

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made and entered into this 1st day of March, 2023 by and between the CITY OF POWDER SPRINGS, GEORGIA, a Georgia municipal corporation (hereinafter called "Landlord"), and the SOUTH COBB ARTS ALLIANCE, INC., a Georgia nonprofit corporation (hereinafter called "Tenant").

WITNESSETH

WHEREAS, Tenant desires to provide artwork located on property of Landlord or other public property in Powder Springs (hereinafter, "the Gallery"); and

WHEREAS, Tenant's efforts and activities in operating the Gallery benefit Landlord in promoting community appreciation of the arts as well attracting tourism traffic; and

WHEREAS, Tenant wishes to continue operating the Gallery but to do so is in need of administrative office space as well as storage space; and

WHEREAS, Tenant desires to operate its headquarters at space withing the City of Powder Springs; and

WHEREAS, Landlord has available, unused office and storage space located in the old Seven Springs Museum at 3899 Brownsville Road which it is willing to make available for the use of Tenant; and

NOW THEREFORE, for and in consideration of TEN AND NO/100THS DOLLARS (\$10.00) and other good and valuable consideration, and the mutual undertakings hereunder, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

PREMISES

1. Landlord, for and in consideration of the rents, covenants, agreements, and stipulations hereinbefore and hereinafter mentioned, provided for and contained herein to be paid, kept and performed by Tenant, does hereby lease to Tenant, and Tenant hereby leases and takes upon the terms and conditions which hereinafter appear, the following described property (hereinafter called the "Premises"), to wit: office space of Landlord's choosing in the old Seven Springs Museum at 3899 Brownsville Road as well as storage space of an area within Landlord's discretion in the attic of said property. Landlord may at any time change the location of the single office or storage space. While not part of the Premises, Tenant shall have nonexclusive use of common areas in the building, such as an entry room, conference room, kitchen, and restroom.

TERM

2. The Tenant shall have and hold the Premises for a term of 12 months beginning on the 1st day of March, 2023 and ending on the 29th day of February, 2024 at midnight. Notwithstanding the foregoing, should landlord need the Premises for another use or purpose, it shall

have the complete discretion to terminate the lease in whole or in part with thirty (30) days' notice to Tenant.

RENTAL

3. Tenant agrees to pay to Landlord at the address of Landlord as stated in this Lease, without demand, deduction or set off, a monthly rental sufficient to cover the proportionate share of Tenant's use of utilities, currently estimated at ONE HUNDRED EIGHTY DOLLARS (\$180.00) in advance, on the first day of each month during the term hereof. Upon execution of this Lease, Tenant shall pay to Landlord the first full month's rent due hereunder.

SECURITY DEPOSIT

5. No security deposit shall be required.

UTILITY BILLS

6. Landlord shall pay when due all the usual and typical utility charges.

USE OF PREMISES

7. The Premises shall only be used for activities directly related to promotion of the arts for the benefit of the citizens and visitors of the City of Powder Springs. The Premises shall not be used for any illegal purposes, or in any manner to create any nuisance or trespass, or in any manner to vitiate the insurance or increase the rate of insurance on the Premises. All use shall be subject to such Rules and Regulations as Landlord may reasonably prescribe. Tenant shall keep the Premises in a clean and tidy condition. Moreover, Tenant in its use of common areas shall leave such areas in a clean and tidy condition immediately upon concluding any such use.

ABANDONMENT OF THE PREMISES

8. Tenant agrees not to abandon the Premises during the term of this Lease and agrees to use the Premises for the purposes herein leased until the expiration hereof.

INDEMNITY; INSURANCE

9. Tenant agrees to and hereby does indemnify and save Landlord, its elected officials, officers, employees, and agents harmless against all claims for damages to persons or property by reason of Tenant's use or occupancy of the Premises and all expenses incurred by Landlord because thereof, including attorney's fees and court costs. Tenant shall during the term of this Lease and any extension or renewal thereof, and at Tenant's expense, maintain in full force and effect a minimum of \$1,000,000.00 liability coverage to protect Landlord from liability for any bodily injury or damage to property. Any such policy shall name Landlord as additional insured. Tenant shall provide evidence of such insurance to Landlord prior to the commencement of the term of this

Lease. Landlord and Tenant each hereby release and relieve the other, and waive its right of recovery, for loss or damage rising out of or incident to the perils insured against which perils occur in, on or about the Premises, whether due to the negligence of Landlord or Tenant or their Brokers, employees, contractors, and/or invitees, to the extent that such loss or damage is within the policy limits of said comprehensive general liability insurance. Moreover, Tenant agrees to be responsible for obtaining insurance of adequate kinds and amounts to cover all personal property, equipment, furnishings, or any other property which Tenant may possess in its use of the Premises. Tenant will have no recourse or claim against Landlord for any loss or damage of property used or possessed by Tenant in its use of the Premises, and Tenant agrees to indemnify and hold harmless the Landlord, its elected officials, officers, employees, and agents with regard to any claim which may be brought by anyone with regard to loss or damage of property used or possessed by Tenant in its use of the Premises or ancillary common areas, except that which is due and owing to the negligence of Landlord.

REPAIRS BY LANDLORD

10. Landlord agrees to keep in good repair the roof, foundations and exterior walls of the Premises (exclusive of all glass and exclusive of all exterior doors) and underground utility and sewer pipes outside the exterior walls of the building, except repairs rendered necessary by the negligence or intentional wrongful acts of Tenant, its employees or invitees. Tenant shall promptly report in writing to Landlord any defective condition known to it which Landlord is required to repair, and failure to report such conditions shall make Tenant responsible to Landlord for any liability incurred by Landlord by reason of such conditions.

REPAIRS BY TENANT

11. Tenant accepts the Premises "as is, where is" in their present condition. Tenant shall, throughout the initial term of this Lease, and any extension or renewal thereof, at its expense, maintain in good order and repair the Premises, except those repairs expressly required to be made by Landlord hereunder. Tenant agrees to return the Premises to Landlord at the expiration, or prior to termination of this Lease, in as good condition and repair as when first received, natural wear and tear, damage by storm, fire, lightning, earthquake or other casualty alone excepted. Tenant shall be liable for and shall hold Landlord harmless against all loss, cost and damage (including reasonable attorneys' fees) arising from any damage or injury to the Premises or any person or property caused or contributed to by any act of neglect of Tenant, any invitee, agent, affiliate, customer or client of Tenant or anyone in Tenant's control or employ. All personal property of Tenant or Tenant's employees, agents, affiliates or invitees located in or brought upon the Premises shall be at the risk of Tenant only, and Landlord shall not be liable to Tenant or any other party for any damage thereto or theft thereof resulting from any cause.

ALTERATIONS

12. Tenant shall not make any alterations, additions, or improvements to the Premises. Tenant shall promptly remove any alterations, additions, or improvements constructed in violation of this paragraph 12 upon Landlord's written request.

REMOVAL OF FIXTURES

13. Tenant may (if not in default hereunder) prior to the expiration of this Lease, or any extension or renewal thereof, remove all fixtures and equipment which it has placed in the Premises.

DESTRUCTION OF OR DAMAGE TO PREMISES

14. 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 Landlord and Tenant as of that date.

CONDEMNATION

15. If the whole of the Premises, or such portion thereof as will make the Premises unusable for the purposes herein leased, are condemned by any legally constituted authority for any public use or purposes, 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 Landlord and Tenant 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 from the condemnor. It is further understood and agreed that neither the Tenant nor Landlord shall have any rights in any award made to the other by any condemnation authority notwithstanding the termination of the Lease as herein provided.

ASSIGNMENT AND SUBLETTING

16. Tenant shall not, without the prior written consent of Landlord, assign this Lease or any interest hereunder, or sublet the Premises or any part thereof, or permit the use of the Premises by any party other than the Tenant. Consent to any assignment or sublease shall not impair this provision and all later assignments or sublease shall be made likewise only on the prior written consent of Landlord. The assignee of Tenant, at the option of Landlord, shall become liable to Landlord for all obligations of Tenant hereunder, but no sublease or assignment by Tenant shall relieve Tenant of any liability hereunder.

EVENTS OF DEFAULT

17. The happening of any one or more of the following events (hereinafter any one of which may be referred to as an "Event of Default") during the term of this Lease, or any renewal or extension thereof, shall constitute a breach of this Lease on the part of the Tenant: (A) Tenant fails to pay the rental as provided for herein; (B) Tenant abandons the Premises; (C) Tenant fails to comply with or abide by and perform any other obligation imposed upon Tenant under this Lease; or (D) in the event that Tenant's use of the Premises changes substantially from that specified in paragraph 7 of this Lease without prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed.

REMEDIES UPON DEFAULT

18. Upon the occurrence of an Event of Default, Landlord may terminate this Lease by giving notice of termination, in which event this Lease shall expire and terminate on the date specified in such notice of termination, with the same force and effect as though the date so specified were the date herein originally fixed as the termination date of the term of this Lease, and all rights of Tenant under this Lease and in and to the Premises shall expire and terminate, and Tenant shall remain liable for all obligations under this Lease arising up to the date of such termination and Tenant shall surrender the Premises to Landlord on the date specified in such notice.

EXTERIOR SIGNS

19. Tenant shall place no signs upon the outside walls of the Premises without the written consent of the Landlord. Any and all signs placed on the Premises by Tenant shall be maintained in compliance with governmental rules and regulations governing such signs, and Tenant shall be responsible to Landlord for any damage incident to such removal.

LANDLORD'S ENTRY OF PREMISES

20. Landlord may card the Premises "For Rent" or "For Sale" ninety (90) days before the termination of this Lease. Landlord may enter the Premises at reasonable hours to exhibit the Premises to prospective purchasers or tenants, to inspect the Premises to see that Tenant is complying with all of its obligations hereunder, and to make repairs required of Landlord under the terms hereof or to make repairs to Landlord's adjoining property, if any.

EFFECT OF TERMINATION OF LEASE

21. No termination of this Lease prior to the normal ending thereof, by lapse of time or otherwise, shall affect Landlord's right to collect rent for the period prior to termination thereof.

SUBORDINATION

22. At the option of Landlord, Tenant agrees that this Lease shall remain subject and subordinate to all present and future mortgages, deeds to secure debt or other security instruments (the "Security Deeds") affecting the Premises, and Tenant shall promptly execute and deliver to Landlord such certificate or certificates in writing as Landlord may request, showing the subordination of the Lease to such Security Deeds, and in default of Tenant so doing, Landlord shall be and is hereby authorized and empowered to execute such certificate in the names of and as the act and deed of Tenant, this authority being hereby declared to be coupled with an interest and to be irrevocable. Tenant shall upon request from Landlord at any time and from time to time execute, acknowledge and deliver to Landlord a written statement certifying as follows: (A) that this Lease is unmodified and in full force and effect (or if there has been modification thereof, that the same is in full force and effect as modified and stating the nature thereof); (B) that to the best of its knowledge there are no uncured defaults on the part of Landlord (or if any such default exists, the specific nature and extent thereof); (C) the date to which any rent and other charges have been paid in advance, if any; and (D) such other matters as Landlord may reasonably request. Tenant irrevocably appoints Landlord as its attorney-in-fact, coupled with an interest, to execute and deliver, for and in

the name of Tenant, any document or instrument provided for in this paragraph.

QUIET ENJOYMENT

23. So long as Tenant observes and performs the covenants and agreements contained herein, it shall at all times during the Lease term peacefully and quietly have and enjoy possession of the Premises.

NO ESTATE IN LAND

24. This Lease shall create the relationship of Landlord and Tenant between the parties hereto. No estate shall pass out of Landlord. Tenant has only a usufruct not subject to levy and sale, and not assignable by Tenant except by Landlord's consent.

HOLDING OVER

25. If Tenant remains in possession of the Premises after expiration of the term hereof, with Landlord's acquiescence and without any express agreement of the parties, Tenant shall be a tenant at will at the rental rate which is in effect at end of this Lease, and there shall be no renewal of this Lease by operation of law. If Tenant remains in possession of the Premises after expiration of the term hereof without Landlord's acquiescence, Tenant shall be a tenant at sufferance.

RIGHTS CUMULATIVE

26. All rights, powers and privileges conferred hereunder upon parties hereto shall be cumulative and not restrictive of those given by law.

WAIVER OF RIGHTS

27. No failure of Landlord to exercise any power given Landlord hereunder or to insist upon strict compliances by Tenant of its obligations hereunder and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Landlord's right to demand exact compliance with the terms hereof.

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL LAWS

28. The term "Hazardous Substances" as used in this Lease shall mean pollutants, contaminants, toxic or hazardous wastes, or any other substances, the removal of which is required or the use of which is restricted, prohibited or penalized by an "Environmental Law", which term shall mean any existing or future federal, state or local law or ordinance relating to pollution or protection of the environment. Tenant hereby represents and warrants and covenants with Landlord that:

(a) Tenant has obtained and shall maintain in good standing all local, state and federal government licenses necessary in order to conduct its operations at the Premises;

(b) No activity that be conducted on the Premises that will produce any Hazardous Substance, except for such activities that (i) have been approved in advance by Landlord in writing; and (ii) are conducted in compliance and accordance with all Environmental Laws (the "Permitted Activities");

(c) The Premises shall not be used in any manner for the storage of any Hazardous Substances except for the temporary storage of such substances that (i) have been approved in advance by Landlord in writing; and (ii) are properly stored in a manner and location meeting the requirements of all Environmental Laws (the "Permitted Substances");

(d) Tenant shall not allow any surface or subsurface conditions to exist or come into existence that constitute, or with the passage of time may constitute, a public or private nuisance;

(e) Tenant shall not permit any Hazardous Substances to be brought onto the Premises, except for the Permitted Substances, and if so brought or found thereon, the same shall be immediately removed, with proper disposal, and all required cleanup procedures shall be immediately and diligently undertaken pursuant to all Environmental Laws. If, at any time during or after the Term of the Lease, the Premises are found to be contaminated or subject to said conditions caused by Tenant, Tenant agrees to indemnify and hold Landlord harmless from all claims, demands, actions, liabilities, costs, expenses, damages, and obligations of any nature arising from or as a result of the use of the Premises by Tenant. The foregoing indemnification shall survive the termination or expiration of this Lease;

(f) Should Tenant cause or permit any intentional or unintentional release of Hazardous Substances into the air, or the surface or into the subsurface of the Premises (or any part thereof) or any adjacent properties, Tenant shall immediately notify Landlord and the appropriate jurisdictional and governmental agencies; and

(i) Tenant shall transmit to the Landlord copies of any citations, orders, notices, or other governmental or other communication received with respect to any Hazardous Substances affecting the Premises and all responses by Tenant.

Compliance by Landlord with any provision of this paragraph shall not be deemed a waiver of any other provision. Without limiting the foregoing, Landlord's consent to the presence of any Permitted Substances shall not relieve Tenant of its indemnity obligations under the terms of this paragraph.

TIME OF ESSENCE

29. Time is of the essence of this Lease.

DEFINITIONS

30. "Landlord" as used in this Lease shall include the undersigned, its heirs, representatives, assigns and successors in title to the Premises. "Tenant" shall include the undersigned and their heirs, representatives, assigns, and successors, and if this Lease shall be validly assigned or sublet, shall also include Tenant's assignees or subtenants as to the Premises covered by

such assignment or sublease. "Landlord" and "Tenant" include male and female, singular and plural, corporation, partnership or individual, as may fit the particular parties.

NOTICES

31. All notices required or permitted under this Lease shall be in writing and shall be personally delivered or sent by U.S. Certified Mail, return receipt requested, postage prepaid. Notices to Tenant shall be delivered or sent to the address shown below, except that upon Tenant's taking possession of the Premises, then the Premises shall be Tenant's address for notice purposes. Notices to Landlord shall be delivered or sent to the addresses hereinafter stated, to wit:

Landlord: City of Powder Springs, Georgia
c/o Pam Conner, City Manager
4484 Marietta St.
Powder Springs, GA 30127

With copy to:
Richard W. Calhoun, Esq.
Gregory, Doyle, Calhoun & Rogers, LLC
49 Atlanta Street
Marietta, GA 30060

Tenant: South Cobb Arts Alliance, Inc.

All notices shall be effective upon delivery. Any party may change his/her notice address upon written notice to the other parties.

ENTIRE AGREEMENT

32. This Lease contains the entire agreement of the parties hereto, and no representations, inducements, promises or agreements, oral or otherwise between the parties not embodied herein shall be of any force or effect. No subsequent alteration, amendment, change or addition to this Lease, except as to changes or additions to the Rules and Regulations described in paragraph 7, shall be binding upon Landlord or Tenant unless reduced to writing and signed by Landlord and Tenant. The invalidity of any one or more phrases, sentences, clauses or sections contained in this Lease shall not affect the remaining portions of this Lease or any part thereof.

Tenant acknowledges that it has read and understands the terms of this Lease and has received a copy of it. All parties warrant that the signatories hereto are fully authorized to sign for and bind the respective parties.

IN WITNESS WHEREOF, the parties herein have hereunto set their hands and seals.

TENANT: SOUTH COBB ARTS ALLIANCE, INC.

By: Amelia

Its: President

Date executed by Tenant: _____

LANDLORD: THE CITY OF POWDER SPRINGS,
GEORGIA

By: Al Thurman
Al Thurman, Mayor

Attest: Kelly Axt
Kelly Axt, City Clerk

Date executed by Landlord: 3/1/23

Approved as to form:

By: per previous lease
Julie Livingston, City Attorney