

**225 EAST PRESIDENT STREET, LLC**

**STATE OF GEORGIA     )**

**COUNTY OF CHATHAM   )**

**CITY OF SAVANNAH     )**

**LEASE AGREEMENT**

1. **PARTIES.** The parties to this lease agreement (the “Lease”) are **the Mayor and Aldermen of the City of Savannah, Georgia**, hereinafter referred to as “**City**”, and **225 East President Street, LLC**, hereinafter referred to as “**Tenant**”.
2. **LEASE AND DESCRIPTION OF PROPERTY.** The City, in consideration of the rents and of the terms and conditions on the part of the Tenant, provided herein, hereby leases to the Tenant and the Tenant hereby leases from the City the following:

The Tenant shall have the right to occupy up to seventy (70) undesignated parking spaces in the State Street Parking Garage (the “Garage”), located at 100 E. State Street, Savannah, GA 31401, between the hours of 5am to 9pm on Monday through Friday of each week.

If the City of Savannah, and its successors or assigns, ceases to provide parking at the Garage, then the City of Savannah shall provide seventy (70) undesignated parking spaces, at the same cost and conditions as stated in this Agreement, within the closest City owned parking garage, subject to availability. If sufficient parking spaces are not available at the closest City owned parking garage, and the City owns one or more other garages, then the City of Savannah shall provide seventy (70) undesignated parking spaces, at the same cost and conditions as stated in this Agreement, within another City owned parking garage, subject to availability.

The Tenant shall have the right to reduce the number of spaces leased hereunder by giving written notice to the City. In the event the Tenant elects to reduce the number of spaces, the monthly rent shall be adjusted as provided in Section 7, and the Tenant shall additionally have the right to increase the number of spaces, up to seventy (70) undesignated spaces, as listed above, by giving written notice to the City. In the event the Tenant elects to increase the number of spaces, the monthly rent shall be adjusted as provided in Section 7.

The Tenant shall have the right to convert some or all of the spaces leased hereunder to 24-hour access, Monday through Sunday, by giving written notice

to the City. In the event the Tenant elects to convert spaces to 24-hour access, the monthly rent shall be adjusted as provided in Section 7.

The leased property is referred to herein as "**Premises**". Tenant leases the Premises for the sole purpose of providing parking spaces for its facility (the "Site") located at 225 East President Street and 128 Abercorn Street, Savannah, Georgia 31401.

3. **TERM OF LEASE.** The initial term ("Initial Term") of this Lease shall commence on the earlier of either the first day of the nineteenth (19<sup>th</sup>) month following the execution of this Lease or upon the issuance of a building permit for the Site ("Commencement Date"). The Initial Term of the lease shall terminate ten (10) years after the Commencement Date.

Upon expiration of the Initial Term, the Lease shall be automatically extended for up to three extension terms of ten (10) years each (each of which is a "Renewal Term"), unless the Tenant provides written notice to the City at least thirty (30) days prior to the end of any Renewal Term. At the end of the last Renewal Term, if the City is then offering annual or multi-year leases of multiple parking spaces in this garage, or another garage, to other users, then the City will offer similar lease terms to the Tenant in such garage, subject to availability.

This lease shall terminate 36 months from the date of execution in the event Tenant has not obtained a building permit for new construction to expand its existing facility known as "President's Quarters" on the Site by that date.

4. **RENTAL FEE ADJUSTMENTS. ANNUAL ESCALATOR:** The monthly rental fees will be established by the City's Revenue Ordinance, and shall be adjusted to reflect any changes that occur to the City of Savannah Revenue Ordinance. If the City of Savannah Revenue Ordinance decreases monthly rental fees, such fees shall be reduced for Tenant. If the City conveys the garage to another party, then the rental fees after the date of transfer shall be the monthly market rate for similar parking spaces in Downtown Savannah.
5. **INTENTIONS OF THE PARTIES.** It is the intention of the parties to this Lease that the City shall receive the rents herein provided, and any other sums which shall or may become payable hereunder by the Tenant, free from all taxes, charges, expenses, damages, and deductions of every kind whatsoever.
6. **CONDITION OF PREMISES.** The City tenders and Tenant accepts the Premises as is.
7. **RENTAL, LATE FEE AND REPLACEMENT CARDS.**
  - (a) During the Initial Term and each Renewal Term, Tenant covenants and agrees to pay the City a monthly rental equal to the amount of spaces

rented, up to seventy (70), multiplied by a fee as established by the City's Revenue Ordinance on an annual basis. The current rate is eighty dollars (\$80) per space for access between the hours of 5am to 9pm Monday through Friday, or one hundred sixty dollars (\$160) per month for 24-hour access. In the event that the Tenant elects to reduce the number of spaces leased hereunder as provided in Section 2, the monthly rent shall be reduced in proportion to the reduction in number of spaces utilized by Tenant. Such reduced monthly rent shall be effective on the first day of the month following the effective date of the space reduction.

- (b) 24-hour Access: In the event that Tenant elects to convert some or all of the spaces leased hereunder to 24-hour access as provided in Section 2, the monthly rent shall be increased in accordance with the Revenue Ordinance. With at least thirty (30) days' notice to City, Tenant may elect to reduce or increase the number of 24-hour access spaces.
- (c) Daily Rate: Should Tenant temporarily require additional parking spaces, the rates charged for such parking spaces will be an amount charged to persons utilizing the garage on a day-to-day basis ("Daily Rate"), as established by the City's Revenue Ordinance.
- (d) Changes in rental rates. All rates described herein may be modified by the City in accordance with the annual revenue ordinance.
- (e) Late Fee: If the rental fees are not paid by the fifth (5<sup>th</sup>) business day of each month, access cards will be locked out. If the access cards are locked out for non-payment, a \$20 administrative fee per access card and the rental fee must be paid before the access cards can be re-instated.
- (f) Replacement Card Fees: A \$20 fee must be paid to replace an access card that is lost or warped due to sun exposure and other damages due to negligence. Cards damaged due to normal wear will be replaced at no charge.
- (g) Use of Access Cards: A computer-control access card will be issued to 225 East President Street, LLC. This card, when inserted in the entrance slot, will cause the gate to rise, giving access to the garage.
  - Access cards are protected against pass-back to unauthorized parkers. Attempted pass-backs will result in invalidation and lockout of the card.
  - Access cards may be used when the lot full sign comes on. Entry is guaranteed during contract hours for all monthly customers unless space is not available. If space is not available, alternate parking will be provided and the cardholder must see the attendant on duty.

- The cardholder will have unlimited in and out use of the parking garage based on the hours of the type contract the cardholder is under.
- Each time the cardholder enters or exits the parking garage, the cardholder must insert his or her card. Failure to insert the card as the cardholder enters and exits will result in the the cardholder card being locked out at the entrance. In addition, failure to use the access card when entering for two consecutive days will result in the card being locked out and the cardholder will be required to purchase a replacement card.
- Lost access cards must be reported immediately to the Mobility & Parking Services Department.
- Any deliberate misuse or attempted misuse of an access card will result in suspension of parking privileges in City-owned parking facilities. Anyone attempting to use a lost or stolen card will be prosecuted under the law.

8. **RENT PAYMENTS.** All rents and other payments due to be paid by Tenant to City shall be delivered to:

City of Savannah  
 Mobility & Parking Services Department  
 Post Office Box 2101  
 Savannah, GA 31402

or at such changed address as may be made by proper notice pursuant to Paragraph 18 below. Monthly Rent shall be due on the first day of each month and shall be payable to the City without notice or demand. The first monthly payment shall be due on the first day of the month following the Commencement Date. Payment for overtime charges shall be due within 30 days of billing by the City.

9. **REPAIRS AND MAINTENANCE OF PREMISES.** During the term of this Lease, City shall be responsible for the normal maintenance and repair of the Premises. City shall bear all costs related to such maintenance and repair.
10. **TAXES.** In the event that any tax or assessment shall be charged against the Premises by any governmental authority, an equitable adjustment shall be made in the Rent due hereunder so that such Rent includes an additional amount for the pro-rata share of such tax fairly allocable to the Premises.
11. **TENANT'S RESPONSIBILITIES.** Throughout the term of this Lease, Tenant shall, at its own cost and expense, promptly observe and comply with all laws,

orders, regulations, rules, ordinances, and requirements by the Federal, State, County, and city governments, and of any and all of their departments, bureaus, or officials, where such laws, orders, regulations, rules, ordinances, or requirements relate to requirements incident to or as the result of any use or occupation by the Tenant of the Premises, such as are now in force or may be enacted or directed at any time in the future.

The City shall cooperate with the Tenant in making reasonable provision for the access by employees of the Tenant to vehicles in the garage during hours that the garage is closed to the public.

12. **LIENS**. The Tenant shall have no power to act or to make any contract that may create or be the foundation for any lien upon the Premises or other estate or reversion of the City in the Premises, or upon any improvements thereon. Should any such lien be filed, the Tenant at its own cost and expense shall bond or otherwise discharge such lien within ten (10) days after filing thereof.
13. **EMINENT DOMAIN**. If at any time during the term of this Lease, the whole of the Premises shall be taken under any statute or by right of eminent domain, then in such event, when possession of the Premises shall have been taken by the condemning authority, the term of this Lease and all rights of the Tenant hereunder shall immediately cease and terminate and the rent shall be apportioned and paid to the time of such termination. If less than the whole of the Premises is taken, the rent shall be reduced and proportioned to the interference with Tenant's use occasioned thereby. Notwithstanding anything contained in this paragraph to the contrary, the Tenant shall have the absolute right in its own discretion to terminate this Lease in the event that any part or portion of the Premises are taken under any statute or by right of eminent domain.
14. **INDEMNIFICATION**. Except in the event of the City's gross negligence or willful misconduct, the Tenant hereby indemnifies and holds harmless the City, its officers, boards, commissions, agents, and employees against and from any and all claims, demands, actions, suits, liabilities, and judgments of every kind arising out of or related to Tenant's use of the Premises under this Lease.
15. **INSURANCE**. During the term of this Lease, Tenant at its own cost and expense shall procure and keep in full force and effect a comprehensive general liability insurance policy providing the City, its officers, boards, commissions, agents, and employees, and the Tenant with minimum combined single limits of liability coverage in the amount of not less than \$300,000. Tenant shall pay all premiums and charges for insurance. In the event that one or more premiums are not paid when due, the City shall have the option to pay such premiums and Tenant shall repay the City on demand.

At any time during the term of this Lease, the City may request that the amount of insurance provided by the Tenant be increased for the reason that such coverage is inadequate to properly protect the interest of the City. The City shall notify Tenant of such increased amount required, and Tenant shall provide such insurance within sixty (60) days after receipt of said notice. The City shall act in a commercially reasonable manner in requesting any such increase in coverage, and shall not arbitrarily or unreasonably request such increase.

16. **CITY'S REMEDIES IN CASE OF DEFAULT BY TENANTS.** Each of the following shall be deemed a default by the Tenant and a breach of this Lease:

- (a) Failure to pay the rent herein required, or any part thereof, for a period of thirty (30) days after the due date.
- (b) Failure to do, observe, keep, and perform any of the material terms, covenants, conditions, agreements, and provisions in the Lease for a period of thirty (30) days after written notice is given by City to Tenant of such default.
- (c) The permanent abandonment of the Premises by the Tenant, the adjudication of the Tenant as a bankrupt, the making by Tenant of a general assignment for the benefit of creditors, the taking by Tenant of the benefit of any insolvency act or law, the appointment of a permanent receiver or trustee in bankruptcy for Tenant's property, and the appointment of a temporary receiver which is not vacated or set aside within ninety (90) days from the date of such appointment.
- (d) Failure to maintain the required liability insurance coverage during the term of this Lease.

If the default complained of is a default other than one which may be cured by the payment of money, no default on the part of the Tenant in the performance of work required to be performed or acts to be done or conditions to be met shall be deemed to exist if steps shall have been in good faith commenced promptly by Tenant to rectify the same and shall be pursued to completion with diligence and continuity, provided that in no event shall such default continue more than 180 days after notice of such default has been given by the City.

In the event of any such default by Tenant, City may serve a written notice upon Tenant that City elects to terminate this Lease upon a specified date not less than sixty (60) days after the date of service of such notice. In the event that this Lease shall be terminated as herein provided, the city may immediately or at any time thereafter, re-enter and resume possession of the Premises pursuant to applicable Georgia law.

17. **SUBLET OR ASSIGNMENT.** Tenant shall be entitled to sublet or assign all or any portion of the Lease or Premises to any affiliate or successor of Tenant which owns the Site, or to future owners of the Site, without prior written consent of the City; provided that the Tenant shall give the City notice of such sublet, transfer, or assignment within thirty (30) days after such action. Subject to the foregoing, this Lease shall inure to the benefit of the parties and their successors and assigns.
18. **ENTIRE AGREEMENT.** This written document constitutes the entire agreement of City and Tenant. No promise or undertaking shall be binding on either party unless it is in writing, signed by both parties, and attached hereto as a part of this agreement.
19. **NOTICES.** Such notices as are required to be given or may be convenient to be given hereunder shall be addressed to the representative parties at the address shown under the signatures of each party to this Lease or at such changed address as may be furnish in writing by either party to the other. Such notices and changes of address shall be given by certified or registered mail, return receipt requested, or by personal delivery to the party and personally receipted on a copy of the notice. The initial addresses of the parties are:
- If to the City:           City of Savannah  
                                  Mobility & Parking Services Department  
                                  PO Box 2101  
                                  Savannah, GA 31402  
                                  Attn: Parking Facilities Supervisor
- With copy to:            City of Savannah  
                                  Real Property  
                                  PO Box 1027  
                                  Savannah, GA 31402
- If to the Tenant:         225 East President Street, LLC  
                                  Steve Green Properties  
                                  PO Box 10143  
                                  Savannah, Georgia 31412
20. **TENANT'S LENDER.** Tenant may, at any time and from time to time during the term of this Lease, collaterally assign this Lease to an entity (a "Lender") that is the holder of a first mortgage, deed to secure debt, or deed of trust on the Site. If a Lender to which this Lease has been collaterally assigned, or any purchaser at a foreclosure sale, or by deed in lieu of foreclosure, of the building becomes owner of the building, it shall succeed Tenant's rights and obligations under this Lease but shall not be liable for acts or omissions of Tenant; provided however that such new building owner shall be liable to cure any payment defaults of the Tenant. Provided Tenant shall have given City the name and address of the

Lender, City shall provide such Lender with copies of all notices of breach or default that are delivered to Tenant contemporaneously with the furnishing of such notices to Tenant. City shall not take any action to terminate this Lease as a result of said default, provided Lender shall (if it so elects) cure (or cause the cure) the default within sixty (60) days of the receipt of such notice.

21. **ESTOPPEL CERTIFICATE** Landlord agrees, at any time and from time to time, upon not less than ten (10) days prior notice by Tenant, to execute, acknowledge and deliver to Tenant, its successors and assigns and any of Tenant's lenders an estoppel certificate in writing certifying: (i) that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating such modifications), (ii) whether or not, to the best knowledge of Landlord, this Lease is then in default or whether any events have occurred which, with the giving of notice or the passage of time, or both, could constitute a default hereunder, (iii) the dates to which rent and other charges have been paid and (iv) such other items as reasonably requested by Tenant, it being intended that any such certificate delivered pursuant to this Section 21 may be relied upon by Tenant, its successors and assigns and of Tenant's lenders.
22. **GOVERNING LAW.** This Lease shall be governed by, and construed in accordance with the laws of the State of Georgia regardless of the laws that might otherwise govern under the applicable conflicts of law principles thereof.
23. **COUNTERPARTS.** This Lease may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

**[Signatures to Follow]**



**IN WITNESS WHEREOF**, THE City, and the Tenant have agreed to the terms of this Lease. The parties have caused this Lease to be executed by their duly authorized representatives as pursuant to Paragraph 6 above.

**AS TO THE LESSOR (The City):**

THE MAYOR AND ALDERMEN OF THE CITY  
OF SAVANNAH, GEORGIA

By: \_\_\_\_\_  
Rob Hernandez, City Manager  
City of Savannah, Georgia  
Post Office Box 1027  
Savannah, Georgia 31402

Signed, sealed, and delivered on the  
\_\_\_\_ day of \_\_\_\_\_, 2017

in the presence of:

Witness: \_\_\_\_\_

Notary Public: \_\_\_\_\_

**AS TO THE LESSEE (The Tenant):**

225 East President Street, LLC

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

Its: Manager

Signed, sealed, and delivered on the

\_\_\_\_ day of \_\_\_\_\_, 2017

in the presence of:

Witness: \_\_\_\_\_

Notary Public: \_\_\_\_\_