



# DeKalb County Government

Manuel J. Maloof Center  
1300 Commerce Drive  
Decatur, Georgia 30030

## Agenda Item

### SUBSTITUTE

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**File #:** 2017-1141  
**File Status:** Action

12/5/2017

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**Public Hearing:** YES  NO  **Department:** Community Development

**SUBJECT:** Lease of Office Space for the Community Development Department

**Commission District(s):** All

Community Development Lease - 750 Commerce Drive, Decatur, GA 30030

**Information Contact:** Allen Mitchell

**Phone Number:** 404.371.2727

**PURPOSE:**

To approve a lease agreement with Housing Authority of the City of Decatur, Georgia and Housing Authority of DeKalb County, Georgia, for the rental of office space to accommodate the Community Development Department. This agreement is for an initial term of 12 months with four (4) annual options to renew until December 31, 2022. The lease location is 750 Commerce Drive, Decatur, GA 30030.

**NEED/IMPACT:**

The Community Development Department is currently located at 3486 Covington Highway and seeks to relocate to a more suitable space. The lease, 6,404 square feet, will allow the Community Development Department to obtain adequate space to accommodate authorized staffing, storage requirements, and overall program needs. The current location is deemed as generally unsafe, is insect infested, and has infrastructure issues.

The annual rental expense will be One Hundred Twenty one Thousand Six Hundred Seventy Six Dollars and 00/100 (\$121,676.00) for the initial term with a rate per square foot of \$19.00, which is below the prevailing market rate. Renewal option clauses require an annual increase of three percent. The Landlord is granting a \$25,000 Tenant Finish Allowance for paint, carpeting, and other interior work. In the event the County utilizes the allowance and exercises its contractual right to terminate the lease for any reason, there is a de-escalating termination fee of \$15,000 before the end of the first term, \$10,000 before the end of the second year, and \$5,000 before the end of the third year. There is no parking fee required for the twenty-three spaces the department requires and utilities are included in the lease costs.

The law department is currently reviewing the lease for approval as to form.

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**FISCAL IMPACT:**

No Cost to the County

**RECOMMENDATION:**

Approve a lease agreement with Housing Authority of the City of Decatur, Georgia and Housing Authority of DeKalb County, Georgia, for the rental of office space to accommodate the Community Development Department. This agreement is for an initial term of 12 months to include four (4) annual options to renew until December 31, 2022.

Authorize the Chief Executive Officer to execute all necessary documents.

**STATE OF GEORGIA  
COUNTY OF DEKALB**

**STANDARD RENTAL AGREEMENT**

THIS RENTAL AGREEMENT, (hereinafter referred to as "Lease" or "Agreement" made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2017, by and between the Housing Authority of the City of Decatur, Georgia and the Housing Authority of DeKalb County organized and existing under the laws of the State of Georgia, (hereinafter referred to as "Lessor" or "Landlord"), and DEKALB COUNTY, a political subdivision of the State of Georgia (hereinafter referred to as the "County" or "Lessee" or "Tenant.")

**WITNESSETH**

**I. PREMISES RENTED AND USE OF PREMISES**

Lessor does hereby rent and lease to Lessee the following described space (hereinafter called "Premises" or "Offices") in the office building situated at: 750 Commerce Drive, Suite 401, Decatur, GA 30030 (the "Building"). Lessee's Premises shall consist of approximately 6,404 rentable square feet shown on the Floor Plan of the Premises attached hereto as Exhibit B.

The Premises shall be used for executive and general office and related purposes for the County and no other. The Premises shall not be used for any illegal purposes; nor in violation of any regulation of any governmental body, nor in any manner to create any nuisance or trespass; nor in any manner to vitiate the insurance or increase the rate of insurance on the Premises.

**II. COMPLETION OF IMPROVEMENTS AND TERM**

The term of this Lease shall begin on the date said completed offices are ready for occupancy and accepted by Lessee. Subject to and upon the conditions set forth herein, or in any exhibit or addendum hereto, this Lease, upon the complete execution by all parties, is for an initial term of twelve (12) months. This Agreement shall terminate absolutely and without further obligation on the part of the County at the close of the calendar year it was executed and at the close of each succeeding calendar year it may be renewed, as required by O.C.G.A. § 36-60-13, as amended, unless earlier terminated in accordance with the termination provisions of this Agreement.

This Lease may be automatically renewed for four (4) successive one (1) year periods, for a total term of five (5) years, following the expiration of the initial term, upon the same terms and conditions, as provided for in this Agreement, unless previously terminated by Lessor or Lessee.

Unless earlier terminated in accordance with the termination provisions of this Agreement, for the third automatic renewal year, Lessee shall pay Lessor an amount not to exceed One Hundred Thirty-Two Thousand, Nine Hundred Fifty-Eight and 65/100ths Dollars (\$132,958.65) payable in equal monthly installments of Eleven Thousand, Seventy-Nine and 89/100ths Dollars (\$11,079.89) per month.

Unless earlier terminated in accordance with the termination provisions of this Agreement, for the fourth automatic renewal year and final year of this lease, Lessee shall pay Lessor an amount not to exceed One Hundred Thirty-Six Thousand, Nine Hundred Forty-Seven and 41/100ths Dollars (\$136,947.41) payable in equal monthly installments of Eleven Thousand, Four Hundred Twelve and 28/100ths Dollars (\$11,412.28) per month.

The total amount of rent Lessee shall pay to the Lessor for the five (5) year term of the lease shall not exceed Six Hundred Forty-Five Thousand, Nine Hundred, Ninety-Four and 41/100ths Dollars (\$645,994.41).

## **B. DEPOSIT**

Upon execution and delivery of this Lease by Tenant, Tenant shall deposit a security deposit in the amount of Ten Thousand One Hundred Thirty-Nine and 67/100 Dollars (\$10,139.67) (the "Security Deposit") with Landlord as security for the performance by Tenant of all of Tenant's obligations contained in this Lease. In the event of a default by Tenant, Landlord may apply all or any part of the Security Deposit to cure all or any part of such default; provided, however, that any such application by Landlord shall not be or be deemed to be an election of remedies by Landlord or considered or deemed to be liquidated damages. Tenant agrees promptly, upon demand, to deposit such additional sum with Landlord as may be required to maintain the full amount of the Security Deposit. All sums held by Landlord as the Security Deposit pursuant to this Section III.B. shall be without interest and may be commingled by Landlord with its other funds. At the end of the Lease Term, provided that there is then no uncured default or any repairs necessary, aside from normal wear and tear, required to be made by Landlord, Landlord shall return the Security Deposit to Tenant. Deposit will be a minimum of one (1) month's rent (\$10,139.67) paid with the execution of the lease.

## **IV. TERMINATION FEE**

If the Tenant fails to renew the lease within the first three years of the agreement, the termination fees to owner to recover costs of improvements will be as follows:

- a. At any time before the end of the calendar year of execution: payment of \$15,000.00.

**IN WITNESS WHEREOF**, Landlord and Tenant have hereunto executed, signed, and delivered this agreement in triplicate the day, month, and year first above written; each of the said parties keeping one of the copies hereof.

**HOUSING AUTHORITY OF THE CITY OF DECATUR, GEORGIA**

By: \_\_\_\_\_ (SEAL)

Signature

\_\_\_\_\_  
Name (Typed or Printed)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Federal Tax I.D. Number

\_\_\_\_\_  
Date

**NOTARY:**

Signed, sealed and delivered in the presence of:

\_\_\_\_\_  
(Seal)

Notary Public

My Commission Expires:

**HOUSING AUTHORITY OF DEKALB COUNTY, GEORGIA**

By: \_\_\_\_\_ (SEAL)

Signature

\_\_\_\_\_  
Name (Typed or Printed)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Federal Tax I.D. Number

\_\_\_\_\_  
Date

**DEKALB COUNTY, GEORGIA**

\_\_\_\_\_ by Dir.(SEAL)

MICHAEL L. THURMOND

Chief Executive Officer

DeKalb County, Georgia

\_\_\_\_\_  
Date

**ATTEST:**

\_\_\_\_\_  
BARBARA H. SANDERS, CCC, CMC

Clerk of the Chief Executive Officer

and Board of Commissioners of

DeKalb County, Georgia

**APPROVED AS TO SUBSTANCE:**

\_\_\_\_\_  
Department Director

**APPROVED AS TO FORM:**

\_\_\_\_\_  
County Attorney Signature

\_\_\_\_\_  
County Attorney Name (Typed or Printed)

**EXHIBIT A**

**STIPULATIONS, PROVISIONS, COVENANTS, AGREEMENTS, TERMS AND  
CONDITIONS OF RENTAL AGREEMENT**

**1. CONSTRUCTION & VENUE**

This Lease shall be construed under the laws of the State of Georgia. This Agreement shall be deemed to have been made and performed in DeKalb County, Georgia. For the purposes of venue, all suits and causes of action arising out of this Agreement shall be brought in the courts of DeKalb County, Georgia.

**2. PARAGRAPH HEADINGS**

The brief paragraph headings following the numerals in this Exhibit A are for the purpose of convenience only and shall be completely disregarded in construing this rental agreement.

**3. DEFINITIONS**

- A.** The word “Tenant” as used in this rental agreement shall be construed to mean Tenants in all cases where there is more than one Tenant, and the necessary grammatical changes required to make the provisions hereof apply either to male or female, corporation, partnership or individuals, shall in all cases be assumed as though in each case fully expressed.
- B.** The word “Landlord” as used in this lease agreement shall be construed to mean one who leases property to another and Landlord in all cases where there is more than one Landlord, and the necessary grammatical changes required to make the provisions hereof apply either to male or female, corporation, partnership or individuals, shall in all cases be assumed as though in each case fully expressed.
- C.** The word “Premises” as used in this rental agreement shall include not only the particularly above described property but also all the improvements, tenements and appurtenances, thereunto belonging or in any wise appertaining.
- D.** Any and all references to the “Term” of the agreement contained within this rental agreement shall include not only the original term but also any renewal or extension of the original term.

**4. TIME IS OF ESSENCE**

All time limits stated in this rental agreement are of the essence of this agreement.

**5. SERVICE OF NOTICE**

All notices, statements, demands, requests, consents, approvals, or authorizations, hereunder given by either party to the other shall be in writing and sent by registered or certified mail, postage prepaid and addressed as follows:

Landlord: Housing Authority of the City of Decatur, Georgia  
750 Commerce Drive, Suite 400  
Decatur, GA 30030  
Attention: Doug Faust

and

Housing Authority of DeKalb County  
750 Commerce Drive, Suite 300  
Decatur, GA 30030  
Attention: Pete Walker

Tenant: DeKalb County Community Development Department  
Attention: Director  
1300 Commerce Drive  
Decatur, GA 30030

and

Chief Executive Officer  
DeKalb County Government  
1300 Commerce Drive,  
Decatur, Georgia 30030

and

Chief Procurement Officer  
Department of Purchasing and Contracting  
Maloof Administration Building  
1300 Commerce Drive, 2<sup>nd</sup> Floor  
Decatur, Georgia 30030

**6. COVENANT OF TITLE AND QUIET ENJOYMENT**

Landlord covenants that Landlord is seized of the said Premises in fee simple absolute. Landlord agree that the Tenant, upon paying the rents and keeping the stipulations, provisions, covenants, terms, agreements and conditions herein contained, shall lawfully, quietly and peacefully have, hold, use, possess, enjoy and occupy said Premises hereby rented for and during said term hereby granted, within any suit, hindrance, interruption, inconvenience, eviction, ejection or molestation by the Landlord or by any other person or persons whatsoever. If for any reason whatsoever, Tenant is deprived of its right to lawfully, quietly and peacefully have, hold, use, possess, enjoy and occupy said Premises hereby rented, with all improvements for and during said term hereby granted, without any suit, hindrance, interruption, inconvenience, eviction, ejection or molestation by the Landlord or by any other person or persons whatsoever, then this agreement may be immediately canceled and terminated at the option of the Tenant by giving the Landlord notice thereof. If the Landlord's title shall come into dispute or litigation, the Tenant may withhold payment of rents (without interest) until final adjudication or other settlement of such dispute or litigation.

**7. CHANGE IN OWNERSHIP OF PREMISES**

No change or division in the ownership of the Premises, or of the rents payable hereunder (other than as otherwise set forth in this Lease), however accomplished, shall operate to enlarge the obligations or diminish the rights of the Tenant. Further, no change or division in ownership shall be binding on the Tenant for any purpose until the Tenant without thirty (30) days written notice. Furthermore, Tenant shall be furnished with a certified copy of the recorded instrument, or other legally authenticated written instrument, evidencing such change or division in ownership as soon as it is available.

**8. BINDING EFFECT ON HEIRS, ASSIGNS, ETC.**

Each of the stipulations, provisions, terms, conditions, covenants, agreements and obligations contained in this rental agreement shall apply, extend to, be binding upon and inure to the benefit or detriment of each and every one of the heirs, legal representatives, devisees, legatees, next-of-kin, successors and assigns of the respective parties hereto. Whenever a reference to the parties hereto is made, such reference shall be deemed to include the heirs, legal representatives, devisees, legatees, next-of-kin, successors and assigns of Landlord, the same as if in each case expressed.



**9. LANDLORD'S FAILURE TO DELIVER PREMISES AT COMMENCEMENT OF TERM**

Should the Landlord, for any reason whatsoever, be unable to deliver possession of the said rental Premises to the Tenant by the Commencement Date, this agreement may be immediately canceled, terminated and declared null and void at the option of the Tenant by giving the Landlord notice thereof. Should the Tenant elect not to exercise the aforesated option, then it is agreed by the parties hereto that there shall be a total abatement of rent during the period between the Commencement Date and the time the Landlord deliver possession of the Premises to the Tenant.

**10. DESTRUCTION OF OR DAMAGE TO PREMISES**

In the event the said demised Premises, either prior to the commencement date of this rental agreement or during the term thereof shall be so damaged, by any cause whatever, as to be rendered unfit for occupancy by the Tenant, and the said Premises shall not thereafter be repaired by the Landlord at Landlord' expense with reasonable promptness and dispatch, then this rental agreement may be immediately canceled and terminated at the option of the Tenant by giving the Landlord notice thereof, and rent (if any) shall be payable only to the date of such damage. Shall said Premises, either prior to the commencement date of this rental agreement or during the term thereof, be partially destroyed, by any cause whatsoever, but not rendered unfit for occupancy by Tenant, then the Landlord agree that the Premises at the Landlord' expense and with reasonable promptness and dispatch, shall be repaired and restored to substantially the same condition as before the damage. In the event of a partial destruction of the Premises, there shall be fair abatement in the rent payable during the time such repairs or rebuilding are being made, such proportionate deduction of rent to be based upon the extent to which the making of such repairs or rebuilding shall interfere with the business carried on by the Tenant in said Premises. Full rental shall again commence after completion of the repairs and restoration of the Premises by the Landlord. In connection with the foregoing, it is agreed by the parties hereto that the Tenant's decision shall be controlling as to whether or not the Premises are fit or until for occupancy by the Tenant. Landlord agrees to notify Tenant within ten (10) days after such casualty as to whether Landlord intend to pursue reconstruction on a prompt basis.

**11. INSURANCE**

Landlord shall and will, at Landlord own cost and expense, keep the premises insured against loss or damage by fire and other casualties, for not less than the amount the premises where last assessed for the purpose of taxation. It shall be Tenant's responsibility to maintain in force insurance on contents belonging to Tenant, at their full insurable value. Said insurance shall be placed with solvent, incorporated insurance companies licensed to do business in the State of Georgia. Landlord shall furnish Tenant with

Certificates or other acceptable evidence that such insurance is in effect.

Tenant's Insurance. Tenant, at Tenant's expense, agrees to keep in force during the Term of this Lease and any extensions thereof the following insurance policies:

(A) Property Insurance. All risk property insurance including theft, sprinkler leakage, and boiler and machinery coverage on all of Tenant's trade fixtures, furniture, inventory, and other personal property in the Premises, and on any alterations, additions, or improvements made by Tenant upon the Premises all for the full replacement cost thereof.

(B) Liability Insurance. Commercial general liability insurance which insures against claims for bodily injury, personal injury, and property damage based upon, involving, or arising out of the use, occupancy, or maintenance of the Premises and the Property. Such insurance shall afford, at a minimum, the following limits:

Any general aggregate limit shall apply on a per location basis. Tenant's commercial general liability insurance shall name Landlord, its trustees, officers, commissioners, directors, members, agents, employees, Landlord's representatives, and Landlord's mortgagees as additional insureds.

Each Occurrence        \$1,000,000

General Aggregate     \$2,000,000

This coverage shall include blanket contractual liability, broad form property damage liability, premises-operations and products-completed operations. Such insurance shall be written on an occurrence basis and contain a standard separation of insureds provision.

General Insurance Requirements. All policies required to be carried by Tenant hereunder shall be issued by and binding upon an insurance company licensed to do business in the state in which the Building is located with a rating of at least "A-X" or better as set forth in the most current issue of Best's Insurance Reports, unless otherwise approved by Landlord. Tenant shall not do or permit anything to be done that would invalidate the insurance policies required herein. Liability insurance maintained by Tenant shall be primary coverage without right of contribution by any similar insurance that may be maintained by Landlord. Certificates of insurance, acceptable to Landlord, evidencing the existence and amount of each insurance policy required hereunder shall be delivered to Landlord within ten (10) days after the full execution of this Lease by Landlord and Tenant, and thirty (30) days prior to the expiration of any such coverage. Certificates of insurance shall include an endorsement for each policy showing that Landlord, its trustees, officers, commissioners, directors, members, agents, and employees, Landlord's mortgagees, and Landlord's representatives are included as additional insureds on liability policies and that Landlord is loss payee for property insurance as stated in Section 6.2(A). Further, the certificates must include an endorsement for each policy whereby the insurer

agrees not to cancel, non-renew, or materially alter the policy without at least thirty (30) days' prior written notice to Landlord. In the event that Tenant fails to provide evidence of insurance required to be provided by Tenant in this Lease during the Term, within ten (10) days following Landlord's request thereof, and thirty (30) days prior to the expiration of any such coverage, Landlord shall be authorized (but not required) to procure such coverage in the amount stated with all costs thereof to be chargeable to Tenant and payable within thirty (30) days after Tenant receives a written invoice therefor. The limits of insurance required by this Lease, or as carried by Tenant, shall not limit the liability of Tenant or relieve Tenant of any obligation thereunder. Any deductibles selected by Tenant shall be the sole responsibility of Tenant. Tenant insurance requirements are based upon current industry standards. Landlord reserves the right to require additional coverage or to increase limits as industry standards change.

**Indemnification.** Landlord, its trustees, officers, commissioners, directors, members, agents, and employees or contractors (each an "Indemnified Party") shall not be liable to Tenant and Tenant, to the extent provided by law, hereby waives all claims against each Indemnified Party for any injury to or death of any person or damage to or destruction of property in or about the Premises or the Building by or from any cause whatsoever, including without limitation, gas, fire, oil, electricity, or leakage of any character from the roof, walls, basement, or other portion of the Premises or the Building, but excluding, however, the gross negligence or willful misconduct of any Indemnified Party. Except as to injury to persons or damage to property the principal cause of which is the gross negligence or willful misconduct of an Indemnified Party, Tenant shall, to the extent provided by law, indemnify, defend, and hold each Indemnified Party harmless from and against any and all expenses, including reasonable attorneys' fees, in connection therewith, arising out of any injury to or death of any person or damage to or destruction of property occurring in, on, or about the Premises, or any part thereof, from any cause whatsoever. Landlord shall indemnify, defend and hold Tenant, its agents, servants, employees, invitees or contractors harmless from and against any and all expenses, including reasonable attorney's fees in connection therewith, arising out of any injury to or death of any person or damage to or destruction of property in, on or about the Premises or the Building caused by the gross negligence or willful misconduct of Landlord.

**Tenant's Contractors' Requirements.** Should Tenant engage the services of any contractor to perform work in the Premises, Tenant shall ensure that such contractor carries commercial general liability (including completed operations coverage for a period of three (3) years following completion of the work), business automobile liability, umbrella/excess liability, worker's compensation and employers liability coverages in substantially the same amounts as are required of Tenant under this Lease. Contractor shall name Landlord, its trustees, officers, directors, members, agents, and employees, Landlord's mortgagees, and Landlord's representatives as additional insureds on the liability policies required hereunder. All policies required to be carried by any contractor shall be issued by and binding upon an insurance company licensed to do business in the

state in which the Building is located with a rating of at least "A-X" or better as set forth in the most current issue of Best's Insurance Reports, unless otherwise approved by Landlord. Certificates of insurance, acceptable to Landlord, evidencing the existence and amount of each insurance policy required hereunder shall be delivered to Landlord prior to the commencement of any work in the Premises. Further, the certificates must include an endorsement for each policy whereby the insurer agrees not to cancel, non-renew, or materially alter the policy without at least thirty (30) days' prior written notice to Landlord. The foregoing requirements shall apply equally to any subcontractor engaged by contractor.

**12. USE OF PREMISES**

Tenant shall not use said premises for any purpose other than the public functions and facilities for which the said premises are hereby rented; and no use shall be made of said premises, nor acts done which will cause a cancellation of or an increase in the existing rate of fire, casualty and other extended coverage insurance insuring the said premises. The Tenant further agrees not to sell, or permit to be kept for use, in or about said premises, any article or articles which may be prohibited by the standard form of fire insurance policies.

**13. CANCELLATION OF RENTAL AGREEMENT BY COUNTY**

At any time, the County may **unilaterally** terminate this rental agreement, in whole or in part, for the County's convenience, or because of failure of the Landlord to fulfill the obligations of this rental agreement **in any respect**. The County shall terminate by delivering to the Landlord, with at least ninety (90) days' notice, a Notice of Termination specifying the nature, extent, and effective date of termination. If terminated by the County, the written notice shall be sent to the Landlord, addressed as follows:

Housing Authority of the City of Decatur, Georgia  
750 Commerce Drive, Suite 400  
Decatur, GA 30030  
Attention: Doug Faust

and

Housing Authority of DeKalb County  
750 Commerce Drive, Suite 300  
Decatur, GA 30030  
Attention: Pete Walker

All notices sent to the above addresses shall be binding upon the Landlord unless said addresses are changed by the Landlord in writing to the County.

Shall the Tenant at any time be in default in the payment of rent, or in the performance of any of the stipulations, covenants, terms, conditions, agreements, or provisions of this rental agreement, and fail to remedy such default within ninety (90) days after receipt of notice thereof from the Landlord, it shall be lawful for the Landlord to enter and repossess said premises, expel and remove the Tenant and its effects therefrom, and terminate this Lease.

**14. HOLDING OVER**

Any holding over, or continued use and/or occupancy by the Tenant, of the rented premises after the expiration of this rental agreement shall operate and be construed as a tenancy at will at the same monthly rate of rent set out above and under the same terms and conditions in force at the expiration of the agreement.

**15. CONDEMNATION**

In the event, during the term of this rental agreement, the whole or any part of the premises hereby rented shall be appropriated or taken by any Municipal, County, State, Federal, or other authority for any public or quasi-public use through the exercise of the power of eminent domain or condemnation proceeding, or sold to the possessor of such power under the threat of its exercise, or if by reason of law, ordinance or by court decree, whether by consent or otherwise, the use of the premises by the Tenant for the purposes hereinabove referred to shall be prohibited, the Tenant shall have the right to immediately terminate this rental agreement upon notice to the Landlord and the rent shall be paid only to the time when the Tenant surrenders possession of the premises. When only a portion of the demised premises are acquired for public or quasi-public use through the exercise of or under the threat of eminent domain or condemnation proceeding, the Tenant shall have an election as to whether it will terminate and cancel this rental agreement at the time a portion of the demised premises must be surrendered or whether it will remain in the demised premises with remaining monthly rental payments reduced by an amount determined by the ratio of square feet thus acquired to the total square feet originally contained in the demised premises. To exercise this election, the Tenant must notify the Landlord within twenty-five (25) days after it is ultimately determined what portion of the premises will be taken under such proceeding. In the event the Tenant elects to remain on the premises under the condition set forth above, the Landlord agrees to promptly make all necessary alterations and repairs which shall be required because of such partial acquisition. The rights of the Landlord shall in no way prejudice or interfere with any claim which the Tenant may have against the authority exercising the power of eminent domain or condemnation for damages, or otherwise, for destruction of or interference with the business of the Tenant in the demised premises.

**16. RESERVED.**

**17. REPAIRS AND IMPROVEMENTS**

**A. REPAIRS BY LANDLORD:**

During the term of this rental agreement, Landlord shall, at Landlord' sole cost, service, replace, keep and maintain in good order and repair each and every part and portion of the existing demised premises together with any improvements or additions the Landlord might install in or place upon the demised premises in the course of the term of this rental agreement. Landlord agree that any services, replacement, or repairs made by Tenant, to the existing premises or to any improvements or additions made by the Landlord, shall not be construed as a waiver by the Tenant of this provision. In the event that Tenant constructs or erects any additions and/or improvements to or on the demised premises, Landlord shall have no obligation whatsoever to service, replace, keep and maintain the same in good order and repair. In the event that Tenant makes an emergency repair to avoid damage to the personnel or property of Tenant, where Landlord have not promptly acted to make such repair, Tenant may deduct cost thereof from future rental payments.

**B. REPAIRS BY TENANT/TENANT FINISH ALLOWANCE:**

Improvements to Leasable Space will generally consist of replacement of carpet and painting of interior walls. A wall and door will be constructed in the breakroom to separate the utilities from the employee break area. Landlord agrees to perform the following work: Remove existing entry door and replace with new wood frame door with large glass panel and hardware. Install two (2) electrical drops for cubicles located in open space. Contractor will provide circuit, wire, and drop pole in the approximate locations established on the plans. In the double office adjacent to the large open area (27' x 30' lobby area) Install a wall (**WALL SIZE: 11'5" Wide x 9' High**), with electrical outlets on each side of wall, that divides the space in to two (2) offices of equal size. In the southwest hall: Enclose the first open space to create an office and install door with hardware (**WALL SIZE: 7'6" Wide x 9' High with 36" Door**) Build new closet with a 3'0" wood access door with metal frame and locking knob (match existing hardware) to enclose communications equipment. Install one (1) electrical drop in existing large office. Contractor will provide circuit, wire, and drop pole in the approximate location established on the plans. Cost is estimated for buildout to be Twenty-Five Thousand and 00/100ths Dollars (\$25,000.00). Costs beyond this level are directly reimbursable to the Landlord by the Tenant before occupancy.

**C. ALTERATIONS TO PREMISES:**

Landlord reserve the right to determine the specific vendors, contractors, materials, and finishes for the Premises. Tenant will only make alterations to the Premises with the advance written approval of the Landlord.

**D. MECHANIC'S LIENS**

Tenant shall not permit any mechanic's or other liens to be filed against the Premises or the Building for any labor, professional services rendered, or materials furnished to or in connection with any work performed or claimed to have been performed in, about, or relating to the premises at the instance and request of Tenant. Should any mechanic's lien be filed against the Premises, the Building, or the Property for work, materials, or professional services claimed to have been furnished to Tenant shall be discharged of record by Tenant within thirty (30) days after Tenant receives notice thereof, at Tenant's expense, except as Tenant may seek to contest the same as provided hereinafter. If Tenant shall fail to have said lien satisfied and released of record as aforesaid or, as to any lien claim which Tenant may seek to contest, shall fail to post a satisfactory bond or other security in such form and amount as shall be agreeable to Landlords and promptly contest and diligently and expeditiously prosecute to successful conclusion and such lien claim, Landlords may after ten (10) days' notice to Tenant and on behalf of Tenant, without being responsible for making any investigation as to the validity thereof, pay the amount of said lien and Tenant shall promptly reimburse Landlords upon demand for all costs and expenses, including attorneys' fees, which Landlords incur in connection with the removal of such lien. Landlords shall have the right to post a notice in the Premises disclaiming any liability for payment for any Work of Tenant or other construction or improvements performed by persons or entities other than Landlords or its contractors, and/or for any liens arising in connection therewith, and Tenant agrees not to disturb such notice.

**18. ENTRY FOR INSPECTION AND REPAIRS, ALTERATIONS, OR ADDITIONS**

Tenant shall permit Landlord and Landlord' agents or employees, to enter into and upon said premises at all reasonable times for the purpose of inspecting the same or for the purpose of maintaining or making repairs, alterations or additions to any portion of the premises.

**19. JANITORIAL SERVICES**

Landlord will provide nightly janitorial services Sunday through Thursday (legal holidays excepted) in and about the Premises. The janitorial service furnished to the Premises shall

include normal cleaning and upkeep services, normal removal of trash and rubbish, vacuuming and spot cleaning of carpeting, and maintenance of towels, tissue, and other rest room supplies. Landlord shall also provide periodic interior and exterior window washing and cleaning and maintenance of uncarpeted floors in accordance with Landlords' schedule. Tenant agrees to remove all non-standard sized items, i.e. large pieces of furniture, refrigerators or computers, from the premises as necessary.

**20. EXPENSES AND UTILITIES**

Landlord will pay for electric, water, and sewer. Landlord will pay for normal trash collection using a standard dumpster. Removal of furnishing or other large items brought by the Tenant to the Premises will be the sole responsibility of the Tenant.

**21. NOTICE TO LANDLORD OF DAMAGE OR DEFECTS**

Tenant shall give to the Landlord prompt written notice of any accident to or any defects in the said Premises and such damage or defects shall be remedied with due diligence by the Landlord at Landlord's own expense; unless caused by the negligence of the Tenant, its employees, agents or representatives.

**22. TAXES AND ASSESSMENTS**

Landlord, during said term of this rental agreement, agrees, and covenants to pay off, satisfy and discharge, as they become due, all assessments, taxes, levies and other charges, general and special, of whatever name, nature and kind, which are or may be levied, assessed, imposed and charged upon the Premises herein demised and rented.

**23. TERMITES, RODENTS AND PESTS**

Landlord shall, at Landlord's own expense, keep the demised premises free from infestation by termites, rodents and other pests and shall repair all damage caused to the demised premises by the same during the term of this rental agreement.

**24. IMPROVEMENTS, ERECTIONS AND ADDITIONS BY TENANT**

With the express consent of the Landlord first having been obtained, the Tenant may make, at Tenant's own expense, such improvements, erections and alterations as are necessary to adapt the Premises for the conduct of the Tenant's business.



**25. REMOVAL OF FIXTURES BY TENANT**

At any time before the expiration or termination of this agreement, Tenant shall have the right and privilege to remove all fixtures, equipment, appliances and movable furniture which Tenant has placed in or upon the demised premises.

**26. NO WAIVER**

No failure or delay of Landlord to exercise any right or power given it herein or to insist upon strict compliance by lessee with any obligation imposed on it herein, and no custom or practice of either party hereto at variance with any term hereof shall constitute a waiver or a modification of the terms hereof by Landlord of any right it has herein to demand strict compliance with the terms hereof by lessee. No officer, agent, or employee of Landlord has or shall have any authority to waive any provision of this lease unless such waiver is expressly made in writing and signed by an authorized officer of Landlord.

**27. ENTRY FOR CARDING, ETC.**

In the event that Tenant does not exercise the renewal or extension option provided above, then it is agreed that the Landlord may, within sixty (60) days next preceding the expiration of the term of this agreement, card premises advertising and said premises "For Sale" or "For Rent". Landlord may enter the premises at reasonable hours to exhibit the same to prospective purchasers or tenants.

**28. BUSINESS HOURS**

Normal business hours are anticipated to be 7:00 a.m. to 6:00 p.m., Monday through Friday.

**29. PARKING**

On-site parking is available for the clients. An estimated twenty (20) spaces would be available, but not specifically reserved, under this proposed lease. Tenant may park two (2) vehicles on-site overnight as a convenience and at its own risk. Visitor parking is available at the front of building and additional overflow in the rear of the building.

**30. RESTROOMS**

Restrooms are available for use by the tenant on the fourth floor as follows.

- Accessible restroom for general public with door code.
- Two restrooms for client and building occupants with door code.

**31. ABANDONMENT OF RENTED PREMISES**

During the term of this agreement, Tenant agrees not to abandon or vacate the Premises without cause, subject however to the provisions of paragraph 13 herein.

**32. WASTE AND NUISANCE**

Tenant shall not commit, or suffer to be committed any waste upon the said Premises, or any nuisance, or other act or thing which may disturb the enjoyment of any other Tenant, if there be any, in the building in which demised Premises may be located.

**33. ASSIGNMENT**

Landlord shall have the right to sell the Building and assign this Lease to the purchaser (and upon such assignment Landlord shall be released from all of its obligations under this Lease which accrue after such assignment). So long as Tenant receives the benefit of non-disturbance and quiet enjoyment, Tenant agrees to attorn to such purchaser, or any other successor or assign of Landlord through foreclosure or deed in lieu of foreclosure or otherwise and to recognize such person as Landlord under this Lease, as provided more fully herein.

**34. SUBLETTING**

Tenant shall not assign this rental agreement, or any interest therein, and shall not sublet the said premises or any part thereof, or any right or privilege appurtenant thereto, or suffer any other person to occupy or use the said premises, or any portion thereof, without the consent of Landlord first having been obtained Landlord (which approval shall not be unreasonably denied, conditioned or delayed). Landlord Any such assignment or subletting without such consent should be void, and shall, at the option of Landlord, on twenty (20) days' notice to Tenant, terminate this rental agreement. Consent to one assignment and/or subletting shall not destroy this provision, and all later assignments and/or subletting shall likewise be made only on prior consent of Landlord, which consent shall not unreasonably be withheld.

**35. EFFECT ON ASSIGNMENTS AND SUBLETTING WHEN TENANT SURRENDERS RENTAL PROPERTY**

The voluntary or other surrender of this rental agreement by Tenant, or a cancellation thereof, shall not work a merger, and shall, at the option of Landlord, terminate all or any existing sublets or subtenancies, or may, at the option of Landlord, operate as an assignment to him of any or all such sublets or subtenancies.

**36. SURRENDER OF PREMISES**

At termination of this agreement, Tenant shall surrender the Premises and keys thereof to Landlord in the same condition as at commencement of the term, natural wear and tear, damage by fire, acts of God, the elements, or other casualties, condemnation and/or appropriation and damage or defects arising from the negligence or default of the Landlord excepted.

**37. NON-BINDING EFFECT ON FUTURE GOVERNING AUTHORITIES, ETC.**

Nothing in this agreement shall be construed as binding on any future governing authorities of DeKalb County to create a debt beyond the year in which made or renewed as prohibited by Article IX, Section V, Paragraph I of the Constitution of Georgia of 1983.

**38. SEVERABILITY**

If any clause or provision of this lease is or becomes illegal, invalid, or unenforceable because of present or future laws or any rule or regulations of any governmental body or entity, effective during its term, the intention of the parties hereto is that the remaining parts of this lease shall not be affected thereby, unless such invalidity is, in the sole determination of Landlord, essential to the rights of both parties, in which event Landlord has the right to terminate this lease on written notice to Lessee.

**38. SUBORDINATION**

The Lease, and rights of the Tenant, shall be subject and subordinate in all respects to all present and future mortgages on the Premises and property upon which the Premises is located, including all modifications, extensions, supplements, consolidations and replacements thereof.

**39. RULES AND REGULATIONS**

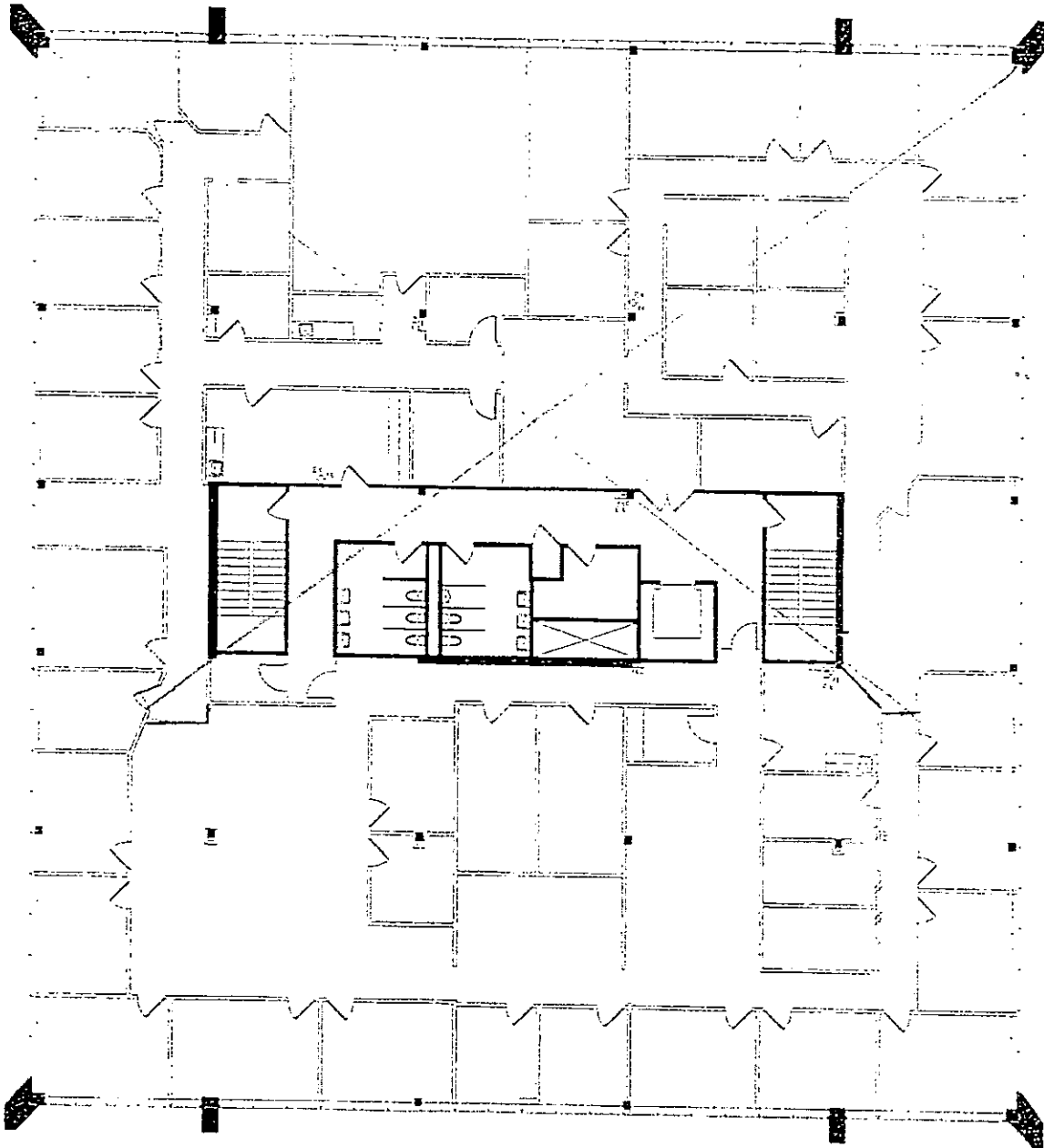
Tenant shall perform, observe, and comply with the Building Rules and Regulations of the Building, as set forth in Exhibit "C" attached hereto and incorporated herein by this reference, with respect to the safety, care, and cleanliness of the Premises and the Building, and the preservation of good order thereon, and, upon written notice thereof to Tenant, Tenant shall perform, observe, and comply with any changes, amendments, or additions thereto as from time to time shall be established and deemed advisable by Landlord for tenants of the Building so long as such changes, amendments or additions do not materially adversely affect Tenant's use of the Premises. Landlord shall enforce the Building Rules and Regulations in a non-discriminatory fashion, but shall not be

liable to Tenant for any failure of any other tenant or tenants of the Building to comply with such Building Rules and Regulations.

**40. ENTIRE AGREEMENT**

This Lease Agreement sets forth all the provisions, agreements, conditions, covenants, terms and understandings between the parties relative to the demised Premises. There shall be no provisions, agreements, conditions, covenants, terms, understandings, representations or inducements either oral or written, between the parties other than are set forth. It is further understood and agreed that no subsequent alteration, amendment, change or addition to this rental agreement shall be binding upon the parties herein unless reduced to writing and signed by all parties to this rental agreement.

**EXHIBIT B**  
**FLOOR PLAN OF THE PREMISES**



750 COMMERCE DRIVE  
4TH FLOOR

**EXHIBIT C**  
**RULES AND REGULATIONS**