

CITY OF HOSCHTON
DOWNTOWN DEVELOPMENT AUTHORITY
MONDAY, JANUARY 8, 2023 at 6:00PM
HOSCHTON COMMUNITY CENTER
65 CITY SQUARE, HOSCHTON



AGENDA

1. Call to Order
2. Approval of Minutes: December 11, 2023 meeting
3. Business Items
 - a. Intergovernmental Agreement with City of Hoschton regarding 69 City Square
 - b. Lease Agreement with Atlanta Development Company: 69 City Square
 - c. Intergovernmental Agreement with City of Hoschton regarding 73 City Square, 4162 Highway 53 Unit 110, and 4272 Highway 53
 - d. Lease Renewal with Josh Burdette (Hoschton Coffee): 73 City Square
 - e. Lease Renewal with 4 Brothers Holdings, LLC: 4272 Highway 53
 - f. Approval of lease terms and rent amount: 4162 Highway 53, Unit 110
4. Other Business
5. Public Input
6. Chair Recap
7. Adjourn

MINUTES

1. Call to Order

at 6:00pm by Chairperson Tracy Jordan

2. Approval of Minutes: November 13, 2023 meeting

Motion to approve with no changes by Sri Kumar, seconded by Joe Vogt, and all in favor.

3. Financial Report

will further review the financial statement provided by Finance Director Tiffany Wheeler

4. Report of Committees (Areas of responsibility)

a. **Chair – Overseeing All Committees**

b. **Secretary/Treasurer**

-will fill this seat soon; accepting applications now and will informally interview each applicant

c. **Historic Downtown**

-Marsha Hunter explained that the time capsule is ready to pack and seal once the Shutterfly book is received.

-Mariya Bentz asked if the time capsule might be dedicated at the Spring Gala or if there will be a ceremony. Hunter replied that she hoped to finish the project this year.

-Jordan remarked that a special event should be held for the dedication and added that the Shutterfly book needed further editing to reflect a "Wow" factor.

-Vogt reported that the clock will be delivered in early spring. (a 40% deposit has been paid.)

-Vogt also said that the Historic Preservation Committee has been discussing upgrades to the Darby building and Magnolia property but will need funds to proceed. One project the HPC can accomplish with limited funds is the creation of storyboards displaying the history of Hoschton's founding families.

-The historical photographs with descriptions in the old City Hall building should be brought over to display in the new Community Center.

d. **Marketing & Branding DDA/Promotions of Events**

-Mariya will take over the DDA's social media presence and marketing from Jessica Greene. DDA members will need to decide how Hoschton should be presented/what focus should be highlighted?

-Greene added that she loved sharing updates on the downtown businesses and hopes that will continue.

e. Special Events Coordinator

-With the departure of Jessica Greene, the DDA Board will be researching how best to fill this role. The plan is to start with a few events, execute them well, and then grow to support larger/more events in the future.

f. Long-/Short-Term Projects

-Dr. Kumar summarized the GDOT meeting that he recently attended. GDOT is taking a holistic approach to relieve traffic along the Hwy 53 corridor, considering all highways in the area. GDOT presented several options to attendees, ranging from a short-term \$30 million project to a long-term \$900 million project. Kumar stated that the future direction of Hoschton will be determined by GDOT's decision in the corridor. The DDA is in receipt of a \$700,000 grant to be used toward the planning and scoping of the highway 53 downtown region to help minimize traffic (4-5 year project); could be increased to \$1-2 million, depending on the scope. Kumar will be working with the City Council and City Engineer to get the ball rolling next year. The long-term plan can tie into the beautification project in the hope of beautifying the entire corridor, not only the downtown area.

g. Grant Writing/Fundraising

-Hunter explained that the Board needs to decide which grants to pursue; will need to know specific cost of each proposal and how the grant funds would be used.
-The DDA did not receive the T-Mobile \$50,000 grant that was previously discussed.
-The commemorative brick sales project originally intended to help fund the Oak St. Park project can be adjusted to name the Mulberry Park project, instead. (Need to update the sales website to reflect the change) Should a goal of \$4,000-5,000 be set for Christmas of 2024? It would be beneficial to have sample bricks on display for the public to see. (Need to figure out a high-visibility location)
-The time capsule will be displayed in one of the new cabinets to be located in the Community Center foyer. The cabinet containing the time capsule will house a fixed display and a second cabinet will display an exhibit that will change periodically through the year.

5. Old Business

a. Board Member Recommendation

-Interested parties are encouraged to submit an application. There will be an informal interview with applicants.

b. 2024 Retreat: best day/time for board members?

-Waiting on City Council to set their retreat date first; will have a chance to attend the Council retreat to speak about the DDA

6. Events

a. Spring Gala

-The factory has been delayed because of Georgia Power, but Dr. Kumar is willing to donate it as a location. Will work around schools/UGA football calendars. Evening will include dressing up, dinner, dancing. Jackson County previously raised \$30,000-40,000 at their similar event. Historic Preservation Committee would like to hold a silent auction at this event.

- b. Foodie Fun Festival
 - Food trucks (combine with BBQ Festival?); Do any local businesses have food trucks?*
- c. BBQ/ Pickleball Festival
 - GA BBQ manages the event at a cost of \$500-1000; the cost of the prize money is approximately \$10,000; 10-15 BBQ vendors*
 - The plan is to hold this at the time of the Cresswind pickleball tournament, but the BBQ festival may not be held on the Cresswind property. The additional courts are expected to be finished in 2025, so the next event would be larger.*

7. Announcements & Reminders

- a. Jingle Mingle 2023 Report
 - 131 tickets were sold; approximately 400 attendees were present*
 - \$3680.00 profit realized*
 - Northeast Georgia Motorsports provided golf carts and church pews on a trailer to shuttle guests around*
 - Oh So Cozy donated a recliner as the grand prize*
 - Mayor Martin presided over the lighting of the Christmas tree and singing of Silent Night*
 - A 20-foot tree has been purchased for next year*
 - Add more kid-friendly activities next year?*
- b. Coffee & Conversations: 1-year mark in January 2024
 - Will continue in 2024, but might offer different times*
- c. Quarterly Newsletter: continue in 2024?

8. Public Input

No comments from the public.

9. Chair Recap

-Thank you to all of the Jingle Mingle Sponsors.
-Director Jessica Greene is moving on from the DDA; her enthusiasm and excitement for Hoschton was much appreciated. We wish her well in the future.

10. Adjourn

Motion to adjourn at 6:55pm by Vogt, seconded by Hunter, and all in favor.

Roll Call

Tracy Jordan, Chairperson
Dr. Sri Kumar, Co-Chair
Mariya Bentz
Dr. Marsha Hunter
Joe Vogt

Also Present

Jessica Greene, DDA Director
Jen Williams, Asst. City Clerk
Media

Approved:

Tracy Jordan, Chairperson

Date

Jennifer Williams, Assistant City Clerk

**INTERGOVERNMENTAL AGREEMENT BY AND BETWEEN
CITY OF HOSCHTON, GEORGIA AND HOSCHTON DOWNTOWN DEVELOPMENT
AUTHORITY REGARDING PROPERTY LOCATED IN THE DOWNTOWN
DEVELOPMENT AREA OF THE CITY OF HOSCHTON**

This Agreement is made and entered into as of the ____ day of January, 2024, by and between the City of Hoschton, Georgia, hereinafter called "Hoschton" and the Hoschton Downtown Development Authority (hereinafter called "the Authority") for the purpose of conveyance of Hoschton's interest in leasing real property to the Authority, such that the Authority may lease real property in furtherance of the Authority's mission and purpose.

WHEREAS, Hoschton owns real property upon which the "Premises," as defined in the Retail Lease Agreement attached hereto as Exhibit "1" (hereinafter called "the Lease"); and

WHEREAS, Hoschton put out a request for proposals relating to the leasing of the Premises, to which "Tenant," as defined in the Lease responded; and

WHEREAS, the Premises is located in the Downtown Development Area of Hoschton; and

WHEREAS, pursuant to O.C.G.A. § 36-42-2, the purpose of the Authority is to revitalize and redevelop the Downtown Development Area of Hoschton, so as to develop and promote for the public good and general welfare trade, commerce, industry, and employment opportunities and promote the general welfare of Hoschton and surrounding communities; and

WHEREAS, pursuant to Section 6.33 of the Hoschton Charter, Article IX, Section III, Par. I of the Georgia Constitution, and O.C.G.A. § 36-42-8, Hoschton and the Authority have the power to enter into this Intergovernmental Agreement for the purpose of Hoschton granting the Authority the power to lease the Premises to fulfill the purpose of the Authority as set forth herein; and

WHEREAS, Hoschton and the Authority desire to enter into an agreement to provide for the conveyance of such rights to the Premises to the Authority to enable the Authority to lease the Premises to fulfill the purpose of the Authority as set forth herein.

NOW THEREFORE, Hoschton and the Authority agree to the following:

- A. Hoschton shall execute such documents as are necessary to convey Hoschton's rights to the Authority to lease the Premises to Tenant, in substantially the same form and on the same terms as set forth in the Lease.
- B. The Authority shall work diligently to lease the Premises in substantially the same form and on the same terms as set forth in the Lease to revitalize and redevelop the Downtown Development Area of Hoschton, so as to develop and promote for the public good and general welfare trade, commerce, industry, and employment opportunities and promote the general welfare of Hoschton and surrounding communities.
- C. Upon the leasing of the Premises, the net proceeds of rental income, after deduction of reasonable and customary costs associated with the leasing of the Premises, shall be paid to Hoschton.

- D. The power of the Authority to lease the Premises shall terminate either upon the termination of a lease in in substantially the same form and on the same terms as set forth in the Lease or within 60 days of the date of this Agreement without a lease being executed by the Authority and Tenant in in substantially the same form and on the same terms as set forth in the Lease, such that the Authority shall not have the power to lease the Premises thereafter unless extensions are negotiated and agreed to between Hoschton and the Authority.
- E. The Authority agrees to hypothecate its interest in the Premises to any lender as collateral for any loans related to the Premises.
- F. All notices under this Agreement shall be in writing and shall be deemed to have been given by delivering it to person or by certified mail:

As to the Authority:

Hoschton Downton Development Authority
Attn: Chairperson
61 City Square
Hoschton, GA 30548

As to Hoschton

City of Hoschton
Attn: City Manager
61 City Square
Hoschton, GA 30548

- G. The failure of any party to exercise any right given hereunder or to insist upon strict compliance with any term, condition or covenant specified herein shall not constitute a waiver of such party's right to exercise such right or to demand strict compliance with any such term, condition, or covenant under this Agreement.
- H. This Agreement contains the sole and entire agreement of the parties with respect to the subject matter contemplated hereunder and no representation, inducement, promise or agreement, parole or written, between the parties and not incorporated herein shall be of any force of effect. Any amendment to this Agreement shall be in writing and executed by the parties.
- I. This Agreement may not be assigned or transferred by either party without the written consent of the other party. The provisions of this Agreement shall inure to the benefit or and be binding upon the parties hereto and the respective success and assigns.
- J. Time is of the essence with respect to this Agreement.
- K. This Agreement and all amendments hereto shall be governed and construed under the laws of the State of Georgia.

L. If any term, covenant or condition of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, such provision, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall be deemed severable, and the remainder hereof shall not be affected thereby, and each term, covenant, or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

M. This Agreement may be executed in several counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument. The Mayor, Clerk, City Manager, and City Attorney of Hoschton are hereby authorized to sign such documents as are necessary to effectuate the provisions of this Agreement. The Chairperson and Secretary of the Authority are hereby authorized to sign such documents as are necessary to effectuate the provisions of this Agreement.

IN WITNESS THEREOF, the parties have set their hand and seal as of the day and year first above written.

HOSCHTON DOWNTOWN DEVELOPMENT AUTHORITY

By: _____
Chairperson

ATTEST: _____
Secretary

CITY OF HOSCHTON

By: _____
Debbie Martin, Mayor

ATTEST: _____
City Clerk

APPROVED AS TO FORM

Abbott S. Hayes, Jr., City Attorney
4874-7195-6885, v. 4

RETAIL LEASE AGREEMENT

between

**HOSCHTON DOWNTOWN DEVELOPMENT AUTHORITY
("Landlord")**

and

**ATLANTA DEVELOPMENT COMPANY, LLC
("Tenant")**

Hoschton, Georgia

RETAIL LEASE AGREEMENT

THIS RETAIL LEASE AGREEMENT (this "Lease") is made as of the ____ day of January 2023, by and between **HOSCHTON DOWNTOWN DEVELOPMENT AUTHORITY ("Landlord")** and **ATLANTA DEVELOPMENT COMPANY, LLC ("Tenant")**.

For and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other valuable considerations, including the mutual covenants and agreements of the parties set forth herein, Landlord leases to Tenant and Tenant leases from Landlord the premises described herein for the Term and subject to the terms and conditions set forth herein.

Article 1. **Introductory Provisions**

1.1. **Fundamental Lease Provisions.** Certain fundamental provisions are presented in this Section in summary form to facilitate convenient reference by the parties hereto:

- | | | |
|-----|---------------------------------|--|
| (a) | Term | Five Years plus two (2) options to extend the term by five (5) years each (Article 3) |
| (b) | Interior Space | 2440 square feet, as shown in Exhibit A. |
| (c) | Rent | Rent schedule set forth in Exhibit B |
| (d) | Commencement Date | The " Commencement Date " as used in this Lease shall be the ____ day of _____, 202__. |
| (e) | Permitted Use | The Premises shall be occupied and used solely for the purpose of a restaurant. |
| (f) | Default Rate | Eighteen percent (18.0%) per annum. |
| (g) | Security Deposit | \$5,000.00 |
| (h) | Brokers | None. |
| (i) | Address for Notice to Landlord: | Hoschton Downtown Development Authority
Attn: Hoschton City Manager
61 City Square
Hoschton, GA 30542 |

To Tenant:	Atlanta Development Company, LLC Attn: Matt Ruppel 4725 Strickland Rd. Flowery Branch, GA 30542
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LEASE PROVISIONS

1.2. **References And Conflicts.** References appearing in Section 1.1 are to summarize provisions found in other places in this Lease applicable to the particular Fundamental Lease Provisions. Each reference in this Lease to any of the Fundamental Lease Provisions contained in Section 1.1 shall be construed to incorporate all of the terms provided for under such provisions, and such provisions shall be read in conjunction with all other provisions of this Lease applicable thereto. If there is any conflict between any of the Fundamental Lease Provisions set forth in Section 1.1 and any other provision of this Lease, the latter shall control.

1.3. **Exhibits.** The following drawings and special provisions are attached hereto as exhibits and hereby made a part of this Lease:

- (a) Exhibit "A" Floor Plan
- (b) Exhibit "B" Rent Schedule
- (d) Exhibit "C" Proposed Plans

Article 2.
Premises

2.1. Lease Of Premises. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises for the Term, at the Rent, and upon the covenants and conditions herein set forth.

2.2. Premises Defined. The term "Premises" means the interior space, totaling 2,344 square feet of the building known as **69 City Square**, as more particularly shown and labeled as "THE PREMISES" on Exhibit "A". In addition, Tenant will have access to utilize customer seating in the area under the City patio adjoining the Premises, whenever said patio is open to the general public.

2.3. Delivery Of Premises. Landlord has delivered possession to Tenant as an unbuilt-out shell. Landlord will deliver the Premises at Tenant on or before December 18, 2023, which for the purposes of this Lease will be the "Commencement Date".

Article 3.
Term

3.1. Term Of This Lease. This Lease shall be the binding obligations of the parties as of the date it is signed. The Term of this Lease shall commence on the Commencement Date and shall continue through that date which is sixty (60) months after the Commencement Date.

3.2. Renewal Terms. This Lease may be renewed for two (2) additional five (5) year Terms, provided Tenant provides written notice of such extension no less than one-hundred eighty (180) days prior to the expiration of any existing Term.

Article 4.
Rent

4.1. Tenant's Agreement To Pay Rent. Tenant hereby agrees to pay Rent.

4.2. Rent. The amount of Rent Tenant shall pay Landlord is:

(a) For the period beginning on the Commencement Date, and running through and including September 30, 2024 ("the Interim Period") Tenant will not be obligated to pay rent.

(b) Beginning on October 1, 2024, Rent will be as shown on Exhibit B. The Rent for each Lease Year shall be payable in twelve (12) equal monthly installments, in advance, on or before the first day of each calendar month.

4.3. Lease Year Defined. "Lease Year" means each successive twelve (12) month period after the Commencement Date. Any reference in this Lease to "Term" or "Lease Term" shall specifically include all extension or renewal options of this Lease exercised by Tenant.

4.4. Where Rent Payable And To Whom; No Deduction; Late Charge. Rent payable by Tenant under this Lease shall be paid to Landlord on or before the first day of each month, without prior demand therefore (except where such prior demand is expressly provided for in this Lease), without any deductions, set offs (except as hereinafter provided) or counterclaims whatsoever, at the place to which notices are to be sent to Landlord pursuant to Section 1.1(i) or to such payee and at such place as may be designated by Landlord to Tenant in writing at least ten (10) days prior to the next ensuing Rent payment date. If any payment of Rent or other charges due hereunder is not received by Landlord in good funds within ten (10) days from its due date, Tenant will pay to Landlord a late charge of five percent (5%) of the amount that is past due. In relation to the foregoing, Tenant acknowledges and agrees that such late payment charge represents an agreed upon charge for the administration expenses suffered by Landlord as a

result of such late payment and not a penalty or payment for the use of money. In addition to the above late charge, any amount due to Landlord, if not paid within ten (10) days of when due, shall bear interest from that date which is the tenth (10th) day following the date initially due until paid at a rate of eighteen percent (18%) per annum. Such late charges and late interest shall be in addition to any other remedies and damages to which Landlord may be entitled under this Lease, at law, or in equity.

Article 5.
Tenant's Conduct Of Business

5.1. Hours. Tenant may operate Tenant's business during such hours as permitted by state and local ordinances or laws applicable to Tenant's business.

Article 6.
Use Of Premises

6.1. Permitted Use. Throughout the Term, Tenant shall continuously use the Premises and operate in the same for the purpose specified in Section 1.1(e).

6.2. Requirements And Restrictions. Tenant agrees that it:

(a) will not use or permit the use of any apparatus for sound reproduction or transmission or of any musical instrument in such manner that the sounds so reproduced, transmitted or produced in violation of any applicable ordinance of the City of Hoschton;

(b) will keep all mechanical apparatus free of vibration and noise which may be transmitted beyond the confines of the Premises; will not cause or permit strong, unusual, offensive or objectionable noise, odors, fumes, dust or vapors to emanate or be dispelled from the Premises; will not burn trash or store or permit accumulations of any trash, garbage, rubbish or other refuse outside of the Premises except in compactors or other receptacles approved by Landlord;

(c) will not paint or decorate any part of the exterior of the Premises, or change the architectural treatment thereof, or install any visible protective devices such as burglar bars or security shutters or window tinting, without first obtaining Landlord's written approval; and will remove promptly upon order of Landlord any paint, decoration or protective device which has been applied to or installed upon the exterior of the Premises without Landlord's prior approval, or take such other action with reference thereto as Landlord may direct;

(d) will keep the inside and outside of all glass in the doors and windows of the Premises clean; will not place or maintain any merchandise, vending machines or other articles in the vestibule or entry of the Premises, on the foot walks adjacent thereto or elsewhere on the exterior thereof, will maintain the Premises at its own expense in a clean, orderly and sanitary condition and free of insect, rodents, vermin and other pests; and will keep refuse in proper containers on the interior of the Premises until removed from the Premises;

(e) will comply with all laws, rules, regulations, orders and guidelines relating to the Premises and will not use or permit the use of any portion of the Premises for any unlawful purpose;

(f) will not place, permit or maintain on the exterior walls or roof of the Premises any sign, advertising matter, decoration, lettering, insignia, emblems, trademark or descriptive material (herein called "Signs") other than as provided herein: and will maintain any and all Signs as may be approved in good condition and repair at all times, Landlord reserving the right to do so at Tenant's expense if Tenant fails to do so after five (5) days' notice from Landlord; Tenant acknowledges that it will install its approved Signs upon approval from both Landlord and the City of Hoschton and no more than 60 days after receiving such approval. Any signs placed by Tenant will be similar in size and style to those signs used by the City and/or Landlord relating to the other retail space in close proximity to the Premises.

6.3. Effect On The Building Insurance. Tenant shall not do or suffer to be done, or keep or suffer to be kept, anything in, upon or about the Premises which will contravene Landlord's policies insuring against loss or damage by fire or other hazards, or which will prevent Landlord from procuring such policies in companies acceptable to Landlord, or which will cause an increase in the insurance rates. If Tenant violates any prohibition provided for in the first sentence of this Section, Landlord may, after ten (10) days prior written notice to Tenant and Tenant's failure to cure such violation within said ten (10) day period, correct the same at Tenant's expense.

Article 7.
Liability, Indemnity And Insurance

7.1. Landlord's Liability. To the maximum extent permitted by law, Landlord shall not be liable for any damage or liability of any kind or for any injury to or death of any persons or damage to any property on or about the Premises from any cause whatsoever, excepting only Landlord's sole negligence.

7.2. Indemnification.

(a) By Tenant. Tenant hereby agrees to indemnify and save Landlord harmless from all claims, actions, demands, costs and expenses and liability whatsoever, including reasonable attorneys' fees, on account of any damage or liability occasioned in whole or in part by: (i) any use or occupancy of the Premises; (ii) any act or omission of Tenant, its agents, contractors, employees or invitees; and (iii) any occurrence within the Premises. Tenant shall not be liable for damage or injury occasioned by the gross negligence or willful acts of Landlord or its agents, contractors, or employees unless such damage or injury arises from perils against which Tenant is required by this Lease to insure.

(b) By Landlord. Subject to Section 7.1 above and the waiver of subrogation in Section 7.3 below, Landlord hereby agrees to indemnify and save Tenant harmless from all claims, actions, demands, costs and expenses and liability whatsoever, including reasonable attorneys' fees, on account of any damage or liability occasioned by the negligence of Landlord or its agents, contractors, and employees unless such damage or injury arises from perils against which Tenant is required by this Lease to insure.

The obligations of Tenant under Section 7.2(a) shall survive the expiration or termination of this Lease.

7.3. Mutual Waivers. Landlord and Tenant hereby waive any rights they may have against each other on account of any loss or damage occasioned to Landlord or Tenant, as the case may be, their property, the Premises, its contents, or arising from any risk covered by fire and extended coverage insurance maintained or required to be maintained hereunder by Landlord or Tenant, as the case may be. The parties hereto each, on behalf of their respective insurance companies insuring the property of either Landlord or Tenant against any such loss, waive any right of subrogation that it may have against Landlord or Tenant, as the case may be.

7.4. Tenant's Insurance.

(a) Tenant agrees that, from and after the date on which Tenant first enters into the Premises, Tenant shall carry at its sole cost and expense the following types of insurance, in the amounts specified and in the form hereinafter provided for:

(i) Commercial General Liability and Property Damage Insurance covering the Premises and Tenant's use thereof against claims for personal injury or death and property damage occurring upon, in or about the Premises, such insurance to afford protection to the limit of not less than \$1,000,000.00 combined single limit. The insurance coverage required under this Section 7.4(a)(i) shall, in addition, extend to any liability of Tenant arising out of the Indemnities provided for in Section 7.2 but shall not be deemed to limit or otherwise alter Tenant's liability hereunder;

(ii) Property Damage Insurance against "all-risks" of physical loss covering all of the items included in the Premises, Tenant's leasehold improvements, heating, ventilating and air conditioning equipment, trade fixtures, signage and personal property from time to time in, on or upon the Premises in an amount not less than their full replacement cost as such may change from time to time during the Term, providing protection against perils included within standard forms of fire and extended coverage Insurance policy, together with insurance against sprinkler damage, vandalism and malicious mischief. Any policy proceeds from such insurance shall be held in trust by Tenant for the repair, reconstruction, restoration or replacement of the property damaged or destroyed, unless this Lease shall cease and terminate under the provisions of this Lease;

(iv) Worker's Compensation Insurance in the minimum amounts required by the State of Georgia, and Employers' Liability Insurance in an amount not less than \$500,000.00 per occurrence; and

(v) Tenant will agree to cover plate glass damage as provided under its general property and casualty insurance coverages.

(vi) Business interruption coverage providing coverage in an amount equivalent to at least twelve (12) month's Rent for the applicable Lease Year.

(b) All policies of insurance provided for in Section 7.4(a) shall be issued in form reasonably acceptable to Landlord by insurance companies with general policyholder's rating of not less than A and a financial rating of Class X as rated in the most currently available "Best's Insurance Reports" and qualified to do business in the State of Georgia. Each such policy [except for the policy required under Section 7.4(a)(iv)] shall be issued in the name of Tenant and name as additional insureds Landlord and any other parties in interest from time to time designated in writing by Landlord to Tenant. Said policies shall be for the mutual and joint benefit and protection of Landlord and Tenant and executed copies of each such policy of insurance or a certificate thereof shall be delivered to Landlord within ten (10) days after delivery of possession of the Premises to Tenant and thereafter within thirty (30) days prior to the expiration of each such policy. As often as any such policy shall expire or terminate, renewal or additional policies shall be procured and maintained by Tenant in like manner and to like extent. All such policies of insurance shall contain a provision that the company writing said policy will give Landlord at least thirty (30) days' prior written notice of any cancellation, or lapse, or the effective date of any reduction in the amounts of insurance. All such commercial general liability, property damage, and other casualty policies shall be written on an "occurrence" rather than "claims made" basis and as primary policies which do not contribute to any policies which may be carried by Landlord or the Association. All such commercial general liability and property damage policies shall contain a provision that Landlord, although named as an additional insured, shall nevertheless be entitled to recover under said policies for any loss occasioned to it, its servants, agents and employees by reason of the negligence of Tenant. The minimum limits of such insurance policies to be maintained by Tenant shall be subject to increase from time to time if Landlord shall reasonably deem it necessary for adequate protection.

(c) Tenant agrees to permit Landlord at all reasonable times to inspect the policies of insurance of Tenant covering risks upon the Premises for which policies or copies thereof are not delivered to Landlord.

7.5. Landlord's Insurance. Landlord shall during the Term maintain in effect a policy or policies of insurance covering the Building housing the Premises [excluding Tenant improvements and property required to be insured by Tenant] in an amount not less than the full replacement cost protection against perils included within standard forms of fire and extended coverage insurance policies, together with insurance against sprinkler damage, vandalism, and malicious mischief, and such other risks as Landlord may from time to time determine and with any such deductibles as Landlord may from time to time determine and commercial general liability insurance in such amounts as Landlord deems to be reasonable.

7.6. Compliance With Insurance And Governmental Requirements. Tenant agrees at its own expense to comply with all reasonable requirements with respect to the Premises, or its use or occupancy, of the insurance underwriters and any similar public or private body, and any governmental authority having jurisdiction over insurance rates with respect to the use or occupancy of the Premises, including, but not limited to, installation of fire extinguishers or automatic dry chemical extinguishing systems, any changes, modifications or alterations in the sprinkler system or additional sprinkler heads or the location of partitions, trade fixtures or other contents of the Premises.

Article 8. **Maintenance Of Premises**

8.1. Landlord's Duty To Maintain. Landlord will keep the roof, exterior walls, structural columns and structural floor or floors (excluding outer floor and floor coverings, doors, windows and glass) in good repair. Notwithstanding the foregoing provisions of this Section, Landlord shall not in any way be liable to Tenant on account of its failure to make repairs unless Tenant shall have given Landlord written notice of the necessity for such repairs and has afforded Landlord a reasonable opportunity to effect the same after such notice and provided that any damage arising therefrom shall not have been caused by Tenant's specific use of the Premises (i.e., as a restaurant), or the negligence or willful act or omission of Tenant, its agents, contractors, employees, and invitees (in which event Tenant shall be responsible therefor) or have been caused to any of the items Tenant is required to insure pursuant to Article 7.

8.2. Tenant's Duty To Maintain. Tenant will, at its own cost and expense, maintain the Premises (except that part Landlord has agreed to maintain) in good and tenantable condition, and make all repairs to the Premises and every part thereof as needed. Tenant's obligations under this Section shall include, but not be limited to, modifying, repairing and maintaining items as are required by any governmental agency having jurisdiction thereof (whether the same is ordinary or extraordinary, foreseen or unforeseen), interior walls and glass, and the interior portions of exterior walls, ceilings, utility meters, pipes and conduits within the Premises, and all utility meters, and all pipes and conduits outside the Premises between the Premises and the service meter, all fixtures all Tenant's signs, locks and closing

devices, and all window sash, casement or frames, doors and door frames; provided that Tenant shall make no adjustment, alteration or repair of any part of any sprinkler or sprinkler alarm system in or serving the Premises without Landlord's prior written approval.

8.3. Landlord's Repair Of Premises. Landlord shall be under no obligation to make any repairs, replacements, reconstruction, alterations, renewals, or improvements to or upon the Premises or the mechanical equipment exclusively serving the Premises except as expressly provided for herein.

Article 9.
Utilities And Garbage Disposal

9.1. Water, Sanitary Sewer, Telephone And Electric Service. Tenant shall pay for all utilities and sanitary services used within the Premises and make such deposits to assure service as may be required by the utility or sanitary service company providing the same. Landlord shall not be in default hereunder or be liable for any damage directly or indirectly resulting from, nor shall the rental herein reserved be abated by reason of, the (i) installation, use, or interruption of use of any equipment in connection with the furnishing of any of the foregoing services or utilities, or (ii) failure to furnish or delay in furnishing any such services or utilities when such failure is caused by Acts of God or the elements, strikes, governmental orders, accidents, or other conditions beyond the reasonable control of the Landlord or by the making of repairs or improvements to the Premises or to the Building.

9.2. Garbage Collection. Tenant shall contract with the service company for the disposal of all trash and garbage from the Premises. Tenant shall be solely responsible for removing garbage from the Premises and placing it in the dumpster designated for the Premises.

Article 10.
Fixtures, Personal Property, And Signage

10.1. Tenant's Property; Removal. Tenant shall have the right, provided Tenant is not in default, at any time and from time to time during the Term, to remove any and all of its trade fixtures, signs and other personal property which it may have stored or installed in the Premises, provided that any trade fixtures necessary for Tenant's operation shall be immediately replaced with similar personal property of comparable or better quality. Tenant, at its expense, shall immediately repair any damage occasioned to the Premises by reason of installation or removal of any such trade fixtures, signs and other personal property. If this Lease expires or is terminated for any reason except termination by Landlord and Tenant fails to remove such items from the Premises prior to such expiration or termination, or if this Lease is terminated by Landlord and Tenant fails to remove such items from the Premises on or before the effective date of such termination, then in any such event all such trade fixtures, signs and other personal property shall thereupon become the property of Landlord, without further act by either party hereto, unless Landlord elects to require their removal, in which case Tenant agrees to promptly remove same and restore the Premises to its prior condition at Tenant's expense. The obligations of Tenant under this Section 10.1 shall survive the termination or expiration of this Lease.

Article 11.
Taxes

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Article 12.
Assignment And Subletting

12.1. Restrictions On Assignment. The terms of this Lease, including the provisions relating to Rent and Use, have been negotiated by Landlord and Tenant on the assumption that Tenant will be the occupant of the Premises for the full Term. The parties have therefore agreed that Tenant shall have no right to advertise that any portion of the Premises is available for lease, transfer, assign, sublet, enter into license or concession agreements, or mortgage or hypothecate this Lease or the Tenant's interest in the Premises or any part thereof without Landlord's consent (any of the events listed herein being a "Transfer"), which consent shall be issued or withheld in Landlord's sole, but good faith, discretion. Any attempted Transfer shall be void and confer no rights upon any third person. Any transfer of this Lease from Tenant by merger, consolidation, liquidation or otherwise by operation of law including, but not limited to, an assignment for the benefit of creditors, shall be included in the term "Transfer" for the purposes of this Lease and shall be a violation of this Section. Notwithstanding anything contained herein to the contrary, Tenant may Transfer Tenant's obligations under this Lease to an affiliate or subsidiary of Tenant without prior approval.

12.2. Change of Ownership. A transfer, assignment or hypothecation of any ownership interest in Tenant's limited liability company by any member or owner so as to result in a change in the control thereof by the person, persons or entities owning a majority interest therein as of the date of this Lease, shall be deemed to be a Transfer of this Lease.

Article 13.
Alterations To Premises

13.1. Alterations; Damages. Except as specifically reflected in Exhibit C, Tenant shall make no structural or external alterations, additions or changes in or to the Premises nor shall Tenant make any alterations, additions or changes to the Building's mechanical or utility systems without Landlord's prior written consent, nor shall Tenant make any alterations, additions or changes of any nature that are in excess of Ten Thousand Dollars (\$10,000.00) cumulatively without Landlord's prior written consent. In no event shall Tenant make or cause to be made any penetration through any roof, floor or exterior or corridor wall without the prior written consent of Landlord. Tenant shall be responsible for any and all damages resulting from any alteration, addition or change Tenant makes, whether or not Landlord's consent therefor was obtained. Any and all alterations, additions and changes made to the Premises which are consented to by Landlord shall be made under the supervision of a licensed architect or a licensed structural engineer and in accordance with plans and specifications, and all necessary governmental approvals and permits, which approvals and permits Tenant shall obtain at its sole expense.

13.2. Compliance With Laws. Any permitted changes, alterations and additions made by Tenant shall be performed strictly in accordance with applicable laws, rules, regulations and building codes relating thereto.

13.3. Insurance And Reconstruction. In the event Tenant shall make any alterations, additions or changes to the Premises, none of such alterations, additions or changes need be insured by Landlord under such insurance as Landlord may carry upon the Building, nor shall Landlord be required under any provisions of this Lease to reconstruct or reinstall any such alterations, additions or changes in the event of casualty loss.

Article 14.
Reconstruction

14.1. Landlord's Duty To Reconstruct. In the event the Building is damaged or destroyed by any of the risks against which Landlord has procured insurance, Landlord shall (subject to being able to obtain all necessary permits and approvals therefor), within sixty (60) days after such damage or destruction (unless Landlord terminates this Lease), commence to repair, reconstruct and restore or replace the Building so insured by Landlord and prosecute the same diligently to completion. In no event shall Landlord be liable for interruption to business of Tenant or for damage to or repair, reconstruction, restoration or replacement of any of those items which Tenant is required to insure, nor shall Landlord be required to expend more for any repair, reconstruction, restoration, or replacement of the Building pursuant to this Section than the amount of insurance proceeds paid to Landlord in connection therewith plus the amount of any applicable deductible. Further, in no event shall Landlord be liable to Tenant for performing any repair, reconstruction, restoration or replacement for which Landlord does not actually receive insurance proceeds.

14.2. Tenant's Duty To Reconstruct. If any item which Tenant is required to insure damaged or destroyed by any of the risks referred to therein, Tenant shall, within sixty (60) days thereafter, commence to repair, reconstruct and restore or replace said matters and prosecute the same diligently to completion.

14.3. Abatement Of Rent. If this Lease is not terminated by Landlord and if the Premises have been rendered wholly or partially untenantable by such damage or destruction, then the Rent payable by Tenant under this Lease during the period the Premises are untenantable shall be abated in its entirety in the event the Tenant is unable to operate Tenant's business in the Premises.

14.4. Tenant's Right To Terminate. If Landlord fails to commence the restoration within 60 days after the casualty, Tenant shall have the right to terminate this Lease by written notice to Landlord given prior to Landlord's commencement of the restoration work.

Article 15.
Hazardous Substances

15.1. Restriction On Use. Tenant shall not use or permit the use of the Premises for the generation, storage, treatment, use, transportation, handling or disposal of any chemical, material or substance which is regulated as toxic or hazardous or exposure to which is prohibited, limited or regulated by any governmental authority, or which,

even if not so regulated, may or could pose a hazard to the health or safety of persons on the Premises or other tenants or occupants or property adjacent thereto, and no such chemical, material or substance shall be brought unto the Premises without Landlord's express written approval. Tenant agrees that it will at all times observe and abide by all laws and regulations relating to the handling of such materials and will promptly notify Landlord of (a) the receipt of any warning notice, notice of violation, or complaint received from any governmental agency or third party relating to environmental compliance and (b) any release of hazardous materials on the Premises. Tenant shall carry out, at its sole cost and expense, any remediation required as a result of the release of any hazardous substance by Tenant or by Tenant's agents, contractors, employees, or invitees, from the Premises. Notwithstanding the foregoing, Tenant shall have the right to bring on to the Premises reasonable amounts of cleaning materials and the like necessary for the operation of the Tenant's business as set forth in Section 1.1(e), but Tenant's liability with respect to such materials shall be as set forth in this Article.

15.2. Indemnification. Tenant agrees to indemnify and save Landlord harmless from all liability, costs and claims, including attorney's fees, resulting from any environmental contamination on the Premises caused by Tenant or its agents, contractors, employees or invitees, including the cost of remediation and defense of any action for any violation of this provision.

15.3. Survival. The provisions of this Article shall survive the termination or expiration of this Lease.

Article 16.

Liens

16.1. No Liens Permitted; Discharge. The Landlord's property shall not be subject to liens for work done or materials used on the Premises made at the request of, or on order of or to discharge an obligation of, Tenant. This paragraph shall be construed so as to prohibit, in accordance with the provisions of State law, the interest of Landlord in the Premises or any part thereof from being subject to any lien for any improvements made by Tenant or any third-party on Tenant's behalf (except Landlord) to the Premises. If any lien or notice of lien on account of an alleged debt of Tenant or any notice of lien by a party engaged by Tenant or Tenant's contractor to work on the Premises shall be filed against the Premises or any part thereof, Tenant, within ten (10) days after notice of the filing thereof, will cause the same to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise. If Tenant shall fail to cause such lien or notice of lien to be discharged within the period aforesaid, then, in addition to any other right or remedy, Landlord may discharge the same either by paying the amounts claimed to be due or by procuring the discharge of such lien by deposit or by bonding procedures. Any amount so paid by Landlord and all costs and expenses, including reasonable attorneys' fees, incurred by Landlord in connection therewith, and including interest at the Default Rate, shall constitute additional Rent and shall be paid by Tenant to Landlord on demand. Nothing herein shall obligate Tenant to pay or discharge any lien created by Landlord. The obligations of Tenant under this Section 16.1 shall survive the termination or expiration of this Lease.

Article 17.

Defaults By Tenant

17.1. Events Of Default. This Lease is made upon the condition that Tenant shall punctually and faithfully perform all of the covenants, conditions and agreements by it to be performed. Any notice of default required to be given by Landlord hereunder shall be given to Tenant. The following shall each be deemed to be an event of default (each of which is sometimes referred to as an "Event of Default") in this Lease:

(a) any part of the Rent required to be paid by Tenant under this Lease shall at any time be unpaid for ten (10) days after Rent is due;

(b) Tenant fails in the observance or performance of any of its other covenants, agreements or conditions provided for in this Lease, and said failure shall continue for a period of ten (10) days after written notice thereof from Landlord to Tenant;

(c) the estate created in Tenant hereby is taken in execution or by other process of law, or all or a substantial part of the assets of Tenant is placed in the hands of a liquidator, receiver or trustee (and such receivership or trusteeship or liquidation continues for a period of ten (10) days), or Tenant makes an assignment for the benefit of creditors, or admits in writing that it cannot meet its obligations as they become due, or is adjudicated as bankrupt, or Tenant institutes any proceedings under any federal or state insolvency or bankruptcy law as the same now exists or under any amendment thereof which may hereafter be enacted, or under any other act relating to the subject of bankruptcy wherein the Tenant seeks to be adjudicated as bankrupt, or to be discharged of its debts, or to effect a plan of liquidation, composition or reorganization, or should any involuntary proceedings be filed against Tenant

under any such insolvency or bankruptcy law (and such proceeding not be removed within ninety (90) days thereafter). If any insolvency proceedings, such as those referred to in this Section, are instituted against Tenant, the Premises shall not become an asset in any such proceedings; or

(d) any default by Tenant under any security agreements hereof.

(e) Tenant's failure to execute and deliver to Landlord within ten (10) days of Landlord's request any instrument as may be required by Landlord under the provisions of this Lease.

17.2. Landlord's Remedies. If any Event of Default occurs, then and in such case Landlord may treat the occurrence of such Event of Default as a breach of this Lease and, in addition to any and all other rights and remedies of Landlord in this Lease or by law or in equity provided, it shall be, at the option of Landlord, without further notice or demand to Tenant or any other person, the right of Landlord to:

(a) declare the Term ended and to enter the Premises and take possession thereof and remove all persons therefrom, and Tenant shall have no further claim thereon or thereunder;

(b) bring suit for the collection of Rent as it accrues pursuant to the terms of this Lease and damages without entering into possession of the Premises or canceling this Lease;

(c) with or without terminating this Lease, retake possession of the Premises from Tenant by summary proceedings or otherwise. Landlord may, but shall be under no obligation to, relet the Premises or any portion thereof after such retaking possession. Tenant shall pay to Landlord all monthly deficits in Rent after any such re-entry in monthly installments as the amounts of such deficits from time to time are ascertained. Such deficiency shall be calculated and paid monthly; Tenant shall have no right to any excess. Tenant shall also pay to Landlord any costs and expenses, including, but not limited to, brokerage commissions and attorneys' fees, incurred by Landlord in such reletting or in making such alterations and repairs not covered by the rental received from such reletting. In the event of an entry or taking possession of the Premises as aforesaid, Landlord shall have the right, but not the obligation, to remove therefrom all or any part of the personal property located therein and may place the same in storage at a public warehouse at the expense and risk of the owner or owners thereof.

17.3. Attorneys' Fees And Costs. Tenant agrees to reimburse Landlord for the costs and attorneys' fees incurred by Landlord by reason of any Event of Default by Tenant, including reasonable attorneys' fees and costs in connection with trial and appellate proceedings.

17.4. Tenant's Property To Remain. If there is an Event of Default, all of the Tenant's fixtures, furniture, equipment, improvements, additions, alterations, and other personal property shall remain on the Premises and, in that event and continuing during the length of said default, Landlord shall have the right to take the exclusive possession of same, without cost, until all defaults are cured or, at its option, at any time during the Term to require Tenant to forthwith remove same.

Article 18. **Liability Of Landlord**

18.1. Landlord's Default. Except as otherwise provided in this Lease, Landlord shall be in default under this Lease if Landlord fails to perform any of its obligations hereunder and said failure continues for a period of thirty (30) days after written notice thereof from Tenant to Landlord (unless such failure cannot reasonably be cured within thirty (30) days and Landlord shall have commenced to cure said failure within said thirty (30) days and continues diligently to pursue the curing of the same).

18.2. Transfer Of Landlord's Interest. In the event of the sale or other transfer of Landlord's interest in the Premises (except in connection with financing obtained by Landlord), Landlord shall transfer and assign to such purchaser or transferee the Security Deposit and Landlord's rights under this Lease, and Landlord thereupon and without further act by either party shall be released from all liability and obligations hereunder arising out of any act, occurrence or omission relating to the Premises or this Lease occurring after the consummation of such sale or transfer. Tenant agrees to attorn to any successor, assign, mortgagee or ground lessor of Landlord.

Article 19.
Quiet Enjoyment

19.1. Faithful Performance. Upon payment by Tenant of the Rent herein provided for and upon the observance and performance of all of the agreements, covenants, terms and conditions on Tenant's part to be observed and performed, Tenant shall peaceably and quietly hold and enjoy the Premises for the Term without hindrance or interruption by Landlord or any other person or persons lawfully or equitably claiming by, through or under Landlord.

Article 20.
Surrender And Holding Over

20.1. Delivery After Term. Tenant shall deliver up and surrender to Landlord possession of the Premises upon the expiration or earlier termination of the Term, broom clean, free of debris, in good order, condition and state of repair (except ordinary wear and tear and damage due to casualty not caused by Tenant, its employees, agents, contractors and invitees), and shall deliver the keys to Landlord at the address to which notices to Landlord are to be sent pursuant to Section 1.1(i). If not sooner terminated as herein provided, this Lease shall terminate at the end of the Term as provided for in Article 3 without the necessity of notice from either Landlord or Tenant to terminate the same, Tenant hereby waiving notice to vacate the Premises and agreeing that Landlord shall be entitled to the benefit of all provisions of law respecting the summary recovery of possession of premises from a tenant holding over.

20.2. Effect Of Holding Over; Rent. If Tenant remains in possession of the Premises after expiration of the Term, with Landlord's acquiescence and without any express agreement of the parties, Tenant shall be a tenant-at-sufferance at a rental rate equal to one hundred twenty-five percent (125%) times the Rent in effect at the end of this Lease and there shall be no renewal of this Lease by operation of law. The acceptance by Landlord of rent in the event of a Tenant holdover shall not result in the renewal of this Lease and shall in no way be deemed to constitute Landlord's consent to such holdover by Tenant. If Tenant fails to surrender the Premises after expiration or termination of the Lease Term, Tenant shall indemnify, defend and hold harmless Landlord from all loss or liability, including, without limitation, any loss or liability resulting from any claim against Landlord made by any succeeding tenant founded on or resulting from Tenant's failure to surrender and losses to Landlord due to lost opportunities to lease any portion of the Premises to succeeding tenants, together with, in each case, actual attorneys' fees and costs.

Article 21.
Condemnation

21.1. All Of Premises Taken. If the whole of the Premises shall be taken either permanently or temporarily by any right of eminent domain or conveyance in lieu thereof (each being hereinafter referred to as "**Condemnation**"), this Lease shall terminate as of the day possession shall be taken by the condemning authority, and Tenant shall pay Rent and perform all of its other obligations under this Lease up to that date with a proportionate refund by Landlord of any Rent that may have been paid in advance for a period subsequent to the date of taking.

21.2. Less Than All Of Premises Taken. If less than all but more than twenty percent (20%) of the GLA in the Premises is taken by condemnation or if (regardless of the percentage of the GLA in the Premises which is taken) the remainder of the Premises is not one undivided parcel of property, then in either event Landlord and Tenant shall have the right to terminate this Lease upon notice in writing to the other party within ninety (90) days after possession is taken by such condemnation. If this Lease is so terminated, it shall terminate as of the day possession shall be taken by such authority, and Tenant shall pay Rent and perform all of its other obligations under this Lease up to that date with a proportionate refund by Landlord of any Rent that may have been paid in advance for a period subsequent to the date of the taking. If this Lease is not so terminated, it shall terminate only with respect to the parts of the Premises so taken as of the day possession is taken by such authority, and Tenant shall pay Rent up to that day with a proportionate refund by Landlord of any Rent that may have been paid for a period subsequent to the date of the taking and, thereafter, the Rent shall be based on the square footage of GLA in the Premises. Landlord agrees, at Landlord's cost and expense, as soon as reasonably possible (but subject to being able to obtain all necessary permits and approvals therefore), to restore the Premises to a complete unit of like quality and character as existed prior to such appropriation or taking; provided that Landlord shall not be required to expend more on such restoration than the condemnation award received by Landlord (less all expenses, costs, legal fees and court costs incurred by Landlord in connection with such award).

21.3. Ownership Of Award. All damages for any condemnation of all or any part of the Premises owned by Landlord, including, but not limited to, all damages as compensation for diminution in value of the leasehold, reversion, and fee, shall belong to the Landlord without any deduction therefrom for any present or future estate of Tenant, and Tenant hereby assigns to Landlord all its right, title and interest to any such award. Although all damages

in the event of any condemnation are to belong to the Landlord, Tenant may have the right to claim and recover from the condemning authority, but not from Landlord, such compensation as may be separately awarded or recoverable by Tenant in Tenant's own right on account of any and all damage to Tenant's business by reason of the condemnation and for or on account of any cost or loss which Tenant might incur in removing Tenant's merchandise, furniture, fixtures, leasehold improvements and equipment, provided any such award to Tenant shall not reduce the amount of the award to Landlord.

Article 22.
Operating Costs

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Article 23.
Miscellaneous

23.1. Interpretation.

(a) The captions appearing in this Lease are inserted only as a matter of convenience and in no way amplify, define, limit, construe or describe the scope or intent of such sections of the Lease.

(b) The neuter, feminine or masculine pronoun when used herein shall each include each of the other genders and the use of the singular shall include the plural.

(c) Although the printed provisions of this Lease were drawn by Landlord, this Lease is the product of negotiations between Landlord and Tenant and shall not be construed for or against Landlord or Tenant.

(d) Notwithstanding any other provision of this Lease, if the state in which the Premises is located recognizes a distinction between an estate for years and a "usufruct," it is the intention of the parties for this instrument to create a usufruct and not an estate for years.

23.2. Relationship Of Parties. Nothing herein contained shall be construed as creating any relationship between the parties other than the relationship of landlord and tenant, nor cause either party to be responsible in any way for the acts, debts or obligations of the other.

23.3. Notices.

(a) Any notice, demand, request, approval, consent or other instrument which may be or is required to be given under this Lease shall be in writing and shall be sent to the party to be notified by United States certified mail, return receipt requested, postage prepaid, or by a nationally recognized overnight delivery service (such as, but not limited to, Federal Express) or by hand delivery addressed to the party to be notified at the address of such party set forth in Section 1.1(i), or to such other address as such party may from time to time designate by notice to the other in accordance with this Section. Any such notice shall be deemed given on the date on which such notice is deposited in the United States Mail or with the overnight delivery service or hand delivery, but the timeframe in which a response must be given shall commence on the date on which the notice is delivered (or delivery if first attempted in the event of a change of address of which the other party was not informed in accordance with this Section or if delivery is rejected).

(b) No notice required to be given to Landlord shall be effective for any purpose unless and until a true copy thereof is given to each mortgagee of Landlord's estate, provided Tenant has previously been given written notice of the name and address of such mortgagee.

23.4. Successors. This Lease shall inure to the benefit of and be binding upon Landlord, its successors and assigns and Tenant and its permitted successors and assigns.

23.5. Broker's Commission. Tenant warrants that it has dealt with no broker in connection with this and shall indemnify and hold Landlord harmless from and against any claims, actions, demands, fees, costs or expenses pertaining or related to any broker or other party claiming a commission or a monetary interest in the transaction contemplated by this Lease due to such broker/party's participation or alleged participation in said transaction on Tenant's behalf.

23.6. Entire Agreement.

(a) There are no oral agreements between the parties hereto affecting this Lease, and this Lease supersedes and cancels any and all previous negotiations, arrangements, letters of intent, lease proposals, brochures, agreements, representations, promises, warranties and understandings between the parties hereto or displayed by Landlord to Tenant with respect to the subject matter thereof.

(b) This Lease, including the Exhibits and any addenda, sets forth all the covenants, promises, agreements, conditions and understandings between Landlord and Tenant concerning the Premises. No alteration, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced in writing, signed by them and mutually delivered between them.

23.7. Applicable Law. The laws of the State of Georgia shall govern the validity, performance and enforcement of this Lease.

23.8. Waiver.

(a) The waiver by either party of any term, covenant, agreement or condition herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, agreement or condition. The acceptance of Rent hereunder by Landlord shall not be deemed to be a waiver of any prior default by Tenant, other than the failure of Tenant to pay the particular Rent so accepted, regardless of Landlord's knowledge of such prior default at the time of acceptance of such Rent. No covenant, term, agreement or condition of this Lease shall be deemed to have been waived by either party unless such waiver be in writing by such party.

(b) No waiver of any covenant, term, agreement or condition of this Lease or legal right or remedy shall be implied by the failure of Landlord to declare a default, or for any other reason. No waiver by Landlord in respect to one or more tenants or occupants of the Premises shall constitute a waiver in favor of any other tenant. Landlord's consent to, or approval of, any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent to or approval of any subsequent similar act by Tenant.

23.9. Accord And Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than the Rent herein stipulated shall be deemed to be other than on account of the earliest stipulated Rent, nor shall any endorsement or statement on any check or any letter accompanying any such check or payment as Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy provided for in this Lease or available at law or in equity.

23.10. Landlord's Self-Help. In addition to Landlord's rights of self-help set forth elsewhere in this Lease, if Tenant at any time fails to perform any of its obligations under this Lease in a manner reasonably satisfactory to Landlord, Landlord shall have the right, but not the obligation, upon giving Tenant at least ten (10) days' prior written notice of its election to do so (in the event of an emergency, no prior notice shall be required), to perform such obligations on behalf of and for the account of Tenant and to take all such action necessary to perform such obligations. In such event, Landlord's reasonable costs and expenses incurred therein shall be paid for by Tenant as additional Rent, forthwith upon demand therefore, with interest thereon from the date Landlord performs such work at the Default Rate. The performance by Landlord of any such obligation shall not constitute a release or waiver of Tenant therefrom.

23.11. Recording. Tenant agrees that it will not record the Lease. Tenant may record a Memorandum of Lease approved by and with the written consent of Landlord.

23.12. Counterparts. This Lease may be executed in more than one counterpart, and each such counterpart shall be deemed to be an original document.

23.13. Severability. Each covenant and agreement in this Lease, including, but not limited to Tenant's covenant to pay Rent, shall for all purposes be construed to be a separate and independent covenant or agreement. If any provision in this Lease or the application thereof shall to any extent be held to be invalid, illegal or otherwise unenforceable by a court of competent jurisdiction, the remainder of this Lease, and the application of such provision other than as invalid, illegal, or unenforceable, shall not be affected thereby; and such provisions in this Lease shall be valid and enforceable to the fullest extent permitted by law.

23.14. Time Of The Essence. Time is of the essence of each and every obligation under this Lease.

23.15. Landlord's Representations and Warranties. Landlord represents and warrants that it has lawful title to the Premises and has full right, power and authority to enter into this Lease.

26.20. Representations by Tenant. The persons executing this Lease on behalf of Tenant hereby covenant and warrant that Tenant is a duly qualified limited liability company authorized to do business in the State of Georgia, and the person signing this Lease on behalf of the company duly authorized to sign and execute this Lease. Tenant hereby represents and warrants that: (a) there are no proceedings pending or so far as Tenant knows threatened before any court or administrative agency that would materially adversely affect the financial condition of Tenant, the ability of Tenant to enter into this Lease or the validity or enforceability of this Lease; (b) there is no provision of any existing mortgage, indenture, contract or agreement binding on Tenant which would conflict with or in any way prevent the execution, delivery or performance of the terms of this Lease; Tenant acknowledges that Landlord is executing this Lease in reliance upon the foregoing representation and warranty and that such representation and warranty is a material element of the consideration inducing Landlord to enter into and execute this Lease.

26.21 Ambiguities/Rule of Construction. The parties acknowledge that each party and its counsel have reviewed and approved this Lease and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Lease or any amendments or exhibits hereto.

Article 24.
Security Deposit

24.1. Security Deposit. Tenant will pay at the time of the execution of this agreement a Security Deposit in the amount of \$5,000.00.

Article 25.
Buildout Costs

25.1 Buildout. Tenant will be responsible for buildout of the space

25.2 Windows. Landlord acknowledges that as a part of the Buildout, Tenant intends to add additional windows on the North side of the Premises with final plans subject to Landlord approval.

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease as of the day and year first above written.

LANDLORD:

HOSCHTON DOWNTOWN DEVELOPMENT AUTHORITY

Witness

By: _____
Name: _____
Its: _____

Notary Public
My Commission expires:

[Notary Seal]

TENANT:

ATLANTA DEVELOPMENT COMPANY, LLC

Witness

By: _____
Name: _____
Its: _____

Notary Public
My Commission expires:

[Notary Seal]

Exhibit A Description of Premises

EXHIBIT B
RENT SCHEDULE

"INTERIM PERIOD"	No Rent Payable
FIRST FIVE (5) YEAR TERM (Starting 10/1/2024)	- \$1,500.00 PER MONTH
SECOND FIVE (5) YEAR TERM	- \$3,106.25 PER MONTH
THIRD FIVE (5) YEAR TERM	- \$3,261.56 PER MONTH

**INTERGOVERNMENTAL AGREEMENT BY AND BETWEEN
CITY OF HOSCHTON, GEORGIA AND HOSCHTON DOWNTOWN DEVELOPMENT
AUTHORITY REGARDING MULTIPLE PROPERTIES LOCATED IN THE
DOWNTOWN DEVELOPMENT AREA OF THE CITY OF HOSCHTON**

This Agreement is made and entered into as of the ___ day of _____, 2024, by and between the City of Hoschton, Georgia, hereinafter called "Hoschton" and the Hoschton Downtown Development Authority (hereinafter called "the Authority") for the purpose of conveyance of Hoschton's rights in real property to the Authority, such that the Authority may market and lease the real property in furtherance of the Authority's mission and purpose.

WHEREAS, Hoschton owns real property identified as: (a) 73 City Square; (b) 4162 Highway 53, Unit 110; and (c) 4272 Highway 53 (said real property hereinafter collectively called "the Property"); and

WHEREAS, the Property is located in the Downtown Development Area of Hoschton; and

WHEREAS, pursuant to O.C.G.A. § 36-42-2, the purpose of the Authority is to revitalize and redevelop the Downtown Development Area of Hoschton, so as to develop and promote for the public good and general welfare trade, commerce, industry, and employment opportunities and promote the general welfare of Hoschton and surrounding communities; and

WHEREAS, pursuant to Section 6.33 of the Hoschton Charter, Article IX, Section III, Par. I of the Georgia Constitution, and O.C.G.A. § 36-42-8, Hoschton and the Authority have the power to enter into this Intergovernmental Agreement for the purpose of Hoschton granting the Authority the power to market and lease the Property to fulfill the purpose of the Authority as set forth herein; and

WHEREAS, Hoschton and the Authority desire to enter into an agreement to provide for the conveyance of such rights to the Property to the Authority to enable the Authority to market and lease the Property to fulfill the purpose of the Authority as set forth herein.

NOW THEREFORE, Hoschton and the Authority agree to the following:

- A. Hoschton shall execute such documents as are necessary to convey Hoschton's rights to the Authority to market and lease the Property.
- B. The Authority shall work diligently to develop and lease the Property for fair market value to such persons and/or entities that will help to revitalize and redevelop the Downtown Development Area of Hoschton, so as to develop and promote for the public good and general welfare trade, commerce, industry, and employment opportunities and promote the general welfare of Hoschton and surrounding communities.
- C. Upon the development and leasing of the Property, the net proceeds of rental income, after deduction of reasonable and customary costs associated with the leasing of the Property, shall be paid to Hoschton.
- D. The power of the Authority to lease the Property shall terminate on March 31, 2027, such that the Authority shall not have the power to lease the Property for any term past March 31, 2027 unless extensions are negotiated and agreed to between Hoschton and

the Authority. If the Authority fails to lease the Property or any portion of the Property on or before March 31, 2024, Hoschton, in Hoschton's sole discretion, may terminate this Agreement as to the Property or any portion of the Property.

- E. The Authority agrees to hypothecate its interest in the Property to any lender as collateral for any loans related to the Property.
- F. All notices under this Agreement shall be in writing and shall be deemed to have been given by delivering it to person or by certified mail:

As to the Authority:

Hoschton Downton Development Authority
Attn: Chairperson
61 City Square
Hoschton, GA 30548

As to Hoschton

City of Hoschton
Attn: City Manager
61 City Square
Hoschton, GA 30548

- G. The failure of any party to exercise any right given hereunder or to insist upon strict compliance with any term, condition or covenant specified herein shall not constitute a waiver of such party's right to exercise such right or to demand strict compliance with any such term, condition or covenant under this Agreement.
- H. This Agreement contains the sole and entire agreement of the parties with respect to the subject matter contemplated hereunder and no representation, inducement, promise or agreement, parole or written, between the parties and not incorporated herein shall be of any force of effect. Any amendment to this Agreement shall be in writing and executed by the parties.
- I. This Agreement may not be assigned or transferred by either party without the written consent of the other party. The provisions of this Agreement shall inure to the benefit or and be binding upon the parties hereto and the respective success and assigns.
- J. Time is of the essence with respect to this Agreement.
- K. This Agreement and all amendments hereto shall be governed and construed under the laws of the State of Georgia.
- L. If any term, covenant or condition of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, such provision, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall be deemed severable, and the remainder hereof shall not be affected thereby, and each

term, covenant, or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

M. This Agreement may be executed in several counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument. The Mayor, Clerk, City Manager, and City Attorney of Hoshton are hereby authorized to sign such documents as are necessary to effectuate the provisions of this Agreement. The Chairperson and Secretary of the Authority are hereby authorized to sign such documents as are necessary to effectuate the provisions of this Agreement.

IN WITNESS THEREOF, the parties have set their hand and seal as of the day and year first above written.

HOSCHTON DOWNTOWN DEVELOPMENT AUTHORITY

By: _____
Chairperson

ATTEST: _____
Secretary

CITY OF HOSCHTON

By: _____
Debbie Martin, Mayor

ATTEST: _____
City Clerk

APPROVED AS TO FORM

Abbott S. Hayes, Jr., City Attorney
4862-4451-4970, v. 3

Proposed Lease

LEASE AGREEMENT

GEORGIA, JACKSON COUNTY

THIS AGREEMENT, made the _____ day of _____, 2024 between the HOSCHTON DOWNTOWN DEVELOPMENT AUTHORITY, Georgia, hereinafter known as Lessor, and JOSH BURDETTE hereinafter known as Lessee;

WITNESSETH: That said Lessor has this day rented to Lessee the offices located at 73 CITY SQUARE, Hoschton, Georgia 30548 that are, hereinafter known as Premises.

1. Said premises are to be used only for purposes of conducting services offered by a RESTURANT to be known as HOSCHTON COFFEE COMPANY. The said lease shall be for a period of THREE years, to commence on the 1ST day of MARCH, 2024 and ending on the 28TH day of FEBRUARY, 2027.
2. For the rental of said Premises, Lessee shall pay to Lessor the sum of \$1,200.00 per month, payable in advance on the first day of each month, beginning on MARCH 1, 2024, and continuing on or before the first day of each month thereafter, through the termination of this Lease. In the event that Lessee fails to pay the full amount of rent by the first day of each month, Lessee shall owe the Lessor a late fee in the of \$100.00
3. Should Lessee fail to pay said rent promptly when due, or if Lessee shall be in default in performing any of the terms or provisions of this lease, then Lessor may at its option, terminate this contract, cancel same and take immediate possession of the Premises, without waiving any rent that may have accrued at the time of cancellation, or any claim for damages or breach of contract on the part of the Lessee. Lessor may also remove Lessee's personal effects and property from the premises without being guilty of forcible entry, detained, trespass, tort, or responsibility for the storage and safekeeping of said property. All rent payments shall be mailed or delivered to Lessor at its address, 61 City Square, Hoschton Georgia 30548 on or before said due date.
4. Lessee hereby certifies that the premises have been examined by Lessee and Lessee agrees to accept the premises in its present condition. The Lessor reserves the right to enter upon said premises for the purpose of reasonable inspection along with the right to make repairs or improvements upon same or upon adjoining property of Lessor.
5. Lessee agrees that no alterations, improvements or additions shall be made to the Premises or other portions of said Premises without first having obtained written consent of the Lessor and without proof of insurance as required by the Lessor. Tenant may not make alterations, improvements, or additions to common areas and areas outside of the Premises, including to the exterior walls of the building, without first having obtained written consent of the Lessor. Upon termination of the lease, Lessee agrees to return the Premises to the prior condition of the Premises when Lessee entered into the lease, unless otherwise agreed to by Lessor. Lessor agrees that if Lessee alters the Premises to add restroom facilities, Lessee will not be required to remove the restroom facilities at the end

of this Agreement. Any other improvements made to the Premises, other than those specifically set forth, shall remain on the Premises and shall be property of Lessor after the expiration of this Lease.

6. Lessee shall bear all reasonable charges for utilities used in the Premises.
7. Lessee shall comply with all governmental laws and ordinances in the conduct of its business and shall not conduct its business in such a manner that it interferes with the other occupants or tenants located in the building.
8. If the whole of the leased premises, or such portion thereof as will make the premises unusable for the purposes herein leased, be condemned by any legally constituted authority for any public use or purpose, then in either of said events the term hereby granted shall cease from the date when possession thereof is taken by public authorities, and rental shall be accounted for as between Lessor and Lessee as of said date. Such termination, however, shall be without prejudice to the rights of either Landlord or Tenant to recover compensation and damage caused by condemnation and damage caused by condemnation from the condemnor. It is further understood and agreed that neither the Lessee nor Lessor shall have any rights in any award made to the other by any condemnation authority notwithstanding the termination of the lease as herein provided. If the premises are totally destroyed by storm, fire, lightning, earthquake or other casualty, this lease shall terminate as of the date of such destruction, and rental shall be accounted for as between Lessor and Lessee as of that date. If premises are damaged but not wholly destroyed by any such casualties, rental shall abate in such proportion as use of premises has been destroyed, and Landlord shall restore premises to substantially the same condition as before damage as speedily as practicable, whereupon full rental shall recommence.
9. This Lease Agreement and the rights of Lessee hereunder shall not be an asset of said Lessee to be sold either by its representatives, assigns, successors, receivers or trustees in bankruptcy, or receiver in insolvency proceedings, but in the event of dissolution, bankruptcy, or insolvency of Lessee, Lessor may, if it so desires, immediately terminate this Agreement and resume possession of the premises. If through oversight or otherwise said Lessee should hold premises beyond the term of this Agreement then Lessee shall become a Tenant at will and shall surrender said property on sixty (60) days notice from the Lessor. It is expressly agreed that there shall be no extension or renewal of this lease or continued occupancy of said premises beyond the term of this lease unless there is an agreement in writing to that effect signed by the parties hereto.
10. Any notices pursuant to this Lease to Lessor may be sent via hand delivery or certified mail to Lessor at the address set forth in Paragraph 3. Any notices pursuant to this Lease to Lessee may be sent via hand delivery or certified mail to Lessee at the Premises.
11. Before occupying the Premises, Lessee shall deliver to City a certificate with signed declaration pages, or written proof that the attached declaration pages are a copy of the original declaration page, and attached riders and endorsements which show (i) that the City is listed as an Additional Insured on the policy (ii) which shows a waiver of subrogation in favor of the City (iii) which shows to the satisfaction of the City, that the required insurance is in force. The Insurance Carrier(s) shall provide to the City at least

thirty (30) days' written notice before canceling, materially changing, or discontinuing coverage. Notice shall be sent via certified mail, return receipt requested to 61 City Square, Hoschton Georgia 30548. Lessee shall deliver written notice of any such cancellation, modification or termination within twenty-four (24) hours of receiving any notice thereof. Failure by the Lessee to deliver proof of insurance as provided in this Paragraph, or notice as required in this paragraph, shall constitute a material substantial breach of this Contract. All such documents shall be delivered directly to the City Manager. Each of these documents which show the required insurance coverage shall be attached to each set of the original Lease Agreement when the documents are transmitted to the City for final execution and approval. If desired, the insurance carrier may redact the premium amount from the declaration page.

Insurance is to be placed with duly licensed or approved non-admitted insurer in the state of Georgia with an "A.M. Best" rating of no less than A-VI. The City in no way warrants that the above-required minimum insurer rating is sufficient to protect the Lessee from potential insurer insolvency.

Commercial General Liability: The Lessee shall procure and shall maintain during the life of this Agreement, General Liability Insurance to protect the Lessee, any subcontractor performing work covered by this Agreement, and the City as an additional insured on a primary and noncontributory basis, from claims for damages for bodily injury, including accidental death, as well as from claims for property damages, which may arise from operations under this Agreement, whether such operations are by the Lessee or by any anyone directly or indirectly employed or hired by Lessee. A waiver of subrogation in favor of the City is to be in place. The amount of insurance shall not be less than the following:

- Each Occurrence \$1,000,000
- Personal & Advertising Injury \$1,000,000
- Medical Expense Any One Person \$5,000
- Damage to Rented Premises \$50,000
- General Aggregate \$2,000,000
- Products (Completed/Operations Aggregate) \$2,000,000

Automobile Liability: The Lessee shall procure and shall maintain during the life of this Contract, Comprehensive Automobile Liability Insurance for bodily injury and property damage. The insurance shall include coverage for owned, non-owned and hired vehicles. The City shall be named as an Additional Insured on a Primary and Noncontributory basis with a waiver of subrogation in favor of the City. Amounts shall not be less than the following:

- Combined Single Limit Per Accident \$1,000,000

Excess/Umbrella Liability: The Lessee shall procure and shall maintain during the life of this Contract Excess or Umbrella Liability Insurance over General Liability, Auto Liability and Employers Liability. Umbrella or excess liability policies shall provide coverage at least as broad as specified for underlying coverages and covering those insured in the underlying policies. Coverage shall be "pay on behalf", with defense cost

payable in addition to policy limits. There shall be no cross liability exclusion of claims or suits by one insured against another. The City shall be named as an Additional Insured on a Primary and Noncontributory basis with a waiver of subrogation in favor of the City. The amounts of coverage shall not be less than the following:

- Each Occurrence \$1,000,000
- Aggregate \$1,000,000

Worker's Compensation and Employer's Liability: The Lessee shall procure and shall maintain during the life of this Contract, Worker's Compensation and Employer's Liability Insurance for all of Lessee's employees to be engaged in work on and in the Premises, and in case any such work is sublet, the Lessee shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the subcontractor's employees to be engaged in such work unless such employees are covered by the protection afforded by the Lessee's Worker's Compensation Insurance. A Waiver of Subrogation in favor of the City shall be included.

- Workers' Compensation – Each Employee Statutory Limits
- Employer's Liability – Each Employee \$1,000,000
- Employer's Liability – Each Accident \$1,000,000

If self-insured, proof of filing with the State of Georgia and secured, set aside funds shall be required.

Additional Insured: The insurance policies required by this Agreement shall be endorsed to include "City of Hoschton, Georgia, its officers, elected or appointed officials, agents, employees, volunteers, and representatives" as Additional Insured with respect to work performed on and in the Premises. (This requirement does not apply to Worker's Compensation, Employer's Liability, or Professional Liability coverage). A copy of the endorsement shall be provided.

Waiver of Subrogation: The insurance policies required by this Agreement shall be endorsed to include a Waiver of Subrogation on all policies in favor of "City of Hoschton, Georgia, its officers, elected or appointed officials, agents, employees, volunteers, and representatives.

Renewal certificates shall be provided to the City prior to the expiration date of existing coverage and shall be provided continuously for a period of one year after the completion of the work. All documents shall reference the contract name.

12. It is agreed between the parties to this Agreement that neither shall be bound by any verbal statement or agreement or any subsequent contract relating to the Premises during the term of this contract unless endorsed hereon and signed by the parties thereto and the foregoing constitutes the entire agreement between the parties.
13. Tenant shall deposit a Security Deposit in the amount of \$2,400.00 with Landlord on or before prior to the execution of this Lease, which shall be held by Landlord, without liability to Tenant for any interest thereon, as security for the full and faithful performance by Tennant of each term, covenant and condition of the Lease. If the rent

shall be unpaid or should Landlord make payments on behalf of Tenant, or should Tenant fail to perform any of the terms of this Lease, then Landlord may, at its option, appropriate and apply the Security Deposit, or so much thereof as may be necessary to compensate Landlord toward the payment of rent, charges or other sums due from tenant, or towards any loss, damage or expense sustained by Landlord resulting from such default on the part of the Tenant: and in such event tenant shall upon demand restore the Security Deposit to the original sum deposited. In the event Tenant furnishes Landlord with proof of all utility bills have been paid through the date of Lease termination and performs all of Tenant's other obligations under the Lease, the Security Deposit shall be returned in full to the Tenant within thirty (30) days after the termination of the Lease, and the surrender of the Premises by Tenant in compliance with the provisions of this lease. In the Event of a sale of the Premises, subject to this Lease and transfer of the Security Deposit to the new landlord, Landlord shall be released from al liability for the return of the Security Deposit and Tenant shall look solely to the new Landlord for the return of the Security Deposit. This provision shall apply to every transfer or assignment made of the Security Deposit to the new Landlord.

IN WITNESS WHEREOF: Said Lessor and Lessee have hereunto set their hands and affixed their seals in duplicate the day and year first above written.

**Signed, sealed, and delivered
in the presence of:**

CITY OF HOSCHTON, GEORGIA

Unofficial Witness

By: _____
DDA Chair

Notary Public
Commission Expires: _____

ATTEST: _____
Jennifer Williams,
Assistant City Clerk

CITY SEAL

Approved as to Form:

Abbott S. Hayes, Jr., City Attorney

**Signed, sealed, and delivered
in the presence of:**

Unofficial Witness

Josh Burdette

Notary Public
Commission Expires: _____

*Proposed
Lease*

LEASE AGREEMENT

GEORGIA, JACKSON COUNTY

THIS AGREEMENT, made the _____ day of _____, 2024 between the HOSCHTON DOWNTOWN DEVELOPMENT AUTHORITY, Georgia, hereinafter known as Lessor, and 4 Brothers Holdings, LLC hereinafter known as Lessee;

WITNESSETH: That said Lessor has this day rented to Lessee the offices located at 4272 HIGHWAY 53, Hoschton, Georgia 30548 (Parcel H02 057) that are, hereinafter known as Premises.

1. Said premises are to be used only for purposes of conducting services offered by a RESTURANT to be known as THE DEPOT BY FOUR BROTHERS. The said lease shall be for a period of THREE years, to commence on the 1ST day of FEBRUARY, 2024 and ending on the 31ST day of JANUARY, 2027.
2. For the rental of said Premises, Lessee shall pay to Lessor the sum of \$ 2,800.00 per month, payable in advance on the first day of each month, beginning on FEBRUARY 1, 2024, and continuing on or before the first day of each month thereafter, through the termination of this Lease. In the event that Lessee fails to pay the full amount of rent by the first day of each month, Lessee shall owe the Lessor a late fee in the of \$100.00
3. Should Lessee fail to pay said rent promptly when due, or if Lessee shall be in default in performing any of the terms or provisions of this lease, then Lessor may at its option, terminate this contract, cancel same and take immediate possession of the Premises, without waiving any rent that may have accrued at the time of cancellation, or any claim for damages or breach of contract on the part of the Lessee. Lessor may also remove Lessee's personal effects and property from the premises without being guilty of forcible entry, detained, trespass, tort, or responsibility for the storage and safekeeping of said property. All rent payments shall be mailed or delivered to Lessor at its address, 61 City Square, Hoschton Georgia 30548 on or before said due date.
4. Lessee hereby certifies that the premises have been examined by Lessee and Lessee agrees to accept the premises in its present condition. The Lessor reserves the right to enter upon said premises for the purpose of reasonable inspection along with the right to make repairs or improvements upon same or upon adjoining property of Lessor.
5. Lessee agrees that no alterations, improvements, or additions shall be made to the Premises or other portions of said Premises without first having obtained written consent of the Lessor and without proof of insurance as required by the Lessor. Tenant may not make alterations, improvements, or additions to common areas and areas outside of the Premises, including to the exterior walls of the building, without first having obtained written consent of the Lessor. Upon termination of the lease, Lessee agrees to return the Premises to the prior condition of the Premises when Lessee entered into the lease, unless otherwise agreed to by Lessor. Lessor agrees that if Lessee alters the Premises to add restroom facilities, Lessee will not be required to remove the restroom facilities at the end of this Agreement. Any other improvements made to the Premises, other than those

specifically set forth, shall remain on the Premises and shall be property of Lessor after the expiration of this Lease.

6. Lessee shall bear all reasonable charges for utilities used in the Premises.
7. Lessee shall comply with all governmental laws and ordinances in the conduct of its business and shall not conduct its business in such a manner that it interferes with the other occupants or tenants located in the building.
8. If the whole of the leased premises, or such portion thereof as will make the premises unusable for the purposes herein leased, be condemned by any legally constituted authority for any public use or purpose, then in either of said events the term hereby granted shall cease from the date when possession thereof is taken by public authorities, and rental shall be accounted for as between Lessor and Lessee as of said date. Such termination, however, shall be without prejudice to the rights of either Landlord or Tenant to recover compensation and damage caused by condemnation and damage caused by condemnation from the condemnor. It is further understood and agreed that neither the Lessee nor Lessor shall have any rights in any award made to the other by any condemnation authority notwithstanding the termination of the lease as herein provided. If the premises are totally destroyed by storm, fire, lightning, earthquake or other casualty, this lease shall terminate as of the date of such destruction, and rental shall be accounted for as between Lessor and Lessee as of that date. If premises are damaged but not wholly destroyed by any such casualties, rental shall abate in such proportion as use of premises has been destroyed, and Landlord shall restore premises to substantially the same condition as before damage as speedily as practicable, whereupon full rental shall recommence.
9. This Lease Agreement and the rights of Lessee hereunder shall not be an asset of said Lessee to be sold either by its representatives, assigns, successors, receivers or trustees in bankruptcy, or receiver in insolvency proceedings, but in the event of dissolution, bankruptcy, or insolvency of Lessee, Lessor may, if it so desires, immediately terminate this Agreement and resume possession of the premises. If through oversight or otherwise said Lessee should hold premises beyond the term of this Agreement then Lessee shall become a Tenant at will and shall surrender said property on sixty (60) days notice from the Lessor. It is expressly agreed that there shall be no extension or renewal of this lease or continued occupancy of said premises beyond the term of this lease unless there is an agreement in writing to that effect signed by the parties hereto.
10. Any notices pursuant to this Lease to Lessor may be sent via hand delivery or certified mail to Lessor at the address set forth in Paragraph 3. Any notices pursuant to this Lease to Lessee may be sent via hand delivery or certified mail to Lessee at the Premises.
11. Before occupying the Premises, Lessee shall deliver to City a certificate with signed declaration pages, or written proof that the attached declaration pages are a copy of the original declaration page, and attached riders and endorsements which show (i) that the City is listed as an Additional Insured on the policy (ii) which shows a waiver of subrogation in favor of the City (iii) which shows to the satisfaction of the City, that the required insurance is in force. The Insurance Carrier(s) shall provide to the City at least thirty (30) days' written notice before canceling, materially changing, or discontinuing

coverage. Notice shall be sent via certified mail, return receipt requested to 61 City Square, Hoschton Georgia 30548. Lessee shall deliver written notice of any such cancellation, modification or termination within twenty-four (24) hours of receiving any notice thereof. Failure by the Lessee to deliver proof of insurance as provided in this Paragraph, or notice as required in this paragraph, shall constitute a material substantial breach of this Contract. All such documents shall be delivered directly to the City Manager. Each of these documents which show the required insurance coverage shall be attached to each set of the original Lease Agreement when the documents are transmitted to the City for final execution and approval. If desired, the insurance carrier may redact the premium amount from the declaration page.

Insurance is to be placed with duly licensed or approved non-admitted insurer in the state of Georgia with an "A.M. Best" rating of no less than A-VI. The City in no way warrants that the above-required minimum insurer rating is sufficient to protect the Lessee from potential insurer insolvency.

Commercial General Liability: The Lessee shall procure and shall maintain during the life of this Agreement, General Liability Insurance to protect the Lessee, any subcontractor performing work covered by this Agreement, and the City as an additional insured on a primary and noncontributory basis, from claims for damages for bodily injury, including accidental death, as well as from claims for property damages, which may arise from operations under this Agreement, whether such operations are by the Lessee or by any anyone directly or indirectly employed or hired by Lessee. A waiver of subrogation in favor of the City is to be in place. The amount of insurance shall not be less than the following:

- Each Occurrence \$1,000,000
- Personal & Advertising Injury \$1,000,000
- Medical Expense Any One Person \$5,000
- Damage to Rented Premises \$50,000
- General Aggregate \$2,000,000
- Products (Completed/Operations Aggregate) \$2,000,000

Automobile Liability: The Lessee shall procure and shall maintain during the life of this Contract, Comprehensive Automobile Liability Insurance for bodily injury and property damage. The insurance shall include coverage for owned, non-owned and hired vehicles. The City shall be named as an Additional Insured on a Primary and Noncontributory basis with a waiver of subrogation in favor of the City. Amounts shall not be less than the following:

- Combined Single Limit Per Accident \$1,000,000

Excess/Umbrella Liability: The Lessee shall procure and shall maintain during the life of this Contract Excess or Umbrella Liability Insurance over General Liability, Auto Liability and Employers Liability. Umbrella or excess liability policies shall provide coverage at least as broad as specified for underlying coverages and covering those insured in the underlying policies. Coverage shall be "pay on behalf", with defense cost payable in addition to policy limits. There shall be no cross liability exclusion of claims

or suits by one insured against another. The City shall be named as an Additional Insured on a Primary and Noncontributory basis with a waiver of subrogation in favor of the City. The amounts of coverage shall not be less than the following:

- Each Occurrence \$1,000,000
- Aggregate \$1,000,000

Worker's Compensation and Employer's Liability: The Lessee shall procure and shall maintain during the life of this Contract, Worker's Compensation and Employer's Liability Insurance for all of Lessee's employees to be engaged in work on and in the Premises, and in case any such work is sublet, the Lessee shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the subcontractor's employees to be engaged in such work unless such employees are covered by the protection afforded by the Lessee's Worker's Compensation Insurance. A Waiver of Subrogation in favor of the City shall be included.

- Workers' Compensation – Each Employee Statutory Limits
- Employer's Liability – Each Employee \$1,000,000
- Employer's Liability – Each Accident \$1,000,000

If self-insured, proof of filing with the State of Georgia and secured, set aside funds shall be required.

Additional Insured: The insurance policies required by this Agreement shall be endorsed to include "City of Hoschton, Georgia, its officers, elected or appointed officials, agents, employees, volunteers, and representatives" as Additional Insured with respect to work performed on and in the Premises. (This requirement does not apply to Worker's Compensation, Employer's Liability, or Professional Liability coverage). A copy of the endorsement shall be provided.

Waiver of Subrogation: The insurance policies required by this Agreement shall be endorsed to include a Waiver of Subrogation on all policies in favor of "City of Hoschton, Georgia, its officers, elected or appointed officials, agents, employees, volunteers, and representatives.

Renewal certificates shall be provided to the City prior to the expiration date of existing coverage, and shall be provided continuously for a period of one year after the completion of the work. All documents shall reference the contract name.

12. It is agreed between the parties to this Agreement that neither shall be bound by any verbal statement or agreement or any subsequent contract relating to the Premises during the term of this contract unless endorsed hereon and signed by the parties thereto and the foregoing constitutes the entire agreement between the parties.
13. Tenant shall deposit a Security Deposit in the amount of \$5,600 with Landlord on or before prior to the execution of this Lease, which shall be held by Landlord, without liability to Tenant for any interest thereon, as security for the full and faithful performance by Tennant of each term, covenant and condition of the Lease. If the rent shall be unpaid or should Landlord make payments on behalf of Tenant, or should Tenant

fail to perform any of the terms of this Lease, then Landlord may, at its option, appropriate and apply the Security Deposit, or so much thereof as may be necessary to compensate Landlord toward the payment of rent, charges or other sums due from tenant, or towards any loss, damage or expense sustained by Landlord resulting from such default on the part of the Tenant: and in such event tenant shall upon demand restore the Security Deposit to the original sum deposited. In the event Tenant furnishes Landlord with proof of all utility bills have been paid through the date of Lease termination and performs all of Tenant's other obligations under the Lease, the Security Deposit shall be returned in full to the Tenant within thirty (30) days after the termination of the Lease, and the surrender of the Premises by Tenant in compliance with the provisions of this lease. In the Event of a sale of the Premises, subject to this Lease and transfer of the Security Deposit to the new landlord, Landlord shall be released from al liability for the return of the Security Deposit and Tenant shall look solely to the new Landlord for the return of the Security Deposit. This provision shall apply to every transfer or assignment made of the Security Deposit to the new Landlord.

IN WITNESS WHEREOF: Said Lessor and Lessee have hereunto set their hands and affixed their seals in duplicate the day and year first above written.

**Signed, sealed, and delivered
in the presence of:**

CITY OF HOSCHTON, GEORGIA

Unofficial Witness

By: _____
DDA Chairman

Notary Public
Commission Expires: _____

ATTEST: _____
Jennifer Williams
Assistant City Clerk

CITY SEAL

Approved as to Form:

Abbott S. Hayes, Jr., City Attorney

**Signed, sealed, and delivered
in the presence of:**

4 Brothers Holdings, LLC:

Unofficial Witness

Juan Santiago Martinez, Member/Manager

Notary Public
Commission Expires: _____

Ashishkumar Patel, Member

*Proposed
Lease*

LEASE AGREEMENT

GEORGIA, JACKSON COUNTY

THIS AGREEMENT, made the _____ day of _____, 2024 between the HOSCHTON DOWNTOWN DEVELOPMENT AUTHORITY, Georgia, hereinafter known as Lessor, _____ hereinafter known as Lessee;

WITNESSETH: That said Lessor has this day rented to Lessee the offices located at 4162 HIGHWAY 53 SUITE 110 Hoschton, Georgia 30548 that are, hereinafter known as Premises.

1. Said premises are to be used only for purposes of conducting services offered by a _____ to be known as _____. The said lease shall be for a period of THREE years, to commence on the 1ST day of APRIL, 2024 and ending on the 31ST day of MARCH, 2027.
2. For the rental of said Premises, Lessee shall pay to Lessor the sum of \$ 1,000.00 per month, payable in advance on the first day of each month, beginning on JULY 1, 2024, and continuing on or before the first day of each month thereafter, through the termination of this Lease. In the event that Lessee fails to pay the full amount of rent by the first day of each month, Lessee shall owe the Lessor a late fee in the of \$100.00
3. Should Lessee fail to pay said rent promptly when due, or if Lessee shall be in default in performing any of the terms or provisions of this lease, then Lessor may at its option, terminate this contract, cancel same and take immediate possession of the Premises, without waiving any rent that may have accrued at the time of cancellation, or any claim for damages or breach of contract on the part of the Lessee. Lessor may also remove Lessee's personal effects and property from the premises without being guilty of forcible entry, detained, trespass, tort, or responsibility for the storage and safekeeping of said property. All rent payments shall be mailed or delivered to Lessor at its address, 61 City Square, Hoschton Georgia 30548 on or before said due date.
4. Lessee hereby certifies that the premises have been examined by Lessee and Lessee agrees to accept the premises in its present condition. The Lessor reserves the right to enter upon said premises for the purpose of reasonable inspection along with the right to make repairs or improvements upon same or upon adjoining property of Lessor.
5. Lessee agrees that no alterations, improvements, or additions shall be made to the Premises or other portions of said Premises without first having obtained written consent of the Lessor and without proof of insurance as required by the Lessor. Tenant may not make alterations, improvements, or additions to common areas and areas outside of the Premises, including to the exterior walls of the building, without first having obtained written consent of the Lessor. Upon termination of the lease, Lessee agrees to return the Premises to the prior condition of the Premises when Lessee entered into the lease, unless otherwise agreed to by Lessor. Lessor agrees that if Lessee alters the Premises to add restroom facilities, Lessee will not be required to remove the restroom facilities at the end of this Agreement. Any other improvements made to the Premises, other than those

specifically set forth, shall remain on the Premises and shall be property of Lessor after the expiration of this Lease.

6. Lessee shall bear all reasonable charges for utilities used in the Premises.
7. Lessee shall comply with all governmental laws and ordinances in the conduct of its business and shall not conduct its business in such a manner that it interferes with the other occupants or tenants located in the building.
8. If the whole of the leased premises, or such portion thereof as will make the premises unusable for the purposes herein leased, be condemned by any legally constituted authority for any public use or purpose, then in either of said events the term hereby granted shall cease from the date when possession thereof is taken by public authorities, and rental shall be accounted for as between Lessor and Lessee as of said date. Such termination, however, shall be without prejudice to the rights of either Landlord or Tenant to recover compensation and damage caused by condemnation and damage caused by condemnation from the condemnor. It is further understood and agreed that neither the Lessee nor Lessor shall have any rights in any award made to the other by any condemnation authority notwithstanding the termination of the lease as herein provided. If the premises are totally destroyed by storm, fire, lightning, earthquake or other casualty, this lease shall terminate as of the date of such destruction, and rental shall be accounted for as between Lessor and Lessee as of that date. If premises are damaged but not wholly destroyed by any such casualties, rental shall abate in such proportion as use of premises has been destroyed, and Landlord shall restore premises to substantially the same condition as before damage as speedily as practicable, whereupon full rental shall recommence.
9. This Lease Agreement and the rights of Lessee hereunder shall not be an asset of said Lessee to be sold either by its representatives, assigns, successors, receivers or trustees in bankruptcy, or receiver in insolvency proceedings, but in the event of dissolution, bankruptcy, or insolvency of Lessee, Lessor may, if it so desires, immediately terminate this Agreement and resume possession of the premises. If through oversight or otherwise said Lessee should hold premises beyond the term of this Agreement then Lessee shall become a Tenant at will and shall surrender said property on sixty (60) days notice from the Lessor. It is expressly agreed that there shall be no extension or renewal of this lease or continued occupancy of said premises beyond the term of this lease unless there is an agreement in writing to that effect signed by the parties hereto.
10. Any notices pursuant to this Lease to Lessor may be sent via hand delivery or certified mail to Lessor at the address set forth in Paragraph 3. Any notices pursuant to this Lease to Lessee may be sent via hand delivery or certified mail to Lessee at the Premises.
11. Before occupying the Premises, Lessee shall deliver to City a certificate with signed declaration pages, or written proof that the attached declaration pages are a copy of the original declaration page, and attached riders and endorsements which show (i) that the City is listed as an Additional Insured on the policy (ii) which shows a waiver of subrogation in favor of the City (iii) which shows to the satisfaction of the City, that the required insurance is in force. The Insurance Carrier(s) shall provide to the City at least thirty (30) days' written notice before canceling, materially changing, or discontinuing

coverage. Notice shall be sent via certified mail, return receipt requested to 61 City Square, Hoschton Georgia 30548. Lessee shall deliver written notice of any such cancellation, modification or termination within twenty-four (24) hours of receiving any notice thereof. Failure by the Lessee to deliver proof of insurance as provided in this Paragraph, or notice as required in this paragraph, shall constitute a material substantial breach of this Contract. All such documents shall be delivered directly to the City Manager. Each of these documents which show the required insurance coverage shall be attached to each set of the original Lease Agreement when the documents are transmitted to the City for final execution and approval. If desired, the insurance carrier may redact the premium amount from the declaration page.

Insurance is to be placed with duly licensed or approved non-admitted insurer in the state of Georgia with an "A.M. Best" rating of no less than A-VI. The City in no way warrants that the above-required minimum insurer rating is sufficient to protect the Lessee from potential insurer insolvency.

Commercial General Liability: The Lessee shall procure and shall maintain during the life of this Agreement, General Liability Insurance to protect the Lessee, any subcontractor performing work covered by this Agreement, and the City as an additional insured on a primary and noncontributory basis, from claims for damages for bodily injury, including accidental death, as well as from claims for property damages, which may arise from operations under this Agreement, whether such operations are by the Lessee or by any anyone directly or indirectly employed or hired by Lessee. A waiver of subrogation in favor of the City is to be in place. The amount of insurance shall not be less than the following:

- Each Occurrence \$1,000,000
- Personal & Advertising Injury \$1,000,000
- Medical Expense Any One Person \$5,000
- Damage to Rented Premises \$50,000
- General Aggregate \$2,000,000
- Products (Completed/Operations Aggregate) \$2,000,000

Automobile Liability: The Lessee shall procure and shall maintain during the life of this Contract, Comprehensive Automobile Liability Insurance for bodily injury and property damage. The insurance shall include coverage for owned, non-owned and hired vehicles. The City shall be named as an Additional Insured on a Primary and Noncontributory basis with a waiver of subrogation in favor of the City. Amounts shall not be less than the following:

- Combined Single Limit Per Accident \$1,000,000

Excess/Umbrella Liability: The Lessee shall procure and shall maintain during the life of this Contract Excess or Umbrella Liability Insurance over General Liability, Auto Liability and Employers Liability. Umbrella or excess liability policies shall provide coverage at least as broad as specified for underlying coverages and covering those insured in the underlying policies. Coverage shall be "pay on behalf", with defense cost payable in addition to policy limits. There shall be no cross liability exclusion of claims

or suits by one insured against another. The City shall be named as an Additional Insured on a Primary and Noncontributory basis with a waiver of subrogation in favor of the City. The amounts of coverage shall not be less than the following:

- Each Occurrence \$1,000,000
- Aggregate \$1,000,000

Worker's Compensation and Employer's Liability: The Lessee shall procure and shall maintain during the life of this Contract, Worker's Compensation and Employer's Liability Insurance for all of Lessee's employees to be engaged in work on and in the Premises, and in case any such work is sublet, the Lessee shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the subcontractor's employees to be engaged in such work unless such employees are covered by the protection afforded by the Lessee's Worker's Compensation Insurance. A Waiver of Subrogation in favor of the City shall be included.

- Workers' Compensation – Each Employee Statutory Limits
- Employer's Liability – Each Employee \$1,000,000
- Employer's Liability – Each Accident \$1,000,000

If self-insured, proof of filing with the State of Georgia and secured, set aside funds shall be required.

Additional Insured: The insurance policies required by this Agreement shall be endorsed to include "City of Hoschton, Georgia, its officers, elected or appointed officials, agents, employees, volunteers, and representatives" as Additional Insured with respect to work performed on and in the Premises. (This requirement does not apply to Worker's Compensation, Employer's Liability, or Professional Liability coverage). A copy of the endorsement shall be provided.

Waiver of Subrogation: The insurance policies required by this Agreement shall be endorsed to include a Waiver of Subrogation on all policies in favor of "City of Hoschton, Georgia, its officers, elected or appointed officials, agents, employees, volunteers, and representatives.

Renewal certificates shall be provided to the City prior to the expiration date of existing coverage, and shall be provided continuously for a period of one year after the completion of the work. All documents shall reference the contract name.

12. It is agreed between the parties to this Agreement that neither shall be bound by any verbal statement or agreement or any subsequent contract relating to the Premises during the term of this contract unless endorsed hereon and signed by the parties thereto and the foregoing constitutes the entire agreement between the parties.
13. Tenant shall deposit a Security Deposit in the amount of \$2,000 with Landlord on or before prior to the execution of this Lease, which shall be held by Landlord, without liability to Tenant for any interest thereon, as security for the full and faithful performance by Tenant of each term, covenant and condition of the Lease. If the rent shall be unpaid or should Landlord make payments on behalf of Tenant, or should Tenant

fail to perform any of the terms of this Lease, then Landlord may, at its option, appropriate and apply the Security Deposit, or so much thereof as may be necessary to compensate Landlord toward the payment of rent, charges or other sums due from tenant, or towards any loss, damage or expense sustained by Landlord resulting from such default on the part of the Tenant: and in such event tenant shall upon demand restore the Security Deposit to the original sum deposited. In the event Tenant furnishes Landlord with proof of all utility bills have been paid through the date of Lease termination and performs all of Tenant's other obligations under the Lease, the Security Deposit shall be returned in full to the Tenant within thirty (30) days after the termination of the Lease, and the surrender of the Premises by Tenant in compliance with the provisions of this lease. In the Event of a sale of the Premises, subject to this Lease and transfer of the Security Deposit to the new landlord, Landlord shall be released from al liability for the return of the Security Deposit and Tenant shall look solely to the new Landlord for the return of the Security Deposit. This provision shall apply to every transfer or assignment made of the Security Deposit to the new Landlord.

IN WITNESS WHEREOF: Said Lessor and Lessee have hereunto set their hands and affixed their seals in duplicate the day and year first above written.

**Signed, sealed, and delivered
in the presence of:**

CITY OF HOSCHTON, GEORGIA

Unofficial Witness

By: _____
DDA Chair

Notary Public
Commission Expires: _____

ATTEST: _____
Jennifer Williams,
Assistant City Clerk

CITY SEAL

Approved as to Form:

Abbott S. Hayes, Jr., City Attorney

**Signed, sealed, and delivered
in the presence of:**

[Business Name]:

Unofficial Witness

[Business Owner]

Notary Public
Commission Expires: _____