

STATE OF GEORGIA  
COUNTY OF MUSCOGEE

LEASE

THIS LEASE is made and entered into this \_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_, by and between Columbus Consolidated Government, ("Lessor"), and U-Grow Inc.,  
("Lessee").

1. Definitions. For purposes of this Lease, the following terms shall have the following meanings, unless the context requires otherwise:

(a) "Additional Rent" shall mean all those payments required of Lessee and designated as Additional Rent below.

(b) "Basic Rent" shall mean the rental specified and provided for in this Lease.

(c) "Commencement Date" shall mean the date on which the term of this Lease commences.

(d) "Laws" shall mean all federal, state, county, municipal and other governmental constitutions, statutes, ordinances, codes, regulations, resolutions, rules and directives and all decisions of courts, administrative bodies, and other authorities construing any of the foregoing. "Law" shall be the singular reference to Laws.

(e) "Lease" shall mean this Lease, together with any and all exhibits, special stipulations and attachments which may be part of this Lease.

(f) "Lessor" shall mean the Columbus Consolidated Government.

(g) "Premises" shall mean:

(i) the area denominated as "U-Grow Inc.", and highlighted in green, red, and yellow, more particularly shown on Exhibit "A", attached hereto and located at 3720 5<sup>th</sup> Ave, Columbus, Georgia 31904, together with access of ingress, regress and egress thereto and therefrom and parking thereon, but which access and parking rights may only be exercised in common with Lessor or Lessor's other lessees leasing the real property and improvements more particularly described on Exhibit B hereinafter "Property", a portion of which Property and improvements located thereupon is being leased by Lessee hereunder.

(ii) In addition, Lessee shall have the right, in common with Lessor and Lessor's other tenants and their respective guests, agents, invitees, and licensees, whomsoever, thereof, to use the common areas of such building and adjacent property owned by Lessor for access of ingress, egress and regress and for parking, which common usage by Lessee shall be reasonable and not to the exclusion of Lessor or of any other tenants of Lessor or their respective guests, customers, invitees, or licensees, whomsoever. Lessee's usage of the Premises, Property and common areas hereunder shall, at all times, be in full compliance with any and all reasonable rules and regulations as Lessor may establish in regard to the usage of the Premises, Property and common areas, and under which reasonable rules and regulations, Lessee shall take the Premises, Property and common area subject to, being bound to observe same in all respects and in the same manner as any other Lessee of Lessor. Lessor reserves unto itself, and unto its successors and assigns, all rights to the common areas of such Property on which the Premises are located, as well as the building located thereupon not being leased to Lessee hereunder, with the exception of the limited rights of access of ingress, egress and regress and for parking by Lessee, granted to Lessee in common with Lessor and Lessor's other tenants, herein stipulated.

(h) "Lease Year" shall mean the twelve (12) month period beginning on the Commencement Date and ending at midnight of the day before the first anniversary of the Commencement Date, and any similar twelve month periods occurring throughout the term of this Lease and any renewals hereof.

(i) "Lessee" shall mean the Lessee named in this Lease, together with Lessee's successors and permitted assigns.

(j) "Lessor" shall mean the Lessor named in this Lease, together with Lessor's successors and assigns.

## 2. Lease of Premises.

(a) In consideration of the covenants and agreements to be performed by Lessee and for the rent and upon the terms and conditions stated, Lessor lets and leases the Premises to Lessee. Lessee takes and accepts from Lessor the Premises in "AS IS, WHERE IS, WITH ALL FAULTS" condition, and as suited for the use intended by Lessee.

(b) The spaces allotted to Lessee for the conduct of its business shall consist of, the area outlined in green, yellow, and red, more particularly shown on Exhibit A attached hereto and made a part hereof.

(c) In addition, Lessee, and its customers, patrons and clientele, shall have the right, in common with Lessor and Lessor's other tenants, and their respective employees, agents, independent contractors, guests, customers, patrons, and clientele, as well as the

general public, to use any and all common areas in the Property necessary for Lessee to conduct its business, inclusive of access to and from same, to include, but not be limited to, those areas shown on Exhibit "A" denominated as "Shared" and colored in orange. Such shared use of bathrooms shall be on a reasonable basis so as to accommodate Lessor and all of Lessor's other tenants and their respective employees, agents, independent contractors, guests, customers, patrons, and clientele. Should it be necessary, Lessor shall impose such rules and regulations as to the usage of such common areas and facilities so as to fairly and reasonably accommodate Lessee and Lessor, and all of Lessor's other tenants and their respective employees, agents, independent contractors, guests, customers, patrons, and clientele.

(d) Lessee shall be, solely, responsible for any and all of its personal property, of whatsoever kind and nature, used in the conduct of its business for which this Lease is entered into, irrespective of whether it is located in said Premises, or otherwise located in, on or about the Property. Lessor assumes no liability, whatsoever, for such latter personal property, in any form or manner, whatsoever, and the placement and storage of same in, on or about the Premises and Property shall be at Lessee's sole cost, risk and responsibility, whatsoever.

(e) Lessee and its customers, patrons, clientele, employees, agents, independent contractors, and guests, whomsoever, shall have the right to park in or about the Property, subject, in any event, however, to any rules and regulations in regard thereto, which Lessor may promulgate, which rules and regulations, Lessee and its customers, patrons, clientele, employees, agents, independent contractors, and guests shall honor, in all respects.

(f) Lessee shall not allow the Premises to become vacant, or to be used for any purpose, other than that specified in this Lease, nor permit such Property and Premises to be used, in whole, or in part, illegally, or in a hazardous manner, or by any other firm, person, corporation, or other entity, whomsoever, nor shall Lessee, or its customers, clientele, patrons, employees, agents, independent contractors, and guests interfere, in any manner, whatsoever, with any customers, clientele, patrons, employees, agents, independent contractors, and guests of Lessor's other tenants, inclusive of the general public, through, over or along any part of the Property, or of any common areas which form a part of the Property, nor their parking or ingress, egress or regress on, to or from the Property.

(g) Lessee, on behalf of itself, and on behalf of its patrons, customers, clientele, employees, agents, independent contractors, or guests, whomsoever, shall keep, maintain and return, in a neat, orderly, good, clean, broom swept, first-class, non-hazardous, and operable condition, the Premises, provided, however, that Lessor, at its sole cost and expense, shall keep the common areas of the Property, in a clean and orderly fashion, but with the Lessee being principally responsible hereunder for maintaining the Premises free of clutter and in a neat, orderly, good, clean, broom swept, first-class, non-hazardous, and operable condition, all as required herein. In addition, and despite Lessor's responsibility for the

common areas and Property, other than the Premises, Lessee and its customers, patrons, clientele, employees, agents, independent contractors, or guests shall not contribute to any disorder, uncleanness or litter in, on or about the Premises, Property, or the common areas thereof, with Lessee being fully responsible, as Additional Rent, for any and all clean up occurring from same.

(h) Lessee shall be responsible for any and all of its furniture, fixtures, equipment, property, and materials, of whatsoever kind and nature, emplaced by Lessee in the Premises, as well as any personal property of the Lessor which Lessee, or its employees, agents or independent contractors damage or remove from the Premises, fully saving, indemnifying and holding Lessor harmless from any and all costs with respect to the replacement or repair of such personal property.

(i) Lessee shall do all things needful and necessary, and as required, to be in full compliance with all ordinances, laws, and statutes, whatsoever, in the use of the Premises.

(k) Lessee, on behalf of itself, and on behalf of its customers, patrons, clientele, employees, agents, independent contractors, and guests, whomsoever, shall, at all times, maintain order in the Premises, Property and common areas, and shall not make or permit any loud, disturbing or improper yelling, conversation, music, noise, or other disturbing activities, whatsoever, to annoy Lessor, or Lessor's other tenants, and their respective employees, agents, independent contractors, guests, customers, patrons, and clientele, whomsoever.

(l) The Property and the Premises are and shall remain a smoke-free environment, and neither Lessee, nor any of Lessee's other tenants, nor their respective employees, agents, independent contractors, guests, customers, guests, patrons, or clientele, whomsoever, may smoke in, about, or in close proximity to, the Premises, Property or common areas, in any form or manner, whatsoever.

### 3. Term.

(a) The initial term of this Lease shall commence on \_\_\_\_\_, \_\_\_\_\_ and shall terminate at midnight on the day before the third (3rd) anniversary date thereof on \_\_\_\_\_, \_\_\_\_\_.

(b) (1) Provided, further, that in the event Lessee is in full compliance with all of the terms, conditions, and provisions contained herein, and current in all payments to Lessor due hereunder, then Lessor grants to Lessee the absolute right, privilege and option to extend the term of this Lease for two (2) additional successive and consecutive periods of three (3) years each, commensurate with the Lease Year stipulated herein. Such renewal terms shall

commence on the 3<sup>rd</sup> and 6<sup>th</sup> anniversary date hereof and shall terminate at midnight before the next anniversary date hereunder, all under the same exact terms, conditions and provisions contained herein.

(2) Such options to renew the within Lease must be exercised by Lessee giving written notice thereof to Lessor no later than one hundred and twenty (120) days prior to the 3<sup>rd</sup> and 6<sup>th</sup> anniversary date hereof. Failing the giving of such notification in accordance herewith, then such options to renew for such additional periods shall lapse and be of no further consequence or affect, whatsoever.

(c) Provided further that Lessor may, upon one hundred and twenty (120) days' notice to Lessee, terminate this Lease, with or without cause, with no further liability on the part of either party hereto, except for such provisions herein which must be or have not been honored for the period prior to such termination or are still expressly in effect thereafter.

#### 4. Rent.

(a) Lessee shall pay to Lessor, at Lessor's address for notice hereinafter set forth, or at such other place as Lessor may specify, in writing, from time to time hereafter, without any right of set-off or deduction, and without any prior notice or demand, the Basic Rent of One Dollar (\$ 1.00), per year plus cost of utilities per section 6. Utilities.

(b) In the event Lessee exercises the options to renew stipulated in Section 3(b) hereof, all in accordance therewith and as strictly provided therein, then for each such annual renewal period Lessee shall pay to Lessor at Lessor's address for notice hereinafter set forth or at such other place as Lessor may specify, in writing, from time to time hereafter, the Basic Rent stipulated in Section 4(a) hereof.

5. Use. Lessee shall use the Premises only for the purpose of providing shared kitchen and nutritional services, of any and all kinds, as well as any and all other related businesses and uses, whatsoever, but for no other purposes, whatsoever. In no event shall Lessee use the Premises for any illegal purpose, in violation of any Law, or in any manner which constitutes a public or private nuisance. Lessee shall not do, bring, or keep anything on or about the Premises that would increase the rates charged Lessor for, or cause cancellation of, Lessor's insurance covering the Premises. Lessor does not make, and has not made, any representation regarding the zoning of the Premises. Lessee has determined that the use(s) contemplated by Lessee conform to and comply with zoning and all other Laws and represents to Lessor that they do. Lessee shall use the Premises and keep them occupied at all times during the term of this Lease, and Lessee shall not abandon, vacate or cease to use the Premises during the term of this Lease, or any renewals hereof.

6. Utilities. Lessee shall also pay to Lessor, as Additional Rent, the Premises' equitably prorated share of all electrical and water services and usage to the Property, the costs of which shall be equitably prorated. The equitable prorated share shall be calculated by the City paying a portion equal to the 3 year average usage of water (\$68.34) and electrical (\$1,355.33) services prior to billing the Lessee for the remaining amount. Lessee shall pay such prorated share of its electrical and water usage within ten (10) days of the presentment of a bill from Lessor to Lessee in this regard. Except for such electrical and water services and usage to the Premises, Lessee shall make all arrangements, and shall pay when due all charges, for all other utilities and services furnished to the Premises or used by Lessee, fully saving, indemnifying and holding Lessor harmless therefrom. This Lease shall only include such electrical and water services, if, for any reason, there should be any suspension or interruption of any of the utilities provided by Lessor hereunder or otherwise, then Lessor shall not be under any liability, whatsoever, to Lessee for such suspension or interruption, and, if provided by Lessor to Lessee hereunder, Lessor shall have a reasonable time within which to correct such suspension or interruption in services.

7. Repairs by Lessor. Lessor shall keep or cause to be kept the main heating/air conditioning, plumbing, and electrical systems, foundation, roof and structural portions of the walls of the Premises in good order, repair and condition, but not any day-to-day maintenance thereof nor damages thereto caused by the acts or omissions of Lessee, its agents, employees or invitees, or by any failure of Lessee to comply fully with Lessee's obligations under Section 8 of this Lease. Lessor shall not have any other obligation for maintenance, replacement, or repair of the Premises. Lessor shall not have any obligation to inspect the Premises. Lessee's failure to report promptly any condition requiring repair hereunder by Lessor shall make Lessee responsible for the required maintenance, replacement or repair, notwithstanding any provision to the contrary herein, and shall make Lessee liable to Lessor for any liability incurred by Lessor as a result of the condition not being promptly reported by Lessee to Lessor.

8. Repairs by Lessee. Except for the obligations to be performed by Lessor, all as provided for in Section 7 hereof, Lessee shall perform any and all day-to-day maintenance and repair of the Premises, and shall make all replacements to the Premises, of whatsoever kind and nature, to include, but not be limited to, any maintenance, repairs or replacements occasioned by the acts or omissions of Lessee, its agents, employees or invitees, or by any failure of Lessee to comply fully with Lessee's obligations under Sections 7 and 8 of this Lease. Lessee shall, at Lessee's sole cost and expense, whatsoever, put, keep, replace, maintain, and repair the Premises as required by this Section 8, so that at all times the Premises shall be in a good, clean, safe, sightly, and substantial condition, at least as good as the condition the Premises were in on the Commencement Date, fully saving, indemnifying and holding Lessor and Lessor, jointly and severally, harmless from any and all costs and expenses, of whatsoever kind and nature, arising therefrom or in regard thereto. At the termination of the initial term of this Lease, or of any renewals hereof, Lessee shall leave the Premises in a condition at least

as good as the condition the Premises were in on the Commencement Date, excepting, only, ordinary wear and tear.

9. Alterations. Lessee shall not, without the Lessor's and Lessor's prior written consent, make any alterations, additions or improvements in or to the Premises, nor paint or affix any sign or other object to the interior and/or exterior of the Premises and Property. Any requests by Lessee for such prior written consent must be accompanied by a detailed written outline from Lessee to Lessor and Lessor of all plans and specifications for any such alterations, additions, improvements, painting, and/or signage to be made with respect to the Premises and Property. All alterations, remodeling and improvements, as well as painting and signage, shall be made in good, first class and excellent workmanlike manner and in full compliance with all applicable laws, at Lessee's sole cost and expense, and with Lessee fully saving, indemnifying and holding Lessor harmless from any and all costs and expenses, of whatsoever kind and nature, arising therefrom or in regard thereto, which alterations, remodeling, improvements, and signage, of whatsoever kind and nature, shall become Lessor's property and part of the Premises when made. In no event shall Lessee re-key or change any exterior or interior door locks in or about the Premises without Lessor's prior written consent.

10. Legal Requirements. Lessee shall, at Lessee's sole cost and expense, comply promptly with all laws affecting the Premises, if compliance is made necessary in whole or in part by reason of Lessee's use or occupancy of the Premises or by reason of Lessee's failure to comply fully with Lessee's obligations under Sections 7 and 8 of this Lease.

11. Hazardous Materials.

(a) Lessee will not bring any Hazardous Materials on to the premises. As used herein, the term "Hazardous Materials" will mean and include any and all hazardous substances, any hazardous wastes or any pollutants or contaminants defined as such in or regulated by: (i) the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §901 et seq., (ii) the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. 9601 et seq., (iii) the Federal Water Pollution Control Act, 33 U.S.C. 51251 et seq., as amended; (iv) the Clean Air Act, 42 U.S.C. S 7401 et seq., (v) the Toxic Substances Control Act, 15 U.S.C. 52501 et seq., or (vi) any amendments or statutory successors to the foregoing statutes and any now or hereafter existing federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as presently or hereafter in effect during the term of this Lease.

(b) To the extent that Lessee violates paragraph (a) above, it shall fully indemnify, defend (by counsel reasonably acceptable to Lessor), protect, and hold Lessor, jointly and severally, harmless, from and against any and all claims, liabilities, penalties, fines, judgment, forfeitures, losses, costs (including any and all clean-up and remediation costs and

expenses, of whatsoever kind and nature) or expenses (including attorney's fees, consultant's fees and expert's fees) for the death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by (a) the presence after the Commencement Date in, on, under, or about the Premises of any Hazardous Materials caused by Lessee or its agents, servants, employees, guests, invitees and/or independent contractors; (b) any discharge or release by Lessee or its agents, servants, employees, guests, invitees and/or independent contractors after the Commencement Date in or from the Premises of any Hazardous Materials; (c) Lessee's use, storage, transportation, generation, disposal, release or discharge after the Commencement Date of Hazardous Materials, to, in, on, under, about or from the Premises; or (d) Lessee's failure after the Commencement Date to comply with any Environmental Law.

(c) The provisions of this section will survive the expiration or termination of this Lease.

12. Liens. Lessee shall not create or permit to be created any lien, encumbrance or charge against the Premises or any part of the Premises. If any lien, encumbrance or charge is filed against any part of the Premises, Lessee shall cause the same to be discharged by payment, satisfaction or posting of bond within ten (10) days after the date filed. If Lessee fails to cause any lien, encumbrance or charge to be discharged within the permitted time, Lessor may cause it to be discharged and may make any payment which Lessor, in their sole judgment and discretion, consider necessary in order to do so. If Lessor makes any such payment, all amounts paid by Lessor shall bear interest at the rate of eighteen percent (18%) per annum from the date of payment by Lessor and shall be immediately payable by Lessee to Lessor upon demand.

13. Damage and Destruction. If the Premises is damaged or destroyed by fire, smoke, tornado, ice, wind, lightning, flood, water, explosion, riot, or other casualty, Lessee shall notify Lessor immediately and the following provisions shall determine the effect of the damage or destruction on this Lease.

(a) If the Premises is completely destroyed, the term of this Lease shall expire on the date of destruction, with the same effect as if the date of destruction were stated as the time for termination of the Lease term or any renewal thereof, and Lessor and Lessee shall account for Basic Rent, Additional Rent and other amounts payable by Lessee as of that date.

(b) If any part, but less than all, of the Premises is damaged or destroyed, Lessor shall, within sixty (60) days after such damage or destruction, at Lessor's sole election, either agree to restore or rebuild the Premises or terminate this Lease by giving Lessee written termination of notice. If Lessor agrees to restore or rebuild, Lessor shall restore or rebuild the damaged or destroyed part to a condition at least as good as the condition which existed



immediately prior to the damage or destruction. Lessor shall complete the restoration or rebuilding within one hundred eighty (180) days after the date of said damage or destruction, and the Basic Rent shall be abated in the same proportion as usable space in the Premises has been rendered unusable by reason of such damage or destruction. The abatement of Basic Rent shall be effective from the date of the damage or destruction until completion of the restoration or rebuilding by Lessor, at which time the Basic Rent shall automatically be reinstated at the amount specified in this Lease. If Lessor terminates the Lease, then the term of this Lease shall expire on the date ten (10) days after the date of a written notice of termination to Lessee, with the same effect as if such date were stated as a time for termination of the Lease term or any renewal thereof, and Lessor and Lessee shall account for Basic Rent, Additional Rent, and other amounts payable by Lessee as of that date, with the payments from and after the date of the damage or destruction to be abated as provided above.

(c) Notwithstanding anything above to the contrary, the time within which Lessor shall complete any restoration or rebuilding shall be extended one day for each day restoration or rebuilding is delayed by strikes, lockouts, embargoes, acts of God, governmental restrictions or directives, shortages in power or fuel or causes beyond the reasonable control of Lessor.

#### 14. Condemnation.

(a) If the entire Property is condemned, the term of this Lease shall terminate on the date when possession of the Property is taken by the condemning authority. If any part of the Property is condemned so that Lessee cannot use the remainder of the Premises for substantially the same purpose(s) as immediately prior to condemnation, Lessee may terminate this Lease on the date when possession is taken by the condemning authority, by giving Lessor notice of intent to terminate within sixty (60) days after Lessor gives Lessee notice of the condemnation. In the event of any other condemnation, this Lease shall not terminate.

Any termination under this section shall have the same effect as termination of the term of this Lease or any renewal thereof, as if the date on which possession of the Premises is taken by the condemning authority were stated as the time for termination of the Lease term or any renewal thereof, and Lessor and Lessee shall account for Basic Rent, Additional Rent and other amounts payable by Lessee as of that date.

(b) If any part of the Premises is condemned and this Lease is not terminated as specifically provided in this section, the Basic Rent shall be abated in the same proportion as usable space in the Premises has been rendered unusable by reason of such condemnation. The abatement of Basic Rent shall be effective from the date when the condemning authority takes possession of the part of the Premises condemned through the remainder of the term or any renewals of this Lease. No termination of this Lease and no abatement in Basic Rent shall affect Lessor's right to compensation for any condemnation. Lessor shall be entitled to the full

award or proceeds payable with respect to the Premises by reason of any condemnation, and Lessor, and Lessee shall have no claim to any award or proceeds payable to the other. For purposes of this section, words and phrases referring to condemning or condemnation shall refer to statutory condemnation, exercise of the private or public power of eminent domain, proceedings in the nature of condemnation, and any sale or transfer made in lieu of or under threat of condemnation or exercise of the private or public power of eminent domain and shall include any such condemnation for permanent or for temporary use of or interference with any part or all of the Premises.

15. Indemnity. During the term of this Lease and to the full extent permitted by law, Lessee shall pay, and shall fully protect, indemnify, hold, and save harmless Lessor, jointly and severally, from and against, all liabilities, damages, costs, expenses (including all attorney's fees and expenses of Lessor), causes of action, suits, claims, demands and judgments of any nature whatever arising from: (a) injury to or the death of persons or damage to property (i) on the Premises or Property, or (ii) in any manner arising out of or connected with Lessee's use, non-use, or occupancy of the Premises or Property, or (iii) resulting from the condition of the Premises occasioned by Lessor; (b) violation of any agreement, representation, warranty, provision, term or condition of this Lease by Lessee; and (c) violation of any law affecting the Premise, Property, or the occupancy or use thereof; except for action arising from Lessor's respective proven acts of willful misconduct.

16. Insurance.

(a) Lessee shall procure, and maintain in full force and effect at its expense at all times during the term of this Lease, with insurers approved by Lessor: (1) comprehensive general liability insurance applicable to the Premises with limits of liability of not less than \$1,000,000.00 per person and \$1,000,000.00 per occurrence for injury to persons including death resulting therefrom, and \$500,000.00 per occurrence for damage to the property of others with not more than \$1,000.00 deductible; (2) insurance with respect to Lessee's property on the Premises and any alterations, remodeling or improvements made or installed by Lessee on the Premises, in an amount equal to the full replacement value of the property insured, and which insures against the perils of fire, windstorm, earthquake, flood, riot, theft, vandalism, and malicious mischief, sprinkler leakage, and explosion, and (3) such other insurance on the Premises and in such amounts as may from time to time be reasonably required by Lessor against other insurable hazards which at the time are commonly insured against in the case of premises similarly situated.

(b) All insurance required to be maintained pursuant to this section shall: (1) name Lessor as an additional insured, (2) provide that the policy cannot be cancelled as to Lessor and except after the insurer gives Lessor and Lessor thirty (30) days **written** notice of cancellation; (3) provide that the policy cannot lapse if it is not renewed for any reason except after the insurer gives Lessor thirty (30) days written notice of nonrenewal; (4) provide that

no material change in coverage provided by the policy shall be effective except after the insurer gives Lessor thirty (30) days written notice of the change; (5) shall state that notice of any claim against Lessor shall be deemed to have occurred only when Lessor has received actual notice, and has actual knowledge of the claim, and (6) not be subject to invalidation as to Lessor by reason of any act or omission of Lessee.

(c) Lessee shall not obtain or maintain in force any other insurance policy which might have the effect of reducing the loss payable to Lessor under the coverage required under this section. Immediately upon the issuance of the policy or policies required under this section, Lessee shall deliver a duplicate original policy to Lessor, together with evidence satisfactory to Lessor that the premiums have been paid for a period of at least one year from the Commencement Date. Not less than thirty (30) days prior to the expiration of a policy required under this section, Lessee shall pay the premium for renewal for a period of not less than one year and deliver to Lessor a renewal policy or endorsement evidencing the renewal, together with evidence satisfactory to Lessor that the renewal premium has been paid.

(d) Each such insurance policy shall contain a provision permitting Lessee to waive all rights of recovery by way of subrogation, for Lessee and Lessee's insurer, substantially in the following form: "This insurance policy shall not be invalidated, and shall remain in full force and effect, if the insured waives in writing prior to a loss any or all right of recovery against any party for a loss occurring to the property covered by this policy. Lessee waives, during the term of this Lease, any and all rights of recovery and claims against Lessor, Lessor's respective officers, employees and agents, to the full extent that indemnification is due under the insurance coverage required by this section."

17. Assignment. Subletting by Lessee. Lessee shall not transfer or assign (whether by instrument, operation of law, withdrawal or change in partnership, merger, consolidation, dissolution or reorganization of any type) this Lease, or any interest of Lessee under this Lease, without the prior written consent of Lessor. Lessee shall not sublet the Premises or any part of the Premises, nor permit any party other than Lessee to use or occupy any part of the Premises, without the prior written consent of Lessor. Lessor may, in their sole judgment and absolute discretion, withhold or refuse to give their consent to any proposed transfer, assignment or subletting and to any proposed use or replacements or performing any maintenance required (or permitted to be made or performed by) Lessor and performing any work on the Premises that Lessor may consider necessary to prevent or cure deterioration, waste or unsafe conditions. Lessor shall also have the right to place on the Premises signs suitable to Lessor advertising the Premises or any part of the Premises for sale or for Lease. Nothing in this section shall imply or impose any duty or obligation upon Lessor to enter the Premises at any time for any purpose, or to inspect the Premises at any time, or to do, or pay for, any work which Lessee is required to perform under any provision of this Lease, Lessor shall have any such duty or obligation. Such right of entry hereunder may be immediate,

however, and without prior notice in the event of an emergency affecting the Premises, as Lessor and/or Lessor deem necessary, in their sole judgment and absolute discretion.

18. Lessor's Right to Act for Lessee. If Lessee fails to pay any Additional Rent or to make any other payment or take any other action when and as required under this Lease, Lessor may, without demand upon Lessee and without waiving or releasing Lessee from any obligation contained in this Lease, pay any such Additional Rent, make any such other payment or take any such other action required of Lessee. All amounts paid by Lessor pursuant to this section, and all costs and expenses incurred by Lessor in exercising its rights under this section, shall bear interest at the rate of eighteen percent (18%) per annum from the date of payment by Lessor and shall be payable by Lessee to Lessor upon demand.

19. Default.

(a) The following events shall constitute events of default by Lessee under this Lease: (i) Lessee shall fail to pay when due any Basic Rent, Additional Rent or other payment to be made by Lessee; (ii) Lessee shall fail to comply with any agreement, representation, warranty, term or condition of this Lease (other than the payment of Basic Rent, Additional Rent or any other payment to be made by Lessee), and shall not cure such failure within fifteen (15) days after Lessor gives Lessee notice of the failure; (iii) Lessee shall become insolvent or shall make a transfer in fraud of creditors or shall make an assignment for the benefit of credits, or (iv) Lessee shall file a petition under any section or chapter of the Federal Bankruptcy Act, as amended, or under any similar Law or any statute of the United States or any state, or there shall be filed against or on behalf of Lessee a petition in bankruptcy or insolvency or a similar proceeding, or Lessee shall be adjudicated bankrupt or insolvent in proceedings filed against or on behalf of Lessee.

(b) Upon the occurrence of any event of default, Lessor may pursue any one or more of the following remedies, separately or concurrently or in any combination, without any notice (except as specifically provided below) or demand whatsoever and without prejudice to any other remedy which Lessor may have: (i) Lessor may terminate this Lease by giving Lessee notice of termination, in which event Lessee shall immediately surrender the Premises to Lessor and this Lease shall be terminated at the time designated by Lessor in its notice of termination to Lessee, and, in such event, Lessor may enter upon and take possession of the Premises and expel or remove Lessee and any other person who may be occupancy by any party other than Lessee. Lessor's consent to one assignment, transfer or lease, or to any use or occupancy by a party other than Lessee, shall not destroy or waive this provision, and each later assignment, transfer and lease, and each later use or occupancy of the Premises by a party other than Lessee, shall likewise be made only with the prior written consent of Lessor. Any subtenants, transferees or assignees shall automatically, upon acceptance of such sub tenancy, transfer or assignment, become and thereafter be directly liable to Lessor for all

obligations of Lessee under this Lease, without, however, relieving, in any way, whatsoever, Lessee of any liability to Lessor under this Lease.

18. Usufruct. This Lease creates only the relationship of landlord and tenant between Lessor and Lessee, and no estate in land shall pass out of Lessor. Lessee shall have only a usufruct, not subject to levy and sale and not assignable in whole or in part by Lessee except as specifically provided in this Lease.

19. Removal of Personal Property. Unless otherwise agreed to by Lessor and Lessee, at or prior to the termination of the term of this Lease or any renewal thereof, Lessee may, if no event of default then exists, remove all personal property which Lessee has installed or otherwise located on the Premises and which is not attached to the Premises, provided that Lessee promptly restores the Premises to their condition immediately preceding the time the property was installed or otherwise located on the Premises. In the event that Lessee does not remove said property, it shall become the property of Lessor, and Lessee shall pay all costs incurred by Lessor in the removal of the same.

20. Risk of Loss of Property and Risk of Injury. Lessor shall not at any time be liable for any loss of or damage to any property of Lessee or others in or upon the Premises or any adjoining sidewalks, streets or ways, and Lessor shall not be liable to anyone for personal damage or injury in or upon the Premises or any adjoining sidewalks, streets or ways.

21. Surrender. Upon termination of this Lease, Lessee shall surrender to Lessor the Premises, broom swept clean and, in a condition, at least as good as the condition the Premises were in on the Commencement Date, excepting only ordinary wear and tear. Lessee shall also deliver to Lessor, immediately, all keys to the Premises.

22. Tenancy at Sufferance. If Lessee remains in possession of the Premises after termination of the term of this Lease or any renewal thereof, without any written agreement by Lessor, then Lessee shall be and become a tenant at sufferance at twice the Basic Rent then in effect, plus any Additional Rent due hereunder, and there shall be no renewal or extension of this Lease by operation of law.

23. Right of Entry. Lessee shall permit Lessor and Lessor's respective representatives, agents and employees to enter the Premises at all times during Lessee's business hours, and at other reasonable times, for the purposes of inspecting the Premises, showing the Premises to prospective purchasers or tenants, making any repairs or occupying the Premises, by force if necessary, without being liable for prosecution or any claim of damages, Lessee hereby knowingly, intelligently and voluntarily waiving all rights to prior notice or hearing or both in the event Lessor seeks a dispossessory warrant against Lessee under the applicable laws of Georgia; (ii) with or without terminating this Lease, Lessor may take possession of the Premises and Lessor may re-lease the Premises, on such terms as Lessor

may deem satisfactory, and receive the rent for any such re-leasing, in which event Lessee shall pay to Lessor, on demand, any deficiency that may arise by reason of such releasing; (iii) Lessor may do whatever Lessee is obligated to do under the terms of this Lease, in which event Lessee shall pay Lessor on demand for any expenses, including without limitation attorneys fees, which Lessor may incur in thus effecting compliance with Lessee's obligations under this Lease; or (iv) Lessor may terminate this Lease and declare immediately due and payable all Basic Rent which is then due and which would otherwise have become due throughout the remaining term of this Lease (as if this Lease were not terminated, even if this Lease is terminated), together with all Additional Rent and all other amounts payable by Lessee, due and to become due under this Lease, in which event all such amounts, discounted to the present value thereof at a rate of seven (7%) percent, shall be immediately due and payable by Lessee.

Lessor's pursuit of any one or more of the remedies stated in subsection (b) above shall not preclude pursuit of any other remedy or remedies provided in this Lease or any other remedy or remedies provided by law or in equity, separately or concurrently or in any combination. Lessor's pursuit of any one or more of the remedies provided in this Lease shall not constitute: (i) an election of remedies excluding the election of any other remedy or other remedies; or (ii) a forfeiture or waiver of any Basic Rent, Additional Rent or other amounts payable under this Lease by Lessee or of any damages or other sums accruing to Lessor by reason of Lessee's violation of any of the agreements, representations, warranties, provisions, terms and conditions of this Lease. No action taken by or on behalf of Lessor shall be construed to be an acceptance of a surrender of this Lease. Lessor's forbearance in pursuing or exercising one or more of its remedies shall not be deemed or construed to constitute a waiver of any event of default or of any remedy. No waiver by Lessor of any right or remedy on one occasion shall be construed as a waiver of that right or remedy on any subsequent occasion or as a waiver of any other right or remedy then or thereafter existing. No failure of Lessor to pursue or exercise any of Lessor's powers, rights or remedies or to insist upon strict compliance by Lessee with any obligation of Lessee, and no custom or practice at variance with the terms of this Lease, shall constitute a waiver of Lessor's right to demand exact compliance with the terms of this Lease. Notwithstanding anything in this Lease to the contrary, no termination of this Lease or any renewal thereof prior to the normal termination by lapse of time or otherwise shall affect Lessor's right to collect Basic Rent and Additional Rent for the period prior to termination.

26. Landlord's Lien. Lessee hereby grants to Lessor a lien and security interest in any and all property, furniture, furnishings, equipment, fixtures and personal property of Lessee located in the Premises during the term of this Lease as security for the full and prompt payment of all sums due to Lessor by Lessee hereunder. The lien and security interest hereby created shall be in addition to any landlord's lien created by law. In order to confirm the security interest granted hereby, Lessee agrees to execute such security agreements, financing statements and other documents and instructions as may be necessary in order for Lessor to perfect its security interest granted hereunder. Upon Lessee's default of any obligation hereunder, then, in addition to the remedies granted to Lessor in Section 25 above, Lessee

agrees that Lessor may exercise any and all such rights as Lessor may have at the time of such default as a secured party under the Uniform Commercial Code of the State of Georgia. Upon written request by Lessee, Lessor will subordinate its lien granted in this Section 26 to any purchase money security interest of any vendor or supplier of Lessee.

27. Late Charge. Notwithstanding anything to the contrary contained herein, should Lessee fail to pay any installment of Basic Rent or Additional Rent punctually on the due date thereof, Lessee shall pay to Lessor as additional rent, a late charge equal to five (5%) percent of such installment.

28. Time of Essence. Time is of the essence of this Lease. Anywhere a day certain is stated for payment or for performance of any obligation, the day certain so stated enters into and becomes a part of the consideration for this Lease.

29. Notices. Any and all notices required or permitted under this Lease shall be in writing, and may be given by the party providing same or by their attorney on their behalf, and shall be: (i) personally delivered; (ii) delivered by a reputable messenger service (such as Federal Express, Emery, United Parcel Service, etc.); (iii) transmitted via FAX or electronically, with confirmation of transmission, or (iv) mailed by certified or registered mail, return receipt requested, postage prepaid, to the respective parties at the addresses set forth below, unless and until a different address has been designated by written notice to the other party in the manner set forth herein. Any such notice shall be deemed to be given on the date (i) personally delivered; (ii) delivered to the recipient by messenger service; (iii) received via FAX or electronically during normal business hours, and if not, then receipt shall be deemed to have been made at the opening of business on the next business day, or (iv) on the next day following the date mailed, if mailed.

TO LESSOR:

Isaiah Hugley, City Manager  
Columbus, Georgia  
Columbus, Georgia 31902  
P.O. Box 1340

TO LESSEE:

\_\_\_\_\_  
UGrow Inc., Executive Director  
3707 2nd Avenue, Suite 114  
Columbus, GA 31904

Any party hereto may change the address for Notice specified above by notice given as provided herein to the other parties hereto.

Lessee designates and appoints, as its agent to receive notice of all dispossessory or distraint proceedings and all notices required under this Lease, the person in charge of the Premises at the time the notice is given, and, if no person is in charge of the Premises at that time, such service or notice may be made by attaching the same, in lieu of mailing, on any entrance to the Premises.

30. Entire Agreement. Amendment and Waiver.

(a) This Lease, the preamble hereof, and all exhibits attached to and made a part hereof, (all of which shall be deemed incorporated in this Lease and made a part hereof) contains the entire understanding of the parties hereto with respect to the subject matter hereof. This Lease constitutes the entire agreement between the Parties pertaining to this Lease and supersedes all prior and contemporaneous agreements, representations and understanding of the Parties with regard thereto. There are no other covenants, agreements, promises, terms, provisions, conditions, undertakings or understandings, either oral or written, concerning this Lease, except as expressly stated herein; made a part hereof, or superseded by virtue of the provisions herein contained. This Lease shall not be contradicted, explained or supplemented by any prior or contemporaneous written or oral statements, proposals or representations.

(b) No supplement, modification or amendment of this Lease shall be binding unless in executed by all the Parties hereto.

(c) No waiver of any of the provisions of this Lease shall be, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver.

31. Severability. If any clause or provision of this Lease is illegal, invalid or unenforceable under applicable present or future Laws effective during the term of this Lease, the remainder of this Lease shall not be affected. In lieu of each clause or provision of this Lease which is illegal, invalid or unenforceable, there shall be added as a part of this Lease a clause or provision as nearly identical as may be possible and as may be legal, valid and enforceable.

32. Headings. The use of headings, captions and numbers in this Lease is solely for the convenience of identifying and indexing the various sections and shall in no event be considered otherwise in construing or interpreting any provision in this Lease.

33. Counterparts. This Lease may be executed in multiple counterparts with the same effect as if the signatories executing the several counterparts had executed a single document, and all such executed counterparts shall together constitute one and the same instrument. Signatures submitted by facsimile or email shall be accepted as originals in the absence of a



valid reason to doubt their authenticity. The original of this document, including any and all signature page(s), may be scanned and stored in a computer database or other electronic format and the original(s) destroyed, and any printout or other output readable by human sight, the reproduction of which accurately reproduces the original of this document, may be used for any purpose as if it were the original, including proof of the content of the original writing.

34. Integration and Construction. The language in all parts of this Lease shall be construed, in all cases, according to its fair meaning, and not for or against any party hereto. The parties acknowledge that each party and its counsel have reviewed and revised this Lease and that the normal rule of construction, to the effect that any ambiguities are to be resolved against the drafting party, shall not be employed in the interpretation of this Lease.

35. Number and Gender. All words, as applicable, used herein shall include the plural as well as the singular. Words used in the masculine gender shall also include the feminine and neuter words used in connection with the interpretation of this Lease, in any way, whatsoever.

36. Additional Assurances. The provisions of this Lease shall be self-executing and shall not require further agreement by the parties, except, only, as may be herein specifically provided to the contrary.

37. WAIVER OF JURY TRIAL. IN ORDER TO AVOID THE ADDITIONAL TIME AND EXPENSE RELATED TO A JURY TRIAL ON ANY MATTERS ARISING HEREUNDER OR RELATING OR CONNECTED IN ANY MANNER TO THIS

LEASE, IT IS AGREED BY THE PARTIES HERETO, FOR THEMSELVES, AND FOR THEIR RESPECTIVE SUCCESSORS AND/OR ASSIGNS, THAT THEY SHALL AND HEREBY DO WAIVE TRIAL BY JURY OF ANY MATTERS, INCLUDING ANY COUNTERCLAIMS, CROSS CLAIMS, OR THIRD-PARTY CLAIMS, AND INCLUDING ANY AND ALL CLAIMS OF INJURIES AND/OR DAMAGES ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS LEASE, ANY AND ALL OF WHICH LEGAL PROCEEDINGS SHALL ONLY BE FILED IN THE SUPERIOR COURT OF MUSCOGEE COUNTY, GEORGIA, OR IN THE UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF GEORGIA. THE PARTIES HERETO HEREBY EXPRESSLY WAIVE ANY OTHER JURISDICTION OR VENUE WHETHER BY STATUTE OR OTHER LAW.

\_\_\_\_\_  
INITIALS

\_\_\_\_\_  
INITIALS

IN WHNESS WHEREOF, the parties hereto have executed and sealed this Lease, all effective as of the day and year first written above.

EXECUTION AUTHORIZED

"Lessor"  
COLUMBUS, GEORGIA,  
a consolidated city-county government

BY: \_\_\_\_\_

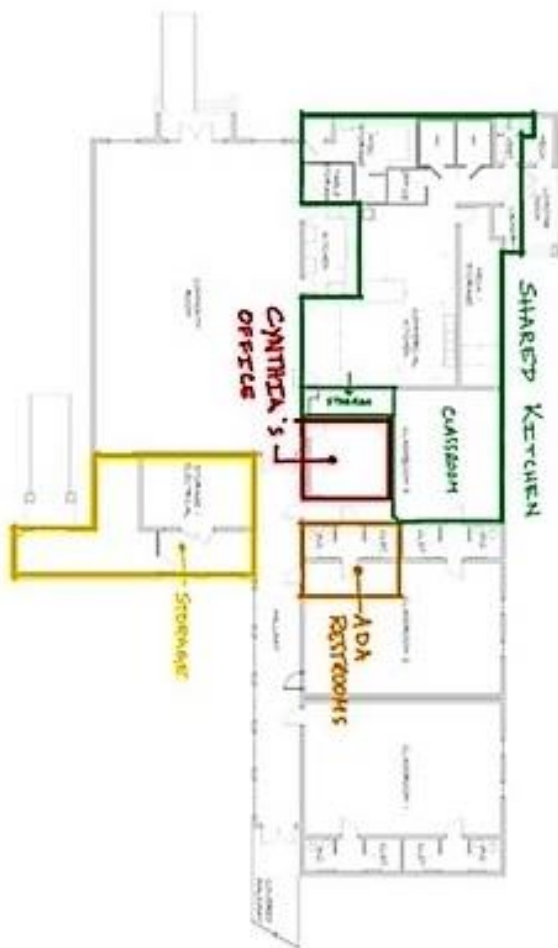
IT'S: \_\_\_\_\_  
(SEAL OF CITY)

"Lessee"  
U-Grow Inc.

BY: \_\_\_\_\_

IT'S: \_\_\_\_\_  
(SEAL)

Exhibit A



CONFIDENTIAL

A1

CONFIDENTIAL

UGROW SHARED KITCHEN AT  
**FOX COMMUNITY CENTER**  
3720 5TH AVE, COLUMBUS, GEORGIA 31904

**bgp** baron phillips partners  
ARCHITECTS  
101 NORTH WILSON ROAD | SUITE 100, GEORGIA TECH  
COLUMBUS, GEORGIA 31906

EXHIBIT "B"

ALL THAT TRACT or parcel of land lying and being in Land Lot 56 of the 8<sup>th</sup> District, City of Columbus, Muscogee County, Georgia, and being more particularly described as follows:

All that tract or parcel of land situate, lying and being in Columbus, Muscogee County, Georgia and being Lots 1 through 14, Block 26 of the North Highland Land Improvement and Manufacturing Co. Survey and part of Lots 1 and 2, Block 1, Greenwood Land Company Survey, containing 4.121 acres and as designated as such on a survey entitled "Replat of Part of Block 1, Greenwood Land Company Survey, Part of Block 26 North Highland Land Improvement and Manufacturing Co. Survey, Part of Former 6th Avenue Right of Way and Adjacent Lands, Lying in Land Lots 72, 8th District, Columbus, Muscogee County, Georgia" prepared by Moon, Meeks, Mason & Vinson, Inc. under date of October 6, 1999 and recorded in Plat Book . Folio 4 in the Office of the Clerk of the Superior Court of Muscogee County, Georgia, and being more particularly described within the following metes and bounds, to wit: Commence at the iron stake which marks the intersection of the south margin of 38th Street and the east margin of 5th Avenue and from said point running thence north 86 degrees 34 minutes 31 seconds east along said south margin of 38th Street, a distance of 255.12 feet to an iron stake; running thence north 02 degrees 33 minutes 01 second west, a distance of 8.07 feet to an iron stake; running thence north 87 degrees 28 minutes 24 seconds east along said south margin of 38th Street, a distance of 50.0 feet to an iron stake; running thence south 02 degrees 32 minutes 51 seconds east, a distance of 73.37 feet to an iron stake; running thence south 88 degrees 00 minutes 19 seconds west, a distance of 50.0 feet to an iron stake; running thence south 02 degrees 30 minutes 15 seconds east, a distance of 637.83 feet to an iron stake; running thence south 86 degrees 33 minutes 28 seconds west, a distance of 245.38 feet to an iron stake located on the east margin of 5th Avenue; running thence north 03 degrees 18 minutes 11 seconds west along said east margin of 5th Avenue, a distance of 702.64 feet to the iron stake which marks the point of beginning of the property hereby conveyed.