

INTERGOVERNMENTAL RENTAL AGREEMENT

THIS INTERGOVERNMENTAL RENTAL AGREEMENT (the "Agreement"), made and entered into this 20th day of May, 2019 (the "Effective Date") by and between **THE BOARD OF REGENTS OF THE UNIVERSITY SYSTEM OF GEORGIA**, hereinafter referred to as "LESSOR") and **THE MAYOR AND ALDERMEN OF THE CITY OF SAVANNAH**, hereinafter referred to as the "LESSEE." Jointly, LESSOR and LESSEE are hereinafter referred to as the "PARTIES."

WITNESSETH:

WHEREAS, LESSOR owns the facility located at 305 Fahm Street in Savannah, Georgia, for the benefit and use of Savannah State University ("SSU"), and currently operates it as the Coastal Georgia Center (the "Property"), said property also identified as PIN 2-0031-47-003 as established by the Chatham County Board of Assessors and generally depicted on Exhibit A; and

WHEREAS, the Coastal Georgia Center is a multi-functional facility offering classrooms, meeting rooms, offices, an auditorium (the "Auditorium"), and more; and

WHEREAS, LESSEE desires to lease a portion of the Property for use as office space, a payment center and meeting space with a right of first refusal to purchase a portion of or the entire Property in the event LESSOR decides to sell it in the future; and

WHEREAS, the PARTIES believe the shared use of the Property as contemplated herein will be of mutual benefit to SSU and LESSEE.

NOW, THEREFORE, in consideration of the following mutual promises, covenants and conditions, the PARTIES agree as follows:

1. LEASE PREMISES. LESSOR hereby leases and rents to LESSEE, and LESSEE hereby leases and takes upon the terms and conditions hereinafter set forth, certain premises being approximately 34,734 square feet of the easterly and central portions of the Coastal Georgia Center facility (the "Lease Premises") described and depicted on Exhibit B hereto.
2. FURNITURE, FIXTURES, AND EQUIPMENT. The Lease Premises shall also include all fixtures and fixed equipment present within the Lease Premises, plus those furniture items listed in Exhibit E.
3. USE OF PROPERTY. The Lease Premises shall be used by LESSEE as office space, a payment center and meeting space; and for no other purposes without the prior written consent of LESSOR, such consent not to be unreasonably delayed or denied. Without limitation, LESSEE shall not use the Lease Premises; (a) for any purpose not authorized by this Agreement; (b) for any illegal purpose, nor for any purpose inimical to the health, safety and welfare of the public, or (c) commit, or suffer to be committed, any waste in or on the Property, nor shall it create or permit any nuisance in or on the Property.
4. JOINT USE OF AUDITORIUM. SSU and LESSEE shall establish a shared master scheduling calendar for the Auditorium ("Auditorium Calendar") SSU reserves the right to use the Auditorium portion of the Lease Premises up to four (4) times per month at no cost to LESSOR or SSU. Such use shall be limited to evenings after 5:00 p.m. on weekdays, and all or a part of the entire day during weekend days (Saturday or Sunday.) SSU shall be required to schedule its use of the Auditorium at least five (5) business days in advance of the requested use. LESSEE shall accommodate SSU's requests for use unless the Auditorium Calendar shows a prior scheduled and committed event.
5. PARKING.
 - a) Lessee Parking. LESSOR shall allocate 28 striped asphalt paved parking spaces located in the Property's Upper Lot and marked red on the attached Exhibit D for LESSEE's staff use 24 hours a day, seven days a week ("Lessee's Reserved Spaces"). LESSEE shall also have the right for staff to use an additional 79 spaces from 6:00 a.m. to

5:15 p.m., Monday through Friday; said spaces being located in the Property's Lower Lot and marked green on Exhibit D (the "Flexible Spaces").

b) Lessor Parking. LESSOR shall use 46 striped asphalt paved parking spaces located in the Property's Upper Lot and Rear Lot and marked yellow on Exhibit D for LESSOR's use 24 hours a day, seven days a week ("Lessor's Reserved Spaces"). LESSOR retains the rights to use the Flexible Spaces from 5:16 p.m. to 5:59 a.m., Monday through Friday, and all day Saturday and Sunday.

c) Identification of Authorized Users. After prior coordination, SSU and LESSEE, at its respective sole cost, shall provide a parking pass decal or hangtag that can be displayed on the interior front or rear window of those vehicles authorized to park in each PARTY's parking spaces, including the Flexible Spaces for the times identified in Sections 5(a) and 5(b) above. Each PARTY shall coordinate and provide the other PARTY with at least thirty (30) days' advance notice of the issuance of any material change to its parking decal or hangtag.

d) Parking Signage. Subject to the prior approval of SSU, LESSEE shall, at its sole cost, post signage on the Property's Rear, Upper and Lower Lots, and the Lease Premises that identifies the location of Lessor's Reserved Spaces, Lessee's Reserved Spaces, and the Flexible Spaces. Said signage shall state that vehicles parked in spaces for which they are not authorized, including those spaces controlled by LESSOR, may be booted or towed. LESSEE shall have the right, but not the obligation, to paint numbers on Lessee's Reserved Spaces.

e) Parking Enforcement. LESSEE shall be responsible for enforcing its parking rights to Lessee's Reserved Spaces against any third parties and agrees to use commercially reasonable efforts, specifically including the right to boot or tow unauthorized vehicles, to resolve any problems interfering with LESSEE's use of its allocation of parking spaces. The PARTIES shall coordinate to resolve any problems that interfere with either PARTY's rights to use the Flexible Spaces. Vehicles parking on the Property pursuant to the parking rights conveyed to LESSEE as described herein shall be at LESSEE's sole risk and LESSOR shall not be responsible for any damage or theft to vehicles parking at the Property.

6. LESSEE VISITOR PARKING. LESSEE shall establish and provide at least fifteen (15) visitor and customer parking spaces on LESSEE's property located immediately east of the Property, and marked blue on the attached Exhibit D, to serve the Lease Premises.
7. DIRECTIONAL SIGNAGE. LESSEE shall place certain directional signage on and within the Lease Premises to direct visitors and customers to certain LESSEE offices and operations. Said signage shall also include signs directing those visitors arriving by personal vehicle to park in the Lessee Visitor Parking defined in Section 6. The design and placement of the directional signage described herein shall be subject to the review and approval of LESSOR; said approval to not be unreasonably withheld or delayed.
8. TERM OF USE. The term (the "Initial Term") of this Agreement shall be for three (3) years to commence on June 1, 2019 (the "Commencement Date") and terminate on May 31, 2022.
9. OPTION TO RENEW. Upon the mutual consent of the PARTIES, the Agreement may be extended for two additional, one-year terms (each, a "Renewal Term"). LESSEE shall notify LESSOR of its desire to extend the Agreement at least one-hundred twenty (120) days prior to expiration of the then current term (the "Lessee's Required Notice"). If LESSEE does not provide Lessee's Required Notice within at least one hundred twenty (120) days prior to expiration of the then current term, then LESSEE will waive its renewal rights and the Agreement will terminate at the expiration of the then current lease term. Upon receipt of Lessee's Required Notice within the timeline set forth herein, LESSOR will have thirty (30) days to notify LESSEE of whether or not LESSOR consents to the proposed Renewal Term. If LESSOR does not provide written notice of consent within at least thirty (30) days of receipt of Lessee's Required Notice, then it shall be considered that LESSOR does not consent to extending the Agreement for the requested Renewal Term, and the Agreement shall terminate at the expiration of the then current lease term.
10. RENT, FEES, AND CHARGES. In consideration of the rights and privileges to be granted to LESSEE by LESSOR, LESSEE shall pay to LESSOR the following fees and charges:

- a) Base Rent. A base rent of \$13.75 per square foot for 34,734 of rentable building area of the Lease Premises for a total of \$477,592.50 per year payable in monthly installments of \$39,799.38 per month. The base rent shall be payable in advance upon execution of this Agreement and on the first day of each and every calendar month thereafter during the Initial Term and Renewal Terms, as applicable, to Savannah State University, 3219 College Street, Savannah, Georgia 31404, or at such other address or addresses as may be designated in writing from time to time by LESSOR upon not less than 30 days' prior written notice to LESSEE. Where possible, payments due under this Agreement shall be remitted electronically to SSU by coordinating with SSU's Vice President of Business & Financial Affairs (912-358-3000; campbele@savannahstate.edu). LESSEE shall pay all rent without any demand, deduction, set-off, or counter-claim.
- b) Escalations. The base rent shall increase at a rate of three percent (3.0%) per year. Thus, base rent in year two of the term will be \$491,920.28, base rent in year three of the term will be \$506,677.88; and so on throughout the Renewal Terms, if so exercised.
- c) Additional Rent. In addition to the base rent, LESSEE shall pay any other charges or costs provided in this Agreement, reimburse LESSOR for electric charges (the "Electric Charges") serving the Lease Premises. The Electric Charges shall be determined by sub-metering use of the Lease Premises and dividing that monthly kilowatt usage by the monthly kilowatt usage of entire facility to estimate LESSEE's portion of the monthly electrical expense. LESSEE shall remit payment of the Electric Charges to the payment address identified in Section 10(a), said payment to occur within ten (10) business days from LESSEE's receipt of an invoice for the Electric Charges from LESSOR. As used herein, "rent" means, collectively, the base rent, additional rent and all other amounts payable by LESSEE hereunder.

11. INTEREST AND LATE CHARGES. If LESSEE fails to make a payment when due and said failure continues for a consecutive period of thirty (30) days, a late charge of twenty-five dollars (\$25.00) shall be assessed. Thereafter, late charges shall be assessed for each additional thirty (30) day period or portion thereof that the payment is late.

12. INSPECTION AND TITLE. LESSEE has fully inspected the Lease Premises and determined, in its sole discretion, that the Lease Premises in its present condition is suitable for LESSEE'S use. LESSOR represents to LESSEE that, to the best of its knowledge, it holds good and marketable title to the Lease Premises and has the requisite authority to enter into this Agreement. Except as otherwise expressly provided herein, LESSOR makes no representations or warranties of any kind, express or implied, regarding the Lease Premises, including the condition, habitability or suitability for any particular use or purpose of the Lease Premises.
13. RIGHT OF ACCESS TO RENOVATE. Upon approval and execution of this Agreement by both PARTIES, LESSEE shall have the right to enter upon the Lease Premises for the purpose of: installing electrical and data wiring, outlets, and other information technology systems and improvements; constructing service counters; installing signage, and performing other related minor renovations to make the space ready for occupancy on the lease commencement date. Such access shall be coordinated with LESSOR so as to minimize any impact to other operations occurring at the Property.
14. HOLDING OVER. Any holding over, or continued use and/or occupancy by LESSEE, of the Lease Premises after the expiration of this Agreement shall operate and be construed as a tenancy at will at 125% of the monthly rate in effect as of the expiration and otherwise under the same terms and conditions in force at the expiration of the Agreement. No holding over by LESSEE, whether with or without consent of LESSOR, shall operate to extend this Agreement, and this paragraph shall not be construed as consent for LESSEE to retain possession of the Lease Premises beyond the expiration of this Agreement.
15. RETURN OF LEASE PREMISES; REMOVAL OF FIXTURES.
- a) Return of Property. At the expiration or earlier termination of this Agreement, LESSEE shall surrender the Lease Premises, including those items listed in Exhibit E, in the same or better condition as it was in upon delivery of possession to LESSEE under this Agreement (including any temporary or permanent improvements, expansions, erections, additions and alterations to the Lease Premises made during the Agreement by LESSEE),

reasonable wear and tear excepted, and shall surrender to LESSOR all keys to the Lease Premises.

b) Removal of Fixtures. Any trade fixtures, signs, and personal property of LESSEE not permanently affixed to the Lease Premises shall remain the property of LESSEE, and, LESSEE shall have the right to remove any and all such trade fixtures, signs, and personal property prior to the termination or expiration of this Agreement. LESSEE shall repair any damage occasioned to the Lease Premises by the removal of any such trade fixtures, signs, or personal property. LESSEE agrees that all trade fixtures, signs and personal property installed in or attached to the Lease Premises by LESSEE shall be in good condition when installed and shall be maintained so as to preserve the value of the Lease Premises and the Property. Any such trade fixtures, signs, furniture, furnishings, movable fixtures, equipment or proprietary property that is not removed by LESSEE upon the expiration or earlier termination of this Lease shall be deemed abandoned by LESSEE and shall become the property of LESSOR and disposed at LESSOR's sole discretion, the cost of which shall be reimbursed by LESSEE upon LESSOR's written demand.

16. INFORMATION TECHNOLOGY.

a) LESSEE shall bring dedicated fiber optic cable into a portion of the Lease Premises; said connection point to occur at a location the PARTIES agree upon for information technology equipment (the "IT Closet"). LESSEE shall have the right to distribute data service throughout the Lease Premises from the IT Closet, primarily running conduit above the ceiling grid and dropping outlets down on walls, columns, and by other means, including wireless technologies. LESSOR also grants LESSEE the right to install access control systems at ingress/egress points in the Lease Premises, provided LESSOR is afforded proper access to the Lease Premises to maintain the Property and ensure that the covenants of this Agreement are being performed.

17. LIENS. The LESSEE shall keep the Lease Premises, the Property and every part thereof free and clear of any and all mechanic's materialmen's and other liens for or arising out of or in connection with work or labor done, services performed, or materials or appliances used or furnished for or in connection with any operation, alteration, improvement or

repairs or additions which the LESSEE may make or permit or cause to be made, or any work or construction, by, for, or permitted by the City of Savannah on or about the Lease Premises, or any obligations of any kind incurred by the City of Savannah and at all times promptly and fully to pay and discharge any and all claims on which any such lien may or could be based, and to the extent permissible by state law will indemnify the LESSOR against all such liens and claims of liens and suits or other proceedings.

18. SECURITY. LESSEE shall provide program supervision and security at the Lease Premises and pay the costs for the same during the Agreement. The LESSEE shall have at least two (2) security guards on the Lease Premises during LESSEE's operating hours, and shall ensure that the Lease Premises is secure at the close of each day's activities. In addition to securing the Lease Premises, LESSEE agrees that one of its security guards will be responsible for regular policing of the grounds of the Property during LESSEE's business hours, said policing may include ensuring that use of parking on the Property is limited to LESSEE's employees and/or LESSOR's students, employees or approved visitors. LESSEE shall have no responsibility to secure or police the portion of the Property that will continue to be operated by LESSOR.

19. JANITORIAL AND PEST CONTROL SERVICES. LESSEE shall be responsible for providing janitorial and pest control services, either by employee and/or contractors, to service the Lease Premises.

20. REFUSE SERVICE AND TRASH DISPOSAL. LESSOR shall provide refuse and trash disposal services and provide LESSEE with access to dumpsters and related trash collection containers. LESSEE shall be responsible for any incremental cost increase associated with additional refuse pickups and/or larger trash collection containers that may be required due to the volume of LESSEE's refuse, said cost to be reimbursed to LESSOR as additional rent.

21. WATER AND SEWER SERVICE. LESSOR reports there is one water and sewer service at the Property. As consideration for LESSOR providing refuse service and trash disposal services, LESSEE agrees to contact the City of Savannah utility billing department and

change the account so as receive future bills and assume responsibility for payment of water and sewer charges at the Property as of the Commencement Date and for as long as LESSEE leases the Lease Premises.

22. FACILITY MAINTENANCE AND REPAIRS. LESSOR will be solely responsible for the maintenance, upkeep, and repair of the entire Property, including the Lease Premises. Said maintenance and repair shall include, but not be limited to, the preventative maintenance and repairs/replacements of the following: heating ventilation, and air conditioning systems (including at least quarterly filter replacements); grounds maintenance and repairs (including periodic mulching of landscape beds, fertilizer applications, etc.); plumbing and associated fixtures; electrical systems and associated fixtures, as well as lighting maintenance and repairs (including lightbulb and ballast replacement as needed); ceiling tiles; carpet and flooring (excluding routine janitorial services); roof and gutter system; windows and doors; building foundation; and the building's exterior finishes. The LESSOR shall undertake all periodic repairs and preventive maintenance which are necessary and in accordance with normal industry practices to maintain the Lease Premises in a reasonably well-kept, attractive, and safe condition.

23. IMPROVEMENTS.

a) LESSEE may construct any reasonably desired or necessary alterations or improvements to the Lease Premises ("Improvements"), at its sole cost and expense, with the prior written consent of LESSOR. LESSEE shall submit plans and specifications for any such improvements to an individual designated and identified by LESSOR in the "Notices" section of this Agreement. LESSOR shall subsequently review and provide any pertinent comments on LESSEE's plans and specifications within thirty (30) days of receipt of LESSEE's submission. All plans, drawings and specifications for the improvements, whether preliminary or final, shall be prepared, where appropriate, by a licensed architect, mechanical, electrical and structural engineers. LESSEE shall not commence any such work until LESSOR shall have approved the plans and specifications, which LESSOR shall not unreasonably withhold, delay, condition or deny. All of the

Improvements shall be performed and completed in accordance with such approved plans, in a first-class and workmanlike manner, in conformity with all laws, ordinances, building codes, regulations, and legal requirements, and in full compliance with the terms of the Agreement. LESSEE shall, at its expense, procure any required permits and licenses and make all contracts necessary for the construction of the Improvements. Upon completion of the Improvements, LESSEE shall furnish to LESSOR for its permanent files two (2) reproducible sets of "as built" drawings or drawings in electronic format reasonably acceptable to LESSOR showing such Improvements as constructed or installed in the Lease Premises. Any changes in LESSEE's improvements from the final plans and specifications approved by LESSOR shall be subject to LESSOR's approval.

b) LESSEE shall require its contractors and subcontractors to furnish LESSOR with evidence of insurance coverage as may be reasonably required by LESSOR prior to the performance of any work by LESSEE's contractors and subcontractors. Any damage to the Property and/or Lease Premises caused in whole or in part by LESSEE or its contractors or subcontractors in connection with the performance of the Improvements shall be repaired at LESSEE's expense.

c) Upon completion of LESSEE's Improvements in accordance with the approved plans, LESSEE shall give LESSOR written notice thereof and shall simultaneously with such written notice furnish LESSOR with the following documents all in a form and substance reasonably acceptable to LESSOR: (i) a certificate of occupancy issued by the appropriate governmental authority, if applicable; and ii) affidavits from all contractors, subcontractors, materialmen, suppliers, architects, engineers, and all other persons performing work or supplying materials and/or services on or about the Lease Premises in connection with the Improvements stating that the cost of all such labor, material, supplies, and services incorporated in LESSEE's Improvements has been paid in full and waiving all liens and claims arising as a result of such work.

d) LESSEE agrees to cause its contractors and subcontractors to carry, adequate worker's compensation insurance to protect LESSOR against claims of their employees and adequate general liability, automobile liability, umbrella liability, and builder's risk insurance acceptable to LESSOR and naming LESSOR as an "additional insured".

e) Title to any and all improvements, erections, signs or additions constructed on the Property by LESSEE shall be at all times the property of LESSEE during the Initial Term and any Renewal Terms of this Agreement. Upon such expiration or termination, LESSOR may accept or request that LESSEE remove such improvements. Any such furniture, furnishings, movable fixtures, signage, equipment or proprietary property that is not removed by LESSEE upon the expiration or earlier termination of this Agreement shall be deemed abandoned by LESSEE and shall become the property of LESSOR.

24. UTILITIES. The LESSOR shall pay all utility expenses associated with the Premises, including, but not limited to, electric, gas, and related expenses. LESSEE shall reimburse LESSOR for its share of electric expenses per Section 10(c) of this Agreement.

25. DAMAGE TO STATE PROPERTY, INSURANCE.

a) In the event the Property, Lease Premises, or any portion thereof, shall be so damaged, excepting that caused by LESSEE, as to render the Lease Premises unfit for occupancy, and LESSOR elects not to repair or restore or such cannot be repaired or restored by LESSOR with reasonable promptness and dispatch, as reasonably determined by LESSOR, then this Agreement may be immediately canceled and terminated by either PARTY by giving the other PARTY notice thereof, and rent (if any) shall be payable only to the date of such damage. In the event neither PARTY terminates the Agreement, there shall be a full abatement of rent until LESSOR completes the repairs and restoration necessary to make the Lease Premises fit for occupancy.

b) In the event of a partial destruction of the Property, there shall be a fair abatement in the rent payable during the time such repairs or rebuilding are being made. Such proportionate deduction of rent to be based upon the extent to which the making of such repairs or rebuilding shall interfere with the business carried on by LESSEE in the Lease Premises. If the PARTIES cannot agree on the fair abatement in rent, LESSEE, at its

option, may immediately terminate this Agreement. Full rental payments shall again commence after completion of the repairs and restoration of the Lease Premises by LESSOR. In connection with the foregoing, the PARTIES agree that LESSEE, after making a reasonable assessment of damages, shall make the decision as to whether or not the Lease Premises are fit or unfit for occupancy by LESSEE.

c) If any property of the LESSOR is damaged as a result of the exercise by LESSEE of the rights herein granted, then, at the election of LESSOR, LESSEE either shall repair or restore the Property, the Lease Premises, or both, as the case may be, or shall pay the costs thereof, as determined by LESSOR. In addition to rent, LESSEE shall pay the cost of such repair or restoration or commence the repair or restoration in good faith within thirty (30) days after notice by LESSOR with repair or restoration to be completed by LESSEE within ninety (90) days after notice by LESSOR. Termination or expiration of this Agreement shall not relieve LESSEE of its obligation to pay for the cost of repair or restoration of the damaged property. This general provision is cumulative of all other remedies LESSOR may have, including specific provisions hereof. Even if the Lease Premises is deemed unfit there shall be no abatement of rent, and LESSEE shall continue to pay rent during the repair or restoration period.

d) LESSOR and LESSEE acknowledge that LESSOR is covered by the programs of self-insurance administered by the Georgia Department of Administrative Services, including the Georgia Tort Claims Fund, and LESSEE is covered by a program of insurance and self-insurance for local government entities. Each PARTY will participate in the appropriate state and local self-insurance programs and funds.

e) LESSEE hereby acknowledges its responsibility for insuring its own contents.

26. INDEMNIFICATION. Reserved.

27. AMENDMENTS. This Agreement sets forth the entire agreement of the PARTIES, and it may not be changed except by a written document signed and executed by both PARTIES, and making express reference to this Agreement.

28. OCCUPANCY. LESSEE shall continuously occupy the Lease Premises throughout the Initial Term or any Renewal Term of this Agreement and shall not desert, surrender, abandon or cease using the Premises during the Initial Term or any subsequent Renewal Term.
29. INSPECTION. LESSEE shall permit LESSOR and its duly authorized representatives at reasonable times to enter the Lease Premises (i) to examine the Lease Premises and to ensure that the covenants of this Agreement are being performed, and (ii) perform maintenance on the Lease Premises or other areas of the Property.
30. HAZARDOUS SUBSTANCES.
- a) LESSEE shall not bring, deposit, or allow to be brought or deposited, in or upon the Property, any pollutant or harmful substance, except for substances ordinarily used in the care and maintenance of the Lease Premises and in compliance with all other applicable provisions of this Lease. LESSOR acknowledges that, to the best of its knowledge without investigation, there are no hazardous substances on or within the Lease Premises as of the Commencement Date.
- b) LESSEE represents that it will not allow any of the following to occur on the Lease Premises or the Property, regardless of cause: (A) any generation, treatment, recycling, storage or disposal of any hazardous substance; (B) any underground storage tank, surface impoundment, lagoon or other containment facility for the temporary or permanent storage, treatment or disposal of hazardous substances; (C) any landfill or solid waste disposal area; (D) any asbestos-containing material as defined by the Toxic Substances Control Act; (E) any polychlorinated biphenyl (PCB) used in hydraulic oils, electric transformers or other equipment; or (F) any release or threatened release of hazardous substance to the environment in forms or quantity requiring remedial action under environmental laws. LESSEE's obligation in no way extends to any environmental condition of the Property existing prior to LESSEE's possession.
31. ASSIGNMENT AND SUBLETTING. The LESSEE shall not transfer or assign this Agreement, or any part hereof, or interest herein, or sublease any of the Lease Premises hereunder, except with the prior written approval of the LESSOR and subject to whatever

reasonable limitations and conditions that are required by LESSOR. Any other attempted transfer, assignment or sublease shall be void and shall confer no rights upon any third person. No assignment or sublease shall relieve the LESSEE of any obligation under this Agreement unless otherwise agreed by the LESSOR.

32. RIGHT OF FIRST REFUSAL.

a) In the event that LESSOR desires to sell all or a portion of the Property, LESSOR shall advise LESSEE in writing of its intention to sell all or a portion of the Property (the "Notice of Intention to Sell"). If LESSOR provides a Notice of Intention to Sell to LESSEE, LESSEE shall have ten (10) days to provide written notification to LESSOR of its desire to enter negotiations to acquire the property defined in the Notice of Intention to Sell. Should LESSEE indicate its desire to acquire the property defined in the Notice of Intention to Sell within the aforementioned ten (10) day response period, then LESSOR and LESSEE shall negotiate in good faith, the terms of the sale, which shall be incorporated into a definitive agreement executed by the PARTIES before it is binding. If LESSEE does not respond to the Notice of Intention to Sell within ten (10) days of receipt of said notice, it shall be considered that LESSEE has waived its right of first refusal as described herein.

b) At any time, in the event that LESSOR receives an offer to purchase the Property which is acceptable to LESSOR (hereafter the "Purchase Offer"), including a Purchaser Offer occurring after a Notice of Intent to Sell, LESSOR shall submit to LESSEE an executed copy of the Purchase Offer which shall include, at a minimum, the buyer name, offered purchase price and approximate closing date. A failure by LESSEE to respond in writing to the Purchase Offer within a ten (10) day period after receipt of the Purchase Offer shall be deemed a rejection to match the Purchase Offer. If LESSEE shall not so elect to match (or is deemed to have rejected) a Purchase Offer, then LESSOR may sell the Property to the buyer specified in the Purchase Offer provided that said sale is on substantially similar terms and conditions as set forth in, and for the approximate gross purchase price set forth in the Purchase Offer sent to LESSEE. Notwithstanding anything contained herein to the contrary, should LESSOR fail to sell the Property to the third party making the Purchase Offer upon the terms and conditions of the Purchaser Offer, this right of first refusal shall revive as to any revised and/or subsequent offer.

c) Subject to approval by the Board of Regents of the University System of Georgia and the Mayor and Aldermen of the City of Savannah, any closing on the purchase of the Property by LESSEE pursuant to (a) or (b) above shall include a sixty (60) day contingency for LESSEE's review and approval of title, due diligence, and inspections of the Property. Closing shall occur within thirty (30) days of expiration of such contingencies by delivery of a quitclaim deed from LESSOR to LESSEE.

33. LAW GOVERNING DISPUTES. The laws of the State of Georgia will govern all disputes under this Agreement, and determine all rights hereunder.

34. SEVERABILITY. The provisions of this Agreement are severable. If any judgment or court order shall declare any provision or provisions of this Agreement invalid or unenforceable, the other provisions of this Agreement shall not be affected thereby and shall remain in full force and effect.

35. BINDING EFFECT. This Agreement and the covenants and conditions herein contained shall apply to and bind the successors and assigns of the PARTIES hereto, or any other political subdivision assuming the obligations of any party hereto, and all covenants are to be construed as conditions of this and said covenants shall be covenants running with the Lease Premises during the term of this Agreement.

36. NO JOINT VENTURE. Nothing contained in this Agreement shall make, or shall be construed to make, LESSEE and LESSOR partners in, of, or joint venturers with each other, nor shall anything contained in this Agreement render, or shall be construed to render, either PARTY liable to a third party for the debts or obligations of the other.

37. DEFAULT/REMEDIES/RIGHTS CUMULATIVE.

a) Events of Default. The following events shall constitute Events of Default (whether any such event shall be voluntary or involuntary, or come about or be effected by operation of law or pursuant to or in compliance with any order of any court or any statute, rule, regulation, or order of any governmental body):

- i. LESSEE or LESSOR shall fail to carry and/or maintain the insurance required by Section 25 hereof; or
 - ii. LESSEE or LESSOR shall fail to perform or observe any other covenant, condition, or agreement to be performed or observed by it hereunder, and such failure shall continue un-remedied for a period of thirty (30) days after the offending PARTY has received notice hereof ; or
 - iii. Any representation or warranty made by LESSOR or LESSEE herein shall at any time prove to have been incorrect in any material respect; or
 - iv. LESSEE causes or permits an attachment or attachments or other lien or liens to be issued or entered against the Property and shall not be discharged or stayed within 60 days; or
 - v. LESSEE shall abandon or cease continuous use of the Lease Premises, as defined in Section 28 of this Agreement, without proper termination of the Agreement.
- b) Remedies of Lessor. Upon the occurrence of any Event of Default by LESSEE and at any time thereafter so long as the same shall be continuing, LESSOR may at its option declare this Agreement to be in default; and at any time thereafter, so long as LESSEE shall not have remedied all outstanding Events of Default, LESSOR may terminate this Agreement and/or do one or more of the following as LESSOR in its sole discretion shall elect:
- i. Proceed by court action or actions at law, in equity, or otherwise to enforce performance by LESSOR of the applicable covenants of this Lease or to recover damages for the breach thereof;
 - ii. Re-enter and take possession of the Lease Premises, dispossess LESSEE or any other occupant of the Lease Premises, and remove LESSEE's or such occupant's personal effects and property from the Lease Premises and store the same in a public warehouse or elsewhere at the cost of and for the account of LESSEE, and thereupon relet the Lease Premises or any part thereof for such term or terms (which may extend beyond the term of this Agreement) and at such rental or rentals and upon such other terms and conditions as LESSOR shall deem advisable. LESSEE shall be liable to LESSOR for the deficiency, if any, between LESSEE's rent obligations hereunder and the rental obtained by LESSOR upon reletting; or
 - iii. Both.

Except as otherwise provided herein, the rights and remedies provided in this section are cumulative and are not exclusive of any rights or remedies otherwise available to LESSOR at law, in equity, or otherwise.

c) Remedies of Lessee. Upon the occurrence of any Event of Default by LESSOR and at any time thereafter so long as the same shall be continuing, LESSEE may, at its option, declare this Agreement to be in default; and at any time thereafter, so long as LESSOR shall not have remedied all outstanding Events of Default, LESSEE may terminate this Agreement.

d) Right to Cure Defaults. LESSOR may at its election and cost (but without any liability to do so) cure any default by LESSEE under this Agreement. LESSOR may seek to recover any such cost in a court of competent jurisdiction.

38. NOTICES: All notices, demands and requests which may be given or which are required to be given by either PARTY to the other under this Agreement, and any exercise of a right of termination provided by this Agreement, shall be in writing and shall be deemed effective: (i) immediately, when personally delivered to the intended recipient; (ii) three (3) business days after having been sent, by certified or registered mail, return receipt requested, addressed to the intended recipient at the address specified below; (iii) immediately, when delivered in person to the address set forth below for the PARTY to whom the notice was given; (iv) at noon of the business day next following after having been deposited into the custody of a nationally recognized overnight delivery service, addressed to such PARTY at the address specified below; (v) immediately, if sent during regular business hours or at 8:30 a.m. local time on the next business day following an after-hours, weekend or holiday notice sent by facsimile or by electronic mail ("e-mail"), provided that receipt for such facsimile or e-mail is verified by the sender and followed by a notice sent in accordance with one of the other provisions set forth above; or (vi) immediately, upon actual receipt. Any notice sent as required by this section and refused by recipient shall be deemed delivered as of the date of such refusal. For purposes of this section, the addresses and facsimile numbers of the PARTIES for all notices are as follows (unless changed by a similar notice in writing given by the particular person whose address is to be changed):

As to the LESSOR: Vice Chancellor of Facilities
Board of Regents of the University System of Georgia
270 Washington Street, SW
Atlanta, Georgia 30334-1450
E-mail: Jim.James@usg.edu

With a copy to: President
Savannah State University
3129 College Street
Savannah, Georgia 31404
E-mail: ssupresident@savannahstate.edu

As to the LESSEE: City Manager
City of Savannah
P.O. Box 1027
Savannah, GA 31402
E-Mail: rhernandez@savannahga.gov

With a copy to: City of Savannah Attorney's Office
P.O. Box 1027
Savannah, GA 31402
E-Mail: jherman@savannahga.gov

And: Director of Real Estate Services
City of Savannah
P.O. Box 1027
Savannah, GA 31402
E-Mail: dkeating@savannahga.gov

And: William W. Shearouse, Jr., Esq.
Weiner, Shearouse, Weitz, Greenberg & Shawe, LLP
14 E. State Street
Savannah, GA 31401
Facsimile: 912-235-5464
E-Mail: wshearouse@wswgs.com

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the PARTIES hereto have hereunto caused this agreement to be executed by the authorized representatives on the day and year first above written.

BOARD OF REGENTS OF THE UNIVERSITY
SYSTEM OF GEORGIA

By: _____ L.S.
Vice Chancellor for Facilities

Attest: _____ L.S.
Associate Vice Chancellor for Facilities

THE MAYOR AND ALDERMEN OF
THE CITY OF SAVANNAH



BY: *Patrick C. Monahan*
Acting CITY MANAGER

ATTEST: *[Signature]*
CLERK OF COUNCIL

IN WITNESS WHEREOF, the PARTIES hereto have hereunto caused this agreement to be executed by the authorized representatives on the day and year first above written.

BOARD OF REGENTS OF THE UNIVERSITY
SYSTEM OF GEORGIA

By: ABS for Jim Jones L.S.
Vice Chancellor for Facilities

Attest: Leah Ann Moore L.S.
Associate Vice Chancellor for Facilities
MMH

THE MAYOR AND ALDERMEN OF
THE CITY OF SAVANNAH

BY: _____
CITY MANAGER

ATTEST: _____
CLERK OF COUNCIL

EXHIBIT A

The "Property"

PIN 2-0031-047-003

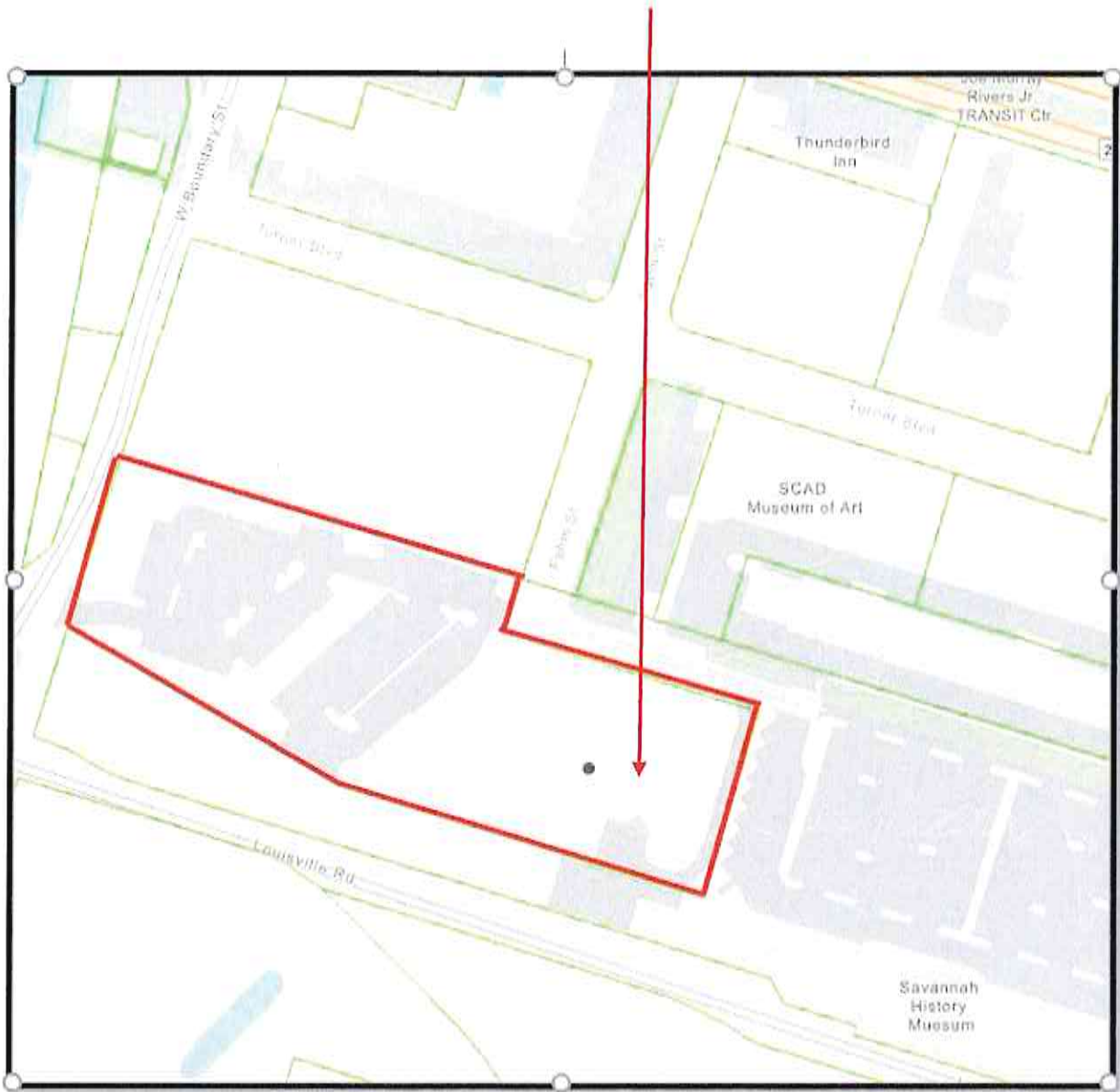
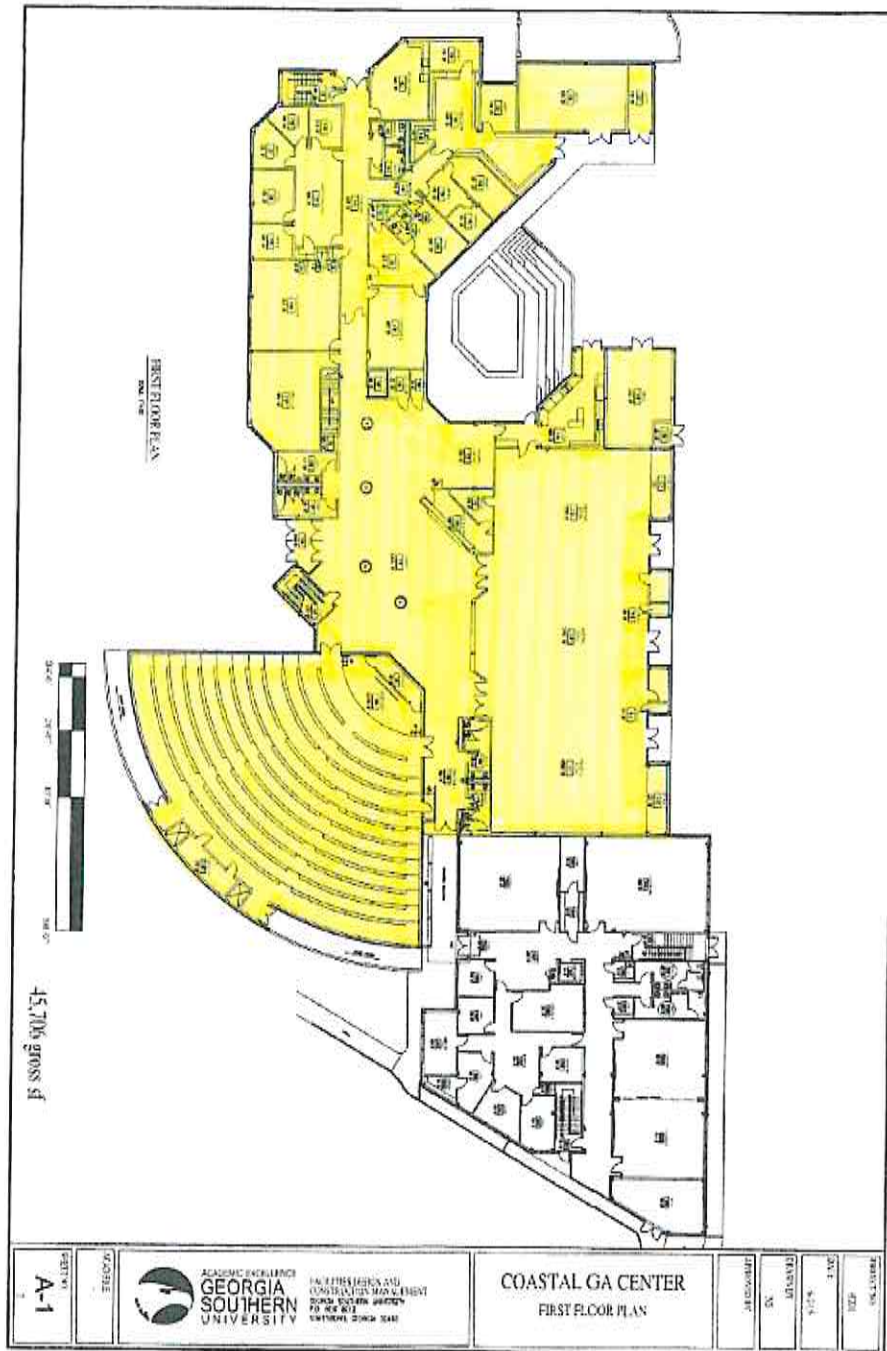


EXHIBIT B

Page 1 of 2

The "Lease Premises"




 = PROPOSED LEASED AREA

EXHIBIT B

Page 2 of 2

The "Lease Premises"



 = PROPOSED LEASED AREA

EXHIBIT C

Special Stipulations

1. Event Services

- a. LESSEE acknowledges that LESSOR currently contracts with clients (the "Event Services Clients") to provide meeting and event services (the "Event Services") within portions of the Lease Premises.
 - b. As of the Commencement Date, LESSOR agrees to:
 - i. not enter into any additional contracts for Event Services that require use of the Lease Premises; and
 - ii. provide LESSEE with copies of all fully executed contracts for Event Services ("Contracts for Event Services") through December 11, 2019; and
 - iii. send notification to all Event Services Clients with Contracts for Event Services scheduled after Commencement Date that their contracts have canceled (hereafter, the "Canceled Contracts"); and
 - iv. return any deposits associated with the Canceled Contracts to their respective Event Services Client.
 - c. LESSEE agrees that it will reasonably attempt to accommodate all Event Services Clients with Canceled Contracts should said Event Services Clients express an interest in entering into a new contract with LESSEE to host their canceled event.
2. At the request of LESSOR, LESSEE agrees to allow LESSOR to place and operate a booth and/or table in the lobby of the Lease Premises at no cost to LESSOR, said booth/table being for the sole purpose of promoting LESSOR's educational programming.
 3. Notwithstanding anything to the contrary within this Agreement, LESSOR shall have no obligation to maintain, replace or provide support for the A/V Equipment in the Auditorium. LESSEE acknowledges that any required maintenance, replacement or support for the A/V Equipment shall be the responsibility of LESSEE.

EXHIBIT D -Part 1 of 2

Parking at the Property



Parking Space Allocation

Space Type	Handicapped	Lessor's Reserved Spaces (In Yellow)*	Lessee's Reserved Spaces (In Red)*	Flexible Spaces (In Green)
	4 Spaces (Upper Lot)	3 Spaces (Rear Lot) 19 Spaces (Upper Lot) 15 Spaces (Upper Lot) 7 Spaces (Upper Lot)	13 Spaces (Upper Lot) 13 Spaces (Upper Lot) 2 Spaces (Rear Lot)	79 Spaces (Lower Lot)
TOTAL	4	44	28	79

* LESSOR and LESSEE shall have usage of their respective dedicated parking spaces 24 hours a day, 7 days a week.

Flexible Parking Space Usage

LESSEE shall have sole usage of the Flexible Spaces for its staff parking from 6:00 am to 5:15 pm, Monday through Friday.

LESSOR shall have sole usage of the Flexible Spaces for its student, staff and visitors from 5:16 pm to 5:59 am the following day, Monday through Friday, and all day Saturday and Sunday.

EXHIBIT D -Part 2 of 2

Lessee Visitor Parking

301 Martin Luther King, Jr. Boulevard



LESSEE to provide fifteen (15) visitor spaces in the general location marked blue above.

EXHIBIT E

Lessor's Furniture and Equipment

Pursuant to Sections 2 and 15 of this Agreement, the Lease Premises shall also include the following items of furniture:

1. ITEMS TO BE PROVIDED BY SAVANNAH STATE