

RESOLUTION 2021-40

AUTHORIZING A LEASE AGREEMENT WITH CENTURY FEDERAL CREDIT UNION FOR PROPERTY IN THE HAYDEN DISTRICT GARAGE LOCATED AT 1661 HAYDEN AVENUE, EAST CLEVELAND, OHIO 44112 FOR A RENEWAL TERM OF TWO YEARS WITH ONE OPTION TO EXTEND FOR ONE ADDITIONAL YEAR AT \$2,800 PER YEAR

WHEREAS, the Greater Cleveland Regional Transit Authority ("Authority") is the owner of record of the land and facility located at 1661 Hayden Avenue in East Cleveland, Ohio, 44112, which is a portion of the property known as the Hayden District Garage (the "Property"); and

WHEREAS, the Property was acquired by the Authority on July 16, 1981 for the construction of the Hayden District Garage; and

WHEREAS, the Property has been leased to the Century Federal Credit Union, an Ohio not-for-profit financial cooperative, for the past three (3) years for the operation of a credit union office to serve GCRTA employees and their families; and

WHEREAS, Section 470.03 of the Codified Rules and Regulations of the Greater Cleveland Regional Transit Authority provides that leases permitting continuous use of Authority property for more than 3 years must be approved by the Board of Trustees; and

WHEREAS, Federal Transit Administration ("FTA") Circular 5010.1E authorizes the Authority to renew existing leases at rates and conditions based on current fair market values for similar public amenities created on comparable properties; and

WHEREAS, the Authority's staff has determined the new lease terms and conditions to be representative of the fair market value for comparable properties; and

WHEREAS, Century Federal Credit Union intends to continue to operate and maintain the Property, agrees to perform all necessary capital improvements and agrees to maintain the Property in a clean, safe and attractive condition, which represents additional compensation for the Property; and

WHEREAS, this amenity was determined to be an appropriate use for the site; and

WHEREAS, the Authority intends to offer Century Federal Credit Union a lease renewal for the Property for a term of two years at \$2,800 per year with one extension option of one additional year and the Authority reserves the right to cancel the lease at any time and for any reason.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio.

Section 1. That the General Manager, Chief Executive Officer is hereby authorized to execute a lease agreement with the Century Federal Credit Union for a renewal term of two years with one extension option of one additional year at \$2,800 per annum for a portion of the property located at the Hayden District Garage, 1661 Hayden Avenue, East Cleveland, Ohio and further known as Cuyahoga County Permanent Parcel Number 671-07-002 (the "Property").

The General Manager, Chief Executive Officer is further authorized to exercise the option to extend.

Section 2. That the rent of \$2,800 per year along with Century Federal Credit Union's agreement to perform all necessary capital improvements and to maintain the Property in a clean, safe and attractive condition represents fair compensation for the Property as determined by a survey of comparable properties in northeast Ohio as verified by the Authority's staff.

Section 3. That this resolution shall become effective immediately upon its adoption.

Adopted: April 20, 2021



President

Attest: 

Interim Secretary-Treasurer



TITLE/DESCRIPTION: LEASE: LEASE AGREEMENT FOR PROPERTY AT THE HAYDEN DISTRICT GARAGE, 1661 HAYDEN AVENUE, EAST CLEVELAND, OHIO 44112 LESSEE: CENTURY FEDERAL CREDIT UNION, AN OHIO NOT-FOR-PROFIT FINANCIAL COOPERATIVE TERMS: TWO YEAR RENEWAL TERM WITH ONE EXTENSION OPTION FOR ONE ADDITIONAL YEAR AT \$2800 PER YEAR	Resolution No.: 2021-40
	Date: April 15, 2021
	Initiator: Programming and Planning
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** This resolution seeks approval for a renewal Lease Agreement with the Century Federal Credit Union, an Ohio not-for-profit financial cooperation, for the operation and maintenance of the existing office property located at the Hayden District Garage.
- The property is office space in the Hayden District Garage and is part of that building located at 1661 Hayden Avenue, in the City of East Cleveland, Cuyahoga County, Ohio 44112.
 - The term renewal will be for two years with one extension option of one additional year with rent to increase to \$2,800 per annum.
 - Insurance requirements are updated.
 - GCRTA reserves the right to cancel the lease at any time and for any reason.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority acquired this property in 1981 for construction of the Hayden District Garage. The portion of the property proposed for lease renewal is currently used by the Century Federal Credit Union for the exclusive use of GCRTA employees and their families.
- Staff is seeking approval for the lease renewal at this time because Section 470.03 of the Codified Rules and Regulations of the Greater Cleveland Regional Transit Authority provides that leases permitting continuous use of Authority property for more than 3 years must be approved by the Board of Trustees. Century Federal Credit Union has been leasing this location for 3 years.
- 3.0 **PROCUREMENT BACKGROUND:** Does not apply.
- 4.0 **DBE/AFFIRMATIVE ACTION BACKGROUND:** Does not apply.
- 5.0 **POLICY IMPACT:** The proposed lease renewal of this property is consistent with the Real Estate Policies of the GCRTA.
- 6.0 **ECONOMIC IMPACT:** The income from rent is \$2,800 per year, representing an 8% increase based on CPI adjustment.

- 7.0 ALTERNATIVES: The GCRTA can refuse to approve the Lease Agreement and seek a new tenant for the property or close this amenity for employee use and maintain the property. Additional costs would be incurred for maintenance of this property.
- 8.0 RECOMMENDATION: The proposed lease agreement was discussed at the April 6, 2021 meeting of the Audit, Safety Compliance and Real Estate Committee and was recommended for referral to the full Board. Staff recommends the proposed lease agreement for approval to the Board of Trustees.
- 9.0 ATTACHMENTS: Attachment A: Lease Agreement

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



General Manager, Chief Executive Officer

ATTACHMENT A
BASIC LEASE INFORMATION

Date:

Landlord: Greater Cleveland Regional Transit Authority

Tenant: CENTURY FEDERAL CREDIT UNION

Trade Name: N/A

Premises: Number and Street: 1661 Hayden Avenue
City: East Cleveland
County: Cuyahoga
State: Ohio

LENGTH OF TERM: Two (2) Years with one (1) year extension option

COMMENCEMENT DATE: May 1, 2021

BASE RENT: \$233.33 per month

SECURITY DEPOSIT: \$0

LANDLORD'S ADDRESS FOR NOTICES: Root-McBride Building
1240 West 6th Street
Cleveland, OH 44113
Attention: Property Manager

LANDLORD'S ADDRESS FOR PAYMENTS: Root-McBride Building
1240 West 6th Street
Cleveland, OH 44113
Attention: Department of Accounting

TENANT'S ADDRESS FOR NOTICES:

1240 East 9th Street

Cleveland, Ohio 44199

GUARANTOR: Century Federal Credit Union, an Ohio not for profit financial cooperative

SPECIAL CONDITIONS:

The basic Lease information is part of the Lease; however, if any of the basic Lease information contradicts any provision of the Lease, the provisions of the Lease will prevail.

LEASE

This Lease is made on _____, 2021, by the Greater Cleveland Regional Transit Authority, a political subdivision organized under Revised Code Chapter 306, whose principal business office is located at 1240 West 6th Street, Cleveland, Ohio, 44113 ("Landlord"), and CENTURY FEDERAL CREDIT UNION, an Ohio not for profit financial cooperative, whose principal business office is located at 1240 East 9th Street, Cleveland, Ohio 44199 ("Tenant").

1. AGREEMENT TO LEASE

Landlord leases the Premises to Tenant, and Tenant leases the Premises from Landlord, according to the provisions of this Lease.

2. PREMISES

The Premises include office space in the Hayden District Garage and are part of that certain building located at 1661 Hayden Avenue, in the City of East Cleveland, Cuyahoga County, Ohio (the "Building").

The Premises are more particularly described in "Exhibit A" attached hereto and made a part of this Lease. Tenant accepts the Premises described in Exhibit "A" in an "AS IS" condition without warranty by Landlord of any kind or nature, express or implied.

3. TERM

A. Commencement Date. The term of this Lease will be two (2) years, beginning on May 1, 2021 (the "Commencement Date") and expiring on April 30, 2023. Tenant shall have the right to one (1) one-year extension of the terms of this lease by giving thirty (30) days written notice prior to the expiration of the original terms.

B. Notwithstanding anything contained herein, Landlord reserves the right to cancel the Lease at any time and for any reason.

C. Possession. If for any reason Landlord cannot deliver possession of the Premises to Tenant on the Commencement Date,

- i. this Lease will not be void or voidable,
- ii. Landlord will not be liable to Tenant for any resultant loss or damage, and
- iii. unless Landlord is not able to deliver possession of the Premises to Tenant on the Commencement Date because of Tenant's delays, Rent (hereinafter defined) will be waived for the period between the Commencement Date and the date on which Landlord delivers possession of the Premises to Tenant.

No delay in delivery of possession of the Premises will extend the term.

D. Early Possession. At Tenant's request made at any time after a temporary certificate of occupancy has been issued for the Premises, Landlord may permit Tenant to occupy so much of the Premises as Tenant wishes to occupy prior to the Commencement Date. Landlord

will cooperate with Tenant in order to ease Tenant's moving into the Premises. If Tenant occupies the Premises prior to the Commencement Date with Landlord's permission, all of the provisions of this Lease will be in effect from the beginning of the occupancy; however, Rent otherwise due under this Lease will be abated up to the Commencement Date, and Tenant will pay as Rent Landlord's actual costs (but in no event more than the Rent which would have been due in the absence of any applicable abatements) incurred by reason of Tenant's early occupancy, including Taxes (hereinafter defined), maintenance, utilities, and Landlord's Insurance (hereinafter defined). Tenant shall indemnify Landlord from and against any and all claims attributable to Tenant's early occupancy of the Premises.

4. RENT

A. Payment. Tenant will pay Landlord the monthly rent stated in Exhibit "B" attached hereto and made a part hereof in equal consecutive monthly installments on or before the first day of each month during the term of this Lease (the "Base Rent"). The Base Rent will be paid in advance at the address specified for Landlord in the basic Lease information, or such other place as Landlord designates, without prior demand and without any abatement, deduction or setoff. The obligation to pay Rent is an independent, unconditioned covenant. If the Commencement Date occurs on a day other than the first day of a calendar month, or if the expiration date occurs on a day other than the last day of a calendar month, then the Base Rent for such fractional month will be prorated on a daily basis.

B. Additional Charges. Commencing on the Commencement Date, Tenant will pay to Landlord without deduction or offset all amounts which this Lease requires Tenant to pay (the "Additional Charges", and together with the Base Rent, the "Rent"), at the place where the Base Rent is payable. Landlord will have the same remedies for a default in the payment of Additional Charges as it has for default in the payment of Base Rent.

C. Late Payment. If Tenant fails to pay any Rent on the date due and payable, such unpaid amount will be subject to a late payment charge equal to the greater of: (i) five percent (5%) of such unpaid amounts; or (ii) Two Hundred and 00/100 Dollars (\$200.00). This late payment charge is intended to compensate Landlord for its additional administrative costs resulting from Tenant's failure, and has been agreed upon by Landlord and Tenant, after negotiation, as a reasonable estimate of the additional administrative cost which will be incurred by Landlord as a result of Tenant's failure. The actual cost in each instance is extremely difficult, if not impossible, to determine. This late payment charge will constitute liquidated damages and will be paid to Landlord together with such unpaid amounts. The payment of this late payment charge will not constitute a waiver by Landlord of any default by Tenant under this Lease.

D. Periodic Adjustment. Rent to be adjusted in accordance with Exhibit "B" attached.

E. Security Deposit. The Security Deposit shall be held by Landlord, without liability for interest, as security for the timely performance by Tenant of all the terms of this Lease which are to be observed and performed by Tenant. Landlord shall not be obligated to hold the Security Deposit as a separate fund and may commingle the Security Deposit with other funds. If any sum payable by Tenant to Landlord is unpaid, including, but not limited to, utility charges, Taxes and Tenant's proportionate share of Landlord's Insurance, or if Landlord makes payments on behalf of Tenant, or performs any of Tenant's obligations under this Lease, then Landlord may, at its option and without prejudice to any other remedy which Landlord may have on account thereof, apply the Security Deposit as may be necessary to compensate Landlord toward the payment of

the sum payable by Tenant to Landlord for loss or damage sustained by Landlord due to such breach on the part of Tenant, and Tenant shall, upon demand, restore the Security Deposit to the original sum deposited. If Tenant complies with all of the terms of this Lease, the Security Deposit shall be returned to Tenant within ninety (90) days following the expiration or earlier termination of this Lease, less any sums payable by Tenant to Landlord.

5. TAXES

A. Obligation for Payment. Unless Landlord has exercised its rights pursuant to paragraph 5 F, Tenant will pay all taxes directly to the taxing authority, including without limitation real estate and personal property taxes and assessments assessed, levied, confirmed, or imposed during the term of this Lease (other than net income taxes) (collectively, "Taxes") whether or not now customary or within the contemplation of Landlord and Tenant:

- i. upon, measured by, or reasonably attributable to the cost or value of Tenant's equipment, furniture, fixtures, and other personal property located in the Premises or by the cost or value of any leasehold improvements made in or to the Premises by or for Tenant regardless of whether title to such improvements is in Tenant or Landlord;
- ii. upon or measured by the Base Rent, including without limitation any gross receipts tax or excise tax levied by the federal government or any other governmental body with respect to the receipt of Base Rent;
- iii. upon or with respect to the possession, leasing, operation, management, maintenance, alteration, repair, use, or occupancy by Tenant of the Premises or any portion of the Premises;
- iv. upon this transaction or any document to which Tenant is a party creating or transferring an interest or an estate in the Premises;
- v. upon the Premises and all personal property, furniture, fixtures, and equipment, and all replacements, improvements, or additions to them, whether owned by Landlord or Tenant; and
- vi. impositions based in whole or in part on Base Rent, whether made in addition to or in substitution for any other Taxes.

B. Taxes Payable in Installments. Unless Landlord has exercised its rights under paragraph 5 F, and if, by law, any Taxes may at the option of the taxpayer be paid in installments (whether or not interest accrues on the unpaid balance of such Taxes). Tenant may exercise the option to pay the Taxes (and any accrued interest on the unpaid balance of such Taxes) in installments and in such event Tenant will pay such installments as they become due during the term of this Lease and before any fine, penalty, further interest or cost may be added to them.

C. Taxes for Period other than Term. Any Taxes, including Taxes which have been converted into installment payments, relating to a fiscal period of the taxing authority, a part of which period is included within the term and a part of which is included in a period of time prior to the commencement or after the end of the term, will, whether or not such Taxes or installments are assessed, levied, confirmed, imposed upon or in respect of, or become a lien upon the Premises, or become payable, during the term, be adjusted between Landlord and Tenant as of

the commencement or end of the term, so that Tenant will pay that portion of such Taxes or installment which that part of such fiscal period included in the term bears to such fiscal period, and Landlord will pay the remainder.

D. Other Impositions. Tenant will not be obligated to pay local, state, or federal net income taxes assessed against Landlord; local, state, or federal capital levy of Landlord; or sales, excise, franchise, gift, estate, succession, inheritance, or transfer taxes of Landlord.

E. Right to Contest Taxes. Tenant will have the right to contest the amount or validity, in whole or in part, of any Taxes by appropriate proceedings diligently conducted in good faith, only after paying such Taxes or posting such security as Landlord may reasonably require in order to protect the Premises against loss or forfeiture. Upon the termination of any such proceedings, Tenant will pay the amount of such Taxes or part of such Taxes as finally determined, the payment of which may have been deferred during the prosecution of such proceedings, together with any costs, fees, interest, penalties, or other related liabilities. Landlord will not be required to join in any such contest or proceedings unless the provisions of any law, or regulations then in effect will require that such proceedings be brought by or in the name of Landlord. If required, Landlord will join in such proceedings or permit them to be brought in its name; however, Landlord will not be subjected to any liability for the payment of any costs or expenses in connection with any such contest or proceedings, and Tenant will indemnify Landlord against and save Landlord harmless from any such costs and expenses.

F. Estimated Payments. If Landlord elects to do so, then, in each December during the term or as soon after December as practicable, Landlord will give Tenant written notice of its estimate of the Taxes payable under paragraph 5 A for the ensuing calendar year. On or before the first day of each month during the ensuing calendar year, Tenant will pay to Landlord one-twelfth (1/12) of such estimated amounts; however, if such notice is not given in December, Tenant will continue to pay on the basis of the prior year's estimate until the month after such notice is given. If at any time or times it appears to Landlord that the Taxes payable under paragraph 5 A for the current calendar year will vary from its estimate by more than ten percent (10%), Landlord will, by written notice to Tenant, revise its estimate for such year, and subsequent payments by Tenant for such year will be based upon such revised estimate.

G. Final Settlement. If Landlord has exercised its rights pursuant to paragraph 5 F, then within ninety (90) days after the close of each calendar year or as soon after such ninety (90) day period as practicable, Landlord will deliver to Tenant a statement of amounts payable under paragraph 5 A for such calendar year prepared by certified public accountants designated by Landlord, or prepared by Landlord and certified by one of its officers, and such certified statement will be final and binding upon Landlord and Tenant. If such statement shows an amount owing by Tenant that is less than the estimated payments previously made by Tenant for such calendar year, the statement will be accompanied by a refund of the excess by Landlord to Tenant. If such statement shows an amount owing by Tenant that is more than the estimated payments previously made by Tenant for such calendar year, Tenant will pay the deficiency to Landlord within thirty (30) days after the delivery of such statement.

6. UTILITIES

Landlord will provide sewer, water, gas, electricity, light, heat, and storm water management to the Premises during the term, without cost to Tenant. In no event shall Landlord be liable for the quality, quantity, failure or interruption of any of the foregoing utility services to the Premises.

7. INSURANCE AND WAIVER OF SUBROGATION

A. Tenant's Insurance. Tenant shall obtain and maintain for the life of this Lease the following minimum insurance coverage. If Tenant retains a contractor or subcontractor to perform work at or on the Premises, Tenant shall also be responsible for assuring that each of its contractors or subcontractors, and anyone employed directly or indirectly by any contractor or subcontractor, provide adequate insurance for the work performed or products supplied by it.

Approval by Landlord: Approval of the insurance by Landlord shall not relieve or decrease the liability of Tenant hereunder. It is to be understood that Landlord does not in any way represent that the insurance or the limits of insurance specified herein are sufficient or adequate to protect Tenant's interests or liabilities. An insurance company having less than an A-X rating by The A. M. Best Company will not be considered acceptable. All certificates are subject to acceptance by Landlord. Landlord shall be entitled to receive a full copy of the insurance policy(ies) upon request and reserves the right to review financial statements and approve any deductibles or SIR. Landlord has the right to adjust the limits and coverage of all such insurance during the term of this Lease.

If Tenant neglects, refuses or fails to provide the insurance required under this Lease, or if such insurance is cancelled for any reason, Landlord shall have the right but not the duty to procure the same, and the cost thereof shall be due and payable as Additional Charges together with Base Rent.

Landlord reserves the right to request a copy of all policies and endorsements prescribed herein.

- i. Commercial General Liability Insurance in the amount of \$1,000,000 combined single limit each occurrence for bodily injury and/or property damage arising out of the maintenance, use or occupancy of the Premises. Such insurance will contain a provision that Landlord, although named as an additional insured, will nevertheless be entitled to recover under the policy for any loss, injury, or damage to Landlord, its agents, officers, and employees, or the property of such persons. Such insurance will also, to the extent obtainable, provide that no act or omission of Tenant which would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained. Policy to include:
 - (1) Fire Legal Liability coverage in the amount of \$1,000,000.
 - (2) Contractual liability coverage insuring the indemnification provision contained in Section 19 of this Lease.
 - (3) Landlord will accept any combination of primary CGL and Excess or Umbrella policies to meet the minimum coverage requirements above.
- ii. Business Automobile Liability Insurance in the amount of \$1,000,000 combined single limit each accident for bodily injury and/or property damage. Said policy shall apply to all owned, leased, hired and non-owned vehicles used in connection with the Premises.

- iii. Statutory Workers' Compensation coverage in compliance with all applicable state workers' compensation laws to cover all employees furnishing labor under the terms of this Lease and under the control of Tenant. Employers' Liability coverage in the amount of \$1,000,000 per accident / \$1,000,000 per employee for disease will also be included, either under the Workers' Compensation policy or under the Commercial General Liability policy (Stop Gap) referenced under a. above. In Ohio, a copy of a certificate of premium payment from the Industrial commission and Bureau of Workers Compensation, or a copy of the Certificate of Employer's Right to Pay Compensation Directly.
- iv. Property Insurance written on a "Special Form" or equivalent basis in the full amount of the replacement cost of any improvements and betterments added by Tenant and contents now or after this date located on the Premises estimated at \$200,000.00. The coverage will be on a replacement cost basis.

Property insurance shall include, without limitation, insurance against the perils of fire (with extended coverage) and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, debris removal including demolition occasioned by enforcement of any applicable legal requirements. This property insurance shall apply to the improvements and betterments and contents of the Premises.

- v. Employee Dishonesty/Crime Insurance. An Employee Dishonesty insurance policy covering Tenant's employees for loss of or damage to money, securities or other property resulting from theft, forgery or alteration, computer fraud, or funds transfer. The following limits of liability should apply: (a) Employee Dishonesty - \$2,000,000; and (b) Client Property Blanket Bond - \$2,000,000. Tenant shall reimburse Landlord for any and all losses within the deductible, for insured losses, the cost to prove the loss, accountants' fees, defense costs including attorneys' fees and any other fees associated with a claim. In lieu of a Client Property Blanket Bond, the policy shall contain a Joint Loss Payee endorsement or other Third Party coverage naming Landlord.

General Requirements: Tenant shall not enter or utilize the Premises until it has obtained the required insurance and has received written approval of such insurance by Landlord. Tenant shall furnish evidence of such insurance in the form of a certificate (Accord or similar form).

The certificate shall provide the following:

- i. The policy shall be written on an occurrence basis. If any insurance specified above is written on a "Claims Made" (rather than an "occurrence" basis), then, in addition, to the coverage requirements stated herein, Tenant shall:
 - (1) Ensure that the Retroactive Date is shown on the policy, and such date shall be before the Commencement Date of this Lease.

- (2) Maintain and provide evidence of similar insurance for at least three (3) years following the termination of this Lease; and
 - (3) If insurance is cancelled or non-renewed and not replaced with another claims-made policy form with a Retroactive Date prior to the Commencement Date of this Lease, Tenant shall purchase "extended reporting" coverage for a minimum of three (3) years after termination of this Lease.
- ii. Name Landlord as an additional insured for all liability coverage under i (Commercial General Liability) and ii (Business Automobile Liability) above for claims arising out of operations in conjunction with this Lease.
 - iii. Contain a waiver of subrogation in favor of Landlord.
 - iv. Specify that the insurance is primary and non-contributory as respects any insurance or self-insurance programs maintained by Landlord.
 - v. Contain a specific reference to the subject Lease.
 - vi. Specify all deductibles & Self-Insured Retentions (SIR), as applicable.
 - vii. In the event the insurance should be changed or cancelled, such change or cancellation shall not be effective until 15 days after Landlord has received written notice of such change or cancellation from Tenant. Such notice shall be mailed by certified mail, return receipt requested, to Landlord's Property Manager.
 - viii. An insurance company having less than an A-X rating by The A. M. Best Company will not be considered acceptable. All certificates are subject to acceptance by the Landlord. The Landlord shall be entitled to receive a full copy of the insurance policy(ies) upon request and reserves the right to review financial statements and approve any deductibles or SIR.

B. Landlord's Insurance. Landlord shall carry property insurance coverage on the Building only ("Landlord's Insurance"). Tenant agrees that Tenant shall pay its proportionate share of Landlord's Insurance, which may include the cost of insuring or providing additional coverage for any deductibles; provided, however, that Tenant shall have no rights in said policy or policies maintained by Landlord and shall not, by reason of such reimbursement, be entitled to be a named insured thereunder. Tenant's proportionate share of Landlord's Insurance shall be Additional Charges due under this Lease.

C. Waiver of Subrogation. With respect to first party property insurance, Landlord and Tenant waive all rights to recover against each other or against the officers, directors, shareholders, partners, joint ventures, employees, agents, customers, invitees, or business visitors of each other for any loss or damage arising from any cause covered by any insurance required to be carried by each of them pursuant to paragraph 7 or any other insurance or self-insurance plan actually carried by each of them. Landlord and Tenant will cause their respective insurers to issue appropriate waiver of subrogation rights endorsements to all policies of insurance carried in connection with the Building or the Premises or the contents of either of them.

8. LANDLORD'S AND TENANT'S WORK

A. Landlord's Work. Landlord shall have no obligation to perform or cause the performance of any improvements to the Premises prior to delivery thereof to Tenant. Subject to Landlord's approval, Tenant may install an ATM machine within the Premises and Tenant shall be solely responsible for all security, costs or liability associated with said ATM machine. The ATM machine will be available only to current and former employees of Landlord and will not be accessible to the general public.

B. Tenant's Work. Within fifteen (15) days from the date of this Lease, Tenant shall prepare and deliver to Landlord detailed plans and specifications of the improvements to the Premises to be constructed by Tenant in compliance with Exhibit "C" attached hereto and made a part hereof. Within fifteen (15) days following Landlord's receipt of Tenant's plans and specifications Landlord shall notify Tenant whether Tenant's plans and specifications are acceptable to Landlord. If Tenant's plans and specifications are not acceptable to Landlord, Landlord will advise Tenant of the required modifications to Tenant's plans and specifications. Tenant shall modify and deliver to Landlord its revised plans and specifications within five (5) days from receipt of Landlord's required modifications. Landlord and Tenant will continue this process until Landlord has approved Tenant's plans and specifications ("Tenant's Work"). Within ten (10) days from receipt of Landlord's approval of Tenant's plans and specifications, Tenant will apply for any and all permits and other governmental approvals necessary to perform Tenant's Work and Tenant will diligently pursue such application(s) until approved. Tenant shall not modify Tenant's plans and specifications approved by Landlord without Landlord's prior written consent. Upon Landlord's delivery of the Premises, and provided Landlord has approved Tenant's plans and specifications, Tenant will commence construction of Tenant's improvements to the Premises in accordance with the plans and specifications approved by Landlord. Tenant shall not commence any work in the Premises until Tenant delivers to Landlord a policy of public liability and property damage insurance in accordance with the requirements of paragraph 7 of this Lease. If Tenant has not complied with each of the foregoing conditions, Landlord may, in its sole and absolute discretion, reasonably control Tenant's access to the Premises to the extent Landlord deems necessary without such actions resulting in any postponement or delay of the Commencement Date set forth in paragraph 3 A of this Lease. Tenant will complete construction of Tenant's improvements, fixture and stock the Premises and initially open for business to the public on or before the Commencement Date. Tenant must receive Landlord's consent to its exterior signage plans and specifications prior to installation of Tenant's exterior signage upon the Premises.

9. USES

A. Lawful Use Only. Tenant shall use the Premises for the purpose of operating a credit union on a non-profit basis, which will not be accessible to the general public and which will operate solely for the benefit of current and former employees of the Landlord (the "Permitted Use"). Tenant shall not use or occupy, or permit any portion of the Premises to be used or occupied,

- i. in violation of any law, ordinance, order, rule, regulation, certificate of occupancy, or other governmental requirement, or
- ii. for any disreputable business or purpose, or

- iii. in any manner or for any business or purpose that would increase the risks of fire or other hazards, or that would in any way violate, suspend, void, or increase the rate of fire or liability or any other insurance of any kind at any time carried by Landlord upon all or any part of the Building in which the Premises are located; or
- iv. for any purpose other than permitted herein without the express written consent of the Landlord.

Tenant will comply with all laws, ordinances, orders, rules, regulations, and other governmental requirements relating to the use, condition, or occupancy of the Premises, and all rules, orders, regulations, and requirements of the board of fire underwriters or insurance service office, or any other similar body, having jurisdiction over the Building in which the Premises are located. Any increase in the cost of any insurance carried by Landlord attributable to Tenant's activities, property, or improvements in the Premises or Tenant's failure to perform and observe its obligations and covenants under this Lease will be payable by Tenant to Landlord, from time to time, on demand. A schedule or "make-up" of rates for the Premises or Building of which the Premises are a part issued by the body making its fire insurance rates will be, as between Landlord and Tenant, conclusive evidence of the facts stated in it and of the items and charges in the fire insurance rates then applicable. The final judgment of any court, or the admission of Tenant, that Tenant has violated any law or requirement of governmental or insurance authorities affecting the Premises or Building of which the Premises are a part will be conclusive evidence of such violation as between Landlord and Tenant.

B. Right to Contest. Tenant will have the right to contest by appropriate proceedings diligently conducted in good faith in the name of Tenant, or, with the prior consent of Landlord, in the name of Landlord, or both, without cost or expense to Landlord, the validity or application of any law, ordinance, order, rule, regulation or legal requirement of any nature. If compliance with any such law, ordinance, order, rule, regulation, or requirement may legally be delayed pending the prosecution of any proceeding without incurring any lien, charge, or liability of any kind against the Premises, or Tenant's interest in the Premises, and without subjecting Tenant or Landlord to any liability, civil or criminal, for failure so to comply, Tenant may delay compliance until the final determination of such proceeding. Even if such lien, charge, or liability may be incurred by reason of any such delay, Tenant may so contest and delay, so long as

- i. such contest or delay does not subject Landlord to criminal liability, and
- ii. Tenant furnishes to Landlord security, reasonably satisfactory to Landlord, against any loss or injury by reason of any contest or delay.

Landlord will not be required to join any proceedings referred to in this paragraph unless the provision of any applicable law, rule, or regulation at the time in effect requires that such proceedings be brought by or in the name of Landlord, or both. In that event Landlord will join the proceedings or permit them to be brought in its name if Tenant pays all related expenses.

C. Assignment and Subleasing. Tenant shall not assign this Lease or sublease the Premises without the prior written consent of Landlord, which consent may be withheld in Landlord's sole discretion. Notwithstanding any assignment or subletting of the Premises, neither Tenant nor Guarantor, if any, shall be released from any obligations, liabilities or covenants under this Lease. Landlord shall have the right to accept or collect Rent from any assignee, subtenant or other occupant for the account of Tenant without being deemed to have consented to an

assignment or other transfer; without releasing Tenant or waiving any right against Tenant; and without accepting the payor as a permitted tenant. Any request for Landlord's consent hereunder shall be accompanied by payment of Eight Hundred Fifty and 00/100 Dollars (\$850.00) for Landlord's administrative and attorneys' fees relating thereto.

D. Operating Covenant. Tenant shall keep the Premises open and operating for business on Monday, Wednesday and Friday between 9:00 AM - 5:00 PM or on a schedule mutually agreeable to Tenant and Landlord. Tenant will continuously operate its business therein with diligence, fully staffed and stocked. Due to the difficulty or impossibility of determining Landlord's damages resulting from Tenant's failure to open timely or continuously operate, should Tenant at any time vacate, abandon, or desert the Premises or cease operating its business therein for a period in excess of ten (10) consecutive days per calendar year, then Landlord shall have, in addition to all other remedies, the right to collect not only the Base Rent and Additional Charges, but also liquidated damages at the rate of Five Hundred and 00/100 Dollars (\$500.00) per day, for each and every day the Premises is not open for business.

10. REPAIRS AND MAINTENANCE

Tenant will, at its sole cost and expense, maintain and keep the Premises in good repair, including an ATM machine within the leased Premises and will maintain said premises in a clean, safe, secure and attractive condition. All such repairs will be in quality and class equal to the original work or installations. If Tenant fails to maintain and make such repairs Landlord may make them at the expense of Tenant and such expense will be collectible as Additional Charges and will be paid by Tenant within fifteen (15) days after delivery of a statement for such expenses. Notwithstanding the obligations assumed by Tenant under this paragraph, Landlord will retain at its sole cost and expense the obligation of replacing the foundation, roof, furnace, boiler, central air conditioning compressor and evaporator, and structural exterior walls when Landlord finds that the need for such replacements are not the result of Tenant's failure to properly maintain and repair or must be replaced because of a casualty.

11. ALTERATIONS

Tenant will not make any alterations, additions, or improvements to the Premises without Landlord's prior written consent, which consent Landlord may withhold in its sole discretion; however, Landlord's prior written consent will not be necessary for any alteration, addition, or improvement which:

- A.** costs less than Five Thousand and 00/100 Dollars (\$5,000.00) including labor and materials;
- B.** involves interior remodeling or changes which do not structurally change or modify the Premises;
- C.** is made with due diligence, in a good and workmanlike manner and in compliance with all laws; and
- D.** is promptly and fully paid for by Tenant.

Any such alteration or improvement which costs more than Five Thousand and 00/100 Dollars (\$5,000.00) shall be made under the supervision of an architect or engineer satisfactory to

Landlord and in accordance with plans and specifications and cost estimates approved by Landlord.

Landlord may designate a supervising architect to assure compliance with the provisions of this paragraph, and if it does, Tenant shall pay the supervising architect's charges. Subject to Tenant's rights in paragraph 13, all alterations, additions, fixtures, and improvements, whether temporary or permanent in character, made in or upon the Premises by Tenant, will immediately become Landlord's property and, at the end of the term of this Lease will remain on the Premises without compensation to Tenant. By notice given to Tenant no less than ninety (90) days prior to the end of this Lease, Landlord may require that any alterations, additions, fixtures and improvements made in or upon the Premises be removed by Tenant. In that event, Tenant will remove such alterations, additions, fixtures and improvements at Tenant's sole cost and will restore the Premises to the condition in which they were before such alterations, additions and improvements were made, reasonable wear and tear excepted.

12. MECHANICS' LIENS

Tenant will pay or cause to be paid all costs and charges for work done by it or caused to be done by it, in or to the Premises, and for all materials furnished for or in connection with such work. Tenant will indemnify Landlord against and hold Landlord harmless from all liabilities, liens, claims, and demands on account of such work. If any such lien is filed against the Premises, Tenant will cause such lien to be discharged of record within ten (10) days after the filing of such lien. If Tenant desires to contest such a lien, it will furnish Landlord, within such ten (10) day period, proof of a court approved security amount deposited with the court pending final judgment of any such contest. If a final non-appealable judgment establishing the validity or existence of a lien for any amount is entered, Tenant will satisfy it at once. If Tenant fails to pay any charge for which such a lien has been filed, and does not give Landlord such security, Landlord may, at its option, pay such charge and related costs and interest, and the amount so paid, together with reasonable attorneys' fees incurred in connection with it, will be immediately due from Tenant to Landlord as Additional Charges. Nothing contained in this Lease is the consent or agreement of Landlord to subject Landlord's interest in the Premises to liability under any lien law. If either Landlord or Tenant receives notice that a lien has been or is about to be filed against the Premises, or that any action affecting title to the Premises has been commenced on account of work done by or for Tenant or labor or materials furnished to or for Tenant, it will immediately give the other written notice of such notice. At least fifteen (15) days prior to the commencement of any work (including without limitation any maintenance, repairs, alterations, additions, improvements, or installations which cost in excess of Five Thousand and 00/100 Dollars (\$5,000.00)) in or to the Premises, by or for Tenant, Tenant will give Landlord written notice of the proposed work and the names and addresses of the persons supplying labor and materials for the proposed work. Landlord will have the right to post notices of nonresponsibility or similar notices on the Premises in order to protect the Premises against any such liens.

13. SURRENDER OF PREMISES

At the end of this Lease, Tenant will surrender the Premises in good order and condition, ordinary wear and tear excepted. If Tenant is not then in default, Tenant may remove from the Premises any trade fixtures, equipment, and movable furniture placed in the Premises by Tenant, whether or not such trade fixtures or equipment are fastened to the Building. Tenant will not remove any trade fixtures or equipment without Landlord's prior written consent if such trade fixtures or equipment are used in the operation of the Building or if the removal of such fixtures or equipment will impair the structure of the Building. Whether or not Tenant is then in default,

Tenant will remove such alterations, additions, improvements, trade fixtures, equipment, and furniture as Landlord has requested in accordance with paragraph 11. Tenant will fully repair any damage occasioned by the removal of any trade fixtures, equipment, furniture, alterations, additions, and improvements. All trade fixtures, equipment, furniture, alterations, additions, and improvements not so removed will conclusively be deemed to have been abandoned by Tenant and may be appropriated, sold, stored, destroyed, or otherwise disposed of by Landlord without notice to Tenant or to any other person and without obligation to account for them. Tenant will pay Landlord all expenses incurred in connection with Landlord's disposition of such property, including without limitation the cost of repairing any damage to the Building or Premises caused by removal of such property. Tenant's obligation to observe and perform this covenant will survive the expiration or earlier termination of this Lease.

14. ABANDONMENT AND HOLDOVER

If Tenant remains in possession of the Premises after the expiration or earlier termination of this Lease, Tenant shall be bound by the terms and provisions of this Lease except that no tenancy or interest in the Premises shall result, but such holding over shall be an unlawful detainer and all such parties shall be subject to immediate eviction, and Tenant shall (with no additional notice required by Landlord) pay to Landlord, as liquidated damages, a sum equal to one hundred fifty percent (150%) of the Base Rent payable during the calendar month immediately preceding the expiration or earlier termination of this Lease for any period during which Tenant shall hold the Premises after the stipulated term of this Lease shall expire or may have terminated. If Tenant vacates the Premises prior to the scheduled expiration of the term of this Lease, Tenant shall be in default of this Lease, and if Tenant has not re-entered the Premises and resumed the operation of the business set forth in paragraph 9 A of this Lease within the next thirty (30) consecutive days, Tenant shall be deemed to have abandoned the Premises, and Landlord shall have the right, but not the obligation, to take sole possession of the Premises on or after the tenth (10th) day following the expiration of said thirty (30) day period and Landlord may relet said Premises in accordance with the terms in paragraph 22 B hereof.

15. DAMAGE TO PREMISES

In the event that the Building or improvements now located on the Premises shall be so damaged or injured from any cause whatever during the term of this Lease so as to render untenable all or any substantial part of the Premises, and if in the judgment of Landlord and Tenant the Premises cannot within ninety (90) days be restored to their condition prior to such damage or injury, then Tenant shall have the right to terminate this Lease as of the date of the damage or injury by giving notice in writing to Landlord within thirty (30) days after such damage or injury. A condition for the exercise of the right to termination by Tenant, shall be the enforceable assignment to Landlord of Tenant's interests in all insurance proceeds payable as a result of said damage or injury, exclusive of insurance proceeds relating to damage or injury to property removable by Tenant under the provisions of paragraph 13 and business interruption coverage proceeds. Base Rent and Additional Charges due hereunder shall be prorated and paid as of the date of said damage or injury. If the period of time agreed upon by the parties shall be in excess of ninety (90) days, and Tenant shall not have elected, as aforesaid, to terminate this Lease, then this Lease may not be terminated on account of such damage or injury, and the parties shall pursuant to paragraph 10 repair, reconstruct, or restore the Premises to a condition equivalent to that of their former condition. The parties shall share pro rata in the proceeds of insurance in proportion to their respective actual costs of the work.

16. CONDEMNATION

A. Total Taking. If, by exercise of the right of eminent domain or by conveyance made in response to the threat of the exercise of such right (in either case, a "Taking"), all of the Premises are taken, or if so much of the Premises are taken that the Premises (even if the restorations described in subparagraph B were to be made) cannot be used by Tenant for the Permitted Use, this Lease will end on the earlier of the vesting of title to the Premises in the condemning authority, or the taking of possession of the Premises by the condemning authority (in either case, the "Ending Date"). If the Lease ends according to this subparagraph A, Rent will be appropriately prorated to the Ending Date. The award in a Taking subject to this subparagraph A will be allocated according to subparagraph D.

B. Partial Taking. If, after a Taking, so much of the Premises remains that the Premises can be used for the Permitted Use:

- i. this Lease will end on the Ending Date as to the part of the Premises which is taken,
- ii. Rent will be appropriately allocated to the part of the Premises which is taken and prorated to the Ending Date,
- iii. beginning on the day after the Ending Date, Rent for so much of the Premises as remains will be reduced in the proportion of the area of the Premises remaining after the Taking to the area of the Premises before the Taking,
- iv. at its cost, Landlord will restore so much of the Premises as remains to a sound architectural unit substantially suitable for the Permitted Use, using good workmanship and new first class materials. Landlord's duty to so restore shall not extend to non-structural or interior walls or interior surfaces, nor to trade fixtures or equipment installed or used by Tenant. All other costs for restoration shall be the obligation of Tenant.
- v. upon the completion of restoration according to clause (iv), Landlord will pay Tenant the lesser of the net award made to Landlord on account of the Taking (after deducting from the total award attorneys', appraisers' and other costs incurred in connection with obtaining the award, and amounts paid to the holders of mortgages affecting the Premises), or Tenant's actual out-of-pocket cost of restoring the Premises, and
- vi. Landlord will keep the balance of the net award.

C. Tenant's Award. In connection with any Taking subject to subparagraph A or B, Tenant may prosecute its own claim by separate proceedings against the condemning authority for damages legally due to it (such as the loss of fixtures which Tenant was entitled to remove, and moving expenses) only so long as Tenant's award does not diminish or otherwise adversely affect Landlord's award.

D. Allocation of an Award for a Total Taking. If this Lease ends according to subparagraph A, the condemnation award will be paid in the order in this subparagraph to the extent it is sufficient:

- i. First, Landlord will be reimbursed for its attorneys' fees, appraisal fees, and other costs incurred in prosecuting the claim for the award.
- ii. Second, Landlord will be paid compensation for lost Rent.
- iii. Third, Tenant will be paid its adjusted book value as of the date of the Taking of its improvements (excluding trade fixtures) made to the Premises. In computing its adjusted book value, improvements will be conclusively presumed to have been depreciated or amortized for federal income tax purposes over their useful lives with a reasonable salvage value.
- iv. Fourth, the balance will be divided equally between Landlord and Tenant.

17. SUBORDINATION AND ATTORNMENT

A. This Lease and Tenant's rights under this Lease are subject and subordinate to any conveyances made by Landlord as a part of any public/private joint venture, any ground lease or underlying lease, first mortgage, first deed of trust or other first lien, encumbrance or indenture, together with any renewals, extensions, modifications, consolidations, and replacements of them, which now or at any subsequent time affect the Premises or any interest of Landlord in the Premises or Landlord's interest in this Lease and the estate created by this Lease (except to the extent that any such instrument expressly provides that this Lease is superior to it). This provision will be self-operative and no further instrument of subordination will be required in order to effect it. Nevertheless, Tenant will execute, acknowledge and deliver to Landlord, at any time and from time to time, upon demand by Landlord, such documents as may be requested by Landlord, any ground landlord or underlying lessor or any mortgagee, or any holder of a deed of trust or other instrument described in this paragraph, to confirm or effect any such subordination. If Tenant fails or refuses to execute, acknowledge, and deliver any such document within twenty (20) days after written demand, Landlord, its successors and assigns will be entitled to execute, acknowledge, and deliver any such document on behalf of Tenant as Tenant's attorney-in-fact. Tenant constitutes and irrevocably appoints Landlord, its successors and assigns, as Tenant's attorney-in-fact to execute, acknowledge, and deliver on behalf of Tenant any documents described in this paragraph.

B. If any person succeeds to Landlord's interest in the Premises, Tenant will pay to it all Rent subsequently payable under this Lease. Tenant will, upon request of anyone so succeeding to the interest of Landlord, automatically become the tenant of, and attorn to, such successor in interest without change in this Lease. Such successor in interest will not be bound by:

- i. any payment of Rent for more than one (1) month in advance, or
- ii. any amendment or modification of this Lease: (a) not disclosed, including the disclosure required by the Estoppel Certificate addressed in subparagraph 25 D; or, (b) made after Tenant is given written notice that the successor has succeeded to Landlord's interests in the Premises, or
- iii. any claim against Landlord arising prior to the date on which such successor succeeded to Landlord's interest, or

- iv. any claim or offset of Rent against Landlord.

Upon request by such successor in interest and without cost to Landlord or such successor in interest, Tenant will execute, acknowledge, and deliver an instrument or instruments confirming the attornment. The instrument of attornment will also provide that such successor in interest will not disturb Tenant in its use of the Premises in accordance with this Lease. If Tenant fails or refuses to execute, acknowledge, and deliver any such instrument within twenty (20) days after written demand, such successor in interest will be entitled to execute, acknowledge, and deliver any such document for and on behalf of Tenant as Tenant's attorney-in-fact. Tenant constitutes and irrevocably appoints such successor in interest as Tenant's attorney-in-fact to execute, acknowledge and deliver on behalf of Tenant any document described in this paragraph.

18. LANDLORD'S RIGHT OF ACCESS

Landlord, its agents, employees, and contractors may enter the Premises at any time in response to an emergency, and at reasonable hours to peaceably:

- A. inspect the Premises,
- B. exhibit the Premises to prospective purchasers, lenders, or tenants,
- C. determine whether Tenant is complying with its obligations in this Lease,
- D. supply any service which this Lease requires Landlord to provide,
- E. post notices of nonresponsibility or similar notices, or
- F. make repairs which this Lease requires Landlord to make, or make repairs to any adjoining space or utility services, or make repairs, alterations, or improvements to any other portion of Landlord's adjacent premises; however, all such work will be done as promptly as reasonably possible and so as to cause as little interference to Tenant as reasonably possible.

Except for claims based on Landlord's willful misconduct, Tenant waives any claim of injury or inconvenience to Tenant's business, interference with Tenant's business, loss of occupancy or quiet enjoyment of the Premises, or any other loss occasioned by such entry. Landlord will at all times have a key with which to unlock all of the doors in the Premises (excluding Tenants vaults, safes and similar areas designated in writing by Tenant in advance). Landlord will have the right to use any means which Landlord may deem proper to open doors in the Premises and to the Premises in an emergency in order to enter the Premises. No entry to the Premises by Landlord by any means not amounting to gross negligence will be regarded as a forcible or unlawful entry into the Premises or a detainer of the Premises or an eviction, actual or constructive, of Tenant from the Premises, or any part of the Premises, nor will any such entry entitle Tenant to damages or any abatement of Rent or other charges which this Lease requires Tenant to pay.

19. INDEMNIFICATION

To the fullest extent permitted by law, Tenant shall, at its sole cost and expense, indemnify, defend, satisfy all judgments, and hold harmless Landlord and its agents, representatives, and employees from and against all claims, actions, judgments, costs, penalties, liabilities, damages, losses and expenses, including but not limited to attorney's fees and worker's compensation

benefits, for Tenant's proportionate share and the proportionate share of any entity employed or contracted by Tenant, arising out of or resulting from the performance of this Lease, including:

A. the use or occupancy of the Premises by Tenant or any person claiming under Tenant;

B. any activity, work, or thing done, or permitted or suffered by Tenant in or about the Premises;

C. any acts, omissions, or negligence of Tenant or any person claiming under Tenant, or the contractors, agents, employees, invitees, or visitors of Tenant or any such person;

D. any breach, violation, or nonperformance by Tenant or any person claiming under Tenant or the employees, agents, contractors, invitees, or visitors of Tenant or any such person of any term, covenant, or provision of this Lease or any law, ordinance, or governmental requirement of any kind; or

E. (except for loss of use of all or any portion of the Premises or Tenant's property located within the Premises which is proximately caused by the gross negligence or willful misconduct of Landlord), any injury or damage to the person, property, or business of Tenant, its employees, agents, contractors, invitees, visitors, or any other person entering upon the Premises under the express or implied invitation of Tenant, providing that any such claim, action, judgment, cost, penalty, liability, damage, loss or expense is caused in whole or in part by the fault of Tenant or any person or entity directly or indirectly employed by it. Such obligation shall not be construed to negate, abridge, or otherwise diminish any other right or obligation of indemnity which would otherwise exist as to any party or person described in this paragraph.

Nothing herein shall be construed as making Tenant liable for any claims, actions, judgments, costs, penalties, liabilities, damages or losses and expenses caused by the gross negligence and/or willful misconduct of Landlord.

If any action or proceeding is brought against Landlord, its employees, or agents by reason of any such claim, Tenant, upon notice from Landlord, will defend the claim at Tenant's expense with counsel reasonably satisfactory to Landlord.

To the extent that any portion of this provision is found to be in violation of any applicable law, said portion(s) of this provision are stricken but all remaining portions of this provision shall remain in full force and effect.

20. WAIVER AND RELEASE

Tenant waives and releases all claims against Landlord, its employees, and agents with respect to all matters for which Landlord has disclaimed liability pursuant to the provisions of this Lease. In addition, Landlord and Tenant agree that neither party, its agents, and employees, will be liable to the other party for any loss, injury, death, or damage (including consequential damages) to persons, property, or that party's business occasioned by theft, act of God, public enemy, injunction, riot, strike, insurrection, war, court order, requisition, order of governmental body or authority, fire, explosion, falling objects, steam, water, rain or snow, leak or flow of water (including water from the transit system), rain or snow from the Premises or into the Premises or from the roof, street, subsurface or from any other place, or by dampness or from the breakage, leakage, obstruction, or other defects of pipes, sprinklers, wires, appliances, plumbing, air

conditioning, or lighting fixtures of the Premises, or from construction, repair, or alteration of the Premises or from any acts or omissions of any other Tenant, occupant, or visitor of the Premises, or from any cause beyond either party's control.

21. QUIET ENJOYMENT

So long as Tenant pays the Rent, and performs all of its obligations in this Lease, Tenant's possession of the Premises will not be disturbed by Landlord, or anyone claiming by, through or under Landlord.

22. DEFAULT

A. Events of Default. The following occurrences are "events of default":

- i. Tenant defaults in the due and punctual payment of Rent, and such default continues for five (5) days after notice from Landlord; however, Tenant will not be entitled to more than one (1) notice for default in payment of Rent during any twelve (12) month period, and if, within twelve (12) months after any such notice, any Rent is not paid when due, an event of default will be deemed to have occurred without further notice;
- ii. Tenant vacates or abandons the Premises;
- iii. This Lease or the Premises or any part of the Premises are taken upon execution or by other process of law directed against Tenant, or are taken upon or subjected to any attachment by any creditor of Tenant or claimant against Tenant, and such attachment is not discharged within fifteen (15) days after its levy;
- iv. Tenant files a petition in bankruptcy or insolvency or for reorganization or arrangement under the bankruptcy laws of the United States or under any insolvency act of any state, or is dissolved, or makes an assignment for the benefit of creditors;
- v. Involuntary proceedings under any such bankruptcy laws or insolvency act or for the dissolution of Tenant are instituted against Tenant, or a receiver or trustee is appointed for all or substantially all of Tenant's property, and such proceeding is not dismissed or such receivership or trusteeship is not vacated within sixty (60) days after such institution or appointment;
- vi. Tenant fails to take possession of the Premises on the Commencement Date of the term; or
- vii. Tenant breaches any of the other agreements, terms, covenants, or conditions which this Lease requires Tenant to perform, and such breach continues for a period of thirty (30) days after notice by Landlord to Tenant.

B. Landlord's Remedies. If any one or more events of default set forth in paragraph 22 A occurs, then Landlord may, at its election, either:

i. Give Tenant written notice of its intention to terminate this Lease on the date of such notice or on any later date specified in such notice, and, on the date specified in such notice, Tenant's right to possession of the Premises will cease and the Lease will be terminated (except as to Tenant's liability set forth in this subparagraph i. as if the expiration of the term fixed in such notice were the end of the term of this Lease. If this Lease is terminated pursuant to the provisions of this subparagraph i., Tenant will remain liable to Landlord for damages in an amount equal to the Rent and other sums which would have been owing by Tenant under this Lease for the balance of the term if this Lease had not been terminated, less the net proceeds, if any, of any re-letting of the Premises by Landlord subsequent to such termination, after deducting all Landlord's expense in connection with such re-letting, including without limitation, the expenses set forth in subparagraph B ii. Landlord will be entitled to collect such damages from Tenant monthly on the days on which the Rent and other amounts would have been payable under this Lease if this Lease had not been terminated and Landlord will be entitled to receive such damages from Tenant on each such day. Alternatively, at the option of Landlord, if this Lease is terminated, Landlord will be entitled to recover from Tenant:

- (1) the worth at the time of award of the unpaid Rent which had been earned at the time of termination;
- (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amounts of such Rent loss that Tenant proves could reasonably have been avoided;
- (3) the worth at the time of award of the amount by which the unpaid Rent for the balance of the term of this Lease after the time of award exceeds the amount of such Rent loss that Tenant proves could reasonably be avoided; and
- (4) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result from such failure.

The "worth at the time of award" of the amount referred to in clauses (1) and (2) is computed by allowing interest at the highest rate permitted by law. The worth at the time of award of the amount referred to in clause (3) is computed by discounting such amount at the discount rate of the Federal Reserve Bank of Cleveland, Ohio, at the time of award. For the purpose of determining unpaid Rent under clause (3), the monthly Rent reserved in this Lease will be deemed to be the sum of the Base Rent and Additional Charges due under paragraph 4 and the amounts last payable by Tenant pursuant to paragraph 4 for the calendar year in which the award is made; or

ii. On ten (10) days' notice, re-enter and take possession of the Premises or any part of the Premises; and repossess the Premises as of Landlord's

former estate; and expel Tenant from the Premises and those claiming through or under Tenant; and, remove the effects of both or either, without being deemed guilty of any manner of trespass and without prejudice to any remedies for arrears of Rent or preceding breach of covenants or conditions. If Landlord elects to re-enter, as provided in this subparagraph B ii. or if Landlord takes possession of the Premises pursuant to legal proceedings or pursuant to any notice provided by law, Landlord may, from time to time, without terminating this Lease, re-let the Premises or any part of the Premises in Landlord's or Tenant's name but for the account of Tenant, for such term or terms (which may be greater or less than the period which would otherwise have constituted the balance of the term of this Lease) and on such terms and conditions (which may include concessions of free rent, and the alteration and repair of the Premises) as Landlord, in its sole discretion, may determine. Landlord may collect and receive the rents for the Premises. Landlord will not be responsible or liable for any failure to re-let the Premises, or any part of the Premises, or for any failure to collect any rent due upon such re-letting. No such re-entry or taking possession of the Premises by Landlord will be construed as an election on Landlord's part to terminate this Lease unless a written notice of such intention is given to Tenant. No notice from Landlord under this Lease or under a forcible entry and detainer statute or similar law will constitute an election by Landlord to terminate this Lease unless such notice specifically says so. Landlord reserves the right following any such re-entry or re-letting, or both, to exercise its right to terminate this Lease by giving Tenant such written notice, and in that event the Lease will terminate as specified in such notice.

If Landlord elects to take possession of the Premises according to this subparagraph B ii. without terminating the Lease, Tenant will pay Landlord

- (1) the Rent and other sums which would be payable under this Lease if such repossession had not occurred, less
- (2) the net proceeds, if any, of any re-letting of the Premises after deducting all of Landlord's expenses incurred in connection with such re-letting, including without limitation, all repossession costs, brokerage commissions, legal expenses, attorneys' fees, expenses of employees, alteration, remodeling, repair costs, and expenses of preparation for such re-letting.

If, in connection with any re-letting, the new Lease term extends beyond the existing term or the Premises covered by such re-letting include areas which are not part of the Premises, a fair apportionment of the rent received from such re-letting and the expenses incurred in connection with such re-letting will be made in determining the net proceeds received from such re-letting. In addition, in determining the net proceeds from such re-letting, any rent concessions will be apportioned over the term of the new Lease. Tenant will pay such amounts to Landlord monthly on the days on which the Rent and all other amounts owing under this Lease would have been payable if possession had not been retaken and Landlord will be entitled to receive the Rent and other amounts from Tenant on each such day; or

- iii. Pay when due amounts payable under this Lease or perform any of Tenant's other obligations under the Lease within the time permitted for its performance, upon such notice or without notice, as may be reasonable under the circumstances and without waiving any of its rights under this Lease. All amounts so paid by Landlord and all cost and expenses incurred by Landlord in connection with the performance of any such obligations (together with interest at the prime rate from the date of Landlord's payment of such amount or incurring of each such cost or expense until the date of full repayment by Tenant) will be payable by Tenant to Landlord on demand. In the proof of any damages which Landlord may claim against Tenant arising out of Tenant's failure to maintain insurance, Landlord will not be limited to the amount of the unpaid insurance premium but rather Landlord will also be entitled to recover as damages for such breach, the amount of any uninsured loss (to the extent of any deficiency in the insurance required by the provisions of this Lease), damages, costs and expenses of suit, including attorney's fees, arising out of damage to, or destruction of, the Premises occurring during any period for which Tenant has failed to provide such insurance.

C. Remedies Cumulative. Suit or suits for the recovery of the Rent and other amounts and damages set forth in this paragraph may be brought by Landlord, from time to time, at Landlord's election, and nothing in this Lease will be deemed to require Landlord to await the date on which the term of this Lease expires. Each right and remedy in this Lease will be cumulative and will be in addition to every other right or remedy in this Lease or existing at law or in equity or by statute or otherwise, including, without limitation, suits for injunctive relief and specific performance. The exercise or beginning of the exercise by Landlord of any such rights or remedies will not preclude the simultaneous or later exercise by Landlord of any other such rights or remedies. All such rights and remedies are cumulative and nonexclusive.

23. LANDLORD'S LIEN

Landlord shall have and Tenant hereby grants to Landlord a continuing security interest for all Rent and other sums of money becoming due hereunder from Tenant, upon all goods, wares, equipment, fixtures, furniture, inventory, accounts, contract rights, chattel paper and other personal property of Tenant situated on the Premises (collectively, the "Collateral"), and such Collateral shall not be removed therefrom without the consent of Landlord until all arrearages in Rent as well as any and all other sums of money then due to Landlord hereunder shall first have been paid and discharged. Products of Collateral are also covered. Following an event of a default under this Lease, Landlord shall have, in addition to any other remedies provided herein or by law, all rights and remedies under the uniform commercial code, including without limitation the right to sell the Collateral at public or private sale upon five (5) days' notice to Tenant. Any statutory lien for Rent is not hereby waived, the express contractual lien herein granted being in addition and supplementary thereto. Landlord and Tenant agree that a copy or other reproduction of this Lease shall be sufficient to serve as a financing statement and that a copy or photographic or other reproduction of this portion of this Lease may be filed of record by Landlord and have the same force and effect as the original. This security agreement and financing statement also covers fixtures located at the Premises and may be filed for record in the real estate records. Tenant warrants that the Collateral subject to the security interest granted herein is not purchased or used by Tenant for personal, family or household purposes. Tenant authorizes Landlord to file financing statements of record to perfect Landlord's security interest in the collateral. Landlord's

lien shall survive the expiration or earlier termination of the lease, until all obligations of Tenant have been fully performed

24. AFFIRMATIVE ACTION REQUIREMENTS

A. **Executive Order 11246.** During the performance of this Lease, Tenant agrees as follows:

- i. Tenant will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. Tenant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Tenant agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.
- ii. Tenant will, in all solicitations or advertisements for employees placed by or on behalf of Tenant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- iii. Tenant will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice advising the labor union or workers' representative of Tenant's commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- iv. Tenant will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- v. Tenant will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by Landlord and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- vi. In the event of Tenant's noncompliance with the nondiscrimination clauses of this Lease or with any of such rules, regulations, or orders, this Lease may be canceled, terminated or suspended in whole or in part and Tenant may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule,

regulation, or order of the Secretary of Labor, or as otherwise provided by law.

- vii. Tenant will include the provisions of paragraphs i. through vii. in every sublease or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provision will be binding upon each subcontractor or vendor. Tenant will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event Tenant becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, Tenant may request the United States to enter into such litigation to protect the interests of the United States.

B. EEO-1 Report. Tenant agrees that if the total Base Rent and Additional Charges due annually under this Lease equals or exceeds Fifty Thousand and 00/100 Dollars (\$50,000.00) and the total workforce at the Premises equals or exceeds fifty (50) persons, then Tenant will annually file with Landlord a completed EEO-1 Report (O.M.B. Standard Form 100). Such reports are due March 31 for each year of the term.

C. Affirmative Action Plan. If the annual Base Rent and Additional Charges and employment at the Premises meet or exceed the thresholds set forth in paragraph 24 B, then within the first thirty (30) days of the term, Tenant shall submit an Affirmative Action Plan meeting the following requisites:

- i. An equal employment policy statement for the employment of minorities and women together with a description of the manner and to whom the policy statement is circulated internally (within your company) and externally (all sources used for recruitment), and the title of the person responsible for the implementation of these policies;
- ii. Goals and Timetables for hiring minorities and women for the next year, or duration of this Lease, whichever is greater, including:
 - (1) total employees expected to be employed in each job category (use job categories shown in EEO-1 Report);
 - (2) total of each group of employees (Blacks, Hispanics, women, etc.) in each job category;
 - (3) labor market availability group information - availability of minorities and women. Use this information to establish the goals required in item "(5)" (contact State employment office to get this information);
 - (4) number of expected job opportunities. If not expected, goals required in item "(5)" must still be established to allow for unexpected hiring.

- (5) Goals (number of minorities and women to be hired and percentage of total workforce). If goals are not reached within the period specified, Tenant must describe its reasons for not meeting the goals and demonstrate its good faith efforts used to meet the goals; and
- iii. A statement describing the development and execution of the program, including the method to be used for recruiting job applicants and the method used for evaluating the program. Recruiting efforts should be directed towards schools, colleges, universities, newspapers, radio, state employment offices, churches, social and employment agencies and other sources appropriate for Tenant's needs, i.e., labor unions.

25. MISCELLANEOUS PROVISIONS

A. No Offer Intended. The submission of this Lease to Tenant is not an offer to Lease the Premises, or an agreement by Landlord to reserve the Premises for Tenant. Landlord will not be bound to Tenant until Tenant has duly executed and delivered duplicate original Leases to Landlord and Landlord has duly executed and delivered one of those duplicate original Leases to Tenant.

B. Brokers. Landlord and Tenant warrant to each other that neither of them has consulted or negotiated with any broker or finder with regard to the Premises or this Lease. Tenant agrees to indemnify Landlord against any loss, liability, and expense (including attorneys' fees and court costs) arising out of claims for fees or commissions from anyone with whom Tenant has dealt with regard to the Premises or this Lease.

C. No Merger. The surrender of this Lease by Tenant or the cancellation of this Lease by agreement of Tenant and Landlord or the termination of this Lease on account of Tenant's default will not work a merger, and will, at Landlord's option, terminate any subleases or operate as an assignment to Landlord of any subleases. Landlord's option under this paragraph will be exercised by notice to Tenant and all known subtenants in the Premises.

D. Estoppel Certificates. Within ten (10) days after written request by Landlord, Tenant will execute, acknowledge, and deliver to Landlord a certificate stating

- i. that this Lease is unmodified and in full force and effect, or, if the Lease is modified, the way in which it is modified accompanied by a copy of the modification agreement,
- ii. the date to which Rent and other sums payable under this Lease have been paid,
- iii. that no notice has been received by Tenant of any default which has not been cured, or, if such a default has not been cured, what Tenant intends to do in order to effect the cure, and when it will do so,
- iv. that Tenant has accepted and occupied the Premises,
- v. that Tenant has no claim or offset against Landlord, or, if it does, stating the circumstances which gave rise to the claim or offset,

- vi. that Tenant is not aware of any prior assignment of this Lease by Landlord, or, if it is, stating the date of the assignment and assignee (if known to Tenant), and
- vii. such other matters as may be reasonably requested by Landlord.

Any such certificate may be relied upon by any prospective purchaser of the Premises and any prospective mortgagee or beneficiary under any deed of trust or mortgage encumbering the Premises. If Landlord submits a completed certificate to Tenant, and if Tenant fails to object to its contents within five (5) days after its receipt of the completed certificate, the matters stated in the certificate will conclusively be deemed to be correct. Furthermore, Tenant irrevocably appoints Landlord as Tenant's attorney-in-fact to execute and deliver on Tenant's behalf any completed certificate to which Tenant does not object within five (5) days after its receipt.

E. No Waiver. No waiver of any condition or agreement in this Lease by either Landlord or Tenant will imply or constitute a further waiver by such party of the same or any other condition or agreement. No act or thing done by Landlord or Landlord's agents during the term of this Lease will be deemed an acceptance of a surrender of the Premises, and no agreement to accept such surrender will be valid unless in writing signed by Landlord. The delivery of Tenant's keys to any employee or agent of Landlord will not constitute a termination of this Lease unless Landlord has entered into a written agreement to that effect. No payment by Tenant, nor receipt from Landlord, of a lesser amount than the Rent or other charges stipulated in this Lease will be deemed to be anything other than a payment on account of the earliest stipulated Rent. No endorsement or statement on any check, or any letter accompanying any check or payment as Rent, will be deemed an accord and satisfaction. Landlord will accept such check for payment without prejudice to Landlord's right to recover the balance of such Rent or to pursue any other remedy available to Landlord. If this Lease is assigned, or if the Premises or any part of the Premises are sublet or occupied by anyone other than Tenant, Landlord may collect Rent from the assignee, subtenant, or occupant and apply the net amount collected to the Rent reserved in this Lease. No such collection will be deemed a waiver of the covenant in this Lease against assignment and subletting, or the acceptance of the assignee, subtenant, or occupant as Tenant, or a release of Tenant from the complete performance by Tenant of its covenants in this Lease.

F. Joint and Several Liability. If Tenant is composed of more than one signatory to this Lease, each signatory will be jointly and severally liable with each other signatory for payment and performance according to this Lease.

G. Authority. If Tenant signs this Lease as a corporation, each of the persons executing this Lease on behalf of Tenant warrants to Landlord that Tenant is a duly authorized and existing corporation, that Tenant is qualified to do business in the state of Ohio, that Tenant has full right and authority to enter into this Lease, and that each and every person signing on behalf of Tenant is authorized to do so. Upon Landlord's request, Tenant will provide evidence satisfactory to Landlord confirming these representations.

H. Captions, Exhibits, Gender, and Number. The captions and table of contents are inserted in this Lease only for convenience of reference and do not define, limit, or describe the scope or intent of any provisions of this Lease. The exhibits to this Lease are incorporated into the Lease. Unless the context clearly requires otherwise, the singular includes the plural, and vice versa, and the masculine, feminine, and neuter adjectives include one another.

I. Entire Agreement. This Lease contains the entire agreement between Landlord and Tenant with respect to its subject matter and may be amended only by subsequent written agreement between them. Except for those which are set forth in this Lease, no representations, warranties, or agreements have been made by Landlord or Tenant to one another with respect to this Lease.

J. Severability. If any provision(s) of this Lease is found by a court of competent jurisdiction to be illegal, invalid, or unenforceable, the remainder of this Lease will not be affected, and in lieu of each provision which is found to be illegal, invalid, or unenforceable, there will be added as a part of this Lease a provision as similar to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

K. Governing Law and Venue. This Lease will be governed by the law of the State of Ohio and will be construed and interpreted according to that law. Venue on any action arising out of this Lease will be proper only in the Cuyahoga County, State of Ohio, Court of Common Pleas or in the case of Forcible Entry and Detainer actions, the Municipal Court having territorial jurisdiction. Tenant shall maintain and operate the credit union in accordance with all laws of the State of Ohio and the regulations of the Federal Credit Union Administration, a U.S. Government Agency.

L. Binding Effect. This Lease will inure to the benefit of, and will be binding the successors and permitted assigns of Landlord and Tenant.

IN WITNESS WHEREOF, the parties have signed this agreement on the date first written above.

Witness:

TENANT:

Century Federal Credit Union
An Ohio not for profit financial cooperative

By: _____

Name: _____

Its: _____

Witness:

LANDLORD:

GREATER CLEVELAND REGIONAL
TRANSIT AUTHORITY, a political subdivision
Organized under Revised Code Chapter 306

BY: _____

India L. Birdsong, General Manager
Chief Executive Officer

Approved as to legal form

Sheryl King Benford, General Counsel
Deputy General Manager for Legal Affairs

STATE OF OHIO)
) SS:
COUNTY OF CUYAHOGA)

BEFORE ME, a Notary Public, in and for said County and State, came the Greater Cleveland Regional Transit Authority, a body politic, by India L. Birdsong, its General Manager, Chief Executive Officer, who acknowledged that she did execute the foregoing instrument, on behalf of said Authority; that the same is his free act and deed as such officer; and the free act and deed of the Authority.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Cleveland, Ohio this ____ day of _____, 2021.

NOTARY PUBLIC

STATE OF OHIO)
) SS:
COUNTY OF CUYAHOGA)

BEFORE ME, a Notary Public, in and for said County and State, came _____, by its _____, who acknowledged that he/she did execute the foregoing instrument, on behalf of said corporation or other corporate entity; that the same is his/her free act and deed, individually and as such officer; and the free act and deed of the corporation or other corporate entity.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Cleveland, Ohio this ____ day of _____, 2021.

NOTARY PUBLIC

EXHIBIT "A"

SITE PLAN

EXHIBIT "B"

RENT PAYMENT SCHEDULE

Lease Years	Monthly Base Rent	Water, Sewer and Storm Water Utility Charge	Annual Base Rent	Annual Total
1 – 2	\$233.33	0	\$2,800.00	\$2,800.00
Option	\$233.33	0	\$2,800.00	\$2,800.00

EXHIBIT "C"

LANDLORD'S WORK AND TENANT'S WORK