

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: _____

Meeting Type: Regular

Meeting Date: Feb 25, 2016

Action Requested By: Administration

Agenda Type: Resolution

Subject Matter:

Ground Lease Agreement between the City of Huntsville and Clinton Row Partners, LLC, for property located on the first floor of the Clinton Street Parking Garage.

Exact Wording for the Agenda:

Resolution authorizing the Mayor to enter into a Ground Lease Agreement between the City of Huntsville, Alabama, and Clinton Row Partners, LLC, for a portion of the first floor space of the Clinton Street Parking Garage.

Note: If amendment, Please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

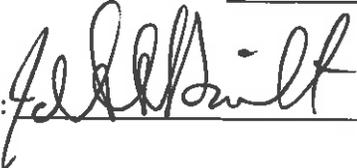
Briefly state why the action is required; why it is recommended; what council action will provide, allow and accomplish and; any other information that might be helpful.

[Empty box for providing details on why the action is required, why it is recommended, what council action will provide, allow and accomplish, and any other helpful information.]

Associated Cost: _____

Budgeted Item: Not Applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head:  _____

Date: _____

ROUTING SLIP CONTRACTS AND AGREEMENTS

Originating Department: Administration

Council Meeting Date: 2/25/2016

Department Contact: John Hamilton

Phone # 427-5000

Contract or Agreement: Ground Lease Agreement for Clinton Row

Document Name: Ground Lease Agreement for Clinton Row

City Obligation Amount:

Total Project Budget:

Uncommitted Account Balance:

Account Number:

Procurement Agreements

Not Applicable

Not Applicable

Grant-Funded Agreements

Not Applicable

Grant Name:

Department	Signature	Date
1) Originating	<i>John Hamilton</i>	
2) Legal	<i>Mary C. Cates</i>	<i>2-25-2016</i>
3) Finance	<i>M. Sargent</i>	<i>2-25-16</i>
4) Originating	<i>John Hamilton</i>	
5) Copy Distribution		
a. Mayor's office (1 copies)		
b. Clerk-Treasurer (Original & 2 copies)		

RESOLUTION NO. 16-_____

BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the Mayor be, and he is hereby authorized to enter into a Ground Lease Agreement by and between the City of Huntsville, Alabama, and Clinton Row Partners, LLC, on behalf of the City of Huntsville, a municipal corporation in the State of Alabama, which said agreement is substantially in words and figures similar to that certain document attached hereto and identified as "Ground Lease Agreement between the City of Huntsville, Alabama, and Clinton Row Partners, LLC," consisting of thirty (30) pages including Exhibits, and the date of February 25, 2016, appearing on the margin of the first page, together with the signature of the President or President Pro Tem of the City Council, an executed copy of said document being permanently kept on file in the Office of the City Clerk-Treasurer of the City of Huntsville, Alabama.

ADOPTED this the 25th day of February, 2016.

President of the City Council of
the City of Huntsville, Alabama

APPROVED this the 25th day of February, 2016.

Mayor of the City of
Huntsville, Alabama

STATE OF ALABAMA)

MADISON COUNTY)

GROUND LEASE AGREEMENT

THIS GROUND LEASE AGREEMENT (this "Lease") is made and entered into on this 25 day of February, 2016 (the "Effective Date"), by and between CITY OF HUNTSVILLE, ALABAMA, an Alabama municipal corporation ("Lessor"), and CLINTON ROW PARTNERS, LLC, an Alabama limited liability company ("Lessee").

RECITALS

A. Lessor owns that certain parcel of real property comprising approximately 1.12 acres located in the City of Huntsville, Alabama, along Clinton Avenue West to the North and Jefferson Street North to the West, as more particularly described on Exhibit A attached hereto and incorporated herein by reference (the "Parking Garage Site"), together with a five (5) level public parking garage known as "Central City Parking Garage" (the "Parking Garage").

B. Lessor and Lessee have entered into that certain Development Agreement dated of even date herewith (as the same may be amended, modified or restated from time to time, the "Development Agreement") in connection with the design, development, construction and use of multi-tenant retail space consisting of no less than five (5) bays (each, a "Bay", and collectively, the "Retail Improvements"), unless otherwise approved in writing by the Director of Urban Planning of the City of Huntsville, Alabama, on approximately 7,000 square feet of the Parking Garage Site, as more particularly depicted on Exhibit A-1 attached hereto and incorporated herein by reference (the "Retail Land"), together with (i) certain air space at and below the underside of the structure of the portion of the Parking Garage's second floor that is above the ground level of the Retail Land; and (ii) certain other air space abutting the exterior of the back wall of each Bay sufficient to allow Lessee to install a heating, ventilation and air conditioning unit, as depicted on Exhibit A-2 attached hereto and incorporated herein by reference (collectively, the "Retail Air Space", and together with the Retail Land, the "Retail Premises").

C. Lessee has requested that Lessor lease to Lessee the Retail Premises, on which Lessee intends to construct the Retail Improvements, and lease or sublease, as the case may be, the Retail Improvements to retailers and businesses, for the Term hereinafter described.

D. Lessor has deemed it necessary, desirable and in the public interest that the Retail Premises be leased to Lessee on the terms and conditions specified herein.

E. Pursuant to the Development Agreement, the parties have established certain rights, obligations, responsibilities and duties respecting the ownership, operation, maintenance and use of the Retail Improvements.

F. This Lease is being entered into pursuant to the provisions of the Development Agreement and shall be interpreted in a manner consistent with the provisions thereof.

Capitalized terms used herein without definition shall have the meanings set forth in the Development Agreement.

NOW, THEREFORE, it is hereby agreed as follows:

1. Premises; Term. Lessor does hereby demise and lease unto Lessee the Retail Premises TO HAVE AND TO HOLD the Retail Premises exclusively to Lessee for the period of forty (40) years, commencing on the Commencement Date (as defined below) and extending for forty (40) years thereafter (the "Term"). Lessor hereby grants to Lessee an irrevocable license to occupy the Retail Premises from the Site Delivery Date (as defined in Section 17(a) of this Lease) until the Commencement Date (the "Licensing Period") solely for the construction of the Retail Premises as more particularly described in the Development Agreement and Section 3 of this Lease.

2. Use; Site Delivery. During the Licensing Period and the Term of this Lease, the Retail Premises shall be used solely for the construction and operation of the Retail Improvements pursuant to the Development Plans as reasonably approved in writing by Lessor pursuant to the Development Agreement. Lessee shall not use, or permit any person to use the Retail Premises or any part thereof for any of the prohibited uses listed on Exhibit D attached hereto and made a part hereof, and Lessee shall at all times during the Licensing Period and the Term of this Lease comply with and cause all persons using or occupying any part of the Retail Premises to comply with all laws, ordinances, and regulations from time to time applicable thereto and all operations thereon. By execution of this Lease, Lessee hereby acknowledges and agrees that Lessor has delivered the Retail Premises to Lessee for construction of the Retail Improvements.

3. Inspection Period; Construction of Retail Improvements.

(a) Prior to the Effective Date, Lessee has completed all inspections and investigations necessary in order to determine that the Retail Premises are acceptable to Lessee for purposes of constructing the Retail Improvements.

(b) Lessee shall construct the Retail Improvements as set forth in the Development Agreement.

4. Rental. Lessee hereby covenants and agrees to pay to Lessor as rent for the Retail Premises (the "Base Rent"), the following:

(a) Commencing on the Commencement Date, the sum of Fourteen Thousand and No/100 Dollars (\$14,000.00) per annum, payable at the rate of One Thousand One Hundred Sixty-Six and 67/100 Dollars (\$1,166.67) per month, for each year of the first ten (10) years of the Term. On each ten (10) year anniversary of the Commencement Date, the Base Rent shall increase by five percent (5%) per annum. As used herein, "Commencement Date" shall mean the earlier to occur of (i) the issuance of a certificate of occupancy for the Retail Improvements on the Retail Premises or (ii) nine (9) months after the Site Delivery Date. The parties shall execute a document promptly after the Commencement Date acknowledging the Commencement Date and the hereinafter defined Initial Construction Cost. If the Commencement Date is other

than the first (1st) day of the month, then the Base Rent for such fractional month shall be prorated on the bases of a thirty (30) day month.

(b) It is agreed by Lessor and Lessee that the Base Rent shall be paid in monthly installments, in advance, on the first day of each and every month during the Term of this Lease.

5. Taxes and Assessments.

(a) In addition to the Base Rent, from and after the Site Delivery Date, Lessee agrees to pay and discharge all taxes, assessments, rates, charges for revenue, imposts, and all levies general and special, ordinary and extraordinary, of any name, nature and kind whatsoever, which may be fixed, charged, levied, assessed or otherwise imposed upon the Retail Premises or upon any or all buildings or improvements thereon, before same become delinquent, and upon demand of Lessor, Lessee shall provide evidence showing the payment thereof. Following the Site Delivery Date, Lessor and Lessee shall take all actions necessary to cause the Retail Premises to be assessed as a separate ad valorem property tax parcel from the Parking Garage, with such separate assessment being completed and finalized no later than the Commencement Date.

(b) It is understood and agreed, however, that Lessee may, if in good faith it believes any such tax, assessment, lien or charge which it is obligated by the terms of this Lease to pay is invalid, excessive, or unenforceable, in whole or in part, protest against and contest the validity, amount and enforceability thereof. In such case Lessee may, within any timelines imposed by applicable law, take appropriate action to protest and object thereto, and if such protest and objection be overruled or denied, Lessee may contest or review such denial or ruling by legal proceedings or in such other manner as Lessee deems suitable, which proceeding if instituted shall be conducted solely at Lessee's own expense and free of expense to Lessor. If any such taxes, assessments or charges shall, as a result of such proceedings or otherwise, be reduced, cancelled, set aside or to any extent discharged, Lessee shall pay the amount that shall be finally assessed or imposed against the Retail Premises, or be adjudicated to be due and payable on any such disputed or contested items. In respect to any such tax, assessment or charge which shall be the subject of a contest under and pursuant to this section, the non-payment thereof shall not be regarded as a breach of any covenant of this Lease so long as Lessee shall comply with the terms of this section. Lessee, in all events, however, shall pay any such charges if payment be required in order to prevent the divesting of Lessor's title or other interest in the Retail Premises.

(c) Taxes assessed during the Term of this Lease, but payable in whole or in installments after the termination of this Lease, and assessments which are covered by bond, shall be adjusted and prorated, and Lessor shall pay the prorated share thereof for the period subsequent to the Term and Lessee shall pay the prorated share thereof for the Term of this Lease.

(d) In the event Lessee fails to pay taxes, assessments, rates, charges for revenue, imposts and levies as provided hereinabove, Lessor shall have the option to pay such

taxes, and any sums so expended shall become due as additional rental with interest on said sum at the rate of six percent (6%) per annum until paid.

6. Covenants by Lessor. Lessor hereby covenants and agrees with Lessee that:

(a) Peaceful Possession: Commencing on the Commencement Date, Lessee, as long as it pays the rents and performs the covenants and obligations herein contained on its part to be paid and performed, may lawfully, quietly and peaceably occupy, lease and enjoy the Retail Premises during the Licensing Period and the Term.

(b) Warranty of Title: Lessor warrants and represents that it is the owner in fee simple of the Retail Premises, that it has good, marketable and insurable title thereto, and has the right to enter into this Lease for the entirety of the Licensing Period and the Term.

(c) No Legal Proceedings: Lessor warrants and represents that there are no suits or legal proceedings of any kind pending or threatened against Lessor or the Retail Premises that would adversely affect the Retail Premises in any court or before or by any federal, state, county or municipal department, commission, board, bureau or agency or other governmental instrumentality.

(d) Due Authorization: Lessor warrants and represents that all actions required to authorize the execution and performance of this Lease by Lessor have been taken, and this Lease constitutes a valid and binding agreement, enforceable against Lessor. No person or entity has any right or option to lease, occupy or acquire the Retail Premises.

(e) No Violations: Lessor warrants and represents that, to the best of Lessor's knowledge, there is no existing violation of any ordinance, code, law, rule, requirement or regulation applicable to the Retail Premises.

7. Covenants By Lessee. Lessee hereby covenants and agrees with Lessor that:

(a) Construction of the Retail Improvements. Lessee shall construct the Retail Improvements on the Retail Premises in compliance with the Development Agreement and the plans and specifications approved by Lessor following the construction and development schedule set forth on Exhibit B attached hereto. Lessee shall not make any alterations to the exterior of the Retail Premises in an amount greater than Five Thousand and No/100 Dollars (\$5,000.00) in any calendar year (the "Threshold Amount"), without the prior written approval of Lessor which approval shall not be unreasonably withheld, conditioned or delayed; provided, however, that Lessee (and any tenant, subtenant or other person or entity claiming by and through Lessee) may perform repairs and minor alterations to the exterior of the Retail Premises the aggregate cost of which shall not exceed the Threshold Amount in any calendar year without Lessor's prior written consent.

(b) Rent: Lessee shall pay all sums of money agreed to be paid to Lessor as rent or otherwise at the times and in the amount and in the manner as hereinabove provided, and

will faithfully and promptly perform each and every one of the covenants herein contained and provided to be kept and performed by it.

(c) Utilities: From and after the Site Delivery Date, Lessee shall 1.) cooperate with the General Services Department of the City of Huntsville, Alabama and providers of all utility services, including, but not limited to, gas, electricity, water, garbage and trash collection, and sewage (collectively, the "Utilities") to cause the Utilities to be separately metered from said utilities serving the Parking Garage and/or the Parking Garage Site; and 2.) pay all charges for the Utilities used on or arising from the operation of the Retail Premises during the Term of this Lease.

(d) Upkeep: Lessee will keep the interior and exterior of all buildings erected on the Retail Premises in good, clean and sanitary condition, and shall make all repairs, ordinary as well as extraordinary, structural or otherwise, necessary to keep same in good condition, reasonable wear and tear and damage by fire or other unavoidable casualty only excepted, and at the termination of this Lease, by expiration of time or otherwise, will deliver the Retail Premises and the improvements thereon to Lessor in good condition, reasonable wear and tear and damage by fire or other unavoidable casualties excepted. In the event said building or improvements are damaged or destroyed the same shall be replaced, rebuilt, or razed from the proceeds of the insurance as provided in Section 9 hereof.

(e) Waste: Lessee will not commit or suffer any waste of the Retail Premises and it will, at its own expense, observe and comply with all laws, ordinances, and regulations of all duly constituted governmental authorities relating to the Retail Premises or the Retail Improvements.

(f) Surrender: Upon the expiration of the Term by expiration of time or otherwise, Lessee will quietly yield, surrender and deliver up possession of the Retail Premises to Lessor and shall convey title the Retail Improvements to Lessor, free and clear of any liens or encumbrances.

8. Environmental Indemnification and Compliance. Lessee shall defend, indemnify, and hold Lessor (and its directors, officers, employees and agents) harmless from and against and shall pay and reimburse Lessor for any and all losses, damages, liabilities, claims, causes of action, deficiencies, penalties, fines, and fees (including reasonable attorneys' fees) asserted against Lessor resulting from liabilities arising from the unlawful presence of Hazardous or Toxic materials at or upon the Retail Premises due to the willful act or omission of Lessee, its employees, agents or contractors. The terms "Hazardous" and "Toxic" means any substance or material defined as "hazardous" or "toxic" under any Environmental Law, defined below. Nothing contained in this section shall be construed as an obligation on the part of Lessee to indemnify Lessor against, or to release Lessor from liability for, any environmental claim or liability resulting from misconduct or negligence by Lessor (and its agents), or which exists or arises as a result of activities of parties other than Lessee, its agents or contractors upon the Retail Premises prior to the Site Delivery Date. "Environmental Law" means any federal, state or local statute, law, ordinance, treaty, convention, regulation, rule, code, order or other requirement or rule of law, now or hereafter in effect and as amended, and any judicial or administrative interpretation thereof, including any judicial or administrative order, consent

decree or judgment, relating to the pollution, conservation, or protection of the environment or health, safety or natural resources.

9. Insurance. (a) Prior to the commencement of any construction of the Retail Improvements, Lessee or Lessee's general contractor, at its sole cost and expense, shall carry insurance coverage as specified below for not less than the following limits, unless a greater amount is required by law, with companies reasonably acceptable to Lessor (which acceptance shall not be unreasonably withheld) licensed in the State wherein the Retail Premises are situated:

(i) Workers' Compensation insurance with statutory limits or if no statutory limits exist, with minimum limits of \$1,000,000 per occurrence. The Workers' Compensation policy will be primary insurance and non-contributing with respect to persons directly engaged in the performance of the Retail Improvements.

(ii) Employer's Liability insurance with minimum limits of \$1,000,000 for each employee for bodily injury by accident and for each employee for bodily injury by disease.

(iii) Commercial General Liability insurance (excluding Automobile Liability), including liability for the Retail Premises and blanket coverage, Personal and Advertising Injury, Products-Completed Operations (including Broad Form Property Damage), Medical Payments, Bodily Injury, and Property Damage, with minimum limits of \$1,000,000 per occurrence, \$2,000,000 general annual aggregate and completed operations aggregate, \$1,000,000 personal and advertising injury per occurrence, and \$5,000 medical expense. Such Commercial General Liability insurance shall also contain contractual liability coverage with minimum limits of \$1,000,000 per occurrence, and \$2,000,000 in the aggregate, insuring all liability assumed by Lessee pursuant to this Lease. The Products-Completed Operations coverage shall remain in force and effect for a period of two (2) years following completion of the Retail Improvements.

(iv) Umbrella/Excess Liability Insurance (excluding Automobile Liability), including coverage for bodily injury, personal injury and property damage liability, with minimum limits of \$4,000,000 per occurrence and annual general aggregate.

(v) Special Form Builder's Risk Insurance, also known as Course of Construction Insurance, with minimum limits in an amount that will cover full construction costs of the property as of the date it will be completed and ready for occupancy. This coverage shall include, without limitation, insurance against the perils of fire (with extended coverage) and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood, windstorm, falsework, testing, and startup, temporary buildings and debris removal, including demolition occasioned by enforcement of any applicable legal requirements.

(vi) Commercial/Business Automobile Liability insurance with minimum combined single limits of \$1,000,000 per occurrence (bodily injury and property damage liability).

(b) Following completion of construction of the Retail Improvements, Lessee, at its sole cost and expense, shall carry insurance coverage as specified below for not less than the

following limits, unless a greater amount is required by law, with companies reasonably acceptable to Lessor (which acceptance shall not be unreasonably withheld) licensed in the State wherein the Retail Premises are situated:

(i) Workers' Compensation insurance with statutory limits or if no statutory limits exist, with minimum limits of \$1,000,000 per occurrence. The Workers' Compensation policy will be primary insurance and non-contributing with respect to persons directly engaged in the performance of the Retail Improvements.

(ii) Employer's Liability insurance with minimum limits of \$1,000,000 for each employee for bodily injury by accident and for each employee for bodily injury by disease.

(iii) Commercial General Liability insurance (excluding Automobile Liability), including liability for the Retail Premises, Personal and Advertising Injury, Products-Completed Operations (including Broad Form Property Damage), Medical Payments, Bodily Injury, and Property Damage, with minimum limits of \$1,000,000 per occurrence, \$2,000,000 general annual aggregate and completed operations aggregate, \$1,000,000 personal and advertising injury per occurrence, and \$5,000 medical expense. Such Commercial General Liability insurance shall also contain contractual liability coverage with minimum limits of \$1,000,000 per occurrence, and \$2,000,000 in the aggregate, insuring all liability assumed by Lessee pursuant to this Lease. The Products-Completed Operations coverage shall remain in force and effect for a period of two (2) years following completion of the Retail Improvements.

(iv) Umbrella/Excess Liability Insurance (excluding Automobile Liability), including coverage for bodily injury, personal injury and property damage liability, with minimum limits of \$4,000,000 per occurrence and annual general aggregate. On each ten (10) year anniversary of the Term, the coverage amount required in this Section 9(b)(iv) shall increase by \$1,000,000 per occurrence and annual general aggregate.

(v) Special Form fire and extended coverage insurance, with minimum limits in an amount equal to or not less than the full replacement cost of the buildings located on the Retail Premises, including all alterations, additions and improvements. This coverage shall include, without limitation, insurance against the perils of fire (with extended coverage) and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood, windstorm, falsework, testing, and startup, temporary buildings and debris removal, including demolition occasioned by enforcement of any applicable legal requirements.

(vi) Commercial/Business Automobile Liability insurance with minimum combined single limits of \$1,000,000 per occurrence (bodily injury and property damage liability).

(c) Lessee shall cause, or shall require its general contractor to cause, as applicable, each insurance company, including those of its subcontractors and sub-subcontractors (i) to issue the insurance on an occurrence basis, (ii) to provide defense coverage for liability insurance policies as an additional benefit and not within the limits of liability, (iii) to issue an endorsement to all policies stating that the policies are primary and that Lessor's policies are

excess, secondary and noncontributing, (iv) to issue an endorsement to all policies (except with regard to any Special Form fire and extended coverage insurance policy) to provide a waiver of subrogation in favor of Lessor, and (v) to issue an endorsement to all policies, except the workers' compensation and employer's liability insurance policies, to include Lessor and its employees and agents as "additional insureds." Lessee shall provide, or shall cause its general contractor to provide, as applicable, a waiver of subrogation against Lessor and its employees and agents for such coverages that are consistent with Lessee's normal business practices. The policies of insurance required herein will not be canceled without the insurance company first giving Lessor written notice thereof, at least thirty (30) days before any such cancellation shall become effective. Lessee shall provide, and shall require its general contractor to provide, as applicable, to Lessor before the commencement of construction of the Retail Improvements, and at least thirty (30) days prior to the expiration of any policies of insurance in effect during the Term, certificates of insurance evidencing all required insurance in this Lease.

10. Indemnity.

(a) Lessee shall be in exclusive control and possession of the Retail Improvements and Retail Premises during the Term, and Lessor shall not be liable for any damage or destruction to any property, or injury or death to any person happening on, in or about the Retail Improvements or the Retail Premises during the Term. Lessee releases Lessor (and its agents) from and shall indemnify and hold Lessor (and its agents) harmless against, any and all claims and liabilities of any character or nature whatsoever asserted by or on behalf of any person, firm, corporation, or governmental authority arising out of, resulting from, or in any way connected with the Retail Improvements (including, without limitation, any obligations of Lessor pursuant to Section 17 of this Lease) or the Retail Premises during the Term, including, without limiting the generality of the foregoing: obligations for the payment of any costs of the Retail Improvements, any improvements, any destruction of or damage to property or any injury to or death of any person or persons caused by or related to the Retail Improvements or the Retail Premises, any claims relating to the acquisition, construction, and installation of the Retail Improvements, the leasing of the Retail Premises to Lessee, and the condition, use, possession, or management of the Retail Improvements during the Term, and, further, Lessee will also pay or reimburse all legal or other expenses reasonably incurred by Lessor (and its employees and agents) in connection with the investigation or defense of any action or proceeding, whether or not resulting in liability, with respect to any claim, liability or loss in respect of which indemnity may be sought against Lessee under the provisions of this section.

(b) Notwithstanding the above, nothing contained in this section shall be construed to require Lessee to indemnify Lessor or its agents, against, or to release Lessor or its agents from liability for, any claim or liability resulting from (i) the inaccuracy of any representation or warranties of Lessor contained herein; (ii) the willful misconduct or negligence of Lessor or its agents, employees or contractors; (iii) any claim based on any act or omission prior to the date of this Lease which was not caused by Lessee or its agents or contractors or (iv) any and all claims and liabilities of any character or nature whatsoever asserted by or on behalf of any person, firm, corporation, or governmental authority resulting from the willful misconduct or negligence of Lessor or its agents, employees or contractors within the Parking Garage Site other than the Retail Premises.

(c) Lessor releases Lessee (and its agents) from any and all claims and liabilities of any character or nature whatsoever asserted by or on behalf of any person, firm, corporation, or governmental authority resulting from the willful misconduct or negligence of Lessor or its agents, employees or contractors on the Retail Premises.

(d) The obligations of Lessee under this section and any other obligation of Lessee to indemnify and hold Lessor harmless shall survive any termination or expiration of this Lease.

11. Assignment, Subletting or Licensing. Except as otherwise provided in Section 32 below, Lessee shall not assign this Lease or the leasehold interest created hereby, without the prior written consent of Lessor. Notwithstanding the foregoing, Lessee shall have the right to lease or sublease, as the case may be, the Retail Improvements at all times without the prior consent of Lessor.

12. Net Lease. In addition to payment of all rents, taxes, assessments and governmental impositions, as herein provided, Lessee shall pay all operating costs and expenses, it being the intent of this Lease that Lessor is to receive the rental above specified as net and clear of all costs and charges arising from or relating to the Retail Premises and that Lessee is to pay all charges and expenses of every nature that may be imposed or incurred through the operation of the Retail Premises and its appurtenances in any manner during the Term of this Lease.

13. Lessor Default or Breach. Lessor will be in default under this Lease if Lessor fails to perform any obligation under this Lease or the Development Agreement within thirty (30) days after receipt of written notice from Lessee specifying the nature of the default or such longer period as may be required in order to effect the cure, provided Lessor commences the cure within the thirty (30) day period and diligently prosecutes the cure to completion or if Lessor breaches, in any material respect, any of the representations or warranties given in this Lease. Lessee understands, acknowledges and agrees that the obligations of Lessor as set forth herein are limited by the limitations imposed on public bodies, municipalities and public corporations by the Constitution of the State of Alabama and laws affecting the use and maintenance of public property. Anything in this Lease to the contrary notwithstanding, whether express or implied, in the event of a default by Lessor hereunder, the sole and exclusive remedy of Lessee shall be specific performance, and Lessee shall not be entitled to any other damages whatsoever, including, without limitation, punitive, incidental or consequential damages, whether arising at law or in equity; provided, however, if Lessor materially breaches its obligations under Section 28 of this Lease, and following any applicable cure period, Lessee may elect to cause Lessor to purchase the Retail Improvements upon written notice from Lessee. If Lessee so elects during the first twenty (20) years of the Term, the purchase price for the Retail Improvements shall be the actual construction costs of the Retail Improvements as agreed to by the parties on the Commencement Date (the "Initial Construction Cost"). If Lessee so elects during the final twenty (20) years of the Term, the purchase price of the Retail Improvements shall be the Initial Construction Cost depreciated at the rate of five percent (5%) per annum from the twenty-first (21st) anniversary of the Commencement Date.

14. Lessee Default or Breach. It is agreed by and between the parties hereto that: (i) if Lessee shall fail to make any payment of rents or taxes, assessments, insurance premiums, water rates, or any other sum herein stipulated and agreed to be paid or kept, at the time same is required to be paid under the provisions of this Lease, or (ii) if Lessee shall fail to keep and perform any other covenant, condition or agreement, herein provided on the part of Lessee to be performed; then, and in such case, Lessor may serve upon Lessee written notice of such default; and if such default shall then continue without being wholly remedied for a period of fifteen (15) days after the service of such notice, or in the event of a breach other than the payment of money, Lessee shall not have commenced the remedying of such default within the thirty (30) day period subsequent to written notice and shall not diligently prosecute compliance to final termination, then it shall and may be lawful for Lessor, upon written notice to Lessee, to exercise any remedies available for such default at law or in equity; Lessee does hereby waive any demand for possession of the Retail Premises, and any and all buildings and improvements then situated thereon, and Lessee covenants and agrees, upon the termination of the Term at the election of Lessor, or in any other way, to immediately surrender and deliver up the Retail Premises and property peaceably to Lessor, or the agents or attorneys of Lessor, immediately upon the termination of the Term, and this Lease shall become void and of no further effect, and Lessor may hold and retain the Retail Premises and all buildings and improvements thereon as of its first or former estate, and this Lease shall be forfeited to Lessor, and Lessor may bring suit for and collect all of the past-due rents, taxes and assessments.

15. Waiver. No waiver by Lessor or Lessee of any default or breach of any covenant, condition, or stipulation herein contained shall be treated as a waiver of any subsequent default or breach of the same or any other covenant, condition or stipulation hereof.

16. Successors and Assigns. The words "Lessor" and "Lessee" as hereinabove used in this Lease shall mean Lessor and Lessee as mentioned herein, and also, where not inhibited by the context of this agreement, shall mean their respective successors and assigns.

17. Lessor's Work. (a) Lessor shall deliver the Retail Premises to Lessee on or before the date which is thirty (30) days after the Effective Date (the "Site Delivery Date"); (b) Lessor shall cause the Public Improvements to be constructed as set forth in the Development Agreement.

18. Bankruptcy or Insolvency. Lessor reserves the right to terminate this Lease by written notice to Lessee upon the occurrence of any one or more of the following contingencies: (a) the filing of a petition by or against the then Lessee or its assignee for adjudication as a bankrupt under the United States Bankruptcy Act, as now or hereafter amended or supplemented, or for arrangement within the meaning of Chapter XI of said Bankruptcy Act, or the filing of any petition by or against the then Lessee under any future bankruptcy act for the same or similar relief; (b) the commencement of any action or proceeding for the appointment of a receiver or trustee of the property of the then Lessee; (c) the taking possession of the property of the then Lessee or its assignee by any governmental officer or agency pursuant to statutory authority; (d) the making by the then Lessee of an assignment for the benefit of creditors; (e) the taking from the then Lessee of the term hereby leased, or the seizure or levy thereon under judgment, decree, attachment, execution or other judicial proceedings; provided, that if either (a),

(b), (c) or (e) shall be involuntary on the part of the then Lessee, the event in question shall not give Lessor any right to terminate this Lease if the event be removed by Lessee within ninety (90) days.

19. Notice. All notices, requests, demands or other communications required or permitted under this Lease shall be in writing and delivered either: (i) personally; (ii) by certified or registered mail, return receipt requested, postage prepaid; (iii) by a recognized overnight courier service (such as Fed Ex); or (iv) by facsimile transmission made during normal business hours with a copy to follow by registered or certified mail, return receipt requested, postage prepaid or by overnight courier service, addressed as follows:

If to Lessor: City of Huntsville
 Attention: Mayor
 308 Fountain Circle
 P.O. Box 308
 Huntsville, Alabama 35804
 Fax: (256) 427-5121

With a copy to:

City of Huntsville
Attention: City Attorney
308 Fountain Circle
P.O. Box 308
Huntsville, Alabama 35804
Fax: (256) 427-5121

With a copy to:

S. Roderick Kanter, Esq.
Bradley Arant Boult Cummings LLP
One Federal Place
1819 5th Avenue North
Birmingham, AL 35203
Phone: 205-521-8517
Fax: 205-488-6517

If to Lessee: Clinton Row Partners, LLC
 515 Fountain Row, Suite 1100
 Huntsville, AL 35801
 Attention: Wesley B. Crunkleton
 Phone: () _____ - _____
 Fax: () _____ - _____

With a copy to:

With a copy to:
Lanier Ford Shaver & Payne, P.C.
Attention: W. Graham Burgess
P.O. Box 2087
Huntsville, Alabama 35804
Phone: (256) 713-2504
Fax: (256) 533-9322

All notices given in accordance with the terms hereof shall be deemed received on the next business day if sent by overnight courier, on the same day if sent by facsimile before 5 P.M. (Central Standard Time) on a business day, on the third (3rd) business day following deposit with the United States Mail as a registered or certified matter with postage prepaid, or when delivered personally or otherwise received. Either party hereto may change the address for receiving notices, requests, demands or other communication by notice sent in accordance with the terms of this Section 19.

20. Waiver of Subrogation. All insurance policies carried by either party covering the Retail Premises, including but not limited to contents, fire and casualty insurance, shall expressly waive any right on the part of the insurer against the other party. The parties agree that their policies will include such waiver clause or endorsement so long as the same shall be obtainable without extra cost, or if extra cost shall be charged therefor, so long as the other party pays such extra cost. If extra cost shall be chargeable therefor, each party shall advise the other thereof and of the amount of the extra cost, and the other party, at its election, may pay the same, but shall not be obligated so to do.

21. Eminent Domain.

(a) Lessor will notify Lessee in writing within thirty (30) days of Lessor's receipt of notice of any planned Taking (as defined below) of the Retail Premises. If the whole of the Retail Premises shall be taken for any public or quasi-public use under any statute or by right of eminent domain or by private purchase in lieu thereof (a "Taking"), then this Lease shall automatically terminate as of the date that possession has been taken. If only a part of the Retail Premises shall be so taken (or so purchased), Lessee shall have the right, but not the obligation, to terminate this Lease by giving written notice of termination to Lessor on or prior to the date one hundred and eighty (180) days after the date of such taking (or purchase), and upon the giving of such a notice of termination the term of this Lease shall expire and come to an end on the last day of the calendar month in which such notice shall be given, with the same force and effect as if said day had been originally fixed herein as the expiration date of the Term of this Lease, or any renewals or extensions thereof. In the event the Lease shall terminate or shall be terminated, the rental shall, if and when necessary, be adjusted to the day of the taking (or purchase) and neither party shall have any further rights or liabilities hereunder.

(b) In the event of such a taking (or such purchase) whereby this Lease shall terminate or shall be terminated under the provisions of sub-paragraph (a) of this said section, then the parties hereto agree to cooperate in applying for and in prosecuting any claim for such taking, and further agree that the aggregate award, net after deducting all expenses and costs,

including attorneys' fees, incurred in connection herewith, payable to both Lessor and Lessee, shall be apportioned between Lessor and Lessee, but if they cannot agree upon such apportionment, then the same shall be made by the arbitration of three (3) persons who will be either qualified real estate appraisers or persons conversant with real estate values, to whom such dispute shall be referred. One of such persons will be nominated by Lessor, one will be nominated by Lessee, and the third will be appointed by writing under the hand of the two so nominated before the arbitration is proceeded with, and the decision of any two of the three arbitrators shall be binding; and, if either Lessor or Lessee shall refuse or neglect to appoint an arbitrator after the other shall have appointed an arbitrator, then the party so appointing an arbitrator shall notify the other party that he must appoint an arbitrator within ten (10) days after the receipt of such notice, and if after the expiration of the ten day period from the date of the mailing of said letter, all such letters to be mailed by registered mail, postage prepaid, return receipt requested, the other party still has not appointed an arbitrator, the party so appointing an arbitrator must again notify the other party that he still remains in default through his failure to so appoint an arbitrator, and after a five (5) day period from the date of the mailing of said letter, and upon such other party's failure again to so appoint an arbitrator, then upon such failure the party making the request and who shall have himself appointed an arbitrator, may appoint another arbitrator to act on behalf of the party so failing to appoint. The arbitrator so appointed may then proceed and act in all respects as if he were appointed by the person so failing to make such appointment. The determination to be rendered by the arbitrators will be made within ten (10) days after their selection, but in no event later than ten (10) days prior to the date each option to extend shall become effective, and the decision of said arbitrators shall be final and binding upon Lessor and Lessee for the purpose of computing said annual rents, except in no event shall said annual rents be less than the annual rents for the then existing term of this Lease. Lessor and Lessee agree that the fees of said arbitrators shall be assessed equally against Lessee and Lessor; PROVIDED HOWEVER, that if two arbitrators should be appointed and then fail to agree upon the selection of a third arbitrator within ten (10) days after the selection of the last of the two arbitrators, then Lessor and Lessee shall each appoint a different arbitrator and the above process shall be repeated until three (3) arbitrators are appointed. To be eligible for appointment to the panel, a person must be a disinterested individual whose place of business is in Madison County, Alabama, and also be conversant with real estate values. Any decision rendered by the arbitrators shall be reduced to writing, and copies furnished to Lessor and Lessee who shall affix copies to this Lease, and thereafter the decision of the arbitrators shall become a binding part of the Lease itself.

If only a part of the Retail Premises shall be so taken (or so purchased) so that the provisions of sub-paragraph (a) hereof do not apply, the rights, duties and obligations of Lessor and Lessee in the Retail Premises shall be determined, if they cannot agree, by the arbitration of three (3) persons to be nominated and appointed as hereinbefore provided, to whom such determination shall be referred, who shall have full power and authority to make any determination which they shall deem just and equitable, taking into consideration the quantity and value of the land taken, the extent of the injury thereby caused to the buildings, the cost of restoring the buildings and the value of the buildings if restored, the period of the unexpired term of this Lease, and all other facts and circumstances which the arbitrators shall deem material, including full power and authority to determine, among other things, as they shall deem just and equitable, any one or more of the following matters, viz: that the damages awarded shall be apportioned between Lessor and Lessee in the proportion in which the appraised value of their

respective estates bear to each other, or to the value of the property as a whole; that the whole or any part of the rent shall be abated from the time of taking thenceforth, or for a lesser time; that the Lease shall be otherwise modified; and to award and direct specific performance of any one or more of the said, or other, matters which they shall determine, to the end that the rights, duties and obligations of the parties shall be justly and equitably and finally determined upon all the facts and circumstances as they shall then exist; PROVIDED, HOWEVER, notwithstanding anything to the contrary herein contained, if any part of the Retail Premises shall be so taken (or so purchased), and this Lease shall not be terminated under the provisions of sub-paragraph (a) of this section, then Lessee, at its own expense, shall make all repairs to the affected buildings and improvements on the Retail Premises to the extent necessary to restore the same to a complete architectural unit.

22. Covenants To Run with Land. It is hereby covenanted and agreed between the parties hereto that all covenants, conditions, agreements and undertakings in this Lease contained shall extend and inure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of the respective parties hereto, the same as if they were in every case named and expressed and the same shall be construed as covenants running with the land. All terms and words used in this Lease, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this Lease or any paragraph or clause herein may require, the same as if such words had been fully and properly written in the required number and gender.

23. Title to Buildings. Title to any building erected on the Retail Premises at any time by Lessee, until the expiration or sooner termination of this Lease, or any extensions hereof, shall remain in Lessee, and Lessee alone shall be entitled to claim any and all depreciation in connection with its federal or state income tax returns.

24. All Inclusive Nature of Agreement. This Lease and the Development Agreement embody the entire contract of the parties hereto with respect to the demise of the Retail Premises, and this Lease shall not be altered, changed or modified in any respect, except by an instrument of equal dignity to this instrument.

25. Recording. On the Effective Date, Lessor and Lessee shall execute and record a Memorandum of Lease, which shall make reference to the terms hereof. Lessee shall bear the expense of all recording tax associated with the recordation of any such Memorandum of Lease.

26. Brokers. Lessor and Lessee each hereby represent and warrant to the other party that it has not utilized the services of any real estate broker or agent in connection with this Lease.

27. Parking Garage to Remain Open. Lessee acknowledges and agrees the Parking Garage is a public benefit to Lessor and the Parking Garage is to remain open and accessible to the public during the Licensing Period and the Term unless otherwise determined by the Director of Parking and Public Transit of the City of Huntsville, Alabama. Lessee agrees

to use commercially reasonable standards to limit disruption of usage of the Parking Garage by the public during the Licensing Period and the Term.

28. Maintenance of Parking Garage. Lessor hereby agrees, at all times during the Term, to maintain the structural and operational integrity of the Parking Garage to the same standard and quality as exists within the Parking Garage as of the Site Delivery Date.

29. Governing Law. This Lease is governed by, and must be interpreted under, the laws of the State of Alabama. Any suit arising from or relating to this Lease must be brought in Madison County, Alabama. Lessor and Lessee waive the right to bring suit elsewhere.

30. Business Days. In the event any period of time provided for in this Lease ends on a day other than a business day on which banks are generally open for a full day for business, such ending date shall automatically be extended to the next business day.

31. Counterparts. This Lease may be executed in one or more counterparts, each of which shall be deemed an original and taken together shall constitute one and the same document. This Lease may be executed and delivered by facsimile or electronic signature with the same force and effect as of original signature pages have been delivered to each of the parties hereto.

32. Leasehold Mortgages.

(a) Lessee may encumber Lessee's leasehold estate by a mortgage, deed to secure debt or similar financing instrument (being a "Leasehold Mortgage" and the holder being a "Leasehold Mortgagee"), but, in no event, shall this Lease be subordinate to the lien of any Leasehold Mortgage. A Leasehold Mortgage will not constitute an assignment or transfer of this Lease, nor will the Leasehold Mortgagee be deemed an assignee of this Lease. Lessee will also have the right to obtain financing by a "sale and leaseback" transaction (i.e., an assignment of Lessee's leasehold estate under this Lease simultaneously with a sublease of all of the Retail Premises to Lessee).

(b) With respect to any Leasehold Mortgagee as to which Lessor has been given notice, the following will apply notwithstanding any other provision of this Lease to the contrary:

(i) No voluntary termination by Lessee of this Lease will be effective unless consented to in writing by the Leasehold Mortgagee. Any material amendment or material modification of this Lease or the exercise by Lessee of any option to terminate this Lease without the written consent of the Leasehold Mortgagee will be voidable as against the Leasehold Mortgagee at its option. If any Leasehold Mortgagee fails to respond within thirty (30) days after receipt of written request for consent, the Leasehold Mortgagee will be deemed to have granted its consent to such request provided that the notice clearly states, in all capital letters, "FAILURE TO RESPOND IN 30 DAYS WILL BE DEEMED CONSENT."

(ii) Lessor will deliver any and all notices of default or notices regarding amendments to the Lease given to Lessee simultaneously to any Leasehold Mortgagee at the address provided to Lessor by Lessee.

(iii) A Leasehold Mortgagee will have, in addition to Lessee's cure period, an additional ten (10) business days to cure monetary defaults and an additional thirty (30) days to cure non-monetary defaults. Lessor will accept performance of any and all of Lessee's obligations under this Lease from any Leasehold Mortgagee.

(iv) If it is necessary for a Leasehold Mortgagee to obtain possession of the Retail Premises to effect a cure, then Lessor will not commence any proceeding or action to terminate this Lease if (a) the rent is paid and all other provisions and requirements of this Lease which are capable of being observed and performed without obtaining possession of the Retail Premises are observed and performed, and (c) the Leasehold Mortgagee is diligently prosecuting the foreclosure or cancellation.

(v) If Lessor terminates this Lease due to any default by Lessee, Lessor and any Leasehold Mortgagee (or its nominee, subject to the provisions hereunder) shall enter a new lease for the remainder of the Term of this Lease, and on the then remaining terms and provisions of this Lease and any Leasehold Mortgagee shall pay to Lessor all sums due to Lessor under this Lease.

(vi) No Leasehold Mortgagee will become liable under this Lease unless and until it becomes the owner of the leasehold estate. Any assignment of this Lease by a Leasehold Mortgagee, its nominee, or by any owner of the leasehold estate whose interest is acquired by, through or under any Leasehold Mortgage, will release the assignor from liability under this Lease arising from and after the date of such assignment (provided that its assignee assumes this Lease in writing).

(vii) If there are two (2) or more Leasehold Mortgages, the holder of the Leasehold Mortgage recorded prior in time will be first vested with the rights under this Section 32. All of the provisions contained in this Lease with respect to Leasehold Mortgages and the rights of Leasehold Mortgagees will survive the termination of this Lease for any periods of time as is expressly provided for in this Lease as necessary to effectuate the rights granted to all Leasehold Mortgagees by the provisions of this Lease.

(viii) Nothing contained in this Lease will require any Leasehold Mortgagee or its nominee to cure any default by Lessee.

33. Force Majeure. If Lessor or Lessee is delayed, hindered or prevented from the performance of any act required under this Lease (other than the payment of any and all rent due under this Lease) by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, terrorist acts,

public health concerns not in the control of Lessee that materially interfere with Lessee's operations at the Retail Premises, insurrection, the act, failure to act or default of the other party, war or any reason beyond their control, then performance of the act will be excused for the period of the delay and the period for the performance of any such act will be extended for a period equivalent to the period of such delay. Lack of funds will not be a basis for avoidance or delay of any obligation under this Lease.

34. Estoppel Certificates. Either party will, without charge, within thirty (30) days after written request of the other, deliver an estoppel certificate in the form attached as Exhibit C or a commercially reasonable variation thereof. Any such certificate may be relied upon by the party requesting it and any other person, firm or corporation to whom the same is certified, and the contents of the certificate will be binding on the party executing the certificate.

35. Non-Disturbance. Notwithstanding the foregoing, Lessee's obligation to subordinate or attorn this Lease to any future mortgage or ground lease or attorn to any ground lessor or mortgagee shall be expressly conditioned upon Lessee receiving a commercially reasonable non-disturbance agreement in form and substance reasonably satisfactory to Lessee, which shall provide that the holder of such mortgage or such ground lessor shall not disturb this Lease or Lessee's rights hereunder so long as Lessee is not in default hereunder past the expiration of any applicable notice and cure periods.

36. Signage. Lessee, at its sole cost and expense, shall be permitted to install a vertical sign reading "CLINTON ROW" on, at its election, either the 3rd or 4th level of the exterior façade of the Parking Garage on both the Jefferson Street and Washington Street intersections of Clinton Avenue ("Lessee's Signage"). Lessee's tenants or subtenants, as the case may be and at their sole cost and expense, shall be permitted to install and erect lit signage on the front façade of the Retail Premises at a maximum height of the bottom of the second level of the Parking Garage ("Subtenant Signage", and together with Lessee's Signage, collectively, the "Signage"). Lessee, its tenants or subtenants, as the case may be, shall confer, cooperate and coordinate any installation or maintenance of the Signage with Lessor. At all times during the Licensing Period and the Term, the Signage shall comply with all federal, state and local laws and regulations, including, without limitation, the City of Huntsville Zoning Ordinance.

37. Waste Management. Lessee, at its sole cost and expense, shall have the right to install and use customary waste management or trash collection receptacles (the "Receptacles") within the Parking Garage Site; provided, however, the design, size, type, location and use of the Receptacles and any structures related to the use of the Receptacles shall be approved in writing by the Director of Parking and Public Transit of the City of Huntsville, Alabama; and provided further, that, in no event, shall: 1.) the use of the Receptacles unreasonably interfere with the utilization of the Parking Garage and/or the Parking Garage Site by Lessor or the public; and 2.) the contents of the Receptacles be disposed of by any means within the Parking Garage and/or the Parking Garage Site.

38. Privilege Licensing. During the Term: 1.) no more than two (2) retailers or businesses operating within the Retail Improvements may possess or hold any privilege license to sell alcoholic beverages required under Ord. 11-654, as may be amended from time to time (a "Liquor License"), adopted by the City Council of the City of Huntsville, Alabama on

September 22, 2011; and 2.) Lessee shall not (i) lease or sublease, as the case may be, more than 2,500 square feet of the Retail Improvements to any one retailer or business that possesses or holds a Liquor License; (ii) lease or sublease, as the case may be, more than fifty percent (50%) of the aggregate first-floor rentable area within the Retail Improvements to retailers or businesses that possess or hold a Liquor License.

[Signatures appear on the following page.]

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed by their respective duly authorized representatives on the day and year first above written.

LESSEE:

CLINTON ROW PARTNERS, LLC, an Alabama limited liability company

By:  (SEAL)
Name: Wesley Crunkleton
Its: Managing Member

LESSOR:

CITY OF HUNTSVILLE, ALABAMA, an Alabama municipal corporation

By: _____
Tommy Battle, its Mayor

EXHIBIT A

Legal Description of Parking Garage Site

All that part of the Southwest Quarter of Section 36, Township 3 South, Range 1 West of the Huntsville Meridian, Madison County, Alabama, more particularly described as beginning at a point located at the NE corner of Parking Garage O; Said point is also described as being on the South margin of Clinton Ave E and on the West margin of Washington St SE; Thence from the Point of Beginning (N: 1540429.905 E: 430132.065), South 58 Degrees 6 Minutes 25 Seconds West a distance of 298.82 feet; Thence South 31 Degrees 53 Minutes 35 Seconds East a distance of 163.70 feet; Thence North 58 Degrees 6 Minutes 25 Seconds East a distance of 298.82 feet; Thence North 31 Degrees 53 Minutes 35 Seconds West a distance of 163.70 feet back to the Point of Beginning and containing 1.12 acres more or less.

EXHIBIT A-1

Legal Description of Retail Land

All that part of the Southwest Quarter of Section 36, Township 3 South, Range 1 West of the Huntsville Meridian, Madison County, Alabama, more particularly described as commencing at a point located at the NE corner of Parking Garage O; Said point is also described as being on the South margin of Clinton Ave E and on the West margin of Washington St SE; Thence from the Point of Commencement (N: 1540429.905 E: 430132.065), South 58 Degrees 6 Minutes 25 Seconds West a distance of 19.85 feet to the Point of Beginning; Thence from the Point of Beginning, continue South 58 Degrees 6 Minutes 25 Seconds West a distance of 67.51 feet; Thence South 31 Degrees 53 Minutes 35 Seconds East a distance of 42.37 feet; Thence North 58 Degrees 6 Minutes 25 Seconds East a distance of 67.51 feet; Thence North 31 Degrees 53 Minutes 35 Seconds West a distance of 42.37 feet back to the Point of Beginning.

Also

All that part of the Southwest Quarter of Section 36, Township 3 South, Range 1 West of the Huntsville Meridian, Madison County, Alabama, more particularly described as commencing at a point located at the NE corner of Parking Garage O; Said point is also described as being on the South margin of Clinton Ave E and on the West margin of Washington St SE; Thence from the Point of Commencement (N: 1540429.905 E: 430132.065), South 58 Degrees 6 Minutes 25 Seconds West a distance of 177.26 feet to the Point of Beginning; Thence from the Point of Beginning, continue South 58 Degrees 6 Minutes 25 Seconds West a distance of 110.66 feet; Thence South 31 Degrees 53 Minutes 35 Seconds East a distance of 42.37 feet; Thence North 58 Degrees 6 Minutes 25 Seconds East a distance of 110.66 feet; Thence North 31 Degrees 53 Minutes 35 Seconds West a distance of 42.37 feet back to the Point of Beginning.

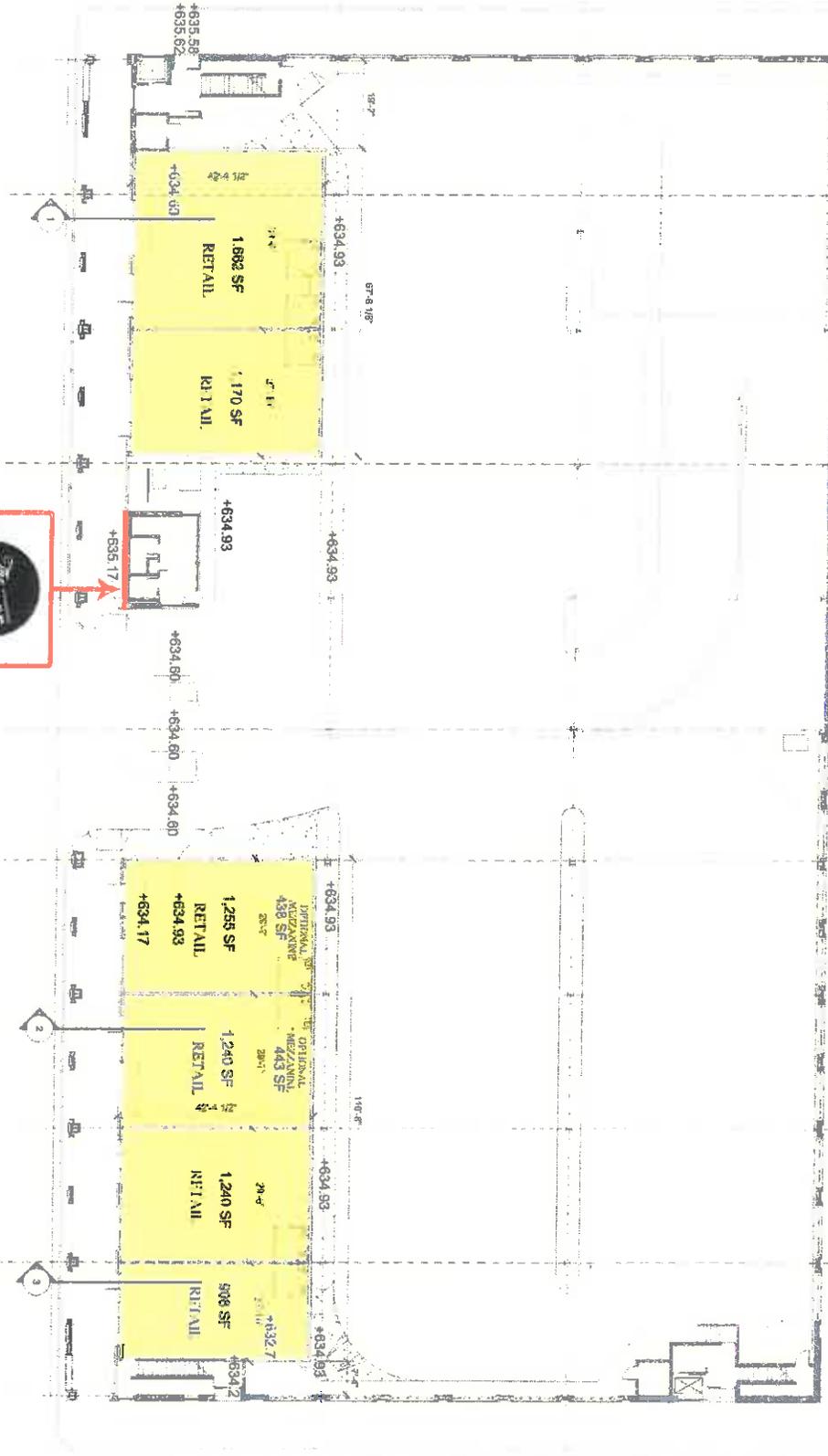
EXHIBIT A-2

Depiction of Retail Premises

[See attached page]

WASHINGTON STREET

EXISTING THEATER BUILDING



JEFFERSON STREET

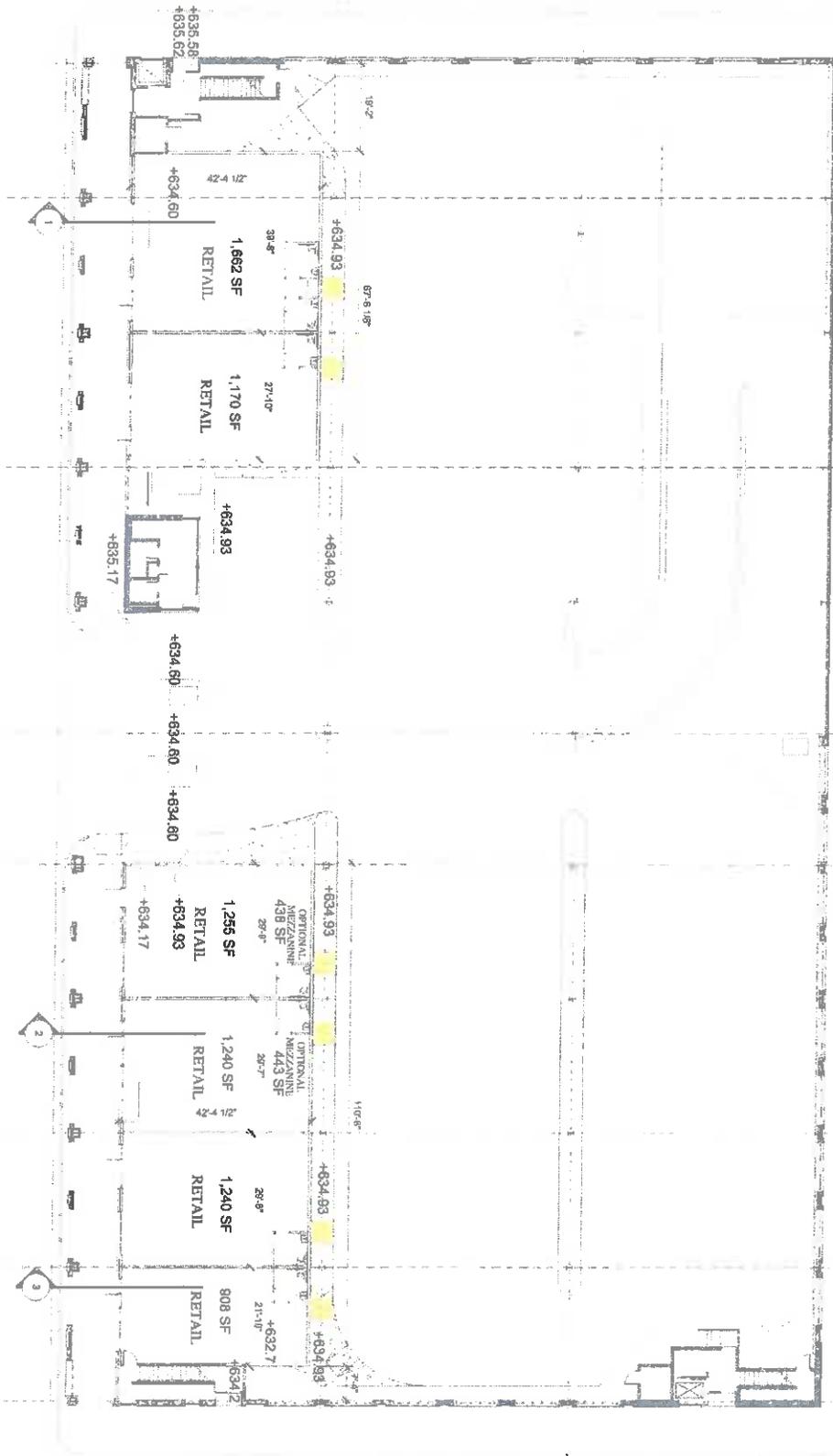
GROUND FLOOR PLAN

SCALE: 1/8" = 1'-0"

CLINTON AVENUE

WASHINGTON STREET

EXISTING THEATER BUILDING



JEFFERSON STREET

GROUND FLOOR PLAN

SCALE: 1/16" = 1'-0"

CLINTON AVENUE

HVAC units will be located off the ground on structural platforms.

EXHIBIT B

Construction Schedule

CONSTRUCTION IMPROVEMENT SCHEDULE

Upon City Council Approval Clinton Row Partners, LLC will finalize all building plans and submit for permit (within 30 days after city council approval)

Mobilization will commence during the plan review process

Within 10 days of receipt of permit from the City of Huntsville Construction will commence on the retail portion. Duration of retail construction is estimated at 5 months.

Upon the completion of the retail bays the spaces will be turned over to the tenants to complete any specific tenant fit out work to the spaces. Duration of tenant fit out period is estimated at 60 - 90 days.

During the tenant fit out period Clinton Row Partners will have the Clinton Row signs installed on each corner along with the exterior sign band on the façade for individual retailer signage. Duration of the signage installation is estimated at 30 days.

Projected opening date for the retail shops is between October 1, 2016 and November 15, 2016.

**ALL CITY FAÇADE IMPROVEMENTS WILL BE COMPLETED NO LATER THAN
NOVEMBER 1, 2016.**

EXHIBIT C

Form of Estoppel Certificate

Re: Ground Lease dated _____, 2016, by and between **CITY OF HUNTSVILLE, ALABAMA**, an Alabama municipal corporation (hereinafter referred to as "**Lessor**"), and **CLINTON ROW PARTNERS, LLC**, an Alabama limited liability company (hereinafter referred to as "**Lessee**"), for no less than five (5) retail bays on approximately 7,000 square feet (the "**Retail Improvements**") located on certain real property located in Huntsville, Madison County, Alabama, described on Exhibit A of the Memorandum of Lease dated _____ and recorded in Book _____, Pages _____, in _____, _____ (the "**Lease**").

REPRESENTATIONS BY LESSEE AND LESSOR

TO: _____

Ladies and Gentlemen:

The undersigned [Lessor/Lessee] certifies to the best of its actual knowledge, as of _____, 20___, the following:

1. The Lease is in full force and effect and has not been modified, amended, supplemented, or assigned, except as described above.
2. Annual Base Rent and other charges due Lessor under the Lease have been paid through [INSERT DATE THROUGH END OF MONTH] as set forth in the Lease, excepting only year-end reconciliations of amounts paid on account for the current accounting period. Lessee is currently paying monthly Base Rent in the amount of [INSERT MONTHLY AMOUNT] due and payable as set forth in the Lease. No rent has been paid more than one month in advance, except payments made on account of Lessee pursuant to the specific terms of the Lease.
3. [Lessee knows of no condition under the Lease which on the giving of notice or the passage of time or both would constitute a default under the Lease by Lessor and there are no claims, defenses or offsets which Lessee has against enforcement of the Lease by Lessor, except any credits or refunds due to Lessee resulting from the review or audit of any year end reconciliations.]

-or-

[Lessor knows of no condition under the Lease which on the giving of notice or the passage of time or both would constitute a default under the Lease by Lessee, and there are no claims, defenses or offsets which Lessor has against enforcement of the Lease by Lessee.]

4. The term of the Lease commenced on [INSERT DATE]; rent commenced on [INSERT DATE]; and the term expires on [INSERT DATE].
5. Lessee is in possession of the Retail Premises. Lessee has not filed or had filed against it a petition for bankruptcy under the bankruptcy laws of the United States and is not subject to any reorganization, insolvency, or other like proceedings.
6. All statements contained in this Estoppel Certificate are based on the knowledge of the signing officers below, without investigation. Nothing contained in this Estoppel Certificate will constitute or be deemed to constitute an amendment, modification or waiver of any term or condition of the Lease or any right or remedy of Lessee under the Lease, or arising in connection with the Lease, including all appurtenant covenants, restrictions or easements of record. In the event of any conflict between the Lease and this Estoppel Certificate, the Lease will control.
7. All capitalized terms will have the meanings set forth in the Lease, except as otherwise specifically defined in this Estoppel Certificate.
8. This Estoppel Certificate will be of no force or effect until both parties receive a fully executed original counterpart of this Estoppel Certificate.
9. Lessor acknowledges that Lessee will have the right to provide a copy of this Estoppel Certificate to Lessee's prospective lender and such lender will have the right to rely on Lessee's and Lessor's representations in this Estoppel Certificate in connection with a lending transaction. Lessee and Lessor also have the right to rely on the representations in this Estoppel Certificate.

The undersigned have executed this Estoppel Certificate on this ____ day of _____, 20__.

LESSEE: CLINTON ROW PARTNERS, LLC,
an Alabama limited liability company

By: _____
Name: _____
Its: _____

LESSOR: CITY OF HUNTSVILLE, ALABAMA,
an Alabama municipal corporation

By: _____
Name: _____
Its: _____

EXHIBIT D

Prohibited Uses

The Retail Premises may not be used for any of the following prohibited uses (collectively, “**Prohibited Uses**”):

1. Any use which would ordinarily constitute a public or private nuisance;
2. Any use which produces noxious, toxic, caustic or corrosive fuel or gas;
3. Any use which produces fire, explosion or other damaging or dangerous hazard (including storage, display or sale of explosives or fireworks); provided, however, the foregoing shall not prohibit (i) the operation of a propane sales facility in accordance with applicable law or (ii) the sale of firearms, ammunition or other explosive materials sold by a national sporting goods store so long as the same are stored, handled and sold in compliance with all applicable governmental laws;
4. Central laundry or dry cleaning plant (other than a dry cleaning drop-off facility which does not use dry cleaning fluids or similar chemicals or substances on site in connection with the dry cleaning of clothes);
5. Any assembling, manufacturing, industrial, distilling (not to prohibit so-called micro-brewing of beer), refining, smelting, agricultural or mining operation;
6. Any store selling drug paraphernalia;
7. Adult bookstore or any other establishment selling, distributing or exhibiting pornographic, obscene and/or adult materials including without limitation: magazines, books, movies, videos and photographs; and live models or dancers; provided, however, the foregoing shall not prohibit the operation of a typical grocery or supermarket or a typical drug store;
8. Massage parlors (provided, however, that the following facilities shall be permitted: therapeutic massage, upscale day spa and other facilities that are typically found in mixed use centers of similar quality and tenant mix to the Retail Improvements, such as, but not limited to, Massage Envy or Spa Sydell);
9. Tattoo parlor, Bingo parlors, Billiard parlors or pawn shop;
10. Any mortuary, funeral home, crematorium, cemetery or similar facility;
11. Any night club, discotheque, dance hall, or gentlemen’s club;
12. Any flea market or second-hand thrift store;
13. Any carnival, amusement park or circus;
14. Any go-cart track;

15. Off-track betting sites or betting parlors;
16. Any business engaging in the sale of new or used mobile homes;
17. Any mobile home or trailer court, labor camp, or junk yard (except that this provision shall not prohibit the temporary use of construction trailers during any periods of construction, reconstruction or maintenance);
18. Any dumping of garbage or refuse, other than in enclosed receptacles or designated recycling facilities intended for such purpose;
19. Any auction operation or going out of business, relocation, bankruptcy or similar sales (unless pursuant to a court order);
20. Any church, synagogue, mosque or other place of worship;
21. Any deep discount retailer, such as Big Lots or Odd Lots, or dollar store such as Dollar General or Family Dollar;
22. General office use; provided, however, any office use incidental to each Bay being primarily utilized for retail purposes shall not be prohibited;
23. Any food establishment that utilizes grease traps; and
24. Any unlawful use.