No. __ of __ Executed Original Counterparts.
COUNTERPART OF _____.

**STATE OF GEORGIA;**
**COUNTY OF FULTON:**

# LEASE

THIS LEASE (hereinafter referred to as "Lease") is made and entered this _____ day of _____, 20___, by and between [State Entity], Party of the First Part ("Lessor") and _____, pursuant of an authorizing resolution adopted on _____, Party of the Second Part, ("Lessee")

**W I T N E S S E T H  T H A T:**

WHEREAS, Lessor is the owner of certain land consisting of approximately _____ acres situated in [Land Lot __], [___ District], _____ County, Georgia, hereinafter referred to as the "Premises," more particularly described in Exhibit A attached hereto; and

WHEREAS, the Premises comprise a portion of the Water Supply Project (the "Project"), more particularly described in Exhibit B attached hereto, which Project by reference shall include the "Project Improvements" and the "Project Site," as hereinafter defined; and

WHEREAS, Lessee desires to lease the Premises from Lessor for use in connection with the Project.

NOW, THEREFORE, in consideration of the mutual promises herein contained, upon the following terms and conditions to be paid and kept by Lessee, Lessor grants and leases, and Lessee does hereby accept, take and lease, the Premises from Lessor.

1.

Premises And Appurtenances

1.1 Grant of Leasehold Estate. This Lease creates in Lessee an estate for years for the Term, as hereinafter defined.

1.2 Premises Accepted "As Is." Except as expressly provided in this Lease, Lessee has leased the Premises after a full and complete examination thereof, as well as the title thereto and its present uses and non-uses, and Lessee accepts the same IN "AS-IS, WHERE IS" CONDITION "WITH ALL FAULTS" AS OF THE CLOSING DATE AND SPECIFICALLY AND EXPRESSLY WITHOUT ANY WARRANTIES, REPRESENTATIONS OR GUARANTEES, EXCEPT AS PROVIDED HEREIN. Lessee hereby acknowledges that the Premises and title to the Premises is in satisfactory and suitable condition for the use intended by Lessee as hereinafter provided for in this Lease.

2.

USE OF PREMISES

2.1 Use of the Premises. The Premises shall be used by Lessee solely in connection with the acquisition, construction, repair, maintenance, operation and management of the Project by Lessee, and in strict compliance with the terms and provisions of this Lease.

3.

OCCUPANCY

3.1 Occupancy. Lessee shall occupy the Premises continuously throughout the Term of this Lease and shall not desert, surrender, abandon or cease using the Premises during the term of this Lease.

4.

CONSIDERATION AND RENT

4.1 Rent. For and as consideration as rent for the Premises, Lessor and Lessee agree and find that in accordance with the Georgia Water Supply Act of 2008, the use of the Premises in connection with the Project will further the public purposes of the Project and will promote the use of the Project and the use of the industrial, recreational, commercial, and natural resources of Georgia for the public good and general welfare. Lessor and Lessee further agree and find that

such use of the Premises in connection with the Project is good and sufficient rent for the Premises.

4.2 Additional Rent. As additional rent, Lessee covenants and agrees (a) to keep each and every term and condition of this Lease required to be kept by Lessee, and (b) to pay all costs and expenses which Lessor incurs as a result of any default of Lessee or failure on the part of Lessee to comply with any provisions of this Lease.

5.

TERM

5.1 Term. The "Term" of this Lease shall be for _____ (__) years beginning upon the date of execution of this Lease by Lessor, hereinafter referred to as the "Commencement Date," and ending at 11:59 o'clock P.M. prevailing legal time in Atlanta, Georgia, on the day before the _____ (__) anniversary of the Commencement Date, unless sooner terminated as hereinafter provided.

6.

HOLDING OVER

6.1 Holding Over. Except as specifically permitted by this Lease, Lessee shall not use or remain in possession of the Premises after the expiration or termination of this Lease. Any holding over or continued use and/or occupancy of the Premises by Lessee after the expiration or any termination of this Lease, without consent from Lessor, shall not constitute a Tenancy-At-Will in Lessee, but Lessee shall be a Tenant-At-Sufferance.

7.

PROJECT IMPROVEMENTS

7.1 Improvements. After the satisfaction or waiver of the contingencies set forth on Exhibit C and subject to the other conditions contained herein, Lessee shall have the right to use or remove the existing improvements on the Premises, if any, at Lessee's sole cost and expense,



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and to place and construct permanent improvements and additions on the Premises in order to operate and manage the Premises in connection with the improvements and additions ("Project Improvements") that are placed and constructed on the land comprising the site of the Project (the "Project Site"). Lessee's placement and construction of the Project Improvements on the Project Site shall be subject to the following conditions:

(a) Lessee agrees that the Project Improvements shall be completed substantially in accordance with the plans and specifications described on Exhibit D (the "Plans").

(b) Lessee's placement and construction of the Project Improvements on the Project Site shall be performed in accordance with the Plans and all laws, ordinances, regulations and rules of appropriate governmental authorities and insurance rating agencies. Lessee agrees that it will timely satisfy or bond over any mechanics, laborers or other construction liens to be asserted against the Premises or the Project. Neither Lessee, nor any agent, employee, representative, contractor, subcontractor or any other party claiming any interest through Lessee, shall have any power or authority to do any act or thing or to make any contract or agreement which will bind Lessor. Furthermore, Lessee hereby agrees to indemnify and hold Lessor harmless of, from and against any and all loss, cost, claims, demands, expenses and liabilities resulting from Lessee's placement and construction of the Project Improvements.

(c) Lessee shall engage a contractor or subcontractor that is licensed in the State of Georgia to construct the Project Improvements. Any construction contract for the construction of the Project Improvements shall contain a provision requiring the contractor and its subcontractors to comply with the laws of the State of Georgia, including but not limited to, the Georgia Security Immigration Compliance Act set forth at O.C.G.A. § 13-10-90 et seq., the "Drug-Free Workplace Act" set forth at O.C.G.A. § 50-24-1 et seq., O.C.G.A. § 45-10-20 et seq., regarding conflicts of interest, and O.C.G.A. § 50-5-60 et seq., regarding products manufactured or produced in Georgia.

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(d) Lessee agrees to provide Lessor, at Lessor's cost and expense, an as-built survey of the Project Site within ninety (90) days after the date of completion of the Project Improvements with a surveyor's certificate to Lessor, in form and substance satisfactory to Lessor.

7.2 Alterations. Lessee shall have the right to alter, renovate, add, remodel, modify or change the Premises and the Project as Lessee may deem desirable, without the consent or approval of Lessor. Neither Lessee, nor any agent, employee, representative, contractor, subcontractor or any other party claiming any interest through Lessee, shall have any power or authority to do any act or thing or to make any contract or agreement which will bind Lessor.

7.3 Laws and Regulations. At its sole cost and expense, Lessee shall comply with all present and future laws, acts, orders, ordinances and/or regulations, ordinary or extraordinary, foreseen or unforeseen, concerning the Premises and the Project, or any part thereof, or the use thereof, whether or not such laws, acts, orders, ordinances or regulations require the making of structural alterations to the Premises or the Project, or interfere with the use and enjoyment of the Premises or the Project, and shall protect, hold harmless and indemnify the State Indemnitees (hereinafter defined) from and against all fines, penalties or claims for damages of every kind and nature arising out of any failure to comply with any such laws, acts, orders, ordinances and/or regulations.

7.4 Repair and Maintenance. At its sole cost and expense, Lessee shall maintain and keep the Premises and the Project in good order, condition and repair, ordinary wear and tear excepted. The obligations of Lessee hereunder include, without limitation, all necessary maintenance, repairs and replacement of the Premises and the Project, structural or otherwise, ordinary or extraordinary, foreseen and unforeseen. Lessee agrees that Lessor shall have no such obligations of any kind or nature with respect to the Premises or the Project. Lessee agrees to use industry accepted best practices for operation, maintenance and repair.

7.5 Premises and Project Improvements to Vest in Lessor upon Termination. Upon expiration or termination of this Lease, all rights and interests of Lessee (and all persons whomsoever claiming by, under or through Lessee) in and to the Premises and the Project

Improvements that are placed and constructed on the Premises shall wholly cease, and title to the Premises and the Project Improvements placed and constructed on the Premises, including but not limited to all permanent improvements, erections and additions constructed on the Premises by Lessee, shall vest in Lessor without further act or conveyance, and without liability to make compensation therefore to Lessee or to anyone whatsoever, and shall be free and discharged from all and every lien, encumbrance, claim and charge of any character created or attempted to be created by Lessee at any time other than pursuant to the specific terms of this Lease. This provision shall not relieve Lessee from liability for having left the Premises or the Project Improvements that are placed or constructed on the Premises in unsound or unsafe condition or with encumbered title. Lessee, upon the request of Lessor, covenants and agrees to execute a quitclaim deed releasing all such rights in the Premises and the Project Improvements that are placed or constructed on the Premises in a form and substance acceptable to Lessor.

8.

MORTGAGING OF THE LEASEHOLD ESTATE

8.1 Lessee's Right To Mortgage. Lessee shall have the right to mortgage or otherwise encumber the Premises and the Project Improvements that are placed and constructed on the Premises to the extent of its leasehold interest only. Notwithstanding any other provision of this Lease, Lessor shall not be required to subordinate this Lease to any other interest of any person or entity lending money for the Project, and all such interests or instruments shall be subordinate to this Lease. If any leasehold mortgagee requires recordation of this Lease, both parties hereby consent to such recordation, and either party may record this Lease in that event.

8.2 Lessor's Participation in Financing. Lessor has not and will not participate in the structuring, offering or issuance of bonds or other financing to be used to construct, renovate, or rehabilitate the Project, and Lessor shall have no obligation with respect to the bonds or the financing of the Project.

9.

INDEMNIFICATION AND HOLD HARMLESS

9.1 Lessee's Responsibilities. In consideration of the benefits to be derived herefrom, during the Term, Lessee shall be responsible to the Lessor during the Term for all injury or damage of any kind resulting from any negligent act or omission or breach, failure or other default regarding the occupancy of the Premises by Lessee, or any of its subcontractors, its agents, employees or others working at the direction of Lessee or on its behalf, regardless of who may be the owner of the Premises. Lessee is responsible for insuring its tools, equipment, fixtures, trade fixtures and personal property and Lessor shall not be liable for any loss or damage to such tools, equipment, fixtures and personal property.

9.2 Indemnification by Lessee. Lessee hereby agrees to indemnify and hold harmless Lessor and its departments, agencies and instrumentalities and all of their respective officers, members, employees, directors and agents (collectively the "State Indemnitees") from and against any and all claims, demands, liabilities, losses, costs or expenses for any loss including but not limited to bodily injury (including death), personal injury, property damage, expenses, and attorneys' fees, arising out of or resulting from construction or operation of the Project and any act or omission on the part of Lessee, its agents, employees or others working at the direction of Lessee or on its behalf, or due to any breach of this Lease by Lessee, or due to the violation of any pertinent Federal, State or local law, rule or regulation by Lessee. This indemnification obligation survives the termination of this Lease and the dissolution or, to the extent allowed by law, the bankruptcy of Lessee. If and to the extent such damage or loss (including costs and expenses) as covered by this indemnification is paid by the State Tort Claims Trust Fund, the State Authority Liability Trust Fund, the State Employee Broad Form Liability Fund, the State Insurance and Hazard Reserve Fund, and other self-insured funds (collectively the "Funds") established and maintained by the State of Georgia Department of Administrative Services, Lessee agrees to immediately reimburse the Funds for such monies paid out by the Funds.

9.3 Indemnification Limited to Lease. This indemnification does not extend beyond the scope of this Lease and the work undertaken hereunder. Nor does this indemnification extend to claims for losses or injuries or damages incurred directly by the State Indemnitees due to breach or default by the State Indemnitees under the terms and conditions of this Lease.



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## INSURANCE

10.1 Insurance. Lessee shall maintain with an insurance company authorized to do business in the State of Georgia and having a Best's Insurance Guide Rating of at least A-VIII, (a) a policy of Commercial General Liability insurance with coverage for personal injury or death and property damage occurring upon, in or about the Premises, with limits of coverage of not less than [$_____] (combined single limits) naming the State Indemnitees as an additional insured, (b) fire and casualty insurance on an "All Risk" or "Special Form" basis, insuring all of the Project, and all betterments, additions, repairs, improvements and alterations made to the Project by Lessee in an amount equal to one hundred percent (100%) of the replacement cost thereof; and (c) worker's compensation insurance as required by statute, and employer's liability insurance in the amount of $1,000,000 per occurrence. Lessee may self-insure its obligations hereunder. Lessee's insurance shall be primary and any insurance maintained by Lessor shall be excess and non-contributory. As often as any such policy shall expire or terminate, renewal or additional policies shall be procured and maintained by Lessee in like manner and to like extent.

10.2. Insurance Coverages. The coverage amounts set forth above may be met by a combination of the underlying or umbrella policies so long as in combination the limits equal or exceed those stated; provided, however, that (a) the State Indemnitees shall be named as an additional insured thereunder as their interest may appear; (b) the coverage afforded Lessor will not be reduced or diminished by reason of the use of such blanket policy of insurance; and (c) the requirements set forth herein are otherwise satisfied.

10.3 Policy Provisions. Each such policy shall contain the following provisions: (a) the insurance company agrees that the policy shall not be canceled, changed, allowed to lapse, or allowed to expire until thirty (30) days after Lessor has received written notice thereof; (b) the policy shall not be subject to invalidation as to any insured by reason of any act or omission of another insured or any of its officers, employees, agents or other representatives; and (c) each insurer is hereby notified of the statutory requirements that the Attorney General of the State of Georgia shall represent and defend the State Indemnitees but will, without limiting the authority of the Attorney General, consider attorneys recommended by the insurance company for



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appointment as Special Assistant Attorneys General to represent and defend the State Indemnitees. The insurance company may, at the option of the Attorney General, have the right to participate in the defense of the State Indemnitees. In the event of litigation, any settlement on behalf of the State Indemnitees must be expressly approved by the Attorney General. Such provisions shall be endorsed by the insurance company. Insurance certificates signed by insurance brokers and agents are not acceptable to Lessor.

10.4 Insurance Certificates. Upon receipt of a written request from Lessor, Lessee shall deliver to Lessor certificates of insurance and endorsements evidencing the coverage required by this provision.

11.

HAZARDOUS SUBSTANCES

11.1 Harmful Substances Prohibited. Lessee shall not bring, deposit, or allow to be brought or deposited, in or upon the Premises or the Project, any pollutant or harmful substance, except for substances which are both (a) not Hazardous Substances (as hereinafter defined) and (b) ordinarily used in the operation, care and maintenance of Water Supply Projects in compliance with all applicable laws.

11.2 Warranty Against Occurrences. Lessee warrants that it will not allow any of the following to occur on the Premises or the Project by Lessee, its subtenants, employees, agent or contractors: (a) any generation, treatment, recycling, storage or disposal of any Hazardous Substance (hereinafter defined); (b) any underground storage tank, surface impoundment, lagoon or other containment facility for the temporary or permanent storage, treatment or disposal of Hazardous Substance (hereinafter defined); (c) any landfill or solid waste disposal area; (d) any asbestos-containing material as defined by the Toxic Substances Control Act; (e) any polychlorinated biphenyl (PCB) used in hydraulic oils, electric transformers or other equipment. Without limitation of the foregoing, Lessee shall indemnify and hold harmless the State Indemnitees from and against any all claims, demands, liabilities, losses, costs or expenses arising out of or resulting from any release or threatened release of Hazardous Substance (hereinafter defined) to the environment by Lessee, its subtenants, employees, agents or

contractors. As used in this Lease, the term "Hazardous Substance" shall mean any substance or material (1) identified in Section 101(14) of CERCLA, 42 U.S.C. § 9601(14) and as set forth in Title 40, Code of Federal Regulations, Part 302, as the same may be amended from time to time; (2) identified or regulated under the Georgia Hazardous Site Response Act, O.C.G.A. § 12-8-90 et. Seq.; (3) determined to be toxic, a pollutant or contaminant, under any federal, state or local statute law, ordinance, rule, or regulation, under common law, or pursuant to a judicial or administrative order or decision; (4) petroleum and petroleum products and distillates; (5) asbestos, radon, mold, or any other potentially harmful indoor air pollutants; (6) polychlorinated biphenyls; and (7) such other materials, substances or waste which are otherwise dangerous, hazardous, harmful or deleterious to human health or the environment.

12.

INSPECTION AND BOOKS AND RECORDS

12.1 Inspection and Books and Records. Lessee shall keep appropriate books and records with respect to the Premises, which books and records shall be available to Lessor or its agents at all reasonable times for inspection or audit.

13.

YIELD

13.1 Yield. Lessee agrees that Lessor shall be entitled to a prorata portion of the sustainable raw water supply yield of the Project. The portion shall be determined by the ratio of Lessor's investment in the Premises divided by the total capital costs of the Project at the time of determination of the allocable State portion. If Lessee has water treatment facility which treats water from the Project, Lessee agrees to treat Lessor's portion of the raw water supply yield at its fully burdened cost and make the treated water available to Lessor at its treatment facility.

14.

TRANSFER, ASSIGNMENT AND SUBLETTING



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14.1 Assignment Prohibited. Lessee shall not be permitted to sale, assign, convey or transfer its interest, or any portion thereof, in the Premises without the prior written consent of Lessor.

14.2 Rights of Leasehold Mortgagee Protected. Nothing contained in this Section 14 shall limit or is intended to limit the rights of Lessee under Section 8 hereof; and the enforcement by any leasehold mortgagee of any leasehold mortgage encumbering the Premises and the Project, including the foreclosure of any such leasehold mortgage or transfer of Lessee's leasehold interest in lieu of foreclosure, shall not be restricted or prohibited hereunder or subject to Lessor's consent.

15.

OPTION TO PURCHASE

15.1 Option. For and in consideration of the sum of Ten and No/100 Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor does hereby grant and convey to Lessee the sole and exclusive right, privilege, and option to purchase the Premises, together with all Project Improvements thereon and fixtures attached thereto and all easements and appurtenances thereto, free and clear of all liens, claims, security interests and other encumbrances, upon the terms and conditions set forth herein (the "Option"). Lessee shall give Lessor written notice of its intent to exercise the Option no later than ninety (90) days prior to Lessee's exercise of the Option ("Notice Date"). In the event that Lessee does not give notice to Lessor by the Notice Date, or in the event that an uncured event of Default by Lessee exists at the time Lessee's notice is given or thereafter prior to the Closing Date, this Option shall be null and void.

15.2 Closing. The closing of the purchase and sale of the Premises shall occur within ninety (90) days after the date of exercise of the Option by Lessee (the "Exercise Date").

15.3 Lease Termination. The parties hereto shall execute a lease termination agreement at the closing.

15.4 Purchase Price. The purchase price ("Purchase Price") for the Premises shall be equal to the fair market value of the Premises as of the Exercise Date, determined in accordance with the valuation process described and set forth on Exhibit E attached hereto.

15.5 Continuing Obligations. During the period prior to closing, Lessor and Lessee agree to be bound by and shall continue to keep, observe and perform their respective obligations under this Lease.

16.

NOTICES

16.1 In Writing; Address. All notices, demands, consents, reports and other communications provided for in this Lease shall be in writing, shall be given by a method prescribed in Section 16.2, and shall be given to the party to whom it is addressed at the address set forth below or at such other address as such party hereto may hereafter specify.

Lessor:

_____
_____
_____
_____
Attn: _____

With a copy to

Georgia Department of Law
132 State Judicial Building
40 Capitol Square, SW
Atlanta, Georgia 30334
Attn: Real Property Division

Lessee:

_____
_____
_____
_____

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With a copy to

_____
_____
_____
_____

Any party hereto may change the address to which notice may be delivered hereunder by the giving of at least fifteen (15) days prior written notice thereof to the other party as provided in Section 16.2 below.

16.2 Method. Any notice, report or other communication shall be in writing and delivered by hand or sent by registered or certified mail with return receipt requested, or sent by overnight or same day courier service. Any notices, demands, consents or other communication shall be deemed given when received at the address for which such party has given notice in accordance with the provisions hereof. Each notice shall be deemed to have been received or given on the earlier to occur of actual delivery or the date on which delivery is refused. Even though notices, where applicable, shall be addressed to the attention of the person or title, or both if applicable, hereinabove set forth, valid and perfected delivery of notice shall be accomplished under this Lease even though the said named person or the person holding said title is not the person who accepts or receives delivery of the said notice. Any notice, the text of which is reasonably calculated to apprise the recipient party of the substance thereof and the circumstances involved, shall be deemed sufficient under this Lease.

16.3 Response Period. Any notice or other communication which is intended to initiate a response period set forth in this Lease shall be effective to do so only if it specifically references such response period.

17.

MISCELLANEOUS.

17.1 No Joint Venture. Nothing contained in this Lease shall make, or shall be construed to make, Lessor and Lessee partners in, of, or joint venturers with each other, nor shall anything contained in this Lease render, or shall be construed to render, either Lessor or Lessee



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liable to a third party for the debts or obligations of the other.

17.2 Additional Documents and Acts. In connection with this Lease, as well as all transactions contemplated by this Lease, each party hereto agrees to execute and deliver such additional documents and instruments, and to perform such additional acts as may be reasonably necessary or appropriate to effectuate, carry out and perform all of the terms, provisions and conditions of this Lease, and all such transactions.

17.3 Governing Law. This Lease shall be governed by, construed under, performed and enforced in accordance with the laws of the State of Georgia.

17.4 Pronouns. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine or neuter, singular or plural, as the identity of the Person or Persons may require.

17.5 Entire Agreement. This Lease constitutes the entire agreement between the parties. No member, officer, employee or agent of Lessee or Lessor has authority to make, or has made, any statement, agreement, representation or contemporaneous agreement, oral or written, in connection herewith amending, supplementing, modifying, adding to, deleting from, or changing the terms and conditions of this Lease.

17.6 References to this Lease. Numbered or lettered Articles, Sections and subsections herein contained refer respectively to Articles, Sections and subsections of this Lease unless otherwise expressly stated.

17.7 Headings. All headings herein are inserted only for conveniences and ease of reference and are not to be considered in the construction or interpretation of any provision of this Lease.

17.8 Binding Effect. Except as herein otherwise expressly stipulated to the contrary, this Lease shall be binding upon and inure to the benefit of the parties hereto, and their respective heirs, legal representatives, successors and permitted assigns.



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17.9 Counterparts. This Lease is executed in two (2) counterparts which are separately numbered but each of which is deemed an original of equal dignity with the other and which is deemed one and the same instrument as the other.

17.10 Amendments. No modification of or amendment to this Lease shall be binding on either party hereto unless such modification or amendment shall be properly authorized, in writing, properly signed by both Lessee and Lessor and incorporated in and by reference made a part hereof.

17.11 Approvals and Consents. All approvals and consents hereunder of any of the parties hereto shall be in writing.

17.12 Severability. If any provision of this Lease, or any portion thereof, should be ruled void, invalid, unenforceable or contrary to public policy by any court of competent jurisdiction, then any remaining portion of such provision and all other provisions of this Lease shall survive and be applied, and any invalid or unenforceable portion shall be construed or reformed to preserve as much of the original words, terms, purpose and intent as shall be permitted by law.

17.13 Waiver; Modification. Failure by any party hereto to insist upon or enforce any of its rights shall not constitute a waiver thereof, and nothing shall constitute a waiver of such party's right to insist upon strict compliance with the provisions hereof. Any party hereto may waive the benefit of any provision or condition for its benefit contained in this Lease.

17.14 No Third Party Beneficiary. Nothing in this Lease, whether express or implied, is intended to confer upon any other party other than the parties hereto and their respective successors and assigns, any right or interest whatsoever. No party other than the parties hereto is entitled to rely in any way upon the representations, obligations, indemnities or limitations of liability whatsoever in this Lease.

17.15 Exhibits. All Exhibits attached to this Lease are made a part of and incorporated by reference into this Lease.

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17.16 Herein. Wherever used in this Lease, the words "herein", "hereof" or words of similar import shall be deemed to refer to this Lease in its entirety and not to a specific section unless otherwise stated.

17.17 Including. Wherever used in this Lease, the word "including" shall be deemed to be followed by the words "without limitation."

17.18 Right to Cure Default. In the event of a default by Lessee under this Lease, the Lessor shall have the right to cure such default, whether by the payment of money or otherwise, and to demand and collect reimbursement from Lessee of all amounts in connection with curing the default, together with interest at the maximum rate premitted by law.

17.19 Not Liable for Obligations of Other Party. Except as specifically provided in this Lease, no party shall be liable for the obligations, acts or negligence of any other party. No party shall have the power or authority to bind any other party to any third-party obligation, unless such power or authority is specifically set forth in writing. Unless otherwise specifically provided in this Lease, each party shall pay the costs, fees and expenses incurred by such party in constructing, repairing, replacing, maintaining, operating or managing the Project.

17.20 Dispute Resolution. In the event of a dispute between Lessee and Lessor that is unresolved by negotiation, compromise or settlement between the parties, Lessee and Lessor each agree to submit such dispute to mediation facilitated by an experienced mediator. Lessee and Lessor each will pay its proportionate share of the costs of the mediation, including the mediator's fee. Lessee and Lessor each agree to participate in good faith with the mediator in all mediation conferences.

17.21 Letter of Intent. The terms and provisions of that certain Letter of Intent ("LOI") by and between Lessor and Lessee under date of _____ are incorporated herein by reference; provided, however, to the extent of any conflict between the terms and provisions of this Lease and the terms and provisions of the LOI, the terms and provisions of this Lease shall control.

17.22 No Landlord's Lien. Lessee shall have the right, without Lessor's consent, to

finance the inventory, trade fixtures and personal property of Lessee at the Premises and grant liens and security interests in such items. Lessor acknowledges and agrees that Lessor has no interest or lien, statutory or otherwise, with respect to the inventory, trade fixtures or other personal property of Lessee. Lessor agrees to execute and deliver to Lessee within thirty (30) days after written request therefor, a written confirmation in favor of Lessee's lender of the terms of this Section 17.22, in form reasonably acceptable to Lessee's lender and Lessor.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

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IN WITNESS WHEREOF, _____, as _____ of _____, and _____, as _____ of _____, have this _____ day of _____, 20__, signed, sealed and delivered this Lease for and on behalf of [State Entity], in duplicate, and [Lessee], has signed, sealed and delivered this Lease, also in duplicate.

[State Entity]

By: _____

Attest: _____

Signed, sealed and delivered as to
Lessor in the presence of:

_____

Unofficial Witness

_____

Official Witness, Notary Public

My Commission Expires:

(Signatures continue on following page)

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[Lessee]

By: _____

Attest: _____

(Seal Affixed Here)

Signed, sealed and delivered as to
Lessee in the presence of:

_____

Unofficial Witness

_____

Official Witness, Notary Public

My Commission Expires:

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SCHEDULE OF EXHIBITS

Exhibit A - Premises Legal Description

Exhibit B - Project

Exhibit C - Contingencies

Exhibit D - Plans and Specifications

Exhibit E - Valuation Process

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# EXHIBIT A

# PREMISES LEGAL DESCRIPTION

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**EXHIBIT B**

**PROJECT**

DRAFT

# EXHIBIT C

# CONTINGENCIES

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# EXHIBIT D

# PLANS AND SPECIFICATIONS

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## EXHIBIT E

## VALUATION PROCESS

Within thirty (30) days after exercise of the Option to Purchase by Lessee, Lessor will submit to Lessee a proposed fair market valuation of the right, title and interest of Lessor (the "State Interest") in and to the Premises (the "State Valuation"), which State Valuation will be determined by in accordance with the appraisal procedures then in effect for the State Properties Commission of the State of Georgia. Lessor will pay the costs and expenses of the State Valuation. Lessee will have ten (10) days after receipt of the State Valuation to accept or reject the State Valuation. If Lessee rejects the State Valuation, then within thirty (30) days after the date on which Lessee receives the State Valuation, Lessee will appoint an appraiser to make a fair market valuation of the State Interest (the "Lessee Valuation") and present the Lessee Valuation to Lessor. If Lessee rejects the State Valuation but within a period of thirty (30) days after receipt of the State Valuation, fails to submit the Lessee Valuation to Lessor, then the State Valuation will be binding on Lessor and Lessee. If Lessee timely submits the Lessee Valuation to Lessor, but Lessor and Lessee then fail to agree on the fair market valuation of the State Interest within ten (10) business days after receipt by Lessor of the Lessee Valuation, Lessor and Lessee, each acting in good faith and in a commercially reasonable manner, will promptly agree upon the appointment of a third appraiser to make a third fair market valuation (the "Third Valuation") of the State Interest. The Third Valuation will be made within thirty (30) days after the appointment of the third appraiser. Lessor and Lessee will each pay one-half (1/2) of the fees and expenses of the third appraiser. If any valuation is disparate from the median of all three valuations by more than twice the amount by which the other valuation is disparate from the median, then such disparate valuation will be disregarded, the remaining two valuations will be averaged, and the average will be binding on Lessor and Lessee. Otherwise, the average of all three valuations will be binding on Lessor and Lessee. Each appraiser so appointed will be a member of the American Institute of Real Estate Appraisers (or successor organization) having at least five (5) years' experience in asset appraisals for commercial use in the area in which the Premises is located.