

LEASE AGREEMENT

SECTION 1 – BASIC LEASE PROVISIONS

1.01. **Date and Parties.** This lease is made as of the 7th day of February, 2020, between The City of Tupelo, Mississippi (“Landlord”) and HTG Property Holdings, LLC, a Mississippi limited liability company (“Tenant”).

1.02. **Real Property.** Landlord is owner of certain real property consisting of 7.83 acres (the “Real Property”) and improvements consisting of a building containing 46,174 square feet and an accessory building containing 2,750 square feet (collectively, the “Buildings”), located at 545 Commerce Street in the City of Tupelo, County of Lee, State of Mississippi, more particularly described in Exhibit “A” hereto. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord both the Real Property and the Buildings. Both the Real Property and the Buildings are collectively referred to as the “Leased Property”.

1.03. **Use.** Tenant shall sublease the Leased Property to Hyperion Technology Group, Inc., a Mississippi corporation (“Hyperion”), who shall use it for its business of engineering, research and development, as well as manufacturing and distributing its products and for uses incidental thereto including, without limitation, storage of containers, materials, supplies and the parking of vehicles and trailers, and any other lawful activities consented to by Landlord. Tenant shall not create a nuisance or use the Leased Property for any immoral or illegal purposes.

1.04. **Term.** The term of this lease shall commence on February 7, 2020 (the “Beginning Date”) and shall continue for one hundred eighty (180) months, ending at midnight on the last day of January, 2035 (the “Term”).

1.05. **Acceptance.** Neither Landlord nor any of its agents has made any representations with respect to the Leased Property except as expressly set forth herein. The taking of possession of the Leased Property by Tenant shall be conclusive evidence that Tenant accepts the same “as is” and that the Leased Property was in good condition at the time possession was taken. The foregoing notwithstanding, Tenant does not assume any obligations or liabilities arising, resulting from or related to the presence of any hazardous, toxic or medical wastes, substances or materials on the Leased Property or any adjacent property.

SECTION 2 – RENT AND TAXES

2.01. **Rent.** Tenant agrees to pay to Landlord as rent for the Leased Property the sum of Twelve Thousand Four Hundred Thirty Dollars (\$12,430.00) per month during the Term, with the first month’s rent being pro-rated. Each monthly rental payment shall be paid:

- (i) without advance notice, demand, offset, or deduction;
- (ii) by the first day of each calendar month during the term; and

(iii) to Landlord at P.O. Box 588, Tupelo, Mississippi 38802-0588, or as Landlord may specify in writing to Tenant.

If Tenant fails to pay part or all of the rent within ten (10) days after it is due, Tenant shall also pay a late charge of \$500.

2.02. **Real Property Tax.** As city owned property, there will be no ad valorem taxes due on the real property. Before delinquency, Tenant shall pay all school taxes levied against the Leased Property, pro-rated for any incomplete calendar years of this lease.

2.03. **Personal Property Taxes.** Before delinquency, Tenant shall pay all taxes assessed against all trade fixtures and personal property on the Leased Property and all taxes assessed and applicable to the ownership and operation of the business of Tenant, pro-rated for any incomplete calendar years of this lease. Tenant's failure to timely pay these sums shall entitle Landlord to the same remedies it has upon Tenant's failure to pay rent.

SECTION 3 – AFFIRMATIVE OBLIGATIONS

3.01. **Compliance with Laws.** Tenant shall comply with all applicable laws: (i) regarding the physical condition of the Leased Property; and (ii) that do not relate to the physical condition of the Leased Property but relate to the lawful use of the Leased Property and with which only the occupant can comply, such as laws governing maximum occupancy, workplace smoking, and illegal business operations, such as gambling.

3.02. **Utilities and Janitorial.** Tenant shall pay all water and sewer service, trash removal, electricity and natural gas service for the Leased Property. Tenant shall also pay all telephone charges, coaxial cable television service, and janitorial services for the Leased Property, together with any other utilities.

3.03. **Repairs, Maintenance and Additions.**

(a) **Landlord.** Landlord shall be responsible for repairs and replacements to the Buildings that are outside the scope of normal, routine maintenance (which shall be the responsibility of Tenant), including, without limitation, to the exterior walls and structure of the Buildings, the roofs, the foundation, subfloors, load bearing walls and other structural elements, and all paved areas, except if same was caused by the negligence, willful misconduct, action or failure to act, including the failure to perform the repairs and maintenance required by 3.03(b), of Tenant, its agents, invitees, servants or employees, for all of which Tenant shall be solely responsible.

(b) **Tenant.** Tenant shall, at its own expense, keep and maintain the Buildings in good repair, including, but not limited to, the interior walls, heating and air conditioning systems, plumbing, electrical, mechanical systems, windows, interior and exterior lighting and providing janitorial services, and shall keep all portions of the Leased Property in good condition, order and repair. Tenant shall be responsible for keeping the paved areas of the Leased Property free of debris, including but not limited to, ice and snow.

(c) **Surrendering the Leased Property.** Upon termination of this lease, and subject to the provisions of Section 12, Tenant shall surrender the Leased Property to

Landlord, the Buildings and paved areas being in the same condition that they were in on the Beginning Date except for ordinary wear and tear and Alterations. On surrender, Tenant shall remove from the Leased Property its personal property, trade fixtures, and any Alterations required to be removed under paragraph 4.01 and repair any damage to the Leased Property caused by the removal. Any items not removed by Tenant as required above shall be considered abandoned. Landlord may dispose of abandoned items as Landlord chooses and bill Tenant for the cost of their removal and disposal, minus any revenues received by Landlord from their disposal.

SECTION 4 – NEGATIVE OBLIGATIONS

4.01. Alterations.

(a) **Definitions.** “Alterations” means structural alterations, additions, substitutions, installations, changes, and improvements.

(b) **Consent.** Tenant shall not make Alterations without Landlord’s advance written consent. Landlord’s consent shall not be unreasonably withheld or unduly delayed for Alterations to the Leased Property that do not adversely affect the Buildings’ appearance, value, structural strength, and insurance classification. Non-structural changes shall not be considered Alterations, and no Landlord consent is required for Tenant to make them.

(c) **Payment and Ownership of the Alterations.** Alterations made under this paragraph shall be at Tenant’s expense. The Alterations shall belong to Landlord when this lease ends, except for those Alterations required by Landlord to be removed by Tenant. Nevertheless, Tenant may, so long as no event of default occurs, remove its trade fixtures, furniture, equipment, and other personal property if Tenant promptly repairs any damage caused by their removal.

4.02. **Assignment and Subleasing.** Tenant shall not transfer, mortgage, encumber, assign (including an assignment by operation of law), or sublease all or part of the Leased Property without the prior written consent of Landlord, which shall not be unreasonably withheld; provided, however, that Landlord’s approval of any such sublease shall in no way alter or diminish Tenant’s obligations to Landlord hereunder, or relieve Tenant of any duties or liabilities in connection herewith. The foregoing notwithstanding, Landlord hereby approves a sublease of the Leased Property to Hyperion Technology Group, Inc.

SECTION 5 – INSURANCE

5.01. Insurance.

(a) **Building Insurance.** Landlord shall keep the Buildings insured against damage and destruction by windstorm, fire, vandalism, and other similar perils for replacement cost. The limits of said insurance shall initially be 2,500,000. Following completion of the improvements, the insurance shall be increased to Renovated Construction Value following an updated appraisal.

(b) **Personal Property Insurance.** Tenant shall keep its personal property and trade fixtures on the Leased Property insured with “all risk” insurance. Tenant also shall keep any improvements or Alterations made to the Leased Property insured to the same degree as Tenant’s personal property.

(c) **Liability Insurance.** Tenant shall maintain commercial general liability insurance, including bodily injury, property damage and contractual liability coverage, with a minimum combined single limit of liability of \$1,000,000 for bodily injuries or deaths of persons occurring in or about the Leased Property and any property damage thereof.

(d) **Workers’ Compensation Insurance.** Tenant shall maintain all workers’ compensation and employers’ liability insurance coverage required under applicable workers’ compensation acts.

(e) **Insurance Criteria.** Insurance policies required by this lease to be maintained by Tenant shall:

- (i) be issued by insurance companies licensed to do business in the State of Mississippi with general policyholder’s ratings of at least A- and a financial rating of at least XI in the most current Best’s Insurance Reports available on the date in paragraph 1.01 or issued by Industrial Risk Insurers or a comparable company approved by a nationally recognized independent insurance consultant;
- (ii) name Landlord as an additional insured (except for 5.01(d));
- (iii) provide that the insurance not be cancelled or materially changed in the scope or amount of coverage unless 30 days’ advance notice is given to Landlord;
- (iv) be primary policies—not as contributing with, or in excess of, the coverage that the other party may carry;
- (v) have deductibles not greater than \$10,000; and
- (vi) be maintained during the entire term.

(f) **Evidence of Insurance.** By the Beginning Date and upon each renewal of its insurance policies, the party responsible for insurance as provided above shall give to the other party a certificate of insurance specifying amounts, types of coverage, and the insurance criteria listed in paragraph 5.01(e). The policies shall be renewed or replaced and maintained by the party responsible therefor. In the event such party fails to give the required certificate within 30 days after notice of demand for it, the other party may obtain and pay for that insurance and receive reimbursement from the party obligated to provide insurance as provided above.

5.02. **Indemnification.** Landlord shall not be liable or responsible in any way for any claims or damages to persons or property sustained in, on or about the Leased Property or arising out of Tenant's use of the Leased Property, during the term of this lease or any continuation, holdover, extension or renewal hereof (excepting only such claims and damages as may be caused by the negligence or willful misconduct of Landlord), and the Tenant at all times agrees to defend, indemnify and save harmless the Landlord from all losses, damages, liabilities and expenses, including attorney's fees, for any of the foregoing.

Except to the extent same was caused by the negligence or intentional misconduct of Landlord or its agents, contractors or employees, Landlord shall not be liable for and Tenant will indemnify and save harmless Landlord from any and all fines, suits, claims, demands, costs, and actions of any kind (including reasonable attorney's fees) by reason of any negligence or misconduct, including but not limited to environmental (but only to the extent caused by Tenant, its agents, contractors, employees or invitees after the effective date of this Lease), or any breach, violation or non-performance of any covenant hereof on the part of Tenant or Tenant's agents, employees, or invitees. Landlord will indemnify and save harmless Tenant from any and all fines, suits, claims, demands, costs, and actions of any kind arising under this Lease (including reasonable attorney's fees) by reason of any breach, violation or non-performance of any covenant hereof on the part of Landlord required to be performed hereunder, negligence or intentional misconduct on the part of Landlord or its agents, contractors or employees, or on account of any environmental condition existing on the Leased Property on or before the effective date of this Lease. The obligations of this paragraph shall survive the termination of this Lease.

SECTION 6 – LOSS OF THE LEASED PROPERTY

6.01. **Damage to the Buildings.** If the Leased Property is damaged or destroyed by fire or any other cause, Tenant will immediately notify Landlord. Landlord covenants and agrees that in case of damage to or destruction of the Leased Property by fire or other casualty, it will promptly repair, restore and rebuild the same as nearly as possible to the condition it was immediately prior to such damage or destruction, provided, however, that if such destruction shall be substantial and/or of such extent as to render the Leased Property untenable, then Tenant shall have the election and option to purchase the Leased Property pursuant to Section 12 hereof, in which case all insurance proceeds shall be paid to Tenant; otherwise, any insurance proceeds shall be paid to the parties as their interests may appear for the purpose of repair and restoration of the Leased Property.

6.02. **Condemnation.** Landlord shall not commence eminent domain proceedings affecting the Leased Property during the Term of this lease. If eminent domain proceedings are commenced by other entities, Landlord shall immediately notify Tenant of same. If the eminent domain proceedings affect a substantial part of the Leased Property, Tenant shall have the election and option to purchase the Leased Property pursuant to Section 12 hereof, in which case all condemnation proceeds shall be paid to Tenant; otherwise, any condemnation proceeds shall be paid to the parties in accordance with their interests in the Leased Property.

SECTION 7 - DEFAULT

7.01. **Tenant's Default.** The following shall, at Landlord's option, constitute a default by Tenant under the terms of this lease:

- (i) failure by Tenant to pay the rent provided herein or any other payment required herein to be made by Tenant hereunder or any part thereof, which default shall continue for 10 days after Tenant has received written notice thereof by Landlord;
- (ii) failure by Tenant to perform any other of Tenant's agreements herein contained which default shall continue for 30 days after Tenant has received written notice thereof by Landlord, provided that if the nature of such default is such that it cannot be reasonably cured within such 30 days, Tenant shall not be deemed to be in default if it shall within such period commence such cure and thereafter diligently prosecute the same to completion; or
- (iii) the making by Tenant of any general assignment for the benefit of creditors; the commencement by or against Tenant of a proceeding under any federal or state bankruptcy act or other act for the relief of insolvent debtors (including any arrangement or reorganization proceedings); the appointment of a trustee or receiver to take possession of Tenants assets or the attachment or seizure by execution of Tenant's assets in the Leased Property, provided that in the event of the commencement of any such proceeding, appointment, attachment or seizure of Tenant's assets, tenant shall have 30 days in which to secure the dismissal or abandonment thereof.

7.02. **Landlord's Remedies.**

(a) **Remedies.** Landlord in addition to any other remedies provided for in this lease or under the law, or in equity, may do any one or more of the following if Tenant commits a default under paragraph 7.01, all of which shall be subject to the limitations of Section 10 hereof:

- (i) end this lease, and Tenant shall then surrender the Leased Property to Landlord;
- (ii) enter and take possession of the Leased Property either with or without process of law and remove Tenant, with or without having ended the lease; and
- (iii) alter locks and other security devices at the Leased Property.

Tenant waives claims for damages by reason of Landlord's rightful reentry, repossession, or alteration of locks or other security devices and for damages by reason of any rightful use of legal process, subject to the provisions of Section 10.

(b) **No Surrender.** Landlord's exercise of any of its remedies or its receipt of Tenant's keys shall not be considered an acceptance or surrender of the Leased Property by Tenant. A surrender must be agreed to in a writing signed by both parties.

(c) **Rent.** If Landlord ends this lease or ends Tenant's right to possess the Leased Property because of a default, following an additional thirty (30) day grace period, Landlord may hold Tenant liable for rent and other indebtedness accrued to the date the lease ends. Tenant shall also be liable for the rent and other indebtedness that otherwise would have been payable by Tenant during the remainder of the term had there been no default. The amounts owing by Tenant in the event of default under this Section 7 shall be discounted to present value then reduced by a reasonable fair market rental rate. Landlord shall seek to mitigate its damages.

(d) **Other Expenses.** Tenant shall also be liable for that part of the following sums paid by Landlord and attributable to that part of the term ended due to Tenant's default:

- (i) reasonable broker's fees incurred by Landlord for reletting part or all of the Leased Property;
- (ii) the reasonable cost of removing and storing Tenant's property; and
- (iii) other necessary and reasonable expenses incurred by Landlord in enforcing its remedies, including reasonable attorney fees.

7.03. **Survival.** The remedies permitted by Section 7 and parties' indemnities in paragraph 5.02 shall survive the ending of this lease.

7.04. **Landlord's Lien.** Landlord shall have a lien on every right and interest of Tenant in and to this lease, and on any building or improvement on or hereafter placed on the Leased Property, and on any furnishings, equipment, fixtures, or other personal property of any kind belonging to Tenant, or the equity of Tenant therein, on the Leased Property. Such lien is granted for the purpose of securing the payment of rents, taxes, assessments, charges, liens, penalties and damages herein covenanted to be paid by Tenant, and for the purpose of securing the performance of all of Tenant's obligations under this lease. Such lien shall be in addition to all rights of Landlord given under statutes of the State of Mississippi, which are now or shall hereinafter be in effect.

SECTION 8 - NONDISTURBANCE

8.01. **Quiet Enjoyment.** Landlord covenants that Landlord has full right to make this lease and Landlord covenants and agrees that Tenant, upon paying all rent and all other charges herein provided for and observing and keeping the covenants, agreements and conditions of this lease on its part to be kept, shall lawfully be entitled to quietly hold, occupy and enjoy the Leased Property during the term of this lease and that Landlord shall place Tenant in quiet possession thereof.

SECTION 9 – LANDLORD’S RIGHTS

9.01. Mechanic’s Liens.

- (a) Tenant shall, within 20 days after receiving notice of any mechanic’s lien for material or work claimed to have been furnished to the Leased Property on Tenant’s behalf and at Tenant’s request:
 - (i) discharge the lien; or
 - (ii) post a bond equal to the amount of the disputed claim with companies reasonable satisfactory to Landlord. If Tenant posts a bond, it shall contest the validity of the lien. Tenant shall indemnify, defend, and hold Landlord harmless from losses incurred from these liens.
- (b) **Landlord’s Discharge.** If Tenant does not discharge the lien or post the bond within the 20 day period, Landlord may pay any amounts, including interest and legal fees, to discharge the lien. Tenant shall then be liable to Landlord for the amounts paid by Landlord.

9.02. **Right to Enter.** Subject to Section 10, Landlord and its agents, servants, and employees may enter the Leased Property at reasonable times upon prior notice to Tenant, and at any time in the event of an emergency, without charge, or abatement of rent, to:

- (i) examine the Leased Property;
- (ii) make repairs, alterations, improvements, and additions either required by the lease or advisable to preserve the integrity, safety, and good order of part or all of the Leased Property;
- (iii) show the Leased Property to prospective lenders or purchasers and, during the 90 days immediately before this lease ends, to prospective tenants, accompanied, if requested by Tenant or by a Tenant representative; and
- (iv) remove any Alterations made by tenant in violation of paragraph 4.01.

9.03. **Permitted Signs.** Tenant may install, erect and maintain upon the Leased Property all signs necessary to the conduct of its business. Landlord may not install a “To Rent” or “For Sale” sign during the Term of this Lease or the Exclusive Option period provided in Section 12 hereof.

SECTION 10 – LIMITATIONS ON LANDLORD’S RIGHT OF ENTRY

10.01. **Limitations on Landlord’s Right of Entry.** This Lease is contingent upon the Leased Property being cleared at not less than a Top Secret level by the United States Department of Defense, Defense Security Service (DSS). Tenant shall provide DSS with copies of the plans and such other information as will be required to receive the facility clearance (FCL). Federal law and regulations impose limits upon access to cleared facilities, and all provisions of this Agreement providing for Landlord entry or re-entry into the Leased Property shall be subject to the restrictions of this Section 10.

- (a) Landlord shall provide advance notice of its desire to enter the Leased Property pursuant to this Lease, including, but not limited to, paragraphs 7.02 and 9.02 hereof, and its representatives shall provide proper identification to the security desk, sign in, and be issued badges which shall require the representatives to be escorted by an employee of Tenant. Landlord’s representatives shall not be foreign nationals, and Landlord shall not have access to closed or restricted areas.
- (b) In the event of an emergency involving natural causes (such as fire, tornado, wind or other storm damage), Landlord shall be permitted to access the Leased Property in order to secure or protect the Leased Property, but shall use its best efforts to contact Tenant contemporaneously with entrance or as soon thereafter so that Tenant may have a representative present. In any such entry, Landlord shall use its best efforts to protect and preserve Tenant’s records, data, computers and closed or restricted areas, and to restrict entry by foreign nationals. If Landlord is unable to reach Tenant, it shall notify the Federal Bureau of Investigation (662-234-1713) prior to entering the Leased Property.
- (c) In the event of termination of this Lease or Tenant’s default under this Lease which results in Landlord’s retaking of the Leased Property as provided herein, Landlord’s entry of the Leased Property shall be subject to the provisions of 10.01(a) hereof, and Tenant shall be allowed to peaceably remove its personal property (and the property of others, including the United States Government).

SECTION 11 – ENVIRONMENTAL COMPLIANCE

11.01. **Tenant’s Compliance.** Tenant covenants and agrees that it will comply with state and federal environmental laws in the use, storage, treatment or transportation of any hazardous substances. Tenant shall, at Tenant’s sole expense, properly store or dispose of such substances as required by state and federal environmental laws. Tenant agrees that it will not cause the release, leak, discharge, spill, disposal, or emission of hazardous substances in, on, or under the Leased Property. Tenant does not assume any obligations or liabilities arising, resulting from or related to the presence of any hazardous, toxic or medical wastes, substances or materials on the Leased Property or any adjacent property.

SECTION 12 – EXCLUSIVE OPTION TO PURCHASE

12.01. **Tenant's Exclusive Option to Purchase.** Tenant shall have the sole and exclusive option to purchase the Leased Property (the "Option") during the Term of this lease, or at the conclusion of the Term of this lease, as provided in this Section 12.

12.02. **Notice.** Tenant shall exercise the Option by giving Landlord written notice of its intent to exercise the Option during the Term of this Lease. Closing shall be not less than thirty (30) nor more than sixty (60) days following notice (which may be following the conclusion of the Term of this lease), with the exact date and time to be mutually satisfactory to Landlord and Tenant.

12.03 **Purchase Price.** Landlord purchased the Leased Property using the proceeds of a Capital Improvement Revolving ("CAP") Loan with the Mississippi Development Authority. Landlord shall pay down the CAP Loan with Tenant's Rent payments. The purchase price ("Purchase Price") for the purchase of the Leased Property by Tenant shall be the payoff amount of the CAP Loan at the time of Closing, after application and payment to the Mississippi Development Authority of all Rent paid by Tenant to Landlord hereunder. If the Closing takes place following the conclusion of this Lease, meaning the CAP Loan has been paid in full, then the Purchase Price shall be the sum of One Dollar (\$1.00).

12.04 **Title.** At the Closing, Landlord shall convey good and marketable title to the Leased Property to Tenant by General Warranty Deed, subject only to taxes for the then current year, easements and rights of way of record, and prior mineral reservations. Prior to Closing, Tenant may obtain a Title Certificate upon which title insurance with an insurer of its choosing may be obtained. Should said certificate reflect any other exceptions to the title unacceptable to Tenant, it shall notify Landlord in writing of any defects within fifteen (15) days of receipt of the certificate. Landlord shall have a reasonable time (but not more than forty-five (45) days) in which to make the title good and marketable or insurable, and shall use due diligence in doing so.

12.05. **Closing.** At the Closing, Landlord shall deliver the General Warranty Deed to Tenant, Tenant shall deliver the Purchase Price to Landlord, and the parties shall execute such settlement statements and other documents, and shall take such actions, as are customary in commercial real estate transactions in Tupelo, Mississippi. Tenant shall pay for the Title Certificate and any title insurance premiums, the preparation and recording of the General Warranty Deed (which shall be prepared by its attorney), the closing fees (which shall be conducted by Tenant's attorney), and the fees associated with any due diligence investigations conducted by Tenant. Landlord shall be responsible for the costs of any curative work necessary to convey title as described in paragraph 12.04. All other costs and expenses, including those of the parties' own legal counsel, shall be paid by the party incurring them.

SECTION 13 – MISCELLANEOUS

13.01. **Notices.** All notices under this lease shall be in writing and sent by registered or certified mail, postage prepaid, as follows:

To Tenant:

HTG Property Holdings, LLC
Attention: Geoffrey E. Carter, Manager
Post Office Box 680, Tupelo, MS 38802
545 Commerce Street, Tupelo, MS 38804

To Subtenant:

Hyperion Technology Group, Inc.
Attention: Geoffrey E. Carter, President
Post Office Box 680, Tupelo, MS 38802
545 Commerce Street, Tupelo, MS 38804

and

To Landlord:

City of Tupelo
Attention: Mayor
P.O. Box 1485
Tupelo, MS 38802-1485

Either party may change these persons or addresses by giving notice as provided above. Notice shall be considered given and received on the latest original delivery or attempted delivery date as indicated on the postage receipt(s) of all persons and addresses to which notice is to be given.

13.02. **Partial Invalidity.** If any lease provision is invalid or unenforceable to any extent, then that provision shall be deleted and the remainder of this lease shall continue in effect and be enforceable to the fullest extent permitted by law.

13.03. **Waiver.** The failure of either party to exercise any of its rights is not a waiver of those rights. A party waives only those rights specified in writing and signed by the party waiving its rights.

13.04. **Binding on Successors.** This lease shall bind the parties' heirs, successors, representatives, and permitted assigns.


13.05. **Governing Law.** This lease shall be governed by the laws of the State of Mississippi.

13.06. **Survival of Remedies.** The parties' remedies shall survive the ending of this lease when the ending is caused by the default of the other party.

13.07. **Entire Agreement.** This lease contains the entire agreement between the parties concerning the subject matter of this lease. This lease shall be modified only by a writing signed by both parties.

LANDLORD:

CITY OF TUPELO, MISSISSIPPI

By: 
Jason Shelton, Mayor

TENANT:

HTG PROPERTY HOLDINGS, LLC


By: 
Geoffrey C. Carter, Manager

EXHIBIT A

Legal Description

TRACT 1

COMMENCING AT PIN FOUND AT NORTHWEST CORNER OF BLOCK 7, PARCEL 1, MIDTOWN URBAN RENEWAL AREA PROJECT NO. MISS R-1 AS RECORDED IN PLAT BOOK 3, PAGE 35 IN THE OFFICE OF THE CHANCERY CLERK, CITY OF TUPELO, LEE COUNTY, MISSISSIPPI; THENCE NORTH 08 DEGREES 02 MINUTES 13 SECONDS EAST 628.53 FEET TO A PIN FOUND ON THE WESTERLY RIGHT-OF WAY LINE OF COMMERCE STREET MARKING THE SOUTHEAST CORNER OF THAT CERTAIN TRACT AS DESCRIBED IN DEED BOOK 1481 AT PAGE 378, SAID POINT BEING THE POINT OF BEGINNING OF THE HEREIN DESCRIBED TRACT; THENCE NORTH 82 DEGREES 50 MINUTES 04 SECONDS WEST 404.52 FEET TO A PIN FOUND ON THE EASTERLY RIGHT-OF-WAY LINE OF THE KANSAS CITY SOUTHERN RAILROAD; THENCE ALONG SAID LINE, NORTH 08 DEGREES 14 MINUTES 39 SECONDS EAST 801.33 FEET TO A PIN SET; THENCE SOUTH 82 DEGREES 50 MINUTES 04 SECONDS EAST 434.96 FEET TO A PIN SET ON THE OBSERVED WESTERLY RIGHT-OF-WAY LINE OF COMMERCE STREET; THENCE ALONG SAID RIGHT-OF-WAY LINE AS FOLLOWS: SOUTH 12 DEGREES 02 MINUTES 19 SECONDS WEST 65.22 FEET TO A PIN FOUND, SOUTH 12 DEGREES 14 MINUTES 39 SECONDS WEST 104.91 FEET, SOUTH 11 DEGREES 32 MINUTES 08 SECONDS WEST 52.97 FEET, SOUTH 10 DEGREES 24 MINUTES 26 SECONDS WEST 311.29 FEET, SOUTH 09 DEGREES 41 MINUTES 24 SECONDS WEST 107.98 FEET, SOUTH 09 DEGREES 03 MINUTES 38 SECONDS WEST 106.59 FEET, SOUTH 08 DEGREES 24 MINUTES 47 SECONDS WEST 53.94 FEET TO THE POINT OF BEGINNING, CONTAINING 7.63 ACRES, MORE OR LESS, AND ALL BEING PART OF THE SOUTHWEST ¼ OF THE SOUTHWEST ¼ OF SECTION 29 AND PART OF THE NORTHWEST ¼ OF THE NORTHWEST ¼ OF SECTION 32, ALL OF TOWNSHIP 9 SOUTH, RANGE 6 EAST, LEE COUNTY, MISSISSIPPI.

TRACT 2

COMMENCING AT PIN FOUND AT NORTHWEST CORNER OF BLOCK 7, PARCEL 1, MIDTOWN URBAN RENEWAL AREA PROJECT NO. MISS R-1 AS RECORDED IN PLAT BOOK 3, PAGE 35, IN THE OFFICE OF THE CHANCERY CLERK, CITY OF TUPELO, LEE COUNTY, MISSISSIPPI, THENCE NORTH 08 DEGREES 02 MINUTES 13 SECONDS EAST 628.53 FEET TO A PIN FOUND ON THE WESTERLY RIGHT-OF-WAY LINE OF COMMERCE STREET MARKING THE SOUTHEAST CORNER OF THAT CERTAIN TRACT AS DESCRIBED IN DEED BOOK 1481 AT PAGE 378; THENCE NORTH 82 DEGREES 50 MINUTES 04 SECONDS WEST 404.52 FEET TO A PIN FOUND ON THE EASTERLY RIGHT-OF-WAY LINE OF THE KANSAS CITY SOUTHERN RAILROAD;

THENCE ALONG SAID LINE, NORTH 08 DEGREES 14 MINUTES 39 SECONDS EAST 801.33 FEET TO A PIN SET MARKING THE POINT OF BEGINNING OF THE HEREIN DESCRIBED TRACT; THENCE SOUTH 82 DEGREES 50 MINUTES 04 SECONDS EAST 434.96 FEET TO A PIN SET ON THE OBSERVED WESTERLY RIGHT-OF-WAY LINE OF COMMERCE STREET; THENCE ALONG SAID RIGHT-OF WAY LINE, NORTH 12 DEGREES 02 MINUTES 19 SECONDS EAST 11.96 FEET; THENCE NORTH 80 DEGREES 38 MINUTES 37 SECONDS WEST 435.76 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF THE KANSAS CITY SOUTHERN RAILROAD; THENCE ALONG SAID LINE, SOUTH 08 DEGREES 14 MINUTES 39 SECONDS WEST 28.58 FEET TO THE POINT OF BEGINNING, CONTAINING 0.20 ACES, MORE OR LESS, AND ALL BEING PART OF THE SOUTHWEST ¼ OF THE SOUTHWEST ¼ OF SECTION 29, TOWNSHIP 9 SOUTH, RANGE 6 EAST, LEE COUNTY, MISSISSIPPI.

Together with a perpetual easement for ingress and egress over and across that certain private street more commonly known as Southern Belle Lane;

Together with all and singular the improvements thereon and appurtenances thereunto belonging.