

LEASE AGREEMENT

THIS LEASE, made and entered into this ____ day of _____, 2021 by and between **WINMAR CORPORATION**, Suite 208 - Bakhaus Building, 1500 West Main Street, Lexington, Kentucky 40511, party of the first part, hereinafter referred to as **Landlord**, and the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, 200 East Main Street, Lexington, Kentucky 40507, party of the second part, hereinafter referred to as **Tenant**.

WITNESSETH:

Landlord and **Tenant** desire to enter into this Lease, pursuant to which **Tenant** shall lease from **Landlord**, and **Landlord** shall lease to **Tenant**, certain real property and improvements, upon the terms and conditions set forth herein. **NOW, THEREFORE**, in consideration of the premises and the mutual covenants and agreements contained herein, and other good and valuable consideration, the parties hereby agree as follows:

1. **LEASED PREMISES:**

Landlord hereby leases to **Tenant**, and **Tenant** hereby leases from **Landlord**, for the term, at the rental and upon all of the conditions set forth herein, the following premises (and as illustrated on the Exhibit A floor plan):

2. **TERM:**

The term of this Lease shall be for a period of five years, commencing on the 1st day of February 2021 ("Commencement Date"), and ending on the 31st day of January, 2026, unless sooner terminated; provided, however, that in the event the Urban County Council does not appropriate funds for the continuation of this Lease for any fiscal year (July 1 to June 30), this Lease shall be terminated at the end of the then current fiscal year. In the event of such termination, the Lessee shall not be obligated to pay any amounts due for rent or maintenance beyond the end of the then current Fiscal Year. Such termination shall not constitute a default under this Lease. **Tenant** may renew this Lease for five (5) additional terms of one (1) year each ending January 31, 2027 thru 2031 respectively by providing written notice to **Landlord** sixty (60) days prior to the expiration of each term.

3. **RENT:**

Commencing on the Commencement Date, **Tenant** shall pay rent to **Landlord** during the first 36 months of the lease term the sum of Fifteen dollars and ninety-five cents (\$15.95) per square foot of Leased Premises, which shall be payable each month in advance, on or before the first day of each month. Monthly rent will increase after the first 36 months of the lease term and or any future lease renewals provided under this agreement will be in accordance with Exhibit B. The occupied space will total 25,449 on the commencement date and be reduced to 24,168 square feet effective April 1, 2021. Between the commencement date and April 1, 2021, the **Landlord** will complete all renovations as illustrated in Exhibit C. No later than April 1, 2021, the **Tenant** will fully occupy the renovated space. **Tenant** agrees that should they elect to exercise their right to renew the lease after the initial five-year period, under terms of this agreement as outlined in Section 2 that the rental rate will increase in accordance with Exhibit B. Furthermore, **Landlord** shall give the

Tenant the right of first refusal for any additional space as it becomes available during the Lease at the rate in place at that time.

4. **OCCUPANCY:**

Tenant shall use and occupy the demised premises for the following purposes and no others:

General Office Operations.

5. **ALTERATIONS. ETC.:**

Tenant shall make no alterations to the leased premises without the prior written consent of the **Landlord**. All alterations, decorations, installations, additions or improvements upon the demised made by either party, including, but not limited to, paneling, partitions, railings and the like, shall, unless **Landlord** elects otherwise, become the property of the **Landlord** and remain upon the demised premises as a part thereof at the end of the term or any extension thereof. In the event the **Landlord** shall elect otherwise such alterations, additions or improvements as the **Tenant** may have made shall, to the extent directed by the **Landlord**, be removed by the **Tenant** and the **Tenant** shall restore the premises to the original conditions prior to the expiration of the term and at the cost of the **Tenant**. Prior to **Tenant** occupation of the Leased Premises, **Landlord** shall complete, at **Landlord's** expense, any fit-up costs required for paint, carpet, and reconfiguration of space as agreed upon by **Landlord** and **Tenant**. **Tenant** shall be responsible for installation of fiber optic/computer line drops within the leased premises.

6. **REPAIRS:**

Tenant shall take good care of the demised premises. All damages or injury thereto caused by the **Tenant** or agents, servants, employees, invitees or licensees of the **Tenant**, shall be restored promptly by the **Tenant** at the cost of the **Tenant** and to the satisfaction of the **Landlord**. If the **Tenant** shall fail to make such repair and restoration, within thirty (30) days after written notice provided by **Landlord**, the same may be made by the **Landlord** at the expense of the **Tenant** and collectible as additional rent within fifteen (15) days after rendering of a bill or statement therefore.

7. **REQUIREMENT BY LAW. FIRE INSURANCE:**

Landlord shall provide, at its cost throughout the term of this lease and annually for any extensions thereof, fire and casualty insurance on the building. **Landlord** shall maintain liability limits in an amount not less than \$1,000,000.00 per occurrence with an aggregate of not less than \$2,000,000.00 for all common areas as depicted in **Landlord's** current policy coverage (Exhibit E). **Tenant** shall provide Commercial General Liability Insurance, including Premise and Operations Liability, Fire Insurance for its own contents, improvements and betterments, Workers Compensation Insurance, and will comply with all laws and regulations which shall be applicable to the demised premises for the use thereof and the **Tenant** or **Landlord** shall not do or permit to be done any act or thing on the premises which would invalidate insurance policies covering the building or occupancy containing the demised premises or increased the insurance rates upon said building or occupancy. If the event insurance rates on said building or occupancy shall be increased on account of anything done by the **Tenant** or **Landlord**, the **Tenant** or **Landlord** shall pay to the applicable party (whichever applies to **Tenant** or **Landlord**) the amount of such increases within fifteen (15) days of notice of such increase. Such payment, however, and acceptance of

such payment shall not be deemed a waiver of any other rights granted the **Tenant** or **Landlord** there under, including the right to terminate the lease. The **Tenant** shall not allow on the leased premises any objectionable odors in the demised premises.

8. PROPERTY LOSS-DAMAGE-REIMBURSEMENT:

The **Landlord** shall not be liable for any damage to property of the **Tenant** or other **Tenants** which is entrusted to employees of the building containing the demised premises, nor for loss or damage to such property by theft or otherwise. The **Landlord** shall not be liable for injuries or damage to person or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, snow or leaks from any part of the building containing the demised premises or any other cause whatsoever unless due to the negligence of the **Landlord**; nor shall the **Landlord** be liable for any such damage caused by either of its **Tenants** or other persons in its building nor shall the **Landlord** be liable for any latent defect in the demised premises or in the building of which they form a part.

9. DESTRUCTION-FIRE OR OTHER CAUSE:

If the demised premises or the building containing the demised premises shall be damaged by fire or other casualty, within thirty (30) days of such damage, the **Landlord** or **Tenant** may elect to terminate this lease as of such damage and have no further liability to the other by giving notice in writing of such termination. In the event of such damage if the **Landlord** or **Tenant** does not terminate the lease, **Landlord** shall restore the demised premises or so much of the building containing said premises as may be necessary for the use of the demised premises within a reasonable period of time. In the event of restoration as provided above, it shall be at the cost of

the **Landlord**, and the rent or a just and proportionate part thereof shall be abated until such restoration is complete unless said damage was caused by the acts or neglect of the **Tenant** or servants, agents, employees, licensees or invitees of the **Tenant**, in which later event there shall be no abatement of rent and the **Landlord** shall be fully reimbursed by the **Tenant** for such restoration.

10. EMINENT DOMAIN:

If the whole or part of the demised premises, or so much of the building containing the demised premises as to make the demised premises unusable shall be taken by eminent domain, the terms of the lease shall cease and terminate as of such taking and the **Tenant** shall have no claim against the **Landlord** for the value of any unexpired term of the lease nor any claim to any sums awarded for such taking.

11. ASSIGNMENT

The **Tenant** shall not assign or sublet the demised premises in whole or in part without the consent in writing of the **Landlord**, which consent shall not unreasonably be withheld.

12. ACCESS:

The **Landlord** shall have the right to enter the demised premises at any and all reasonable times for the purpose of inspecting the same and making such repairs and alterations as it may deem necessary or appropriate.

13. BANKRUPTCY:

If the **Tenant** should be adjudged as bankrupt or be the subject of any type of insolvency proceedings, which are not dismissed within fifteen (15) days of the commencement thereof, at the option of the **Landlord** this lease shall terminate as of the commencement of such proceedings.

14. DEFAULT:

If the **Tenant** shall be in default in the payment of any installment of rent or a period of twenty (20) days; or if the **Tenant** shall remain in default in the performance of any other condition of the lease for ten (10) days after the **Landlord** gives notice to correct the same, then on the happening of either of said events the **Landlord** may terminate this lease and retake the demised premises without further notice. Likewise, if the **Landlord** defaults in the performance of any condition of this lease for which the **Landlord** is responsible for thirty (30) days after the **Tenant** gives written notice to correct the same, then the **Tenant** may terminate this lease without further notice.

15. END OF TERM:

Landlord requires notification 90 days prior to end of lease term, if **Tenant** wishes to renew lease.

16. QUIET ENJOYMENT:

The **Tenant** upon observing all conditions of the lease may peaceably and quietly enjoy the demised premises.

17. WAIVER:

No provision of this lease shall be deemed waived unless such waiver is in writing and signed by the **Landlord**. No acceptance of rent or other payment by the **Landlord** shall be deemed a waiver of any condition of this lease or a waiver of any right of the **Landlord** to repossess the demised premises.

18. NOTICES:

A notice shall be deemed to have been given to the **Landlord** when delivered to it at the address first above written or such other location as the **Landlord** may direct. A notice shall be deemed given to the **Tenant** when delivered to the demised premises or mailed postage prepaid to the last address of the **Tenant**.

19. ELEVATORS, HEAT, CLEANING:

The **Landlord** shall at its expense (a) provide necessary elevator facilities; (b) furnish heat to the demised premises and air conditioning in the appropriate season; (c) furnish water and electric current; (d) at **Landlord's** expense furnish all janitorial service necessary to keep the demised premises clean and orderly, including all common area maintenance. All stains shall be reported to the **Landlord** immediately, so that proper cleaning might be accomplished. All boxes, large books, etc., shall be removed from the offices by **Tenant**. Janitorial service will remove all general office trash from trash receptacles daily, but will not remove accumulated heavy trash. Dumpsters are available on the premises of the parking lots. The **Landlord** reserves the right to stop service of the heating, air conditioning, elevator, plumbing, and electrical systems when necessary, by reason of accident, or emergency, or for repairs, alterations, replacement or improvements in the

judgment of the **Landlord** until said repairs, alteration, replacements or improvement, shall have been completed. **Landlord** shall have no responsibility, or liability for failure to supply heat, air conditioning, elevator, plumbing and electrical service, when prevented from doing so by strike, accidents or by any cause beyond **Landlord's** control.

20. CAPTIONS:

Captions are inserted only for convenience and in no way define, limit or describe the scope of this lease or any provision thereof.

21. SUCCESSORS:

This lease shall be binding upon each of the parties and its successors, assigns, heirs, next of kin and personal representatives.

22. RULES AND REGULATIONS:

The **Tenant** at all times shall observe and comply with all regulations of the **Landlord** pertaining to the building.

23. PARKING:

Landlord shall allocate **Tenant** parking space at the facility as shown in Exhibit D including the three (3) reserved 30 minute spaces for Pharmacy pickup, one reserved space for the Court of Appeals, and two reserved spaces for the **Tenant**. The Landlord shall allocate the remaining parking spaces so that the intent of Exhibit D is met. All reserved parking sign installation is the responsibility if the **Landlord**.

24. OTHER CONDITIONS:

The Lease Agreement, which includes the **Landlord's** offer in response to **Tenant's** request for bids as attached, constitutes the entire agreement between the parties. It supersedes all previous understandings and agreements between the parties, and no oral or implied representation or understandings shall vary its terms. It may not be amended except by a written instrument executed by both parties.

IN WITNESS WHEREOF, **Landlord** and **Tenant** have executed this writing, in duplicate, on this day and year first written, each copy to have the force and effect of the original.

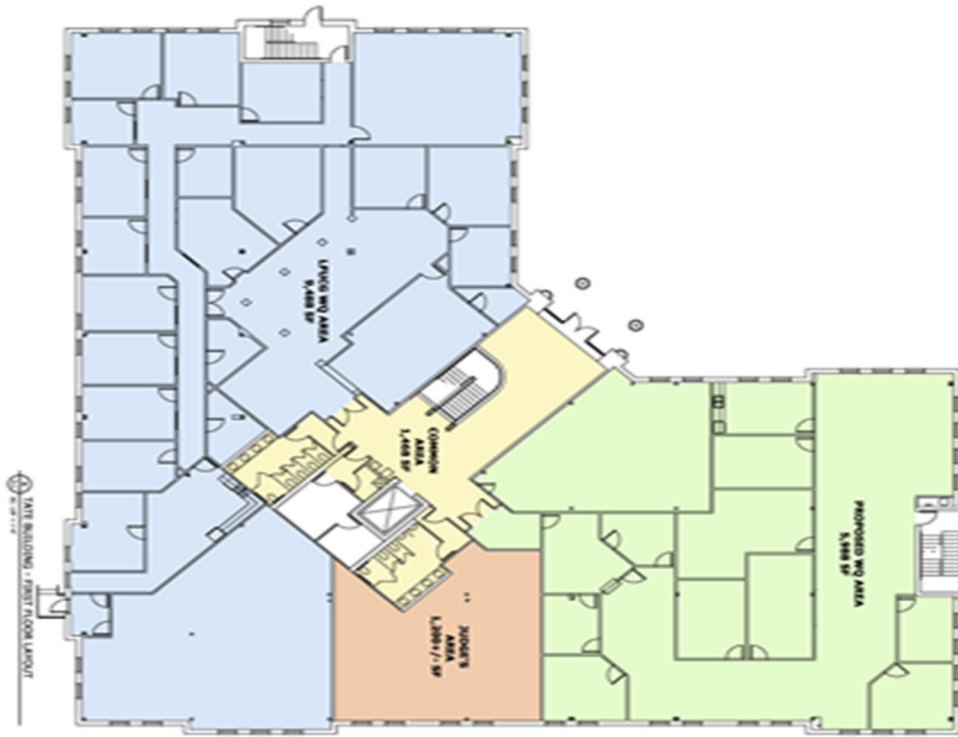
WITNESS FOR THE LANDLORD


WINMAR CORPORATION

WITNESS FOR THE TENANT

LFUCG

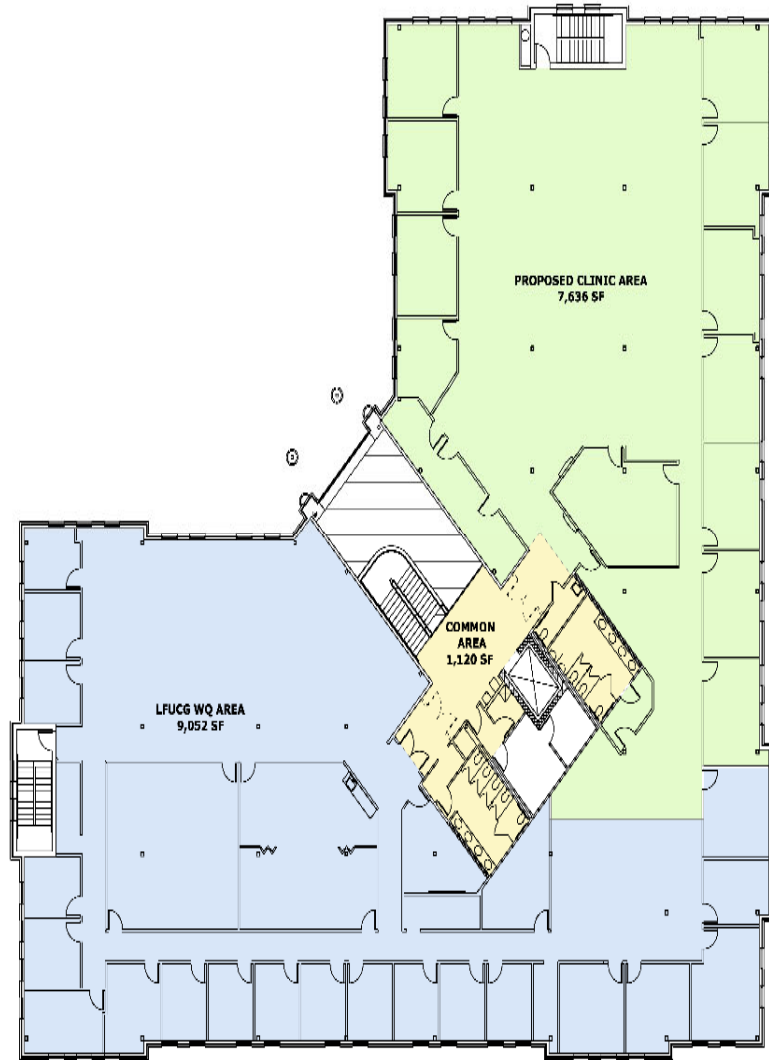
EXHIBIT A



A.1	DATE: 11/11/11	SCALE: AS SHOWN	PROJECT: RENOVATIONS TO TATE BUILDING
	DRAWN BY: [REDACTED]	CHECKED BY: [REDACTED]	DATE: 11/11/11
Renovations To: TATE BUILDING 1ST & 2ND FLOOR RENOVATIONS 125 LISLE INDUSTRIAL AVE - LEXINGTON, KY 40511 FIRST FLOOR PLAN - LAYOUT			 LEXINGTON LEXINGTON-FAYETTE-JESSEN COUNTY GOVERNMENT REVENUE AND FINANCE DEPARTMENT LEASE DOCUMENT

**Tate Building – First Floor
125 Lisle Industrial Ave.
Lexington, KY 40511**

EXHIBIT A



TATE BUILDING - SECOND FLOOR LAYOUT

Tate Building – 2nd Floor
125 Lisle Industrial Ave.,
Lexington, KY 40511

<small>www.lexingtonky.gov</small> LEXINGTON LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT <small>100 EAST MAIN STREET, LEXINGTON, KY 40502</small> PHONE: 606.258.2000 FAX: 606.258.2001 E-MAIL: info@lexingtonky.gov	LEASE DOCUMENT
Renovations To: TATE BUILDING 1ST & 2ND FLOOR RENOVATIONS 125 LISLE INDUSTRIAL AVE - LEXINGTON, KY 40511 SECOND FLOOR PLAN - LAYOUT	
<small>DATE:</small> 06/27/2019 <small>DRAWN BY:</small> JLD <small>CHECKED BY:</small> JLD <small>APPROVED BY:</small> <small>SCALE:</small> <small>SHEET NO.:</small>	A.2

EXHIBIT B
MONTHLY / ANNUAL LEASE PAYMENT SCHEDULE

YEAR	DATE	RATE (\$/Yr./SF)	MONTHLY COST	ANNUAL COST
1	2/1/2021	\$15.95	^	^
2	2/1/2022	\$15.95	\$32,123.30	\$385,479.60
3	2/1/2023	\$15.95	\$32,123.30	\$385,479.60
4	2/1/2024	\$16.27	\$32,767.78	\$393,213.36
5	2/1/2025	\$16.59	\$33,412.26	\$400,947.12
6	2/1/2026	\$16.93	\$34,097.02	\$409,164.24
7	2/1/2027	\$17.26	\$34,761.64	\$417,139.68
8	2/1/2028	\$17.61	\$35,466.54	\$425,598.48
9	2/1/2029	\$17.96	\$36,171.44	\$434,057.28
10	2/1/1930	\$18.32	\$36,896.48	\$442,757.76

EXHIBIT C FIRST FLOOR – SOUTH WING





LEXINGTON
LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
100 EAST MAIN STREET, LEXINGTON, KY 40511
PH: 606/258-1000 FAX: 606/258-1005
www.lexingtonky.gov

Proposed Renovations
To Existing Building - First Floor
145 Industrial Avenue
Lexington, KY 40511
Floor Plan

DATE: 7/2/2020
DRAWN BY: JIM POWELL
CHECKED BY:
APPROVED BY:
SHEET NO:
A-1

NEW DWQ OFFICE AREA

EXHIBIT D
TENANT PARKING

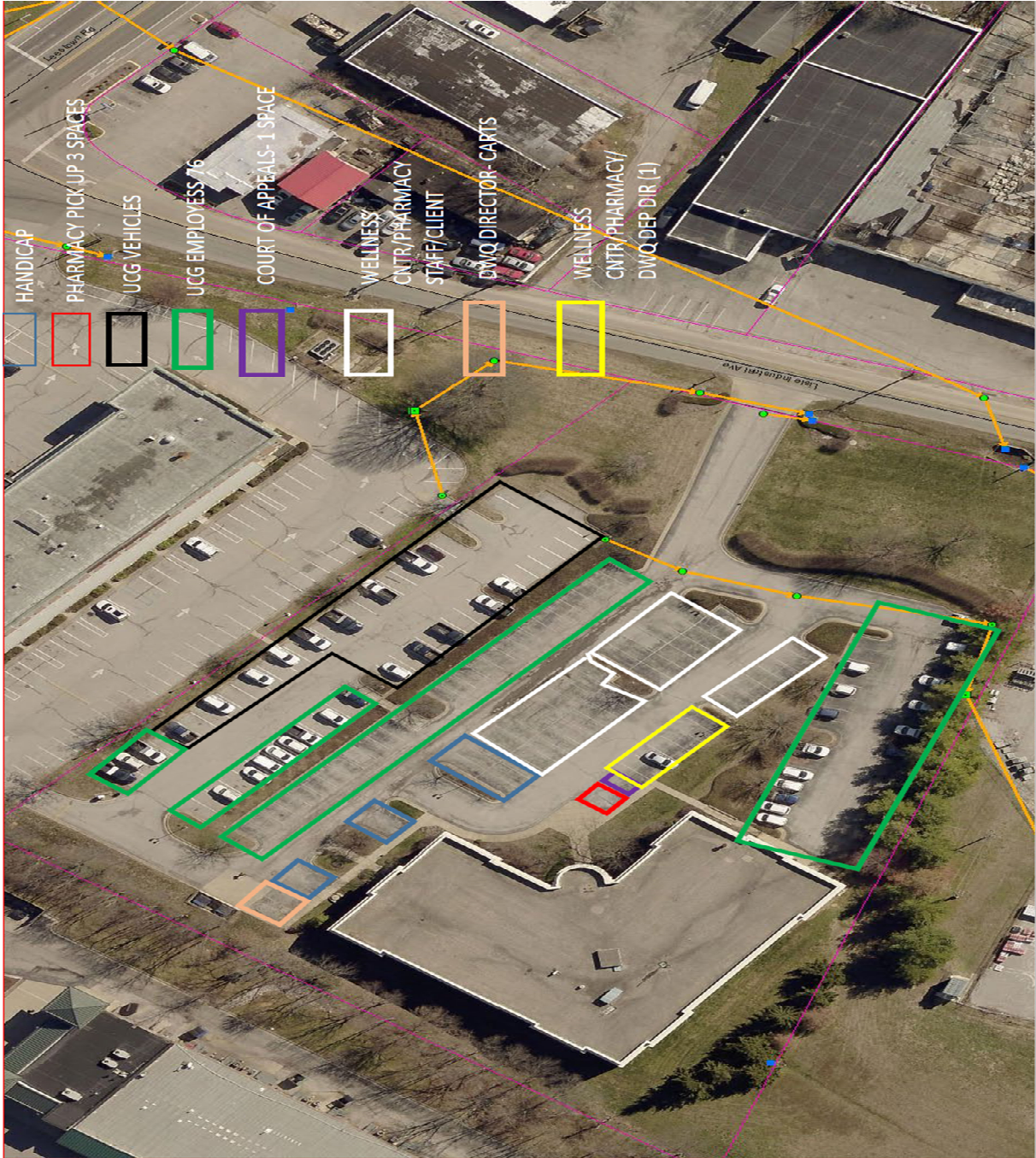


EXHIBIT E

CURRENT LANDLORD INSURANCE POLICY