

LEASE

This Lease (hereinafter called "Lease") is made on the ___ day of September, 2010 by and between the City of Kingsport, Tennessee, a municipal corporation organized under the laws of state of Tennessee (hereinafter called "Landlord") and Upper East Tennessee Human Development Agency, a non-profit 501(c) qualified corporation (hereinafter called "Tenant").

WITNESSETH:

In consideration of the mutual covenants and promises contained herein the parties agree as follows:

SECTION 1. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord the following premises:

- A. approximately 1,135 square feet of office/general space and 1,167 of storage space, (hereinafter collectively called "Nonprofit Wing Premises"), as shown on the floor plan attached hereto as Exhibit "A", and known as Suite 103, located in the office building known as V. O. Dobbins Nonprofit Wing (hereinafter called "Office Building"), as generally shown in Exhibit "B" attached hereto;
- B. approximately 28,104 square feet, (hereinafter called "Dobbins Complex Premises") as shown on the plan attached hereto as Exhibit "C", located in the office building known as V.O. Dobbins Sr. Complex (hereinafter called "Dobbins Office Building") as shown on Exhibit "D"; and
- C. the parcel shown on the drawing attached hereto as Exhibit "E" (hereinafter called "Playground Premises").

The Nonprofit Wing Premises, the Dobbins Complex Premises, and the Playground Premises collectively are hereinafter called "Leased Premises". The following covenants are a part of this Lease and shall be applicable at all times throughout the term of this Lease, any extensions or renewals thereof and as otherwise set forth herein:

SECTION 2. Tenant shall pay to Landlord without previous demand therefore and without any setoff or deduction whatsoever, except as may be specifically provided herein, operating costs reimbursement as follows:

- A. for the space in the Nonprofit Wing Premises the rate of Five and 10/100 Dollars (\$5.10) per square foot per annum for office/general space and One and 25/100 Dollars (\$1.25) for storage space per annum;
- B. for the space in the Dobbins Complex Premises the rate of Three and 50/100 Dollars (\$3.50) per square foot per annum;
- C. for the Playground Premises the rate of One Dollar (\$1.00) per annum.

All reimbursement hereunder payable in advance in equal monthly installments of Eight Thousand Eight Hundred One and 06/100 Dollars (\$8,801.06) each on the first day of each month during the term hereof. Payment amounts are calculated on square foot costs for water,

electrical/gas, custodial, FF&E/Maintenance, and reimbursement may increase during the term of this Lease pursuant to Sections 4 and 8 herein. All reimbursements payable by Tenant to Landlord under this Lease shall be paid to Landlord at the office of Landlord herein designated by it for notices or to such other place as Landlord may designate in writing to Tenant at least ten (10) days before such reimbursement payment. Tenant shall promptly pay all reimbursements herein prescribed when and as the same shall become due and payable. If Landlord shall pay any monies or incur any expenses to cure any default of Tenant hereunder, the amounts so paid or incurred shall, at Landlord's option, and on notice to Tenant, be considered additional [reimbursements, payable by Tenant with the first installment of reimbursement thereafter becoming due and payable, and may be collected or enforced as by law provided in respect of reimbursements.

SECTION 3.

3.1. The space in the Nonprofit Wing Premises and the Dobbins Complex Premises shall be used by Tenant only as general office space and storage and for no other purpose.

3.2. The Playground Premises shall be used by Tenant only as a playground for children and for no other purpose. Tenant shall provide all items, equipment, and ground surface material for use of the Playground Premises. Tenant shall install equipment and maintain the Playground Premises in accordance with the specifications and requirements of the "Handbook for Public Playground Safety" revised 2008 from the U.S. Consumer Product Safety Commission, as revised from time to time. The Playground Premises must be left open for use by the general public during such hours as the Playground Premises is not being used by Tenant for its Head-start program.

3.3. Tenant shall comply with all laws and ordinances, all rules and regulations of governmental authorities, all rules and regulations as Landlord may prescribe on written notice to Tenant with respect to the use or occupancy of the Leased Premises, or any part thereof.

3.4. Tenant agrees that it shall not: (a) use, occupy, or permit the Leased Premises to be used or occupied for any unlawful purposes or for purposes not specified in this Lease; (b) use, occupy, or permit the Leased Premises or any part of the Leased Premises to be used or occupied, or do or permit anything to be done in or on the Leased Premises in any manner which shall cause or be likely to cause structural damage to the Leased Premises or any part thereof; (c) do any act or fail to do any act which constitutes waste or a public or private nuisance; or (d) do anything that would jeopardize or cause Landlord to lose the tax exempt status of its tax exempt bonds, issued to finance the Office Building.

3.5. Tenant covenants and represents that it has received tax exempt 501(c)(3) status under the Internal Revenue Code from the Internal Revenue Service and that it shall maintain such status during the entire term of this Lease, and that if such status changes or is withdrawn by the Internal Revenue Service Tenant shall immediately notify Landlord and this Lease shall immediately terminate. Tenant understands that this covenant and representation is material to the Landlord's decision to lease the Leased Premises to Tenant. Tenant understands that Landlord has financed the construction of the Office Building and the Dobbins Office Building with tax exempt financing and may lease parts of the building to qualified governmental or tax exempt 501(c) entities. Tenant shall provide Landlord with a copy of the Tenant's 501(c)(3) determination letter. Tenant shall provide Landlord with an opinion of counsel from the Tenant's counsel, satisfactory in form to the Landlord's bond counsel, that the Tenant is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

SECTION 4. The term of this Lease shall begin on the "Date of Occupancy", as hereafter defined and shall end five (5) years after the Date of Occupancy with such rights of termination as are expressly set forth in this Lease. The Date of Occupancy is defined as is the latter of (a) the commencement date or (b) sixty (60) days after the Leased Premises is made available to Tenant by Landlord, which in no event shall be prior to the receipt of a certificate of occupancy by Landlord or August 1, 2010, whichever occurs last. It is expressly understood and agreed that this Lease shall be binding upon both parties from the date first written above until the Date of Occupancy and thereafter according to its terms. Prior to the termination or expiration of the initial term of the Lease the parties may extend this Lease by mutual agreement on terms agreeable to both parties for one (1) period of up to five (5) years beyond the initial term.

SECTION 5. Upon occupying the Leased Premises, Tenant thereby accepts the same and acknowledges that the Leased Premises are in a habitable condition. All improvements to the Leased Premises by Tenant shall be provided at its expense and shall be subject to Landlord's approval, which consent may be withheld by Landlord in its sole discretion for any reason. On or prior to the date upon which Tenant occupies the Leased Premises, Landlord may, by notice to Tenant, change the location of and amend the description of the Leased Premises from description contained herein to a similar location on the same floor or another floor and Landlord represents that such other space will contain substantially identical dimensions. On the happening of the foregoing event, Tenant and Landlord agree to execute an agreement rescribing the Leased Premises. Landlord shall, on not less than thirty (30) days notice to Tenant, have the right to move Tenant out of the Leased Premises and into similar space of at least equal area. In such event Landlord shall remove, relocate and reinstall Tenant's equipment, furniture and fixtures and redecorate the new space similar to the old space, all of which shall be done at Landlord's sole cost and expense and without cost or expense to Tenant, and for the balance of its term this Lease shall continue in full force and effect and shall apply to the new space with the same force and effect as though this Lease had originally been for such new space.

SECTION 6. Tenant shall have the right to nonexclusive use, in common with others of (a) automobile parking areas, driveways and footways, and (b) such loading facilities, elevators and other facilities as may be constructed and designated, from time to time, by Landlord in the Office Building or the Dobbins Office Building, all subject to the terms and conditions of this Lease and to reasonable rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord shall have the right to make changes or revisions in the common areas of the Office Building or Dobbins Office Building and Landlord shall have the right to construct additional buildings on the property for such purposes as Landlord may deem appropriate.

SECTION 7. Landlord shall furnish at all hours, seven days a week, including holidays, heat and air conditioning for the Nonprofit Wing Premises and the Dobbins Complex Premises toilet facilities for the use of the employees, customers, and other invitees of Tenant; and electricity for lighting purposes. Landlord shall not be liable for full or partial stoppage or interruption of the above services or utilities if caused by events reasonable beyond Landlord's control.

SECTION 8.

8.1. Tenant shall pay, as additional reimbursements hereunder, its proportionate share, as hereinafter determined, of any increase in utility costs of the Office Building and the remainder of the Dobbins Office Building over and above utility costs for the first twelve (12) calendar month period during which the Office Building and the Dobbins Office Building are occupied by

Tenant.

8.2. Tenant's proportionate share of said increase in utility costs for any fiscal year of Landlord after the first twelve (12) calendar month period set out in 8.1 above shall be determined as follows:

a) for the portion of the Leased Premises in the area identified as the Office Building (a) the difference between the amount of the utility costs for the fiscal year in question and the amount of the utility costs for the first twelve (12) calendar month period during which the Office Building is occupied shall be ascertained, and (b) the amount of the difference shall then be multiplied by a fraction, the numerator of which is the total number of square feet of the Leased Premises in the Office Building and the denominator of which is the total number of square feet of leasable area in the Office Building, and (c) the result shall be the increase in the utility costs payable by Tenant. Tenant's proportionate share in the Office Building is stipulated to be 12.2 percent;

b) for the portion of the Leased Premises in the area in the Dobbins Office Building (a) the difference between the amount of the utility costs for the fiscal year in question and the amount of the utility costs for the first twelve (12) calendar month period during which the Dobbins Office Building is occupied by the Tenant shall be ascertained, and (b) the amount of the difference shall then be multiplied by a fraction, the numerator of which is the total number of square feet of the Leased Premises in the Dobbins Office Building and the denominator of which is the total number of square feet of leasable area in the Dobbins Office Building, and (c) the result shall be the increase in the utility costs payable by Tenant. Tenant's proportionate share in the Dobbins Office Building is stipulated to be 50.73 percent.

SECTION 9. The Office Building, the Dobbins Office Building, and the Playground Premises are currently not subject to real estate tax. In the event the Office Building, the Dobbins Office Building or the Playground Premises or the real property on which they are located are subject to real estate tax Tenant agrees it shall pay, as additional reimbursements, its proportionate share, as hereinafter determined, of any real estate taxes due and payable with respect to the Office Building, the Dobbins Office Building, or Playground Premises for each calendar year which commences during the term of this Lease. Tenant's proportionate share shall be determined by taking the amount of real estate tax and multiplying that number by a fraction, the numerator of which is the total number of square feet of the Leased Premises and the denominator of which is the total number of square feet of leasable area in the Office Building, the Dobbins Office Building, or the Playground Premises, whichever is subject to the tax, and the result shall be the proportionate share of the real estate taxes payable by Tenant.

SECTION 10.

10.1. This Lease and the tenancy hereby created shall cease and terminate at the end of the original Term hereof, or any extension or renewal thereof, without the necessity of any notice from either Landlord or Tenant to terminate the same, and Tenant hereby waives notice to vacate the Leased Premises and agrees that Landlord shall be entitled to the benefit of all provisions of law respecting the summary recovery of possession of Leased Premises from a Tenant holding over to the same extent as if statutory notice had been given.

10.2. At the expiration or earlier termination of this Lease, Tenant shall, at Tenant's expense, remove all of Tenant's personal property, and repair all injury done by or in connection with the installation or removal of said property, and surrender the Leased Premises, broom

clean and in as good condition as it was at the beginning of the Term, reasonable wear and damage excepted. All property of Tenant remaining on the Leased Premises after the expiration or earlier termination of this Lease shall be conclusively deemed abandoned and at Landlord's option, may be retained by Landlord, or may be removed by Landlord, and Tenant shall reimburse Landlord for the cost of such removal. Landlord may have any such property stored at Tenant's risk and expense.

10.3. In addition to the termination rights otherwise set forth in this Lease Tenant may terminate this Lease for its convenience at any time by giving written notice to Landlord at least thirty (30) days prior to the date when such termination becomes effective. Landlord may terminate this Lease as applied to the Playground Premises for its convenience at any time by giving written notice to Tenant at least thirty (30) days prior to the date when such termination becomes effective. Such Termination shall not be a default. Tenant shall pay the reimbursements and expenses to the date of termination. Additionally, Tenant may terminate this Lease, subject to the right of cure, at any time for any of the following causes: (a) failure of the Landlord to reasonably provide any of the services required under the terms of this Lease or any other breach of the terms of this Lease by Landlord that is not adequately remedied within twenty (20) consecutive calendar days of the mailing of written notices thereof to Landlord, provided that if the nature of Landlord's default is such that more than twenty (20) consecutive calendar days are reasonably required for its cure, then Landlord shall not be deemed to be in default if Landlord commences to cure within the twenty (20) day period and thereafter diligently prosecutes such cure to completion.

10.4. Landlord may in its sole discretion immediately terminate this Lease and take possession of the Leased Premises if: (a) Landlord receives an opinion of its bond counsel that the continued lease of the Leased Premises to the Tenant would adversely affect the tax-exempt status of any bonds financing the Office Building; (b) or Tenant fails to observe or perform any of the express covenants or provisions of this Lease where such failure shall continue for a period of twenty (20) consecutive calendar days after written notice thereof from Landlord to Tenant, provided that if the nature of Tenant's default is such that more than twenty (20) consecutive calendar days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences to cure within the twenty (20) day period and thereafter diligently prosecutes such cure to completion.

10.5 The right to cure by Tenant does not apply to termination due to Tenant's failure to maintain its 501(c)(3) status as required by Section 3 herein.

SECTION 11. Tenant shall replace promptly at its own expense with glass of like kind and quality any plate glass of the Leased Premises which may become broken or cracked due to any act or negligence, by action or omission, of Tenant, its agents, employees, invitees, or licensees, or otherwise, unless damaged by casualty, or act of Landlord, its agents or employees. Tenant shall maintain the Leased Premises at its own expense in a clean, orderly and sanitary condition, except for Landlord's obligations to furnish janitor service, if any.

SECTION 12. Except for the Playground Premises Landlord shall keep the exterior of the remainder of the Leased Premises and common areas of the Office Building and Dobbins Office Building in good repair. Tenant shall give Landlord written notice of the necessity for such repairs. Provided, however, Tenant shall be responsible for the cost of any repair due to damage caused by the willful misconduct or negligence of Tenant, its agents, employees, invitees, or licensees. Tenant shall keep the interior of the Nonprofit Wing Premises and the Dobbins

Complex Premises in good repair. Tenant shall keep the Playground Premises in good repair. Tenant shall not overload the electrical wiring serving the Leased Premises or within the Leased Premises, and shall install at its own expense any additional electrical wiring which may be required in connection with Tenant's equipment or apparatus, but only after obtaining Landlord's written approval, which consent may be withheld by Landlord in its sole discretion for any reason.

SECTION 13. Tenant shall not make any alteration to the Leased Premises or any part thereof without first obtaining Landlord's written approval of such alteration, which consent may be withheld by Landlord in its sole discretion for any reason. Tenant agrees that any improvements made by it shall immediately become the property of Landlord and shall remain upon the Leased Premises in the absence of agreement to the contrary. Tenant shall not cut or drill into or secure any fixtures, apparatus, or equipment of any kind to any part of the Leased Premises without first obtaining Landlord's written consent, which consent may be withheld by Landlord in its sole discretion for any reason.

SECTION 14. No signs shall be constructed or painted on the windows, doors, outside walls, roof, or exterior of the Leased Premises or in or around the grounds of the Office Building, the right-of-way, or adjacent properties, without the prior written consent of Landlord, which consent may be withheld by the Landlord in its sole discretion for any reason, and Landlord reserves the right to require Tenant to remove any such signs not previously consented to by Landlord from said roof, windows, doors, outside walls or exterior of the Leased Premises or common areas. In the event Tenant does not promptly remove any such sign or signs upon notice from Landlord to do so Landlord shall have the right to remove such sign or signs at Tenant's expense, and Tenant shall promptly reimburse Landlord therefor. Landlord shall provide, at Landlord's expense, a lobby directory in the main lobby of the building of which the Leased Premises are a part identifying tenants and suites. Tenant shall have the right to display a building standard sign at its suite entrance. Tenant shall not place or install any racks, stands, trade fixtures, or other displays of products or services on the outside of the Leased Premises, in or around the grounds of the Office Building or Dobbins Office Building, the right-of-way, or adjacent properties, without the express prior written approval of Landlord, which consent may be withheld by Landlord in its sole discretion for any reason.

SECTION 15.

15.1. Pursuant to T.C.A. section 29-20-102(3)(A) (2009) Tenant is a governmental entity covered by the Tennessee Governmental Tort Liability Act codified at T.C.A. section 29-20-101 *et seq.* for causes sounding in tort. Tenant qualifies as a governmental entity because it is a community action agency or nonprofit corporation that administers the Head Start or Community Service Block Grant programs. While Tenant is covered by the Tennessee Governmental Tort Liability Act and subject to its provisions Tenant will be responsible for the liability from its own negligence arising from the use of the Leased Premises. Tenant further agrees to maintain insurance to the limits of the Tennessee Governmental Tort Liability Act. If Tenant should fail to qualify as a governmental entity under the Tennessee Governmental Tort Liability Act it agrees to provide insurance as follows:

Tenant shall keep in force at its own expense so long as this Lease remains in effect, public liability insurance with respect to the Leased Premises with companies licensed to do business in the State of Tennessee acceptable to Landlord and in form acceptable to Landlord with minimum limits of \$1,000,000.00 on account of bodily injuries to or death of one person; \$5,000,000.00 on account

of bodily injuries to or death of more than one person as the result of any one accident or disaster; and property damage insurance with minimum limits of \$100,000.00. Tenant shall deposit a certified copy of the policy or policies of such insurance, with Landlord. Such policies shall name Landlord as an additional insured. The policy or policies of insurance shall require thirty (30) days notice to Landlord for any change, cancellation, or non-renewal and shall contain the following or similar wording:

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL MAIL THIRTY (30) DAYS WRITTEN NOTICE TO THE ALL NAMED INSURED HEREIN.

If the insurance policy or policies expire during the term of this Lease, a renewal certificate or binder shall be filed with Landlord fifteen (15) days prior to the renewal date. If Tenant shall not comply with its covenants made in this Section 15, Landlord may, at its option, cause insurance as aforesaid to be issued, and in such event Tenant agrees to pay the premiums for such insurance promptly upon Landlord's demand.

15.2. To the extent possible, Tenant shall obtain, for each policy of insurance secured by it, provisions permitting waiver of any claim against Landlord for loss or damage within the scope of the insurance, and Tenant, for itself and its insurers, waives all claims against the Landlord as to such claims covered by such insurance. Nothing herein shall be construed to vary the force and effect of paragraph 15.1 of this Section 15, and nothing contained in this Section 15 shall be deemed to excuse Landlord from its own negligence.

SECTION 16. Landlord, its agents and employees, shall not be liable for any damage to property of the Tenant in the Office Building or to any property, goods, or things contained in the Leased Premises or stored in the basement, or other part of the Office Building, Dobbins Office Building or Playground Premises, unless due to negligence or willful misconduct of Landlord and its agents.

SECTION 17. Tenant shall, to the extent permitted by Tennessee law, indemnify Landlord and save it harmless from and against any and all claims, actions, damages, liability, and expense in connection with loss of life, personal injury and/or damage to property arising from or out of the occupancy or use by Tenant of the Leased Premises or any part thereof or the Office Building, Dobbins Office Building, Playground Premises, or any other part of Landlord's property, occasioned wholly or in part by any act or omission of Tenant, its agents, employees, invitees, or licensees.

SECTION 18. Landlord shall not be liable for loss of or damage to any property at any time located in or about the Leased Premises, whether or not Tenant is the owner thereof, including but not limited to any loss, damage or injury resulting from steam, gas, or electricity, or from water, rain, snow, ice, or other substance which may leak into, or issue or flow from any part of the Leased Premises, or from the pipes or plumbing work of the Leased Premises, or from or into any other place. Landlord shall be under no liability to Tenant on account of any discontinuance of heat, electricity, sewer, water, air-conditioning, sprinkler, gas, and/or other utility, convenience, service, or facility, however such discontinuance may be caused, except if caused solely by an intentional act or omission of Landlord, or its employees or agents, and no

such discontinuance shall constitute constructive eviction or any ground for termination of this Lease by Tenant unless such discontinuance shall continue for more than three (3) days, in which event compensation shall abate until the end of such discontinuance.

SECTION 19. If at any time the Leased Premises become totally untenantable by reason of damage or loss by fire or other casualty and such fire or other casualty shall not have been caused by the negligence or wrongful act or omission of Tenant, Tenant's servants, agents, licensees, or invitees, the compensation shall abate until the Leased Premises shall have been restored to tenantable condition, but nothing herein is to be construed as requiring Landlord to restore or rebuild the Leased Premises. If the Leased Premises are so damaged, but not to the extent that they are totally untenantable, Tenant shall continue to occupy the tenantable portion thereof, and the compensation shall abate in proportion to the untenantable portion of the Leased Premises. In the event of a loss from fire or other casualty, Landlord shall have an election not to rebuild or recondition the Leased Premises, which such election may be exercised by written notice thereof to Tenant, given within thirty (30) days from the date of such casualty. If Landlord exercises such election, this Lease shall cease and terminate, effective on the date of such loss, and Tenant shall pay the accrued compensation up to the date of such loss, or Landlord, if the compensation has been paid beyond such date, will refund to Tenant the proportionate part of any such compensation prepaid, and thereupon this Lease shall terminate, with no further obligation on the part of either party hereto for matters thereafter accruing, even though the building may at a later date be rebuilt, restored or reconditioned. No damage or destruction shall allow Tenant to surrender possession of the Leased Premises, nor affect Tenant's liability for the payment of reimbursement, except as may be specifically provided in this Lease, and T.C.A. § 66-7-102, as amended or recodified, shall have no application to this Lease or to the parties hereto.

SECTION 20. If the Leased Premises or any part thereof shall be taken by eminent domain or by negotiated purchase under threat thereof, this Lease shall terminate on the date when title vests pursuant to such taking, and the reimbursement and additional reimbursement shall be apportioned as of said date. Tenant shall not be entitled to any part of the award or any payment in lieu thereof; excepting that Tenant shall be entitled to any separate award rendered for trade fixtures installed by Tenant at its own cost and expense and which are not part of the realty, and for Tenant's moving expenses.

SECTION 21. Tenant shall permit Landlord, its agents, and employees, upon reasonable notice to enter the Leased Premises and all parts thereof during business hours to inspect the same and to enforce or carry out any provision of this Lease, or to show it to prospective purchasers or tenants; provided that, in the case of emergency, Landlord may enter without notice. No compensation shall be asked or claim made by Tenant by reason of any inconvenience or annoyance arising from anything that may be done in repairing, altering, working on or protecting the Leased Premises or building, however the necessity may arise, but this Section 21 shall not be construed as imposing any duty on Landlord to make any repairs, alterations or additions.

SECTION 22. Tenant shall not assign this Lease in whole or in part, nor sublet all or any part of the Leased Premises or permit the use of any part of the Leased Premises by any other person, firm, affiliate, or entity without first obtaining the written consent of Landlord. Consent by Landlord to any assignment or subletting shall not constitute a waiver of the necessity for such consent to any subsequent assignment or subletting. This prohibition against assigning or subletting shall be construed to include a prohibition against any assignment or subletting by opera-

tion of law. The consent of Landlord referred to herein may be withheld for any reason in Landlord's sole discretion.

SECTION 23. Tenant covenants and agrees that it shall perform all agreements herein expressed on its part to be performed, and that it shall promptly, upon receipt of written notice specifying Tenant's failure to comply with the terms hereof, commence to comply with such notice. If Tenant shall not commence and proceed diligently to comply with such notice to the reasonable satisfaction of Landlord within twenty (20) days after delivery thereof, then Landlord may, at its option, enter upon the Leased Premises, and do the things specified in said notice, and Landlord shall have no liability to Tenant for any loss or damage resulting in any way from such action by Landlord, and Tenant agrees to pay promptly upon demand, any reasonable expense incurred by Landlord in taking such action, including Landlord's administrative expenses.

SECTION 24. Except for the right to cure set out in Section 10 if Tenant defaults in the payment of reimbursement or additional reimbursement or defaults in the performance of any of the covenants or conditions hereof, if Tenant shall compound its debts, or make an assignment for the benefit of creditors, or if a receiver or trustee is applied for or appointed for Tenant, or if there be filed a petition in bankruptcy or insolvency, or for an arrangement for reorganization by or against Tenant, or if Tenant is adjudicated a bankrupt or is adjudged to be insolvent, or if there is advertised any sale of Tenant's property under process of law, or if the assets or property of the Tenant in the Leased Premises shall be attached or levied upon, then Landlord may terminate this Lease on not less than five (5) days' notice to Tenant, and on the date specified in said notice the term of this Lease shall terminate and Tenant shall then quit and surrender the Leased Premises to Landlord, but Tenant shall remain liable as hereinafter provided. If this Lease shall have been so terminated by Landlord, Landlord may at any time thereafter resume possession of the Leased Premises by any lawful means and remove Tenant or other occupants and their effects.

SECTION 25. In any case where Landlord has recovered possession of the Leased Premises by reason of Tenant's default, Landlord may at Landlord's option occupy the Leased Premises or cause the Leased Premises to be redecorated, altered, divided, consolidated with other adjoining premises, or otherwise changed or prepared for reletting, and may relet the Leased Premises or any part thereof as agent of Tenant or otherwise, for a term or terms to expire prior to, at the same time as or subsequent to, the original expiration date of this Lease, at Landlord's option, and receive the reimbursement therefore, applying the same first to the payment of such reasonable expense as Landlord may have incurred in connection with the recovery of possession, redecorating, altering, dividing, consolidating with other adjoining premises, or otherwise changing or preparing for reletting and the reletting, including reasonable brokerage and reasonable attorney's fees, and then to the payment of damages in amounts equal to the reimbursement hereunder and to the cost and expense of performance of the other covenants of Tenant as herein provided; and Tenant agrees, whether or not Landlord has relet, to pay the Landlord damages equal to the reimbursement and other sums herein agreed to be paid by Tenant, less the net proceeds of the reletting, if any, as ascertained from time to time, and the same shall be payable by Tenant on the several compensation days above specified. In reletting the Leased Premises as aforesaid, Landlord may grant compensation concessions, and Tenant shall not be credited therewith. No such reletting shall constitute a surrender and acceptance or be deemed evidence thereof. Tenant shall not be entitled to any surplus accruing as a result of any reletting. If Landlord elects pursuant hereto to occupy and use the Leased Premises or any part thereof during any part of the balance of the Term as originally fixed or since extended, there shall be allowed against Tenant's obligation for compensation or damag-

es as herein defined, during the period of Landlord's occupancy, the reasonable value of such occupancy, not to exceed in any event the compensation herein reserved and such occupancy shall not be construed as a release of Tenant's liability hereunder.

SECTION 26. Notwithstanding anything in this Lease to the contrary, at Landlord's option, Tenant shall pay a "late charge" of Fifty Dollars (\$50.00) of any installment of reimbursement (or any such other charge or payment as may be considered additional compensation under this Lease) when paid more than fifteen (15) days after the due date thereof, to cover the extra expense involved in handling delinquent payments.

SECTION 27. No mention in this Lease of any specific right or remedy shall preclude Landlord from exercising any other right or from having any other remedy, or from maintaining any action to which it may otherwise be entitled either at law or equity; and the failure of Landlord to insist in any one or more instance upon a strict performance of any covenant of this Lease or to exercise any option or right herein contained shall not be construed as a waiver or relinquishment for the future of such covenant, right or option, but the same shall remain in full force and effect unless the contrary is expressed in writing by Landlord.

SECTION 28. This Lease and the covenants and conditions herein contained shall inure to the benefit of and are binding upon Landlord, its successors and assigns, and shall be binding upon Tenant, its permitted successors and assigns, and shall inure to the benefit of Tenant and its permitted assigns.

SECTION 29. Landlord and Tenant shall be excused for the period of any delay in the performance of any obligation hereunder when prevented from so doing by cause or causes beyond its control which shall include, without limitation, all labor disputes, civil commotion, war, war-like operations, invasion, rebellion, hostilities, military or usurped power sabotage, governmental regulations or controls, fire or other casualty, inability to obtain any material, services or financing or through Acts of God.

SECTION 30. If Landlord, in Landlord's sole discretion, shall deem it necessary to employ an attorney to assert any right of Landlord or enforce any obligation of Tenant hereunder, Landlord shall be entitled to recover, in addition to the other costs and expenses herein provided for, the reasonable costs and charges of such attorney.

SECTION 31. All Notices herein provided to be given, or which may be given, by either party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States mail, certified and postage prepaid, and addressed as follows:

To the Landlord at:

City Manager
City of Kingsport
225 West Center Street
Kingsport, TN 37660

To the Tenant at:

Executive Director
Upper East TN Human Development Agency
P. O. Box 46
Kingsport, TN 37662
Note: physical address is
301 Louis Street 37660

With a copy to:

City Attorney
City of Kingsport
225 West Center Street
Kingsport, TN 37660

Either party may, at any time or from time to time, designate in writing a substitute address for that above set forth, or thereafter notices shall be directed to such substitute address.

SECTION 32. This Lease shall be governed by and construed in accordance with the laws of the state of Tennessee without regard to its conflict of laws rules. All legal proceedings relating to the subject matter of this Lease shall be maintained in the state courts for Kingsport, Sullivan County, Tennessee, and the parties agree that jurisdiction and venue for any such legal proceeding shall lie exclusively with such courts.

SECTION 33. The captions and headings throughout this Lease are for convenience and reference only, and the words contained therein shall in no way be held or deemed to define, limit, describe, explain, modify, amplify or add to the interpretation, construction or meaning of any provision or the scope or intent of this Lease nor in any way affect this Lease.

SECTION 34. In the event that two (2) or more individuals, corporations, partnerships or other business associations (or any combination of two (2) or more thereof) shall sign this Lease as Tenant, the liability of each such individual, corporation, partnership or other business association to pay compensation and perform all other obligations hereunder shall be deemed to be joint and several. In like manner, in the event that Tenant shall be a partnership or other business association, the members of which are, by virtue of statute or general law, subject to personal liability, then the liability of each such member shall be deemed to be joint and several.

SECTION 35. Tenant shall be responsible for its own telephone service, cable and internet service and installation of telephone equipment in the Leased Premises. Landlord will provide telephone and cable line to the Leased Premises. However, if such are not sufficient for Tenant's use, Tenant shall be responsible for installing such lines and equipment. Landlord is not responsible for improvements to the Leased Premises, including, but not limited to, installation of electronic equipment, office furnishing, book shelves and such.

SECTION 36. Except for Hazardous Materials brought, kept, or used in the Leased Premises in commercial quantities similar to those quantities usually kept on similar premises by others in the same business, and which are used and kept in compliance with applicable public health, safety, and environmental laws, Tenant shall not allow any Hazardous Material to be located in, on, or under the Leased Premises or allow the Leased Premises to be used for the manufacturing, handling, storage, distribution, or disposal of any Hazardous Material. Tenant shall comply with all federal, state, or local laws, ordinances, regulations, and orders applicable to the Leased Premises or the use thereof relating to environmental protection, or the use, analysis, generation, manufacture, storage, disposal, or transportation of any Hazardous Material. Tenant shall, at its sole cost and expense, arrange for the removal and disposal of all Hazardous Materials generated or stored in the Leased Premises, which removal and disposal shall comply with all applicable federal, state, and local laws, rules, regulations, ordinances, and orders. If Tenant becomes aware of the presence of any Hazardous Material in the Leased Premises (except for those Hazardous Materials permitted above) or if Tenant or the Leased Premises become subject to any order to repair, close, or otherwise cleanup the Leased Premises, Tenant shall, at its own cost and expense, carry out and complete any repair, closure, or other

cleanup of the Leased Premises. If Tenant fails to implement and diligently pursue any such repair, closure, or other cleanup, Landlord may, but shall not be obligated to, carry out such action and recover all of the costs and expenses from Tenant. As used herein, the term "Hazardous Materials" means any hazardous or toxic substance, material, or waste regulated or listed pursuant to any federal, state, or local environmental law, including without limitation, the Clean Air Act, the Clean Water Act, the Toxic Substances Control Act, the Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation and Recovery Act, the Federal Insecticide, Fungicide, Rodenticide Act, the Safe Drinking Water Act, and the Occupational Safety and Health Act, or any other toxic substance.

SECTION 37.

37.1. If any term or provision of this Lease is declared invalid or unenforceable, the remainder of this Lease shall not be affected by such determination and shall continue to be valid and enforceable.

37.2. The parties executing this Lease warrant that this Lease is being executed with full corporate authority and that the officers whose signatures appear hereon are duly authorized and empowered to make and execute this Lease in the name of the corporation by appropriate and legal resolution.

37.3. Wherever in this Lease either Tenant or Landlord shall have agreed or promised to perform certain acts or otherwise where the context of this Lease would require such performance to occur after the termination or expiration of the Lease, then those agreements and covenants shall survive the termination or expiration of the Lease and continue to bind Tenant and Landlord.

37.4. This written Lease constitutes the entire and complete agreement between the parties hereto and supersedes any prior oral or written agreements between the parties with respect to the Leased Premises. It is expressly agreed that there are no verbal understandings or agreements which in any way change the terms, covenants and conditions herein set forth, and that no modification of this Lease and no waiver of any of its terms and conditions shall be effective unless in writing and duly executed by the parties hereto.

37.5. This Lease may be executed in one or more counterparts, each of which shall be an original, and all of which when taken together shall constitute one and the same document.

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

ATTEST:

James H. Demming, City Recorder

APPROVED AS TO FORM:

J. Michael Billingsley
J. Michael Billingsley, City Attorney



LANDLORD:

CITY OF KINGSPORT, TENNESSEE

By: Dennis R. Phillips
Dennis R. Phillips, Mayor

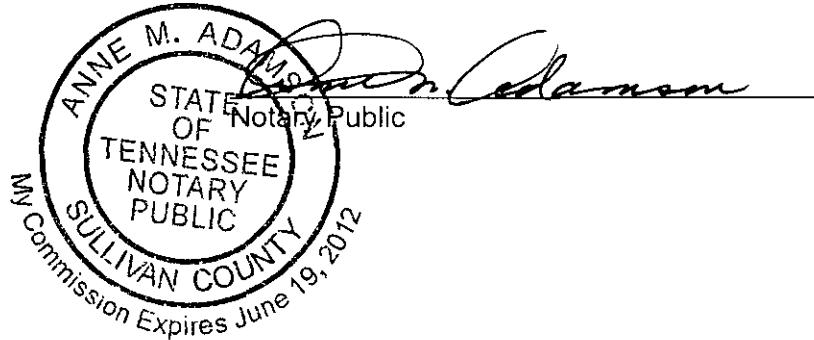
TENANT:

By: Doris Smith

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainer, DENNIS R. PHILLIPS, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Mayor of the City of Kingsport, Tennessee, and that he, as the Mayor, executed the foregoing instrument for the purposes therein contained, by signing his name as Mayor.

WITNESS my hand and official seal this 14th day of September, 2010.



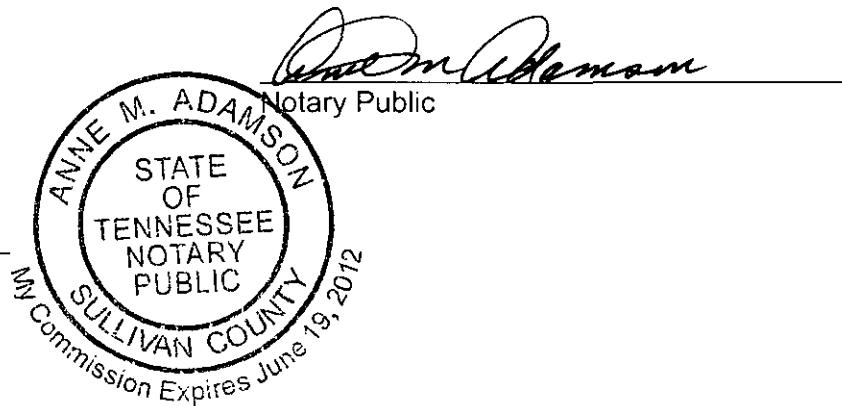
My commission expires:

June 19, 2012

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainer, Leis Smith, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the executive director of UETHDA, and that he as such Leis Smith executed the foregoing instrument for the purposes therein contained, by signing his name as Leis Smith.

WITNESS my hand and official seal this 15th day of September, 2010.



My commission expires:

June 19, 2012

EXHIBIT A

Floor Plan showing Suite 103 of the Nonprofit Wing Premises

EXHIBIT B

Office Building

EXHIBIT C

Dobbins Complex Premises

EXHIBIT D

Dobbins Office Building

EXHIBIT E

Playground Premises

Nonprofit Wing - UETHDA

First Floor Nonprofit Service Center
Neighborhood Service & 1167 sq ft of storage space
Neighborhood Office Space & 1135 sq ft office space

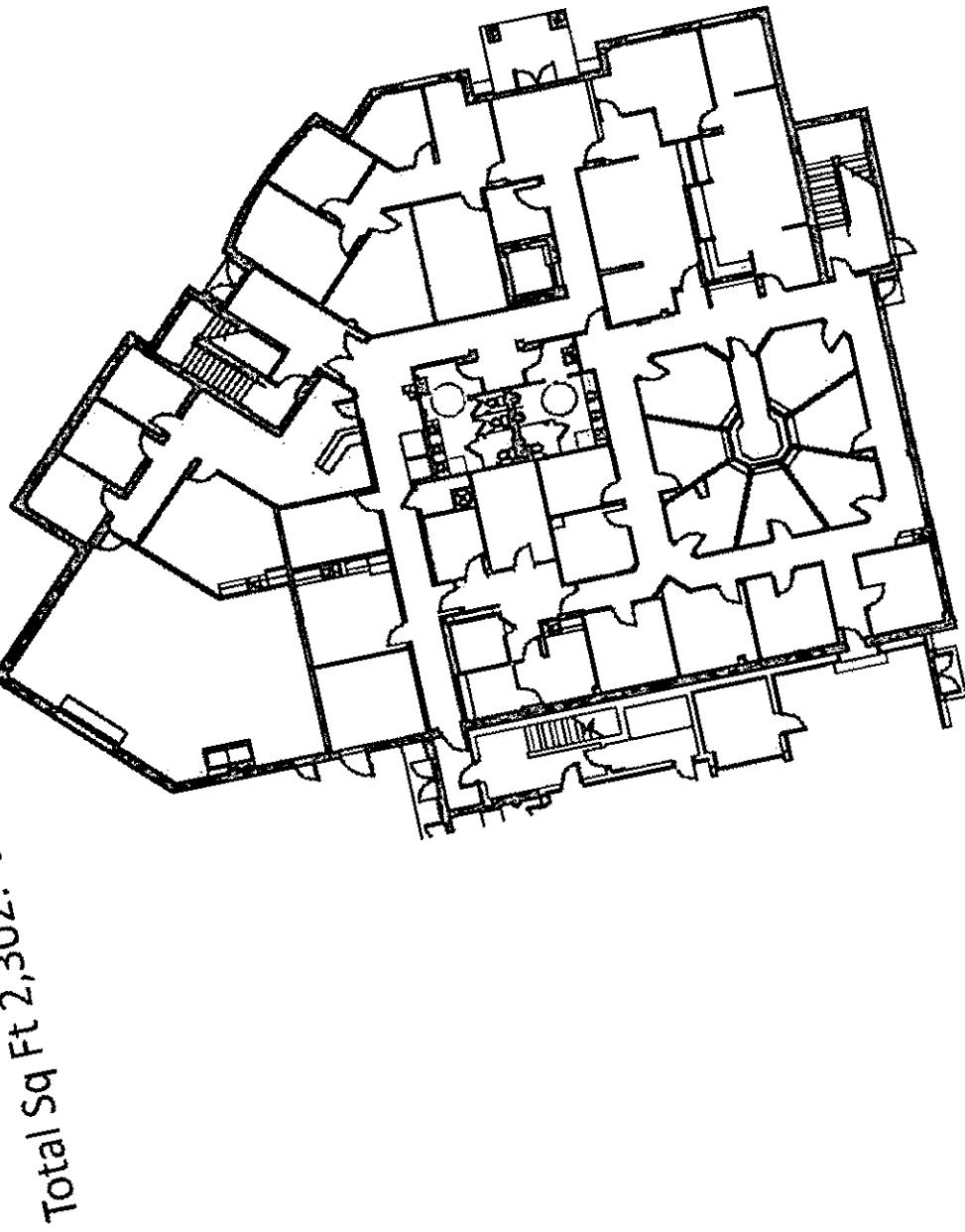


EXHIBIT B

V.O. DOBBINS
COMMUNITY CENTER
Architectural Services



1-1

SITE DETAIL

SITE PLAN

WHEATE

STREET

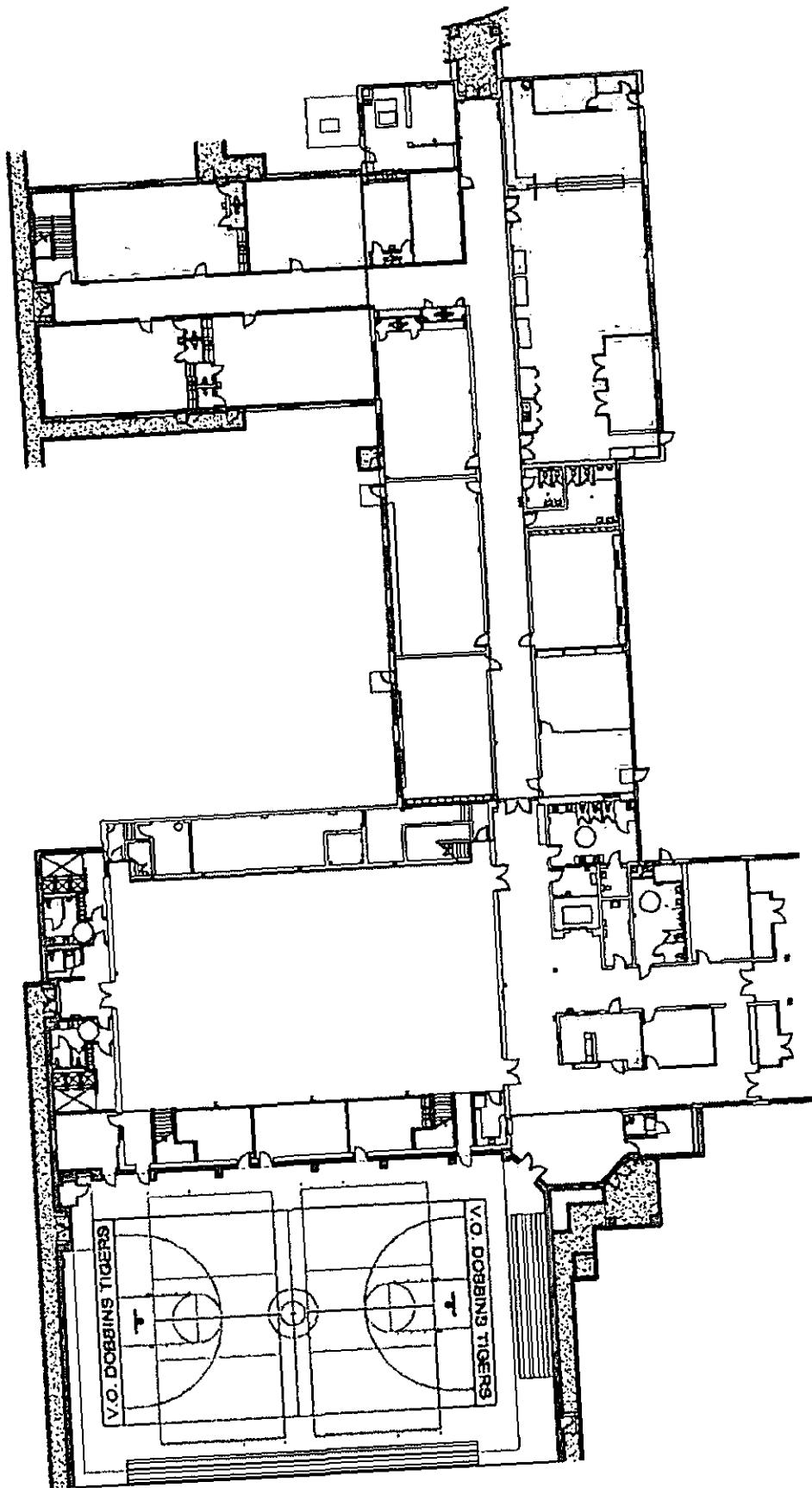
LOUIS STREET

NEW ADDITION
13 STORY 28,066 S.F.

EXISTING BUILDING
2 STORY, 46,322 S.F.

NEW ADDITION
11 STORY 11,095 S.F.

UETHDA SPACE
Total Sq. Ft: 28,104
First Floor -11,783 Sq. Ft.



UETHDA Space
Second Floor - 16,321 Sq. Ft

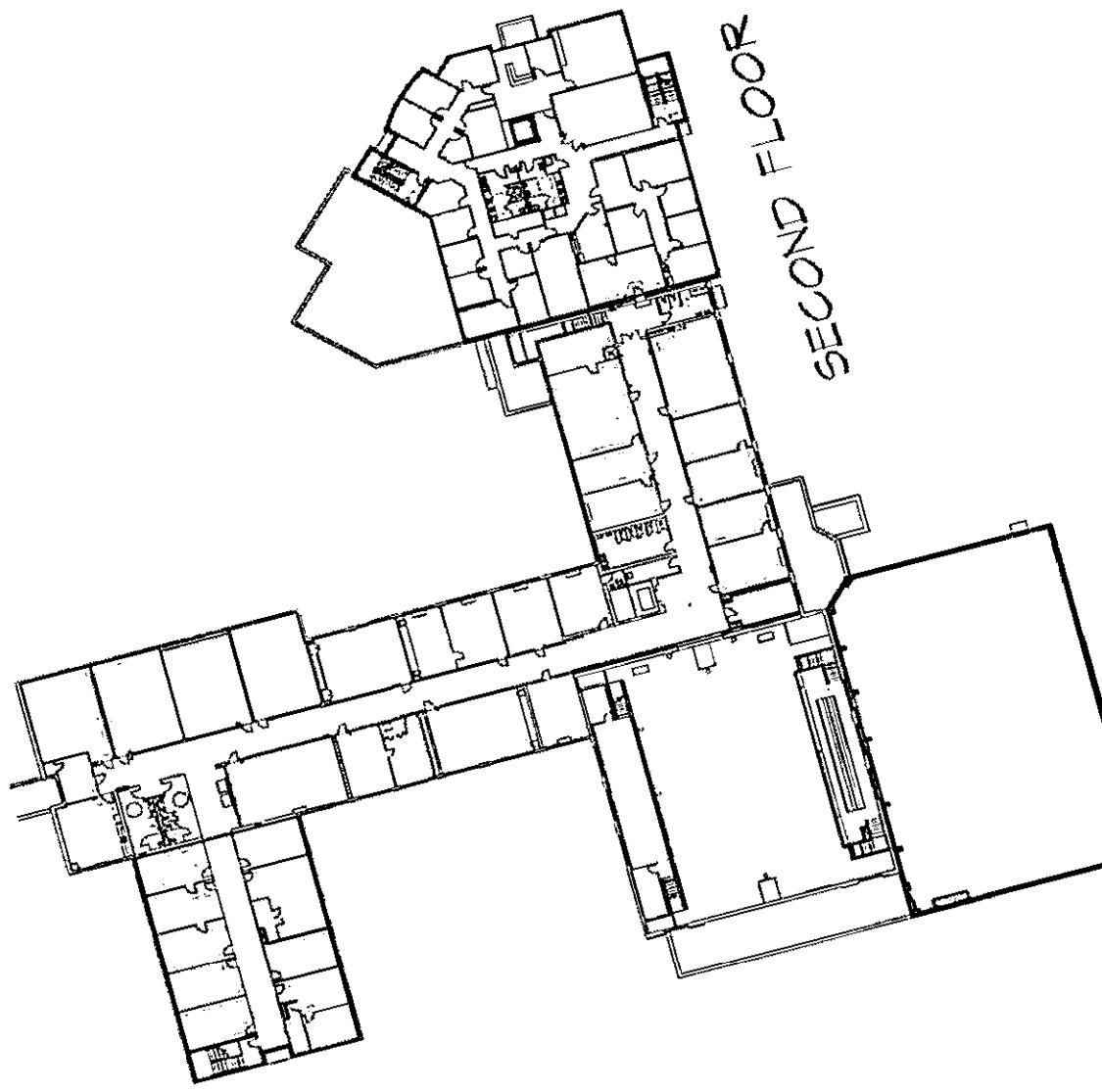
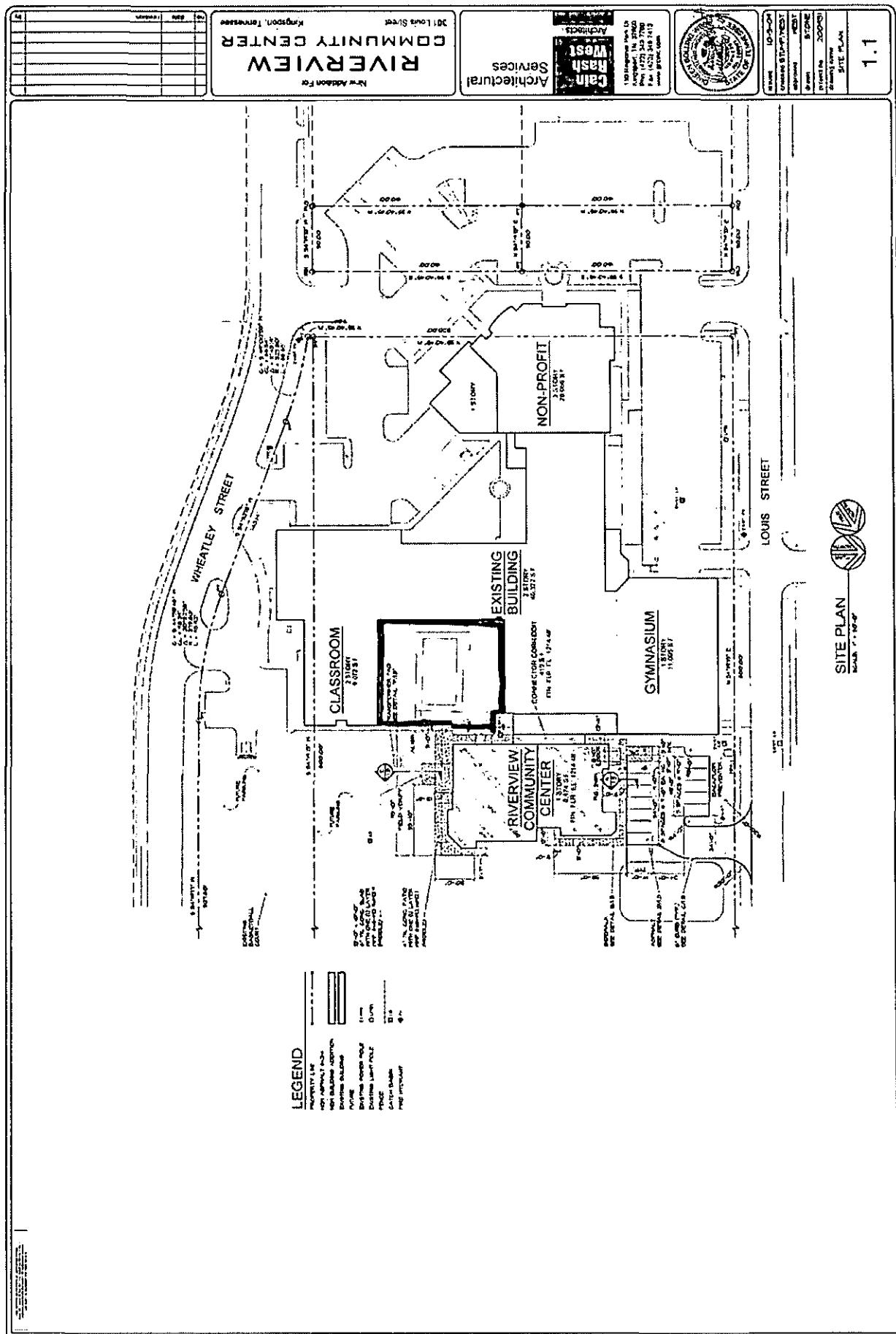


EXHIBIT E
PLAYGROUND PREMISES



AMENDMENT NUMBER 1 TO LEASE

This Amendment Number 1 to the Lease between City of Kingsport, Tennessee and Upper East Tennessee Human Development Agency is made with an effective date of October 1, 2012, by the City of Kingsport, Tennessee and Upper East Tennessee Human Development Agency.

WITNESSETH:

WHEREAS the parties desire to amend the Lease between the parties for space in the V. O. Dobbins Sr. Complex;

NOW THEREFORE, based upon the mutual promises set out herein and other good and valuable consideration not necessary to set out herein the parties agree as follows:

1. That section 1.B. of the Lease is amended by reducing the square footage leased in the Dobbins Complex Premises from 28,104 square feet to 27,692 square feet and substituting the attached Exhibit A for Exhibit C in the Lease.

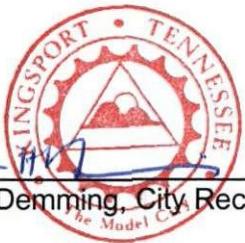
2. That section 2 of the Lease is amended by changing the first sentence in the paragraph following 2.C. to read, "All reimbursement hereunder is payable in advance in equal monthly installments of Eight Thousand Six Hundred Eighty and 89/100 Dollars (\$8,680.89) each on the first day of each month during the term hereof.

Except as amended hereby, all other terms and conditions of the Lease shall remain in full force and effect and the parties hereto confirm and ratify the Lease as hereby amended.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment Number 1 with the effective date of October 1, 2012.

ATTEST:

James H. Demming, City Recorder



APPROVED AS TO FORM:

J. Michael Billingsley, City Attorney

LANDLORD:

CITY OF KINGSPORT, TENNESSEE

By:

Dennis R. Phillips, Mayor

TENANT:

UPPER EAST TENNESSEE HUMAN DEVELOPMENT AGENCY

By:

Lois Smith, Executive Director

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainer, DENNIS R. PHILLIPS, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Mayor of the City of Kingsport, Tennessee, and that he, as the Mayor, executed the foregoing instrument for the purposes therein contained, by signing his name as Mayor.

WITNESS my hand and official seal this 3rd day of October, 2012.

Notary Public

My commission expires:

12-29-2014

STATE OF TENNESSEE
COUNTY OF SULLIVAN



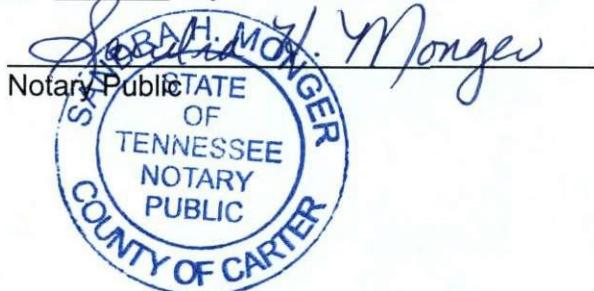
Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainer, LOIS SMITH, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged herself to be the Executive Director of Upper East Tennessee Development Human Agency, and that she as such Executive Director executed the foregoing instrument for the purposes therein contained, by signing her name as Executive Director.

WITNESS my hand and official seal this 5th day of October, 2012.

Notary Public

My commission expires:

1/15/13



UETHDA SPACE

UETHDA SPACE

Total Sq. Ft: 27,692

SECOND FLOOR— 15,909 SQ. Ft

EXHIBIT A

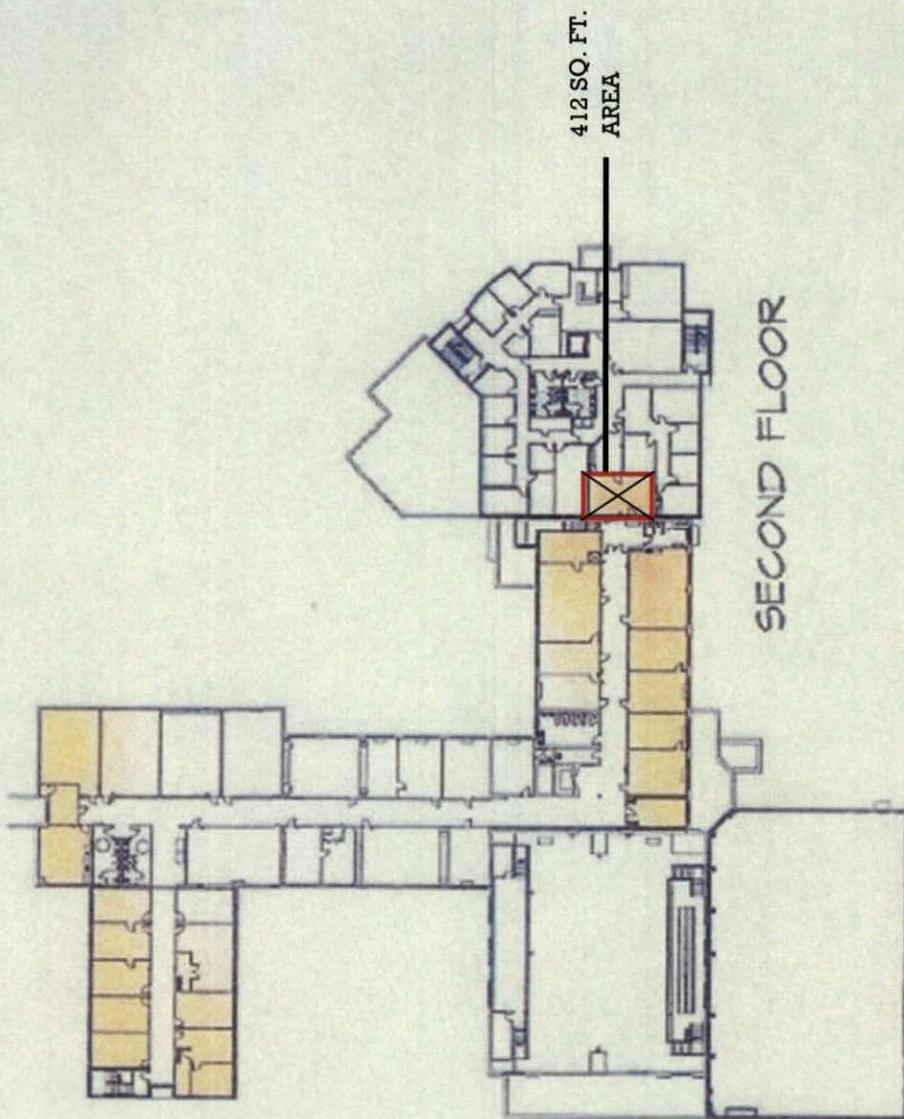
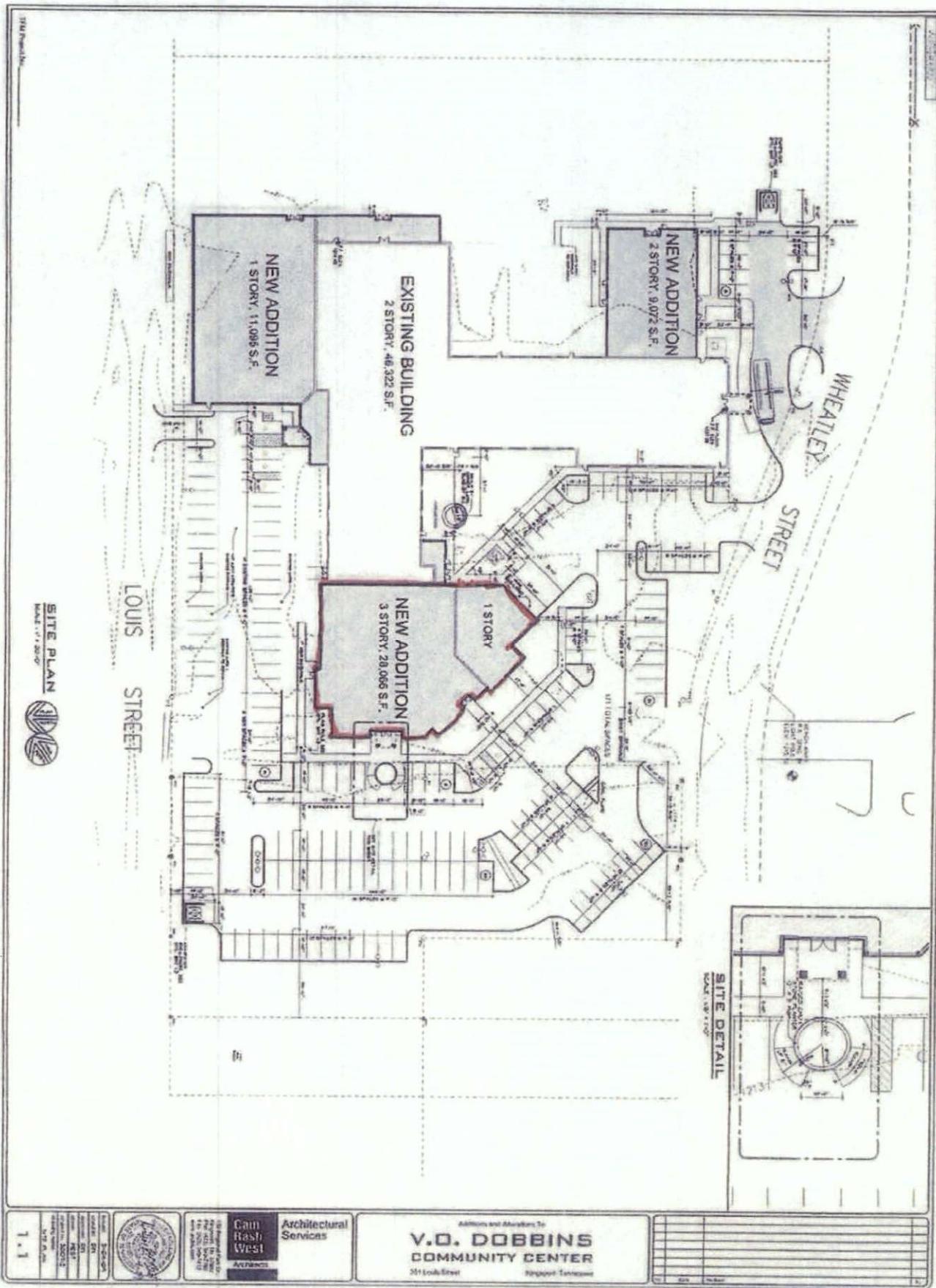


EXHIBIT B



AMENDMENT NUMBER 2 TO LEASE

This Amendment Number 2 to the Lease between City of Kingsport, Tennessee and Upper East Tennessee Human Development Agency is made with an effective date of August 1, 2020 by the City of Kingsport, Tennessee and Upper East Tennessee Human Development Agency.

WITNESSETH:

WHEREAS the parties desire to amend the Lease between the parties for space in the V.O. Dobbins, Sr. Complex;

NOW THEREFORE, based upon the mutual promises set out herein and other good and valuable consideration not necessary to set out herein the parties agree as follows:

1. That section 2.C. of the Lease is amended by deleting the word "*custodial*" from the second sentence to thereafter read "Payment amounts are calculated on square foot costs for water, electrical/gas, FF&E/Maintenance, and reimbursement may increase during the term of this Lease pursuant to Sections 4 and 8 herein."

2. That section 4. of the Lease is amended to include the following "The Lease shall be extended for a period of five (5) years from the effective date of Amendment Number 2 to the Lease, with such rights of termination as are expressly set forth in the Lease and Amendment Number 2 and that prior to the termination or expiration of the five (5) year period commencing on the effective date of Amendment Number 2 the parties may extend the Lease by mutual agreement on terms agreeable to both parties for one (1) period of up to five (5) years beyond the extension."

3. That section 10.4. of the Lease is amended by adding the following "In addition to the termination rights otherwise set forth in this Lease Landlord may terminate this Lease for its convenience at any time by giving written notice to Tenant at least thirty (30) days prior to the date when such termination becomes effective."

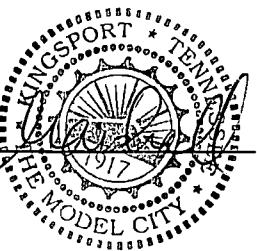
4. That section 11. of the Lease is amended by changing the last sentence to read "Tenant shall maintain the Leased Premises at its own expense in a clean, orderly and sanitary condition, and shall either delegate janitorial duties to existing employees, employ designated janitorial staff, or secure the necessary janitorial service to satisfy Tenant's obligation as set forth herein."

Except as amended hereby, all other terms and conditions of the Lease and Amendment Number 1 to the Lease shall remain in full force and effect and the parties hereto confirm and ratify the Lease as hereby amended.

IN WHITNESS WHEREOF, the parties hereto have executed this Amendment Number 2 with the effective date of August 1, 2020.

ATTEST:

Angela Marlow
City Recorder



APPROVED AS TO FORM:

J. Michael Billingsley
J. Michael Billingsley, City Attorney

*By: Rodney T. Hawlett
2nd permission*

LANDLORD:

CITY OF KINGSPORT, TENNESSEE

By: *Patrick W. Shull*
Patrick W. Shull, Mayor

TENANT:

UPPER EAST TENNESSEE HUMAN DEVELOPMENT AGENCY

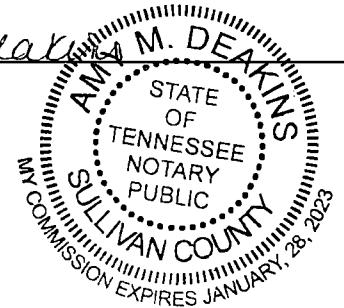
By: *Timothy Jaynes*
Timothy Jaynes, Executive Director

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainer, PATRICK W. SHULL, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Mayor of the City of Kingsport, Tennessee, and that he, as the Mayor, executed the foregoing instrument for the purposes therein contained, by signing his name as Mayor.

WITNESS my hand and official seal this 30 day of August, 2021.

Amy L Deakins
Amy L Deakins M. DEAKINS
Notary Public



My commission expires:

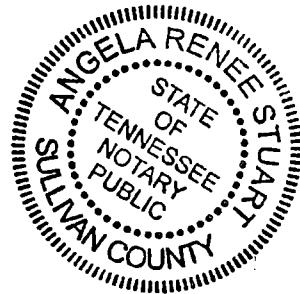
01-28-2023

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainer, Timothy Jaynes, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Executive Director of Upper East Tennessee Human Development Agency, and that he as such Executive Director executed the foregoing instrument for the purposes therein contained, by signing his name as Executive Director.

WITNESS my hand and official seal this 10th day of August, 2021.

Angela Renee Stuart
Angela Renee Stuart
Notary Public



My commission expires:

June 21, 2025