehold estate hereunder (collectively, "Assignment"), or permit all or any portion of the Premises to be occupied by anyone other than Tenant or sublet all or any portion of the Premises or transfer a portion of its interest in or rights with respect to Tenant's leasehold estate hereunder (collectively, "Sublease") or any portion thereof without Landlord's prior written consent in each instance, which consent may not be unreasonably withheld, conditioned or delayed.

(b) If Tenant desires at any time to enter into an Assignment of this Lease or a Sublease of the Premises or any portion thereof, it shall first give written notice to Landlord of its desire to do so, which notice shall contain (a) the name of the proposed assignee, subtenant or occupant, (b) the terms and provisions of the proposed Assignment or Sublease, and (c) such financial information or other information as Landlord may reasonably request concerning the proposed assignee and/or any proposed guarantor. Tenant shall also pay within ten (10) days of notice Landlord's reasonable third party fees and expenses in connection with the review and approval of such proposed action.

(c) No consent by Landlord to any Sublease by Tenant shall relieve Tenant of any obligation to be performed by Tenant under this Lease, whether arising before or after the Sublease. The consent by Landlord to any other Sublease shall not relieve Tenant from the obligation to obtain Landlord's express written consent to any other Sublease. Any Assignment or Sublease that is not in compliance with this Section shall be void and Tenant shall be in default under the terms of the Lease.

(d) Each assignee, other than Landlord, shall assume, as provided in this Section 9(d), all obligations of Tenant under this Lease and shall be and remain liable for the payment of Rent and Additional Charges, and for the performance of all the terms, covenants, conditions and agreements herein contained on Tenant's part to be performed for the Term. No Assignment shall be binding on Landlord unless the assignee or Tenant shall deliver to Landlord a counterpart of the Assignment and an instrument in recordable form that contains a covenant of assumption by the assignee satisfactory in substance and form to Landlord, consistent with the requirements of this Section 9(d), but the failure or refusal of the assignee to execute such instrument of assumption shall not release or discharge the assignee from its liability as set forth above.

## **10. Insurance.**

(a) Landlord shall not be liable to Tenant and Tenant hereby waives all claims against Landlord for any injury or damage to any person or property in or about the Premises by or from any cause

beyond Landlord's reasonable control and without limiting the generality of the foregoing, whether caused by water leakage of any character from the roof, walls, basement or other portion of the Premises or the Building or any part thereof.

(b) Tenant hereby advises Landlord that Tenant shall self-insure against the risks of loss which would be covered by commercial general liability insurance, workers compensation insurance and automobile liability insurance. Tenant shall be responsible for any losses or liabilities which would have been assumed by the insurance company or companies which would have insured such policies. Tenant's liability in tort is governed by the provisions of the Governmental Tort Liability Act. Tenant has self-insurance against such claims which only covers claims and losses against Tenant.

#### **11. *Waiver of Subrogation.***

Landlord and Tenant hereby mutually waive their respective rights of recovery against each other for any loss of, or damage to, either parties' property, to the extent that such loss or damage is insured by an insurance policy (or in the event either party elects to self-insure any property coverage required) required to be in effect at the time of such loss or damage. Each party shall obtain any special endorsements, if required by its insurer whereby the insurer waives its rights of subrogation against the other party. The provisions of this clause shall not apply in those instances in which waiver of subrogation would cause either party's insurance coverage to be voided or otherwise made uncollectible.

#### **12. *Services and Utilities.***

(a) Services available to the Premises each day shall include hot and cold water, electricity suitable for the intended use of the Premises, heat and air conditioning required for the use and occupancy of the Premises, and ingress and egress to and from the Premises. Heating and air conditioning may be reduced outside the hours of 7 a.m. to 6 p.m. on Monday through Friday and 7 a.m. until 12:01 on Saturdays and on Sundays and legal holidays. The responsibility of each party for the payment of the costs related to such utilities and services is set forth in Section 4 herein. Landlord shall provide additional or after-hours heating or air conditioning at Tenant's request, but if Landlord elects to provide such services at Tenant's request, Tenant shall pay to Landlord a reasonable charge for such services as determined by Landlord but not to exceed Landlord's actual cost. Tenant agrees at all times to cooperate fully with the Landlord and to abide by all the regulations and requirements which Landlord may reasonably prescribe for the proper functioning and protection of the heating, ventilating and air conditioning system.

(b) Landlord shall promptly notify Tenant in writing of any anticipated material interruption of utilities or services due to, among other things, repairs, maintenance or the like. To the extent that Landlord has control over the timing of the interruption, Landlord will coordinate a mutually agreeable time with Tenant. Landlord will use its reasonable efforts to minimize the amount of time of any interruption of services.

(c) Except as specifically set forth above, Landlord shall not be in default hereunder or be liable for any damages directly or indirectly resulting from, nor shall the rental herein reserved be abated by reason of (i) failure to furnish or delay in furnishing any such utilities or services when such failure or delay is caused by acts of God or the elements, labor disturbances of any character, any other accidents or other conditions unless directly resulting from Landlord's negligence, or (ii) the limitation, curtailment,

rationing or restriction on use of water or electricity, gas or any other form of energy or any other service or utility whatsoever serving the Premises or the Building. Furthermore, Landlord shall be entitled to cooperate voluntarily in a reasonable manner with the efforts of national, state or local governmental agencies or utilities suppliers in reducing energy or other resources consumption, so long as Landlord's activities do not materially interfere with Tenant's use of the Premises and the Common Areas or increase Tenant's costs.

### **13. *Tenant's Certificates.***

Tenant, at any time and from time to time upon not less than ten (10) days prior written notice from Landlord, will execute, acknowledge and deliver to Landlord and, at Landlord's request, to any prospective purchaser, ground or underlying lessor or mortgagee of any part of the Building or the land upon which the Building is located, a certificate of Tenant stating: (a) that Tenant has accepted the Premises (or, if Tenant has not done so, that Tenant has not accepted the Premises and specifying the reasons therefore), (b) the Commencement and Expiration Dates of this Lease, (c) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that same is in full force and effect as modified and stating the modifications), (d) whether or not to Tenant's knowledge there are then existing any defaults by Landlord in the performance of its obligations under this Lease (and, if so, specifying same), (e) the dates, if any, to which the Rent and Additional Charges and other charges under this Lease have been paid, and (f) any other information that may reasonably be required by any of such persons. It is intended that any such certificate of Tenant delivered pursuant to this Section may be relied upon by any prospective purchaser, ground or underlying lessor or mortgagee of any part of the Building or the land upon which the Building is located.

### **14. *Subordination and Non-Disturbance***

The Lease and any extensions, renewals, replacements or modifications of the Lease, and all of the right, title, and interest of Tenant in and to the Premises are and shall be now and hereafter subject and subordinate to the lien of any deed of trust encumbering the Building (a "**Deed of Trust**") and to all of the terms and conditions contained in any Deed of Trust, and to any and all renewals, modifications, replacements, consolidations or extensions of such Deed of Trust, in accordance with the terms, covenants and conditions contained herein, so long as Landlord's activities do not materially interfere with Tenant's use of the Premises and the Common Areas or increase Tenant's costs. Tenant, at any time and from time to time upon not less than ten (10) days prior written notice from Landlord, will execute, acknowledge and deliver to Landlord and, at Landlord's request, to any prospective mortgagee of any part of the Building or the land upon which the Building is located, a subordination agreement so long as such subordination agreement has non-disturbance provisions reasonably acceptable to Tenant.

### **15. *Rules and Regulations.***

Tenant shall faithfully observe and comply with the Rules and Regulations attached to this Lease as Exhibit B and all reasonable modifications thereof and additions thereto from time to time put into effect by Landlord and provided in writing to Tenant. Provided, no such modifications shall materially increase Tenant's obligations under this Lease or materially decrease Tenant's rights hereunder. Landlord shall not be responsible for the non-performance by any other Tenant or occupant of the Building of any said rules and regulations, but shall enforce all rules and regulations in a non-discriminatory manner. In the event of

an express and direct conflict between the terms, covenants, agreements and conditions of this Lease and those set forth in the rules and regulations, as modified and amended from time to time by Landlord, this Lease shall control.

**16. *Re-Entry By Landlord.***

Landlord reserves and shall at all reasonable times have the right to re-enter the Premises to inspect the same, to supply any service to be provided by Landlord to Tenant hereunder, to show the Premises with reasonable advance notice to prospective purchasers, mortgagees, or tenants, and to repair the Premises and any portion of the Building without abatement of Rent or Additional Charges, provided that the business of Tenant shall not be materially interrupted. For emergency purposes only, Landlord shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Premises, excluding Tenant's vaults and safes, or special security areas (designated in advance), and Landlord shall have the right to use any and all means which Landlord may deem necessary or proper to open said doors in an emergency, in order to obtain entry to any portion of the Premises, and any entry to the Premises, or portion thereof, obtained by Landlord by any of said means, or otherwise, shall not under any circumstance be construed or deemed to be forcible or unlawful entry into, or a detainer of, the Premises, or an eviction, actual or constructive, of Tenant from the Premises or any portions thereof.

**17. *Tenant Default.***

The failure to perform or honor any covenant, condition or representation made under this Lease shall constitute a default hereunder by Tenant upon expiration of the appropriate cure period. Tenant shall have a period of five (5) days from the date of written notice from Landlord within which to cure any default in the payment of Rent or Additional Charges; provided, however, that if Tenant shall fail to pay Base Rent or any other payment required herein when due more than two (2) times in any twelve (12) month period, then the third (3rd) such violation shall be deemed an immediate Event of Default (without any notice required by Landlord). Tenant shall have a period of thirty (30) days from the date of written notice from Landlord within which to cure any default other than a default in the payment of Rent or Additional Charges under this Lease; provided, however, that with respect to any default other than the payment of Rent or Additional Charges that cannot reasonably be cured within thirty (30) days, the default shall not be deemed to be uncured if Tenant commences to cure within thirty (30) days from Landlord's notice and continues to prosecute diligently the cure thereof. The appointment of a receiver to take possession of all or substantially all of the assets of Tenant, or an assignment of Tenant for the benefit of creditors, or any action taken or suffered by Tenant under any insolvency, bankruptcy, reorganization or other debtor relief proceedings, whether now existing or hereafter amended or enacted, shall at Landlord's option constitute a breach of this Lease by Tenant. In no event shall this Lease be assigned or assignable by operation of law or by voluntary or involuntary bankruptcy proceedings or otherwise and in no event shall this Lease or any rights or privileges hereunder be an asset of Tenant under any bankruptcy, insolvency, reorganization or other debtor relief proceeding. Upon an uncured default of this Lease by Tenant, and in addition to Landlord's rights and remedies under the terms of this Lease and any other rights and remedies available to Landlord at law or in equity, Landlord shall have the following rights and remedies:

(a) The right of recovery of the worth at the time of award of the amount by which the unpaid Rent or Additional Charges for the balance of the Term after the time of award exceeds the amount of rental

loss for the same period that could be reasonably avoided calculated by discounting such amount to the present value based upon an interest rate of seven percent (7.0%) per annum;

(b) The right to continue this Lease in effect and to enforce all of Landlord's rights and remedies under this Lease, including the right to recover Rent and Additional Charges as they become due, for so long as Landlord does not terminate Tenant's right to possession. Acts of maintenance or preservation, efforts to relet the Premises or the appointment of a receiver upon Landlord's initiative to protect its interest under this Lease shall not constitute a termination of Tenant's right to possession;

(c) The right to terminate this Lease;

(d) The right and power to enter the Premises, change the locks and security codes, remove therefrom all persons and property, to store such property in a public warehouse or elsewhere at the cost of and for the account of Tenant, and/or to sell such property. Landlord may from time to time sublet Premises or any part thereof for such term or terms (which may extend beyond the Term) and at such rent and such other terms as Landlord may deem reasonably advisable, with the right to make alterations and repair to the Premises. Upon each such subletting, (i) Tenant shall be immediately liable to pay to Landlord, in addition to indebtedness other than Rent and Additional Charges due hereunder, the cost of such subletting and such alterations and repairs incurred by Landlord and the amount, if any, by which the Rent and Additional Charges due hereunder for the period of such subletting (to the extent such period does not exceed the Term) exceeds the amount to be paid by such sublessee as Rent and Additional Charges for the Premises for such period or (ii) at the option of Landlord, rents received from such subletting shall be applied first, to payment of any indebtedness other than Rent and Additional Charges due hereunder from Tenant to Landlord; second, to the payment of any costs of such subletting and of such alterations and repairs; third, to payment of Rent and Additional Charges due and unpaid hereunder; and the residue, if any, shall be held by Landlord and applied in payment of future Rent and Additional Charges as the same becomes due hereunder. If Tenant has been credited with any rentals to be received by such subletting under option (i) above and such rentals shall not be promptly paid to Landlord by the sub-tenant(s), or if such rentals received from such subletting under option (ii) during any month be less than that to be paid during that month by Tenant hereunder, Tenant shall pay any such deficiency to Landlord. Such deficiency shall be calculated and paid monthly. Notwithstanding any such subletting without termination, Landlord may at any time thereafter elect to terminate this Lease for such previous breach;

(e) The right to have a receiver appointed for Tenant, upon application by Landlord, to take possession of the Premises and to apply any rental collected from the Premises and to exercise all other rights and remedies granted to Landlord pursuant to subparagraph (d) above; and

(f) The right to pursue any other remedy available under applicable law.

## **18. *Damage By Casualty.***

If the Premises, the Common Areas or the Building are damaged by fire or other casualty, and this Lease is not terminated as result of such fire or casualty, Landlord, subject to the right of Landlord to terminate the Lease as set forth herein, shall forthwith repair the same, to the condition existing immediately prior to such fire or other casualty. In such event, this Lease shall remain in full force and effect except that Tenant shall be entitled to a proportionate reduction of Rent and Additional Charges while such repairs



to be made hereunder by Landlord are being made. Such proportionate reduction shall be based upon the extent to which such damage and the making of such repairs by Landlord shall materially interfere with the business carried on by Tenant in the Premises. Within thirty (30) days after the date of such damage, Landlord shall notify Tenant whether or not such repairs can be substantially completed within one hundred eighty (180) days after the date of such damage. If such repairs cannot be substantially completed within one hundred eighty (180) days of such damage either party shall then have the option to terminate this Lease as of a date specified in such notice. In addition, if Landlord fails to fully restore the Premises, the Common Areas and the Building within one hundred eighty (180) days after the same are damaged by fire or other casualty or if the Premises are materially damaged by fire or other casualty during the last year of the Term, then Tenant may terminate this Lease by giving written notice to Landlord. Notwithstanding any other provision set forth herein, in the event that the insurance proceeds related to the casualty event are not released to Landlord in an amount sufficient to complete the repairs, then Landlord shall not be obligated to complete such repairs (unless Tenant shall fund the shortfall amount) but Landlord shall have the option to complete the repairs. In the event that Landlord elects not to complete the repairs due to a lack of adequate insurance proceeds, then either party shall have the right to terminate this Lease.

#### **19. *Eminent Domain.***

If any material part of the Building, Common Areas or Premises shall be taken or appropriated under the power of eminent domain or conveyed in lieu thereof, and the taking would prevent or materially interfere with the use of the Premises for the purposes for which it is being used, either party shall have the right to terminate this Lease at its option. In such event, Landlord shall receive any income, rent, award or any interest therein which may be paid in connection with the exercise of such power of eminent domain, and Tenant shall have no claim against Landlord for any part of sum paid by virtue of such proceedings, whether or not attributable to the value of the unexpired term of the Lease, except to the extent such award is attributable to the value of any improvements paid for by Tenant. If a part of the Premises, the Common Areas or the Building shall be so taken or appropriated or conveyed during the Term and this Lease is not terminated, the Rent and Additional Charges to be paid under this Lease for the remainder of the Term shall be proportionately reduced, such reduction to be based upon the extent to which the partial taking or appropriation or conveyance shall interfere with the business carried on by Tenant in the Premises. Notwithstanding anything to the contrary contained in this Section, if the temporary use or occupancy of any part of the Premises shall be taken or appropriated under power of eminent domain during the Term, this Lease shall be and remain unaffected by such taking or appropriation and Tenant shall continue to pay in full all Rent and Additional Charges payable hereunder by Tenant during the Term; in the event of any such temporary appropriation or taking, Tenant shall be entitled to receive that portion of any award which represents compensation for the use of or occupancy of the Premises during the Term, and Landlord shall be entitled to receive that portion of any award which represents the cost of restoration of the Premises and the use and occupancy of the Premises after the end of the Term.

#### **20. *Sale By Landlord.***

In the event of a sale or conveyance by Landlord of the Building, such sale or conveyance shall operate to release Landlord from any future liability upon any of the covenants or conditions, expressed or implied, herein contained in favor of Tenant, and in such event Tenant agrees to look solely to the successor in interest of Landlord in and to this Lease. This Lease shall not be affected by any such sale, and Tenant agrees to attorn to the purchaser or assignee. Landlord shall ensure that any document of sale or conveyance

requires the purchaser or assignee to assume any and all of Landlord's obligations to Tenant under the terms of this Lease so long as Tenant is not in default of its obligation under the terms of this Lease.

**21. *Right of Landlord to Perform.***

All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any abatement of Rent and Additional Charges. If Tenant shall fail to pay any sum of money, other than Rent and Additional Charges, required to be paid by it hereunder or shall fail to perform any other act on its part to be performed hereunder, and such failure shall continue for ten (10) days after notice thereof by Landlord, Landlord may, but shall not be obligated to do so, and without waiving or releasing Tenant from any obligations of Tenant, make any such payment or perform any such act on Tenant's part to be made or performed as provided in this Lease. All sums so paid by Landlord and all necessary incidental costs together with interest thereon at the maximum rate permitted by law, from the date of such payment by Landlord shall be payable as Additional Charges to Landlord on demand.

**22. *Holdover; Surrender of Premises.***

(a) Any holding over after the expiration of the Term without the consent of Landlord shall be construed to be a tenancy from month-to-month at one hundred fifty percent (150%) of the Rent herein specified (prorated on a monthly basis), together with an amount estimated by Landlord for the monthly Additional Charges payable under this Lease, and shall otherwise be on the terms and conditions herein specified so far as applicable. Any holding over without Landlord's consent shall constitute a default by Tenant and entitle Landlord to re-enter the Premises as provided herein.

(b) At the end of the Term or any renewal thereof or other sooner termination of this Lease, Tenant will peaceably deliver to Landlord possession of the Premises, together with all improvements or additions upon or belonging to the same, by whomsoever made, in the same condition as received, or first installed, ordinary wear and tear, damage caused by fire, casualty or condemnation, and repairs, maintenance and replacements that are Landlord's obligations under this Lease excepted. Tenant shall deliver the Premises broom clean and free of Tenant's personal property and rubbish. Tenant may, upon the termination of this Lease, remove all movable furniture and equipment belonging to Tenant, at Tenant's sole cost, title to which shall be in Tenant until such termination, provided that Tenant repairs any damage caused by such removal. Property not so removed shall be deemed abandoned by Tenant and title to the same shall thereupon pass to Landlord. Upon request by Landlord, unless otherwise agreed to in writing by Landlord, Tenant shall remove, at Tenant's sole cost, all moveable furniture and equipment belonging to Tenant which may be left by Tenant and repair any damage, resulting from such removal.

(c) The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of Landlord, terminate all or any existing subleases or subtenancies, or may, at the option of Landlord, operate as an assignment to it of any or all such subleases or subtenancies.

**23. Waiver.**

If either Landlord or Tenant waives the performance of any term, covenant or condition contained in this Lease, such waiver shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition contained herein. Furthermore, the acceptance of Rent and Additional Charges by Landlord shall not constitute a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, regardless of Landlord's knowledge of such preceding breach at the time Landlord accepted such Rent and Additional Charges. Failure by Landlord to enforce any of the terms, covenants or conditions of this Lease for any length of time shall not be deemed to waive or to decrease the right of Landlord to insist thereafter upon strict performance by Tenant. Waiver by Landlord of any term, covenant or condition contained in this Lease may only be made by a written document signed by Landlord.

**24. Notices.**

Except as otherwise expressly provided in this Lease, any notices, requests or other communications given or required to be given under this Lease shall be effective only if rendered or given in writing, sent by (i) registered or certified mail, (ii) a national overnight courier, or (iii) personal delivery,

(a) to Tenant at Tenant's address set forth in the Basic Lease Information, or;

(b) to Landlord, at Landlord's address set forth in the Basic Lease Information,

or to such other address as either Landlord or Tenant may designate as its new address for such purpose (and with a copy to counsel referenced above) by notice given to the other in accordance with the provisions of this Section. Any such notice, request or other communication shall be deemed to have been rendered or given three (3) days after the date when it shall have been mailed as provided in this Section if sent by registered or certified mail, one business day after deposit with an overnight courier (subject to confirmation of delivery), or upon the date personal delivery is made. If Tenant is notified of the identity and address of Landlord's mortgagee, Tenant shall give to such mortgagee notice of any default by Landlord under the terms of this Lease in writing sent by registered or certified mail, and such mortgagee shall be given a reasonable opportunity to cure such default prior to Tenant exercising any remedy available to it.

**25. Successors and Assigns.**

Subject to the provisions of Section 9, the terms, covenants and conditions contained herein shall be binding upon and inure to the benefit of the parties hereto and their respective legal and personal representatives, successors and assigns.

**26. Attorneys' Fees.**

Intentionally deleted.

**27. Limitation of Landlord's Liability.**

Tenant recognizes that Landlord is a limited liability entity. It is expressly understood and agreed by and between the parties hereto that anything herein to the contrary notwithstanding, that each and all of

the representations, covenants, undertakings and agreements herein made on the part of Landlord are intended not as personal representations, covenants, undertakings and agreements of the members, shareholders, or owners as applicable of Landlord, but are made an intended for the purpose of binding only Landlord's interest in the Building and Common Areas. No personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforced against, any of the members, shareholders, or owners as applicable of Landlord on account of this Lease. All such personal liability, if any, being expressly waived and released by Tenant herein, and by all persons claiming by, through or under Tenant. Under no circumstances shall Landlord be liable for consequential damages (including, without limitation, lost profits) or punitive damages.

**28. *Tenant Improvement Allowance.***

Subject to the terms and conditions of Exhibit C attached hereto, Landlord shall engage a contractor to complete the Tenant Improvements and will provide a tenant improvement allowance not to exceed \$1,500,000.00 (the "Tenant Improvement Allowance"). Any costs to complete the Tenant Improvements in excess of the Tenant Improvement Allowance shall be paid by Tenant.

**29. *Brokerage.***

Landlord is represented by Robin Realty Company and shall compensate Robin Realty Company pursuant to a separate agreement. Subject to the foregoing, each party represents and warrants to the other that it has not dealt with any broker in connection with this Lease. The execution and delivery of this Lease by each party shall be conclusive evidence that such party has relied upon the foregoing representation and warranty. The provisions of this Section shall survive the expiration or earlier termination of this Lease.

**30. *Signage.***

Subject to Landlord's prior approval, Tenant shall have the right to erect, at Tenant's expense, an exterior signage at the entrance to Tenant's space and part of the Tenant Improvements.

**31. *Parking.***

The Building has no parking and Tenant is granted no parking rights.

**32. *Act of God/Force Majeure.***

The obligations of Tenant hereunder shall not be affected, impaired or excused, nor shall Landlord have any liability whatsoever to Tenant, because (a) Landlord is unable to fulfill, or is delayed in fulfilling, any of its obligations under this Lease by reason of strike, other labor trouble, governmental pre-emption of priorities or other controls in connection with a national or other public emergency or shortages of fuel, supplies, labor or materials, acts of God, force majeure, or any other cause, whether similar or dissimilar, beyond Landlord's reasonable control; or (b) of any failure or defect in the supply, quantity or character of electricity or water furnished to the Premises, by reason of any requirement, act or omission of the public utility or others serving the Building with electric energy, steam, oil, gas or water, or for any other reason

whether similar or dissimilar, beyond Landlord's reasonable control, provided that Landlord shall be responsible for any result of a latent defect.

### **33. OFAC.**

(a) Tenant represents and warrants that (a) Tenant and each person or entity owning an interest in Tenant is (i) not currently identified on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") and/or on any other similar list maintained by OFAC pursuant to any authorizing statute, executive order or regulation (collectively, the "List"), and (ii) not a person or entity with whom a citizen of the United States is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States law, regulation, or Executive Order of the President of the United States, (b) none of the funds or other assets of Tenant constitute property of, or are beneficially owned, directly or indirectly, by any Embargoed Person (as hereinafter defined), (c) no Embargoed Person has any interest of any nature whatsoever in Tenant (whether directly or indirectly), (d) none of the funds of Tenant have been derived from any unlawful activity with the result that the investment in Tenant is prohibited by law or that the Lease is in violation of law, and (e) Tenant has implemented procedures, and will consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times. The term "Embargoed Person" means any person, entity or government subject to trade restrictions under U.S. law, including but not limited to, the International Emergency Economic Powers Act, 50 U.S.C. §1701 et seq., The Trading with the Enemy Act, 50 U.S.C. App. 1 et seq., and any Executive Orders or regulations promulgated thereunder with the result that the investment in Tenant is prohibited by law or Tenant is in violation of law.

(b) Tenant covenants and agrees (a) to comply with all requirements of law relating to money laundering, anti-terrorism, trade embargos and economic sanctions, now or hereafter in effect, (b) to immediately notify Landlord in writing if any of the representations, warranties or covenants set forth in this paragraph or the preceding paragraph are no longer true or have been breached or if Tenant has a reasonable basis to believe that they may no longer be true or have been breached, (c) not to use funds from any "Prohibited Person" (as such term is defined in the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) to make any payment due to Landlord under the Lease and (d) at the request of Landlord, to provide such information as may be requested by Landlord to determine Tenant's compliance with the terms hereof.

(c) Tenant hereby acknowledges and agrees that Tenant's inclusion on the List at any time during the Lease Term shall be a material default of the Lease. Notwithstanding anything herein to the contrary, Tenant shall not permit the Premises or any portion thereof to be used or occupied by any person or entity on the List or by any Embargoed Person (on a permanent, temporary or transient basis), and any such use or occupancy of the Premises by any such person or entity shall be a material default of the Lease.

(d) This Section shall not apply to any Person to the extent that such Person's interest in the assignee or subtenant is through a U.S. Publicly-Traded Entity and is less than 10%. As used in this Agreement, "U.S. Publicly-Traded Entity" means a Person (other than an individual) whose securities are listed on a national securities exchange, or quoted on an automated quotation system, in the United States, or a wholly-owned subsidiary of such a Person.

**34. *Miscellaneous.***

(a) The term “**Premises**” wherever it appears herein includes and shall be deemed or taken to include (except where such meaning would be clearly repugnant to the context) the office space demised and improvements now or at any time hereinafter comprising or built in the space hereby demised. The paragraph headings herein are for convenience of reference and shall in no way define, increase, limit or describe the scope or intent of any provision of this Lease. In any case where this Lease is signed by more than one person, the obligations hereunder shall be joint and several. The terms “**Tenant**” and “**Landlord**” or any pronouns used in place thereof shall indicate and include the masculine or feminine, the singular or plural number, individuals, firms or corporations, and their and each of their respective successors, executors, administrators, and permitted assigns, according to the context hereof.

(b) Time is of the essence of this Lease and all of its provisions. This Lease shall in all respects be governed by the laws of the State of Tennessee. This Lease, together with its exhibits, contains all the agreements of the parties hereto and supersedes any previous negotiations. There have been no representations made by the Landlord or understandings made between the parties other than those set forth in this Lease and its exhibits. This Lease may not be modified except by a written instrument executed by the parties hereto.

(c) If for any reason whatsoever any of the provisions hereof shall be unenforceable or ineffective, all of the other provisions shall be and remain in full force and effect.

(d) Upon Tenant paying the Rent and Additional Charges and performing all of Tenant’s obligations under this Lease, Tenant may peacefully and quietly enjoy the Premises during the Term as against all persons or entities lawfully claiming by or through Landlord; subject, however, to the provisions of this Lease.

(e) This Lease may be executed in multiple counterparts each of which is deemed an original but together constitute one and the same instrument. The parties acknowledge and agree that notwithstanding any law or presumption to the contrary, an electronic, PDF or telefaxed signature of either party, whether upon this Lease or any related document shall be deemed valid and binding and admissible by either party against the other as if same were an original ink signature.

**SIGNATURES ON FOLLOWING PAGE.**

**SIGNATURE PAGE TO LEASE AGREEMENT.**

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

**TENANT:**

**Metropolitan Government of Nashville  
and Davidson County**

By: Abraham Wescott  
Abraham Wescott, Director  
Public Property Administration

**APPROVED AS TO AVAILABILITY  
OF FUNDS:**

Kelly Flannery/mfw  
Kelly Flannery, Director  
Department of Finance

**APPROVED AS TO FORM AND  
LEGALITY:**

Macy Amos  
Assistant Metropolitan Attorney

**LANDLORD:**

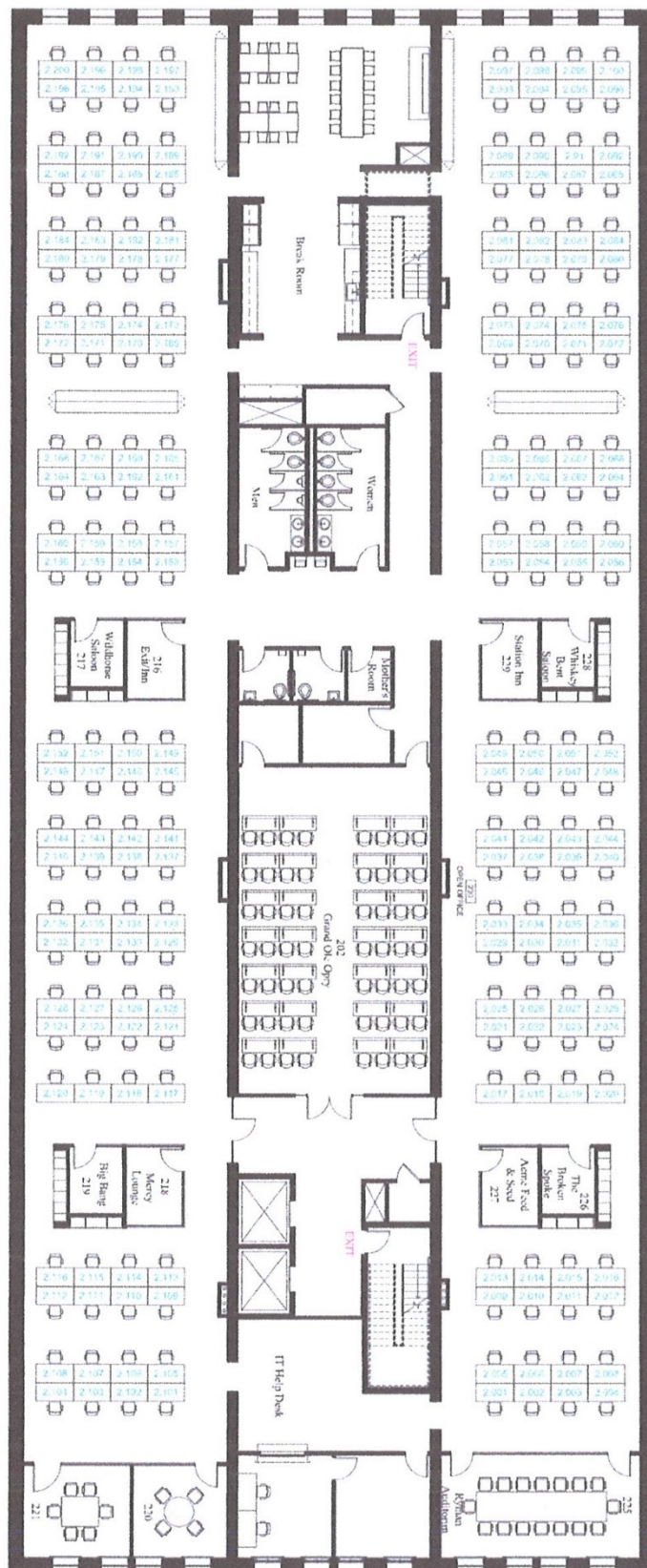
**Little Big Properties, LLC,**  
a Delaware limited liability company

By: Jeffrey Welk  
Title: President  
Jeffrey Welk

**EXHIBIT A**

**FLOOR PLAN**

## SECOND FLOOR

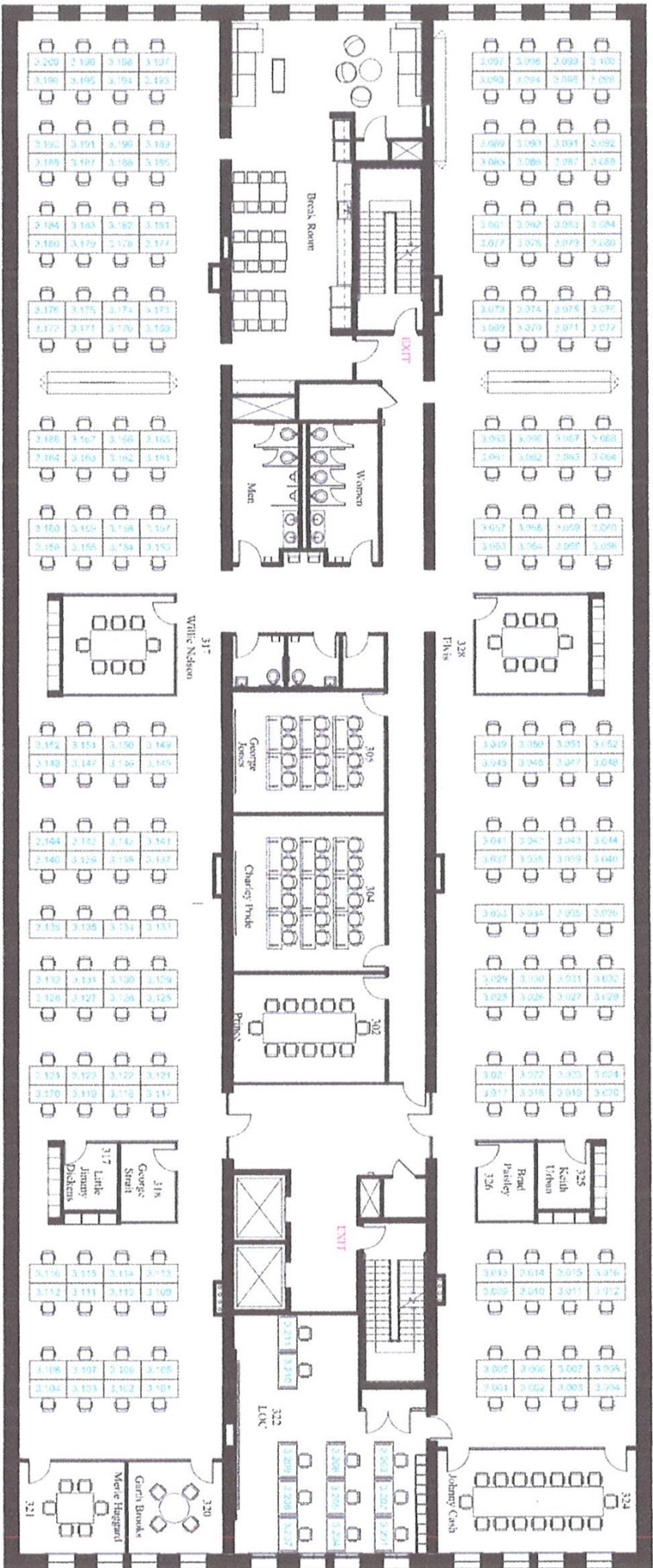


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Tootsie's Orchid  
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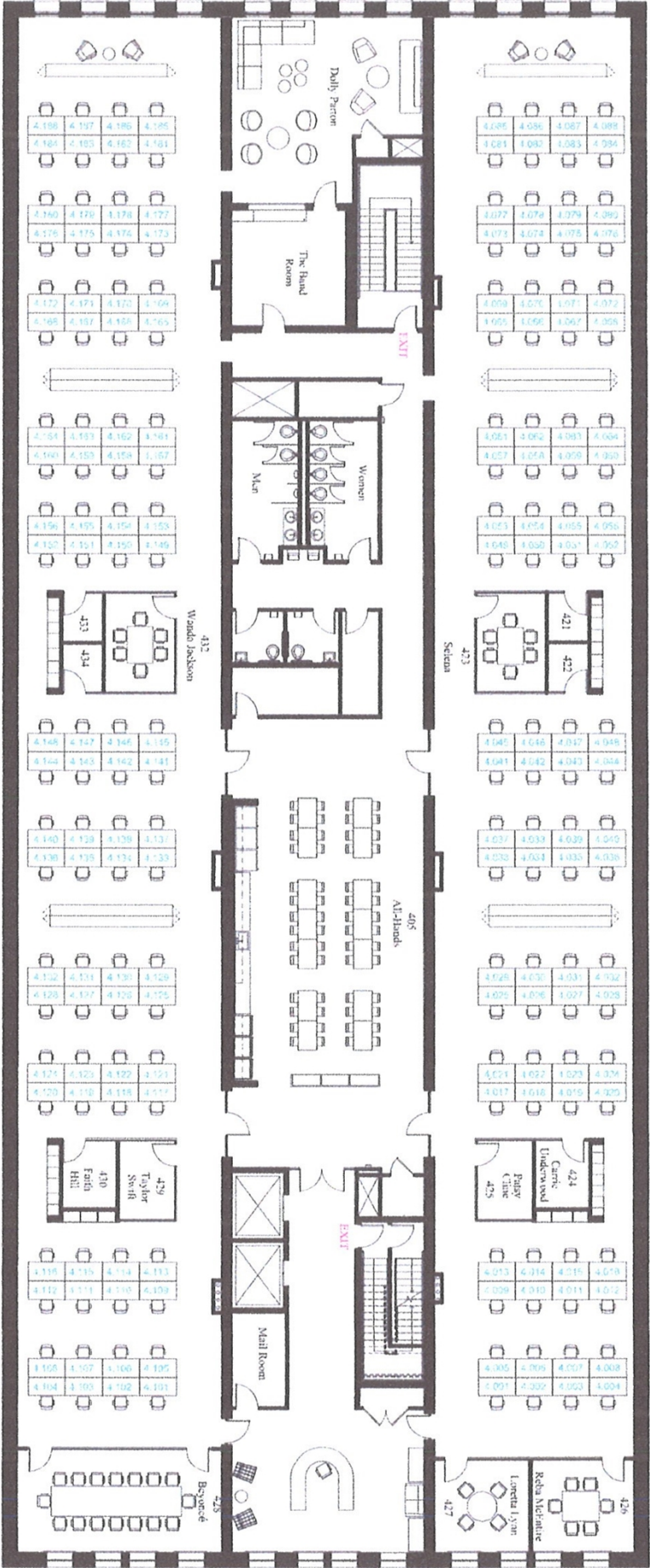
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THIRD FLOOR

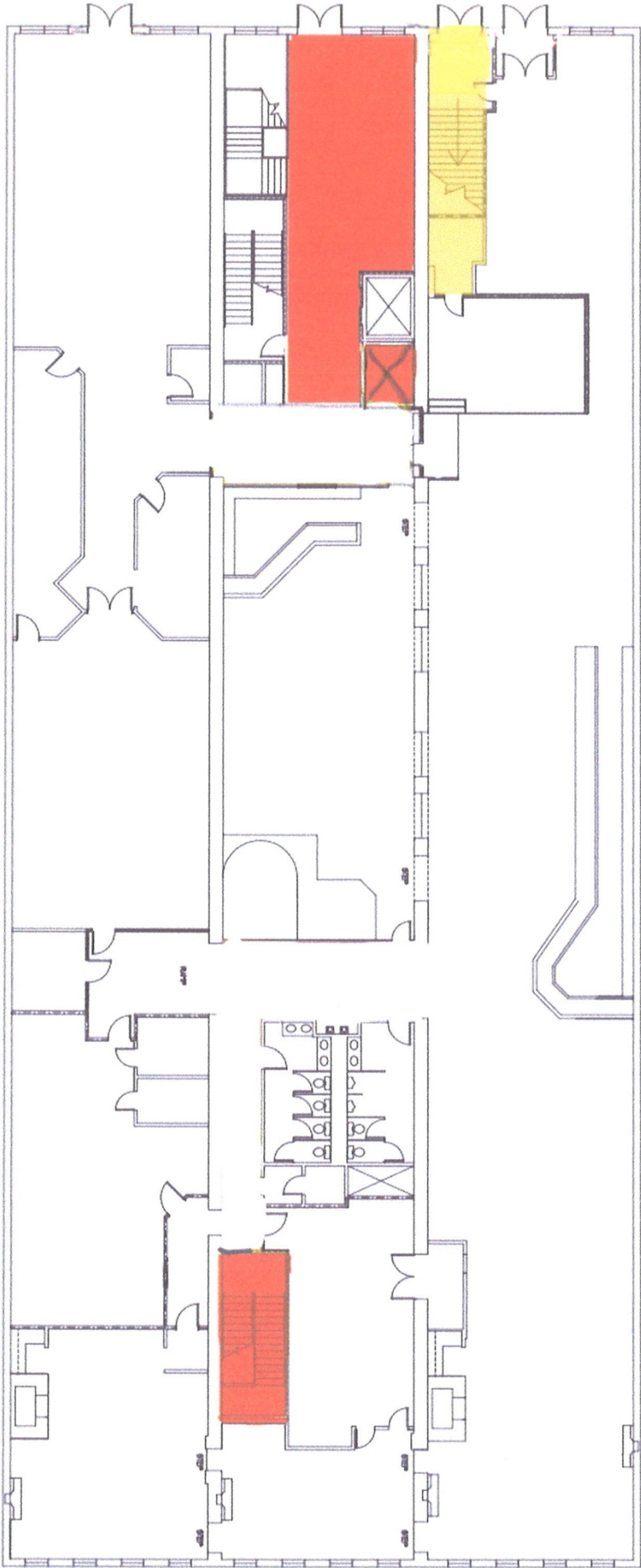


FOURTH FLOOR





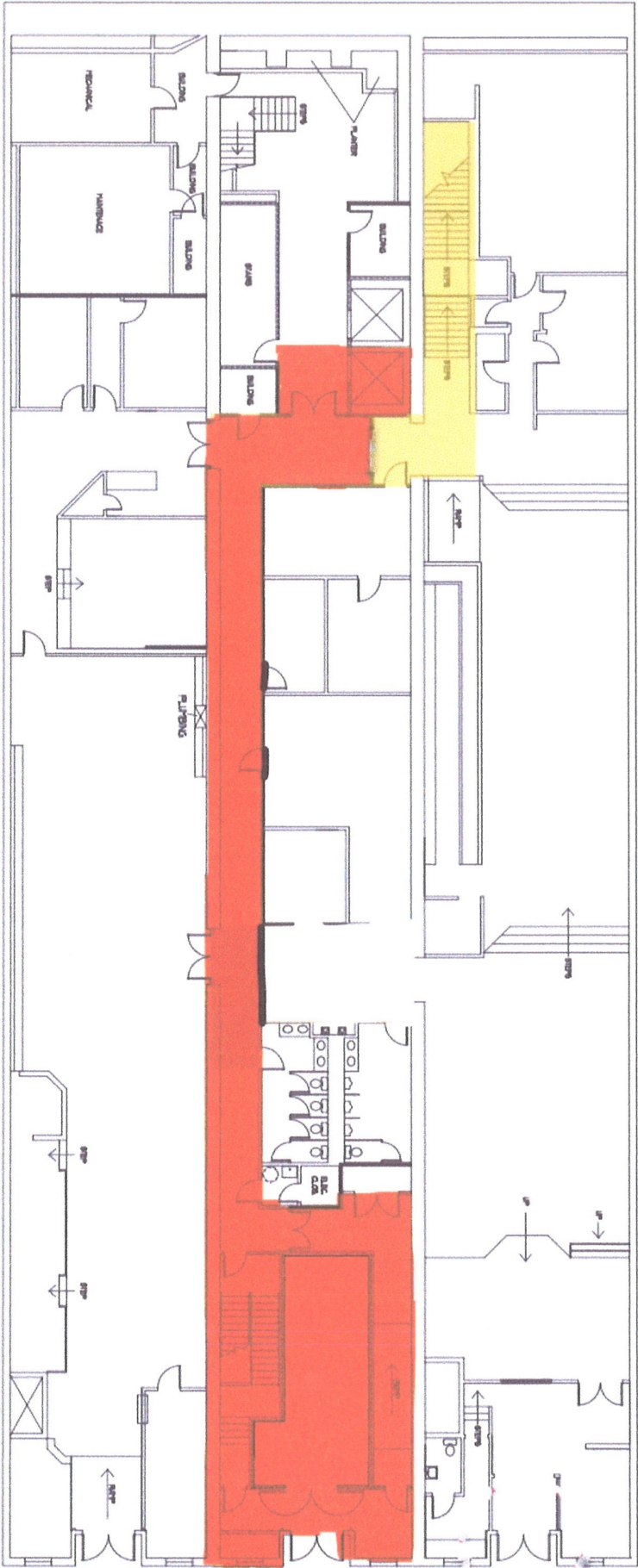
Common Area space permitted for Tenant's Employees and Invitees.



First Floor



Common Area space permitted for Tenant's Employee's and Invitees.



Lower Level

## **EXHIBIT B**

### **Rules and Regulations**

1. Landlord agrees to furnish Tenant two keys without charge. Additional keys will be furnished at a nominal charge. Tenant shall not change locks or install additional locks on doors without prior written consent of Landlord. Tenant shall not make or cause to be made duplicates of keys procured from Landlord without prior approval of Landlord. All keys to leased premises shall be surrendered to Landlord upon termination of this Lease.
2. Tenant will refer all contractors, contractor's representatives and installation technicians rendering any service on or to the leased premises for Tenant to Landlord for Landlord's approval before performance of any contractual service. Tenant's contractors and installation technicians shall comply with Landlord's rules and regulations pertaining to construction and installation. This provision shall apply to all work performed on or about the leased premises, including installation of telephones, telegraph equipment, electrical devices and attachments and installations of any nature affecting floors, walls, woodwork, trim, windows, ceilings and equipment or any other physical portion of the leased premises.
3. Tenant shall not occupy any part of the leased premises as sleeping or lodging quarters.
4. Tenant shall not place, install or operate on the leased premises or in any part of the building any engine or machinery, or conduct mechanical operations thereon or therein, or place or use in or about the leased premises any explosives, gasoline, kerosene, oil, acids, caustics, or any flammable, explosive or hazardous material without written consent of Landlord.
5. Landlord will not be responsible for lost or stolen personal property, equipment, money or jewelry from the leased premises regardless of whether such loss occurs when the area is locked against entry or not.
6. Except for service animals, no dogs, cats, fowl, or other animals shall be brought into or kept in or about the leased premises.
7. None of the entries, passages, doors, elevators, hallways or stairways shall be blocked or obstructed or any rubbish, litter, trash, or material of any nature placed, emptied or thrown into these areas or such area used by Tenant's agents, employees or invitees at any time for purposes inconsistent with their designation by Landlord.
8. The water closets and other water fixtures shall not be used for any purpose other than those for which they were constructed, and any damage resulting to them from misuse or by the defacing or injury of any part of the building shall be borne by the person who shall occasion it. No person shall waste water by interfering with the faucets or otherwise.
9. No person shall disturb occupants of the building by the use of any radios, tape recorders, musical instruments, the making of unseemly noises or any unreasonable use. Nothing shall be thrown out of the windows of the building or down the stairways or other passages.
10. Landlord shall not be liable for any damages from the stoppage of elevators for necessary or desirable repairs or improvements or delays of any sort or duration in connection with the elevator service.

11. Tenant shall not lay floor covering within the leased premises without written approval of the Landlord. The use of cement or other similar adhesive materials not easily removed with water is expressly prohibited.
12. Tenant agrees to cooperate and assist Landlord in the prevention of canvassing, soliciting and peddling within the building.

## **EXHIBIT C**

### **Work Letter**

This Exhibit C (this “Work Letter”) sets forth obligations of Landlord and Tenant with regard to delivery of the Leased Premises, construction of the Tenant Improvements, and the Tenant Improvement Allowance.

1. Delivery of the Leased Premises.

A. As of the Effective Date, the Lease Premises is in a condition ready for Tenant to begin preparing the Drawings and Specifications and for Landlord to begin construction of the Tenant Improvements (“TI Ready Condition”).

B. On the date of commencement of tenant improvements, Tenant shall take and accept the Premises “AS IS, WHERE IS”, subject to Landlord constructing the Tenant Improvements as required by this Exhibit C, and Landlord makes no representations or warranties with respect to the Premises, except as may otherwise be expressly set forth in this Lease. ADDITIONALLY, LANDLORD MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE BUILDING (INCLUDING THE PREMISES), AND ALL IMPLIED WARRANTIES WITH RESPECT TO THE BUILDING (INCLUDING THE PREMISES), INCLUDING WITHOUT LIMITATION THOSE OF SUITABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY EXPRESSLY NEGATED AND WAIVED.

2. Certain Definitions. In addition to the terms that are defined elsewhere in the Lease (all of which definitions are incorporated herein except to the extent a different meaning for a specific term is expressly provided herein) or elsewhere in this Exhibit C, the following terms shall have the following meanings:

(i) Building Standard. The terms “Building Standard” and “Building standard” mean the standard of all material, finishes and workmanship established by Landlord for the Building that are consistent with the existing improvements and materials in the Building.

(ii) Drawings and Specifications. The term “Drawings and Specifications” means the final drawings, specifications and finish schedules for the construction of the Tenant Improvements in, on or appurtenant to the Premises, which shall be prepared by Tenant’s Architect (defined below) and approved by Landlord pursuant to the provisions of this Exhibit c. The Drawings and Specifications shall include, without limitation, complete, detailed architectural drawings and specifications for Tenant’s partition layout, reflected ceiling and other installations and complete, detailed mechanical and electrical plans and specifications for installation of air conditioning systems, fire protection and electrical systems.

(iii) Punch List Items. The term “Punch List Items” means details of construction, decoration and mechanical adjustment that, in the aggregate, are minor in character and do not interfere materially with Tenant’s use or enjoyment of the Premises.

(iv) Substantial Completion. The terms “Substantial Completion”, “Substantially Complete” and grammatical variations thereof with respect to the Tenant Improvement Work mean the date when the Tenant Improvement Work within the Premises shall have been completed except for Punch List Items, and Tenant has received a certificate of substantial completion from Tenant’s Architect and a conditional use and occupancy permit for the Premises issued by the appropriate

Governmental Authority to be replaced within ninety (90) days with an unconditional use and occupancy permit. Landlord and Tenant agree that if they mutually concur, compliance with any of the conditions set forth in this subsection would have occurred earlier but for Tenant Delays, compliance with such conditions, and thus Substantial Completion, shall be deemed to have occurred on the date that such compliance would have occurred but for such Tenant Delays. Landlord must notify Tenant of any Tenant Delay within ten (10) business days after becoming aware of the occurrence of the event causing such Tenant Delay. Tenant shall have the right to reasonably contest Landlord's assessment of Tenant Delay. Notwithstanding anything in the Lease to the contrary, Tenant's occupancy of the Premises for the purpose of conducting business therefrom shall constitute Substantial Completion of the Tenant Improvement Work as to the portion of the Premises used by Tenant for the commencement of its Permitted Use and conduct of business therein.

(v) Tenant Delays. The term "Tenant Delays" means Tenant's failure to deliver its final plans by May 19, 2023 and any actual delay in Substantial Completion of the Tenant Improvement Work that is due solely to any act or omission of Tenant, its agents, contractors or employees and specifically does not include either Force Majeure or delays caused by Landlord. In determining any days or other interval of Tenant Delay, to the extent delay occurs that is, in part of wholly attributable to Landlord, such days or other time interval shall not be counted or included as Tenant Delay.

(vi) Tenant Improvements. The term "Tenant Improvements" means all improvements constructed or installed in, on or appurtenant to the Premises in accordance with the Drawings and Specifications.

(vii) Tenant Improvement Work. The term "Tenant Improvement Work" means all general conditions, labor, equipment, materials and appurtenances necessary to fully complete the construction, finishing and installation of all of the Tenant Improvements, in compliance with all applicable Legal Requirements (including building codes) and at no expense to Landlord (subject to the Tenant Improvement Allowance), including, without limitation, the following:

(1) Electrical and telephone located within the Premises or outside the Premises to the extent serving only the Premises:

(a) All light switches within the Premises.

(b) All electrical outlets and all conduit and wiring throughout the Premises for electrical power, including connections to the Building Standard electrical panels in the core of the Building.

(c) All telephone and data outlets, conduit and wiring throughout the Premises and any necessary connections in the Building core.

(d) All light fixtures, all panel boards, and all conduit and wiring for lights throughout the Premises and connections to Building Standard electrical panels in the core of the Building, and any increase to the number of or alterations to Building Standard panel boards. All ceiling light fixtures and the spacing thereof shall be subject to the standards established by Landlord therefor and shall run in the direction established by Landlord and as approved by Tenant for the Premises.

(e) Any provision for supplying power to the Premises beyond the



Building Standard rated electrical design load or in excess of the capacity provided by per floor, including necessary metering to measure excess electrical usage, excluding any Common Area improvements.

(f) All exit light fixtures, exit signs and emergency circuits excluding any Common Area or Base Building elements.

(2) Any modification to or deviation from the Building Standard sprinkler system.

(3) Tenant's ceiling construction, including any suspended ceiling system and ceiling tile.

(4) All fire alarm devices, including speakers and lights, required within the Premises by applicable codes.

(5) All plumbing work for facilities such as toilets and sinks in the Premises in addition to the plumbing work, toilets, sinks and related facilities provided in Base Building Condition.

(6) All partitions including finish, the sheetrock and finish of the Tenant side of any common corridor walls which are within the Premises and the finish to the inside of the Building's perimeter walls.

(7) All doors, frames and hardware.

(8) All floor finish including base, the leveling of any floors to a tolerance in excess of Base Building Standard, any construction work for floor slab penetrations, and any construction work for special floor loading requirements.

(9) Any special construction as shown on the Drawings and Specifications.

(10) Tenant's identification sign(s) conforming to Landlord's standards, at entrances to the Premises, as more particularly described in the Lease.

(11) Tenant's communication and telephone equipment and installation thereof.

(12) Any modifications to or deviations from the Building Standard air conditioning system, including but not limited to (a) materials and installation of components to support the Building Standard system, (b) all additional duct work throughout the Premises, (c) fire dampers as required by Tenant's layout design, (d) provision and installation of thermostats, (e) capacity beyond design standards, including any supplemental HVAC and/or exhaust systems, (f) nonstandard equipment, such as special diffusers and returns, and (g) test and balance work.

(13) Elevator lobbies on all floors fully leased by Tenant, including floor finish and base, wall finish and ceilings.

The Tenant Improvement Work comprises the completed construction and installation required to fully complete the Tenant Improvements required by or shown on the Drawings and Specifications (including any amendments, additions or changes to the Drawings and Specifications) and includes

all labor and services (including temporary electricity and water) necessary to timely and fully produce such construction and installation, all materials and equipment incorporated, or to be incorporated, in such construction or installation (including any labor, materials or services furnished pursuant to any change orders or in accordance with any other changes, modifications or additions to construction), and all permits, approvals, inspections and certificates required for the construction of the Tenant Improvements and the approval thereof by any and all Governmental Authorities having jurisdiction in accordance with Legal Requirements.

3. Drawings and Specifications. The Drawings and Specifications shall be prepared by Tenant's Architect and approved by Landlord in accordance with the following procedure:

(i) Within thirty (30) days after the Effective Date, Tenant shall inform Landlord of the identity of the architect whom Tenant desires to use to prepare final working drawings and specifications necessary to commence construction of the Tenant Improvements.

(ii) The architect selected by Tenant shall be referred to as the "Tenant's Architect". Tenant shall commence working with Tenant's Architect promptly so that final working drawings and specifications can be prepared for Landlord's approval, and Tenant further agrees that such work shall be performed in accordance with professional standards for design and construction criteria.

(iii) Tenant shall deliver to Landlord not later than May 19, 2023, Tenant's proposed final working Drawings and Specifications and other construction documents for the Tenant Improvements. Landlord shall within twenty (20) days review and resubmit the same to Tenant, either with Landlord's approval, or with Landlord's approval subject to reasonable comments, or with Landlord's disapproval. Tenant shall resubmit any such drawings and specifications that are returned by Landlord without complete approval as promptly as possible, and such resubmitted drawings and specifications shall contain the information or changes reasonably required by Landlord or other appropriate response and Landlord shall review and resubmit within ten (10) days to Tenant. Once such drawings and specifications or resubmitted drawings and specifications are approved by Landlord, the same shall constitute the Drawings and Specifications for purposes of this Exhibit C.

(iv) Once the Drawings and Specifications have been approved or deemed approved by Landlord, the Drawings and Specifications may not be revised without Landlord's approval, not to be unreasonably withheld or conditioned. If Tenant desires to make revisions to the Drawings and Specifications, Tenant shall deliver to Landlord any such proposed revisions to the Drawings and Specifications. Landlord shall promptly review and resubmit the same to Tenant, either with Landlord's approval, or with Landlord's approval subject to comments, or with Landlord's disapproval. Tenant shall resubmit any such revisions that are returned by Landlord without complete approval as promptly as possible, and such resubmitted revisions shall contain the information or changes reasonably required by Landlord or other appropriate response. Once such revisions or resubmitted revisions are approved by Landlord, the drawings and specifications, as revised, shall constitute the Drawings and Specifications for purposes of this Exhibit C.

4. Tenant Improvement Costs.

A. Timely Payments. Landlord pay all payments of the Tenant Improvement Costs (defined below) in a timely manner and prior to delinquency of any such payments. Such requirement shall not, however, be interpreted to impair Landlord's rights to dispute the performance of such work in accordance with procedures set forth in the governing documents. Landlord shall process and pay all draw

requests for the Tenant Improvement Costs in accordance with prudent construction draw practices, including, without limitation, requiring appropriate lien waivers (including from subcontractors), certificates, affidavits and documentation from Contractor as proof of payment for each draw request.

B. Notice of Disputes. Immediately upon Tenant's becoming aware of any dispute with respect to the performance of the Tenant Improvement Work or the payment of the Tenant Improvement Costs between or among any two (2) or more of Tenant, Tenant's Architect, Contractor (defined below), and any contractor, subcontractor or supplier providing or performing any services, materials, tools or equipment in connection with the performance of the Tenant Improvement Work, Tenant shall provide Landlord with notice of such dispute, and Tenant shall thereafter promptly provide Landlord with such information and documentation with respect to such dispute and the resolution thereof as may be reasonably requested by Landlord.

C. Discharge of Liens. Tenant shall comply with the provisions of the Lease relative to liens. Without limiting any provision thereof, subject to Tenant's rights to contest liens in accordance with the provisions of the Lease, if Tenant shall fail to cause such lien or claim of lien to be so discharged or bonded in accordance with such provisions, then in addition to any other right or remedy it may have, Landlord may, but shall not be obligated to, discharge the same by paying the amount claimed to be due or by procuring the discharge of such lien or claim by deposit in court or bonding, and in any such event, Landlord shall be entitled, if Landlord so elects, to compel the prosecution of any action for the foreclosure of such lien or claim by the claimant and to pay the amount of the judgment, if any, in favor of the claimant, with interest, costs and allowances. Tenant shall pay as Additional Charges on demand, from time to time, any sum or sums so paid by Landlord and all actual and reasonable costs and expenses incurred by Landlord, including, but not limited to, attorneys' fees, in processing such discharge or in defending any such action. If and to the extent Tenant fails to make such payment to Landlord, then in addition to any other right or remedy it may have, Landlord may, at its option, offset all or any portion of such unpaid payment against the Tenant Improvement Allowance.

#### 5. Tenant Improvement Allowance.

A. Tenant Improvement Allowance. Subject to the terms and conditions of the Lease and this Exhibit C, Landlord shall provide the Tenant Improvement Allowance. The Tenant Improvement Allowance shall be applied to the hard costs and soft costs of the Tenant Improvement Work (collectively, the "Tenant Improvement Costs") as set forth herein. The Tenant Improvement Allowance may be used toward any and all of the following: (a) all hard cost for the improvements, including but not limited to mechanical and electrical work, painting, flooring, plumbing, wall construction and millwork, (b) all soft costs for the work, including but not limited to architectural, engineering and interior design, (c) permit fees for low voltage installation or general construction, (d) building façade, monument or directory signage, (e) construction management fees, and (f) the installation of low voltage phone and data cabling, etc. In no event shall Landlord be obligated to pay any portion of the Tenant Improvement Allowance while an Event of Default (following the expiration of all notice and cure periods in the Lease) under the Lease has occurred and is continuing or until such Event of Default is cured.

B. Contractor's Fee. Any fee paid to Contractor shall be payable as a cost of the Tenant Improvement Work and be subject to reimbursement as part of the Tenant Improvement Allowance.

C. Failure to Pay Tenant's Costs. Failure by Tenant to pay the Tenant Improvement Costs in accordance with this Exhibit C will constitute an Event of Default by Tenant under the Lease.

#### 6. Performance of Tenant Improvement Work By Landlord.

A. General. Landlord shall be obligated diligently to manage and coordinate the performance of the Tenant Improvement Work so as to cause Substantial Completion of the Tenant Improvement Work to occur when contemplated by the Schedule for Planning and Construction of Tenant Improvements to be included with the Drawings and Specifications (the "Approved Schedule"), unless completion of the Tenant Improvement Work is prevented by reason of any Tenant Delays or Force Majeure events.

B. Contractor. Landlord shall engage the contractor to perform the Tenant Improvement Work ("Contractor") and the mechanical and electrical subcontractors to be engaged in connection with the Tenant Improvement Work. Landlord shall contract directly with Contractor for the performance of the Tenant Improvement Work.

C. Certain Requirements. Contractor shall perform the Tenant Improvement Work as follows:

(i) All of Tenant Improvement Work shall be done and installed in a good and workmanlike manner, in a manner equal to or better than Building Standards, and in compliance with all reasonable rules and regulations promulgated by Landlord from time to time and all Legal Requirements. Tenant and its representatives (including its general contractor) shall have the right to inspect the Tenant Improvement Work from time to time to ensure compliance with the foregoing.

(ii) In connection with the Tenant Improvement Work, Landlord shall file all approved plans and specifications and other materials, pay all fees and obtain all permits and applications from any Governmental Entities having jurisdiction, and Landlord shall obtain a certificate of occupancy and all other approvals required for Tenant to use and occupy the Premises. Landlord shall cooperate with Tenant to facilitate the efficient processing of all such permits and applications. Copies of all permits, certificates and approvals shall be forwarded promptly after receipt.

D. Insurance. Subject to reimbursement from the Tenant Improvement Allowance, Landlord shall maintain all required insurance during the construction of the Tenant Improvement Work.

E. Disbursement of Tenant Improvement Allowance. The Tenant Improvement Allowance shall be disbursed by Landlord not more frequently than monthly, after receipt by Landlord of a draw request. Each draw request shall be accompanied by evidence in form and content reasonably satisfactory to Landlord (including, but not limited to, certificates and affidavits of Contractor, and Tenant's Architect) showing and/or providing:

(i) other than matters properly disputed in accordance with applicable construction documents, that all outstanding claims for labor, materials, fixtures and equipment have been paid;

(ii) other than matters properly disputed in accordance with applicable construction documents, that there are no liens outstanding against the Premises or the Building arising out of or in connection with the Tenant Improvement Work, including conditional lien waivers from Tenant's Architect, Contractor, and all other contractors and subcontractors providing materials and/or labor under the subject draw request;

(iii) that all construction performed prior to the date of the draw request has been performed substantially in accordance with the Drawings and Specifications; and

(iv) that copies of all bills or statements for expenses for which the disbursement is requested are attached to such draw request.

In the event the projected amount of the Tenant Improvement Costs shall exceed the Tenant Improvement Allowance, then notwithstanding anything in this Exhibit C to the contrary, Tenant shall be required to pay any projected excess. Tenant agrees that retainage of 5% of Tenant Improvement Work costs from Contractor shall be held and maintained in accordance with Legal Requirements and prudent construction draw practices during the prosecution of the Tenant Improvement Work. Each draw request shall be submitted to Landlord at least fifteen (15) business days prior to the date of the requested advance, and each draw request shall be made at the principal office of Landlord or such other location as Landlord may designate from time to time. If Landlord has obtained a loan to provide funding for, among other things, construction of improvements in, on or to the Building that provides for monthly disbursements thereunder on approximately the same day of each month, payment of installments of the Tenant Improvement Allowance shall be made to coincide with the scheduled monthly disbursements to Landlord of Landlord's construction draws under its construction loan for the Building, whether or not Landlord actually receives a disbursement under the construction loan on the scheduled date, so long as Landlord has received the draw request at least fifteen (15) business days prior to the applicable scheduled disbursement date. If any Event of Default under the Lease shall have occurred and shall not have been cured, Landlord shall not be obligated to disburse or apply proceeds of the Tenant Improvement Allowance until such default has been cured. In the event Landlord shall fail to disburse any portion of the Tenant Improvement Allowance as required hereunder after notice of such non-payment and the expiration of thirty (30) days, Tenant shall have the right, but not the obligation, to make such disbursement and offset the amount so paid, along with interest at 8.0% per annum, against the next payment of Rent due under the Lease.

H. Further Assurances. Upon and following Substantial Completion of the Tenant Improvement Work, Landlord and Tenant shall, at Tenant's sole cost and expense, provide evidence in form and content reasonably satisfactory to Landlord (including, but not limited to, certificates and affidavits of Tenant, Contractor and, to the extent appropriate, Tenant's Architect) showing and/or providing:

- (i) that all outstanding claims for labor, materials and fixtures have been paid;
- (ii) that there are no liens outstanding against the Premises or the Building arising out of or in connection with the Tenant Improvement Work and all final lien waivers from all parties providing materials and/or labor in connection with the Tenant Improvement Work; and
- (iii) that all construction prior to the date thereof has been done in accordance with the Drawings and Specifications. To the extent there were additions or modifications to the Drawings and Specifications previously provided to and approved by Landlord, Tenant will provide as-built drawings and specifications to Landlord.

I. Excess Tenant Improvement Costs. For avoidance of doubt, in the event the amount of the Tenant Improvement Costs shall exceed the amount of the Tenant Improvement Allowance, such excess shall be borne and paid by Tenant.

7. Approved Schedule. Subject to the terms and conditions of this Exhibit C and the Lease, Tenant and Landlord agree to use their best efforts to comply with the Approved Schedule and to cooperate with one another in the performance of their respective obligations under the Approved Schedule.

8. Tenant's Additional Work. The moving into the Premises, the installation of Tenant's furniture, trade fixtures, equipment, computer systems, telephone systems and other communication systems and all other work of a similar nature desired by Tenant, if any, that are not included in the Tenant

Improvement Work (collectively, the “Tenant’s Additional Work”) shall be performed by Tenant or through contractors selected by Tenant and reasonably approved by Landlord and in accordance with this Exhibit C. Tenant and Landlord acknowledge that the performance and installation of certain of the Tenant's Additional Work, such as installation of Tenant's modular furniture, is or may be required to be completed before the applicable Governmental Entity will issue a certificate of occupancy for the Premises, and Tenant hereby agrees that the Tenant’s Additional Work that is required to be completed as a condition to the issuance of a certificate of occupancy for the Premises shall be performed and installed promptly and with due diligence and shall be completed so as to enable Tenant to obtain a certificate of occupancy for the Premises. Tenant agrees that Tenant's moving into the Premises shall be undertaken and conducted in accordance with the rules and regulations promulgated by Landlord with respect to the Building.

9. Landlord’s Consent. Any approval by Landlord of or consent by Landlord to any plans, specifications or other items to be submitted by Tenant to and/or reviewed by Landlord pursuant to this Exhibit C or the Lease shall be deemed to be strictly limited to an acknowledgment of approval thereof or consent thereto by Landlord, and whether such work is coordinated by Landlord or performed by Tenant, Contractor or its subcontractors, such approval or consent shall not constitute an assumption by Landlord of any responsibility for the accuracy, sufficiency or feasibility of any plans, specifications or other such items and shall not imply any representation, acknowledgment or warranty by Landlord that the design is safe, feasible or structurally sound or will comply with any Legal Requirements. Any deficiency in design, although the same had prior approval of Landlord, shall be solely the responsibility of Tenant, and any deficiency in any construction by Tenant, Contractor or its subcontractors shall be solely the responsibility of Tenant.

10. Representatives. To facilitate effective and timely input, direction and communication to and from Tenant, Tenant and Landlord shall each designate one or more project representatives who shall have the responsibility and authority to act on behalf of Tenant and Landlord, respectively. Landlord's initial designated project representative shall be \_\_\_\_\_ or, if such person is unable or fails to serve, another individual reasonably appointed by Landlord. Tenant's initial designated project representative shall be appointed and communicated in writing to Landlord at the time that Tenant delivers Tenant’s proposed final working drawings and specifications for the Tenant Improvements, pursuant to Section 3 of this Work Letter. Either party may change such party’s designated project representative at any time and from time to time by notice to the other party. Each party shall fully cooperate with the other’s designated project representative in connection with the performance of the Tenant Improvement Work.

**Certificate Of Completion**

Envelope Id: 895DCE85E1AC4D8A8AC7D62F2A4F0B88

Status: Completed

Subject: Complete with DocuSign: Legislative Tracking Form - 150 2nd Ave Lease (N0523727xD719A).pdf, Man...

Source Envelope:

Document Pages: 41

Signatures: 6

Envelope Originator:

Certificate Pages: 15

Initials: 2

Ronald Colter

AutoNav: Enabled

730 2nd Ave. South 1st Floor

Envelopeld Stamping: Enabled

Nashville, TN 37219

Time Zone: (UTC-06:00) Central Time (US &amp; Canada)

Ronald.colter@nashville.gov

IP Address: 170.190.198.185

**Record Tracking**

Status: Original

Holder: Ronald Colter

Location: DocuSign

4/5/2023 9:26:35 AM

Ronald.colter@nashville.gov

Security Appliance Status: Connected

Pool: StateLocal

Storage Appliance Status: Connected

Pool: Metropolitan Government of Nashville and  
Davidson County

Location: DocuSign

**Signer Events****Signature****Timestamp**

Abraham Wescott



Sent: 4/5/2023 9:38:57 AM

abraham.wescott@nashville.gov

Viewed: 4/5/2023 10:16:17 AM

Security Level: Email, Account Authentication  
(None)

Signed: 4/5/2023 10:17:58 AM

Signature Adoption: Pre-selected Style  
Using IP Address: 170.190.198.190**Electronic Record and Signature Disclosure:**

Not Offered via DocuSign

Greg McClarin



Sent: 4/5/2023 10:18:00 AM

greg.mcclarin@nashville.gov

Viewed: 4/5/2023 10:19:33 AM

Security Level: Email, Account Authentication  
(None)

Signed: 4/5/2023 10:23:54 AM

Signature Adoption: Pre-selected Style  
Using IP Address: 170.190.198.185**Electronic Record and Signature Disclosure:**

Accepted: 4/5/2023 10:19:33 AM

ID: 67dc943b-0851-47d2-ba84-bcd01b5e4042

Aaron Pratt



Sent: 4/5/2023 10:23:56 AM

aaron.pratt@nashville.gov

Viewed: 4/5/2023 1:39:57 PM

Security Level: Email, Account Authentication  
(None)

Signed: 4/5/2023 1:40:04 PM

Signature Adoption: Pre-selected Style  
Using IP Address: 170.190.198.185**Electronic Record and Signature Disclosure:**

Not Offered via DocuSign

Kelly Flannery/mjw



Sent: 4/5/2023 1:40:07 PM

maryjo.wiggins@nashville.gov

Viewed: 4/5/2023 4:57:03 PM

Security Level: Email, Account Authentication  
(None)

Signed: 4/5/2023 4:59:09 PM

Signature Adoption: Pre-selected Style  
Using IP Address: 170.190.198.100**Electronic Record and Signature Disclosure:**

Signer Events	Signature	Timestamp
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Macy Amos macy.amos@nashville.gov Security Level: Email, Account Authentication (None)	  Signature Adoption: Pre-selected Style Using IP Address: 170.190.198.185	Sent: 4/5/2023 4:59:11 PM Viewed: 4/6/2023 9:22:42 AM Signed: 4/6/2023 9:23:39 AM
<b>Electronic Record and Signature Disclosure:</b> Accepted: 4/6/2023 9:22:42 AM ID: 3376c348-a0e5-4fec-af92-5c093ee0de79		
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Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
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Witness Events	Signature	Timestamp
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