

## AGREEMENT OF LEASE

THIS AGREEMENT OF LEASE (the "Lease") is made and entered on this 19<sup>th</sup> day of May, 2011, between **Community Ventures Corporation**, with an address of 1450 North Broadway, Lexington, Kentucky 40505 (the "Landlord"), and the **Kentucky Conference for Community and Justice, d/b/a The Plantory**, with an address of 1351 Fontaine Road, Lexington, Kentucky 40502 (the "Tenant").

### WITNESSETH:

WHEREAS, the Landlord is the owner of commercial office space located at 560 E. Third Street, Lexington, Fayette County, Kentucky, known as the "Midland Office Center"; and

WHEREAS, the Midland Office Center building consists of two floors; and

WHEREAS, the Tenant desires to lease the first floor of the Midland Office Center; and

WHEREAS, the Landlord and the Tenant have reached an agreement with respect to the terms and conditions of a lease and desire to reduce their agreement to writing.

NOW THEREFORE, in consideration of the premises, the promises, covenants, agreements, terms and conditions herein and other good and valuable consideration, the sufficiency, receipt and reasonableness of which being hereby acknowledged, the parties agree as follows:

1. **Lease of Premises.** The Landlord does hereby lease, demise and rent unto the Tenant the first floor office space located at the Midland Office Center, consisting of 4,541 square feet as is more particularly described on Attachment 1A, a copy of which is attached hereto and incorporated herein by reference (the "Premises"). Notwithstanding the foregoing, the lease and demise of the common usage areas of the Premises shall be a non-exclusive shared use as more particularly provided in paragraph 8 of this Lease.
2. **Parking.** Tenant's agents, employees and customers shall have the right to use the parking spaces adjacent to the Premises; provide however, that the Landlord shall have the right to designate specific parking spaces and/or areas for the Tenant's use.
3. **Term.** This Lease shall be for an initial term of one year. The initial term shall commence on the tenth (10<sup>th</sup>) day of May, 2011 and continue thereafter for twelve consecutive months, ending on the thirtieth (30<sup>th</sup>) day of June, 2012 (the "Initial Term"). The Tenant shall have the option to extend the term of this Lease for three additional consecutive terms of one year each beginning on the first day of June and ending the thirtieth (30<sup>th</sup>) day of June the following year (the "Extended Term") provided that (i) the Tenant is not in default of any term or condition of this Lease, and (ii) the Tenant provides the Landlord with advance written notice of exercise of the option to extend this Lease for an Extended Term not more than one hundred twenty (120) days and not less than thirty (30) days prior to the expiration the Initial Term or such applicable Extended Term.

**4. Rent.**

- a. Tenant shall pay each installment of rent shall be payable in advance without demand on the first day of each month during the Initial Term or during any applicable Extended Term.
- b. If this Lease commences on a day which is other than the first day of the month, the installment of rent shall be pro-rated for such month and payable on the date the Lease commences.
- c. For the Initial Term, the Tenant shall pay the Landlord any pro-rated rent for any partial month prior to June 1, 2011, and the sum of [REDACTED] [REDACTED]/sq.ft. x 4,541 feet) for the period June 1, 2011 through June 30, 2012, in twelve monthly installments of [REDACTED] each.
- d. For the first twelve month Extended Term, if any, the Tenant shall pay the Landlord the sum of [REDACTED] [REDACTED]/sq.ft. x 4,541 feet) in twelve monthly installments of [REDACTED] each.
- e. For the second twelve month Extended Term, if any, the Tenant shall pay the Landlord the sum of [REDACTED] [REDACTED]/sq.ft. x 4,541 feet) in twelve monthly installments of [REDACTED] each.
- f. For the third twelve month Extended Term, if any, the Tenant shall pay the Landlord the sum of [REDACTED] [REDACTED]/sq.ft. x 4,541 feet) in twelve monthly installments of [REDACTED] each.
- g. The Tenant shall pay a late fee of \$25.00 for any installment of rent not received by the Landlord within five days of the date due. The Tenant shall pay an additional late fee of \$25.00 if any installment of rent and the initial late fee is not received by the Landlord within fifteen days of the date due.
- h. In addition to the foregoing, the Landlord shall be entitled to collect interest at the rate of 12% per annum on all sums owed by the Tenant and not paid when due.
- i. All payments of rent shall be paid in lawful currency of the United States of America.
- j. All rent shall be paid to the Landlord so as to be received on or before the date due at Community Ventures Corporation, 1450 North Broadway, Lexington, Kentucky 40505.

5. **Deposit.** The Tenant shall pay the Landlord an advance deposit of [REDACTED] to be held by the Landlord as long as this Lease is in full force and effect (the "Deposit"). The Landlord shall return the Deposit to the Tenant at the expiration of this Lease provided the Tenant has complied with the terms and conditions of this Lease and is not in default of any term or condition of this Lease, including the payment of all rent due hereunder. The Landlord may apply the Deposit to any obligations of the Tenant under this Lease.

**6. Rules and Regulations.**

- a. The Tenant agrees to (i) comply with all applicable laws, ordinances, and regulations and to conform with all reasonable rules and regulations and tenant policies which Landlord may establish, (ii) not to damage any part of the Premises, (iii) not to permit any trade of occupation which is unlawful or any activity which would create a hazard adversely affecting any insurance on or of the Premises. Tenant shall keep the Premises in a neat and clean condition. Tenant shall not conduct or allow any activity to be conducted in or about the Premises which disturbs the other tenants of the Midland Office Center. Tenant agrees not to place any sign(s) on the Premises, unless approved in advance by Landlord. Tenant understands that Premises is a non-smoking facility. Smoking is not allowed in any area of the Midland Office Center.
- b. Landlord shall maintain the exterior of the building in which the Premises and the common areas of the Midland Office Center.
- c. Landlord may enter in and on the Premises at all reasonable times to, among other things, inspect the Premises to verify that Premises are being kept neat and clean condition and that the Tenant is complying with the terms and conditions of this Lease.

7. **Use of Premises.** The Premises shall be used only for office space of the Tenant and the Tenant's approved and permitted sub-tenants and for no other purpose. From time to time the Tenant may use the Premises for functions related to the Tenant's fundraising provided the Tenant secures the Landlord's prior written consent which shall not be unreasonably withheld.

**8. Common Use Areas.**

- a. Non-exclusive Use. The Tenant's right to use the common usage areas of the Premises shall be non-exclusive and must be shared with the Landlord and/or other tenants and other tenant's employees, licensees and invitees under the rules of the Midland Office Center as may be established by the Landlord from time to time. The common usage areas shall include the (i) areas which are encircled by a dotted line on Attachment **IA**, such as the kitchen and stairways, and, (ii) even though not encircled by a dotted line, the entry/exit ways, doors, lobby area, elevator(s) and parking areas.

- b. Kitchen.

- (i) The use of the existing kitchen area within the Premises which is encircled by a dotted on Attachment **1A** shall be on a nonexclusive basis, provided however, that the Tenant is only required to share the use of the kitchen area with tenants (and such tenant's employees) of the second floor.

- (ii) The Tenant shall have the right to require the Landlord to construct a kitchen and install appliances on the second floor of the Midland Office Center, at the Tenant's sole cost and expense, in the area/space to be designated by the Landlord, by notifying the

Landlord in writing of the Tenant's election to have a kitchen constructed and appliances installed on the second floor of the Midland Office Center.

(iii) After receipt of such written notice from the Tenant, the Landlord will diligently proceed to construct a kitchen and install appliances on the second floor of the Midland Office Center which are comparable to the kitchen and appliances on the first floor of the Midland Office Center as determined by the Landlord.

(iv) Upon completion of the construction of a kitchen and installation of appliances on the second floor of the Midland Office Center by the Landlord, the Landlord may tender an invoice(s) to the Tenant for all costs and expenses incurred by the Landlord related to the construction of such kitchen and installation of such appliances. The Tenant will pay any and all such invoices to the Landlord within ten (10) days of receipt. The Tenant's obligation to satisfy such invoices shall be considered part of the Tenant's obligation to pay rent for all purposes of this Lease, including the Landlord's right to declare the Tenant in default under Section 11.

(v) Upon completion of the construction of a kitchen and installation of appliances on the second floor of the Midland Office Center by the Landlord as contemplated in this Section and payment of such invoices by the Tenant, the Tenant shall thereafter have exclusive use of the kitchen area within the Premises on the first floor of the Midland Office Center for the remaining part of the Initial Term and any Extended Term of this Lease.

c. Common Usage Areas. The Tenant may not interfere with or otherwise obstruct in whole or in part the use of the common usage areas of the Midland Office Center (i.e., areas to which the Tenant does not have the exclusive right to use) by the Landlord and/or other tenants and the tenants' employees, licensees and invitees.

9. **Insurance Bv Tenant.** Landlord shall not be liable to Tenant, or to any other person, for any damage to any person or property caused by act, omission or neglect of Tenant. Tenant agrees to indemnify and hold Landlord harmless from any such liability. In addition, Tenant shall, during the terms of this Lease, maintain comprehensive general public liability insurance issued by a reputable insurance company licensed to transact business in the Commonwealth of Kentucky, with limits of not less than \$500,000.00 for bodily injury and death and not less than \$100,000.00 for property damage or \$1,000,000.00 combined single limit of bodily injury, death and property damage to protect Landlord and Tenant against liability for any accident, injury or damage to person or property or the Premises. For all insurance required to be maintained under this Lease, the Landlord shall be named as an additional named insured and the Tenant shall immediately send to Landlord evidence of the coverage. Each insurance policy shall contain an agreement that the policy shall not be canceled without prior written consent of the Landlord. All such policies of insurance shall name Landlord as an additional insured and shall be given to Landlord.

#### **10. Tenant Alterations, Installations, and Changes in Premises.**

- a. Tenant may, at Tenant's sole expense, make alterations to the Premises only with the Landlord's prior written approval of such alterations. Any alterations shall not impair the safety or the appearance of the Premises and/or the Midland Office Center and shall be made according to all applicable laws, ordinances and regulations.

- b. All alterations made or installed on the Premises, including appliances, by Tenant shall be the property of Landlord and shall be surrendered with the Premises at the end of this Lease without any compensation to Tenant. If, at the termination of this Lease, Landlord directs by written notice that the alterations be removed, Tenant shall at Tenant's own expense, promptly remove all alterations designated by Landlord and repair any damage to the Premises caused by removal.
- c. Tenant agrees to promptly pay all sums due and payable by Tenant for any labor or services performed or materials or appliances supplied to the Premises. Tenant shall cause any and all liens against the Midland Office Center which arise from or relate to the Tenant's activities on the Premises and the Midland Office Center. In addition, the Tenant shall indemnify and hold Landlord harmless for any and all claims, liens, or costs (including attorney's fees) which arise from or relate to the Tenant's activities on the Premises and the Midland Office Center.
- d. Tenant shall have the responsibility to acquire and install all window coverings that Tenant may desire (if any) which comply with municipal codes and standards adopted from time to time by the Landlord. These window treatments must also have written approval from Landlord before installation. Upon termination of Lease, the Tenant may remove all such window coverings within five (5) days or if not, they shall remain and become the property of the Landlord.
- e. Tenant may be permitted to place a sign or signs upon the building or Premises upon receiving prior written approval from the Landlord. If approved, the Landlord will seek a sign permit from the appropriate regulatory authorities in conformity with local sign regulations and any other provisions relating to the sign or signs be met.
- f. Upon the written request of the Tenant, the Landlord shall advance the Tenant [REDACTED] for improvements made by Tenant to the Premises upon presentation of invoices and/or receipts confirming improvements to the Premises (the "Landlord Advancement"). Beginning on the first day of the first month following the Landlord Advancement, the Tenant shall repay the Landlord Advancement, with interest thereon at the rate of [REDACTED] per annum, in forty eight (48) equal and consecutive monthly installments [REDACTED] each and continuing thereafter until paid in full. In the event this Lease expires or terminates by its terms or otherwise, the Landlord may accelerate any remaining balance owed by the Tenant under this subparagraph and declare the entire amount due and payable in full. The Landlord shall have all rights of enforcement and collection of payment of the amounts due hereunder as if same were installments of rent.

**11. Default.**

a. It shall be an event of default under this Lease if the Tenant fails to fails to pay any monthly installment of rent, or any other monetary obligation hereunder, such as utilities, fees and taxes and/or the Landlord Advancement, as and when due hereunder or if the Tenant fails to perform or observe any of the covenants, promises and agreements herein contained on Tenant's part to be performed or observed.

b. The Tenant shall have a right to cure a default for fifteen (15) days following written notification from the Landlord. If such default(s) is not cured within such fifteen (15) day period, the Landlord may declare the Tenant in breach of this Lease, terminate this Lease, accelerate the balances of all sums to be paid under this Lease, re-enter upon the Premises and take possession thereof and expel, evict or remove the Tenant and any other person who may be occupying said Premises or any part thereof, and shall have all legal rights and remedies permitted by and available under law for collection of any damage, sum and/or rent due and/or payable hereunder.

c. Notwithstanding the above-referenced rights to cure defaults under this Lease, if the Tenant abandons the Premises or if the Tenant, or Tenant's employees, customers, licensees or invitees, violates any rules or regulations the Landlord may immediately terminate this Lease may re-enter upon the Leased Premises and take possession thereof and re-let the Premises and shall have all legal rights and remedies permitted hereunder and by and available under law for collection of any damages and/or rent due or payable hereunder.

d. The Tenant agrees to pay Landlord on demand the amount of all losses and damages which Landlord may suffer by reason of any such default, whether through inability to re-let the Premises on satisfactory terms or otherwise.

**12. Lien for Rent.** Tenant hereby grants to Landlord a lien and security interest in to an against Tenant's interest in all improvements, fixtures and personal property on the Premises. In the event Tenant fails to cure a default under this Lease, Tenant authorizes Landlord exercise all rights as a secured creditor and to take possession of the property free and clear of Tenant's interest therein. This shall not, however, apply to any property of Tenant's permitted sub-tenants.

**13. Assignment and Subletting.** The Tenant may not assign this Lease or sublease its interest under this Lease without the prior written consent of the Landlord which consent may not be unreasonably withheld. The Landlord's consent to a sublease or all or any part of the Premises shall not be construed as consent for any further or additional subletting of the Premises. Any agreement of sublease must require the sub-tenant to agree to be bound by the terms and conditions of this Lease including but not limited to an agreement to comply with all rules and regulations under Section 6 above. In the event the Landlord unreasonably withholds its consent for the Tenant to enter into a sublease of all or portion of the Premises, the Tenant may terminate this Lease. In the event the Landlord consents for the Tenant to enter into subleases for all or a portion of the Premises and the Tenant enters subleases, the Tenant will provide the Landlord a written list of the names of any and all such sub-tenants and the space subleased to each such sub-tenant on each January 1, April 1, July 1 and October 1 during this Lease.

**14. Tenant's Acceptance.** By taking possession of the Premises, Tenant acknowledges and agrees that it has inspected the Premises and any improvements thereon "as is" and "where is" in their present condition and as suited for the use intended by Tenant with no representations or warranties from the Landlord whatsoever. Tenant accepts this Lease subject and subordinate to any recorded mortgage, deed of trust, or other lien hereafter placed on the demised Premises by the Landlord, and Tenant agrees upon demand to execute such further instruments, subordinating this Lease as Landlord may request; provided, such further subordination shall be upon the express condition that this Lease shall be recognized by the mortgagee and that the rights of Tenant shall remain in full force and effect during the term of this Lease so long as Tenant shall continue to perform all of the covenants of this Lease. Provided further that, in the event the Premises are condemned to the extent that in Landlord's sole discretion, Tenant use is no longer feasible in the Premises, then this Lease shall terminate and rentals shall be due only to the date of termination and not thereafter.

**15. Destruction of Premises.** In case of the total destruction of the Midland Office Center in which the Premises are located by any cause whatsoever, either during the term or prior thereto, or during any renewal or extension period, or in any case of such partial destruction thereof as to render the Premises wholly untenable or unfit for Tenant's occupancy, then in any such event, the term shall cease and terminate as of the date of such damage or destruction, and the rent, including any rents paid in advance, shall be adjusted and apportioned as of the date of such damage or destruction: provided, however that should the Premises be capable of restoration to its previous good, tenantable condition within ninety (90) days from the occurrence of such damage, the Landlord shall enter and, at its cost and expense, repair the same with reasonable speed, and the Lease shall continue in full force and effect, but no rent shall accrue after said damage until such time as the repairs shall have been completed, unless Landlord provides notice to Tenant of its intention to terminate this Lease within thirty (30) days from the happening of such damage. Delay of more than thirty (30) days by Landlord in commencing repairs in a case in which the Premises are capable of restoration within ninety (90) days, shall entitle Tenant to declare the Lease terminated as of the date of the happening of such damage. In the event of partial destruction of the Premises, not rendering the Premises wholly untenable, by any cause whatsoever, the Premises shall be promptly repaired or restored by and at the cost and expense of Landlord and the rent, until the completion of such repairs or restoration, shall abate in proportion to the area of the Premises which is unusable by Tenant, unless Landlord provides notice to Tenant of its intention to terminate this Lease within thirty (30) days from the happening of such damage. If destruction occurs the Tenant at its option may opt out of the remaining term of the lease.

**16. Indemnification and Liability.** Tenant shall indemnify, hold harmless and defend Landlord from and against any and all costs, expenses (including reasonable attorneys' fees), liabilities, liens, losses, damages, suits, actions, fines, penalties, claims, or demands of any kind and asserted by, through or on behalf of Tenant, any person or governmental authority, arising out of or any connected with this Lease and/or the Tenants use and occupancy of the Premises.

**17. Hazardous Materials.** Tenant shall not cause or permit any hazardous material to be brought upon, kept, flushed into sanitary sewers or used in or about the Premises by Tenant, Tenant's agents, or employees, contractors or invitees. If Tenant breaches the obligations stated in the preceding sentence, or if the presence of hazardous material on the Premises caused by Tenant results in contamination of the Premises, or contamination to any

other area as a result of such contamination to the Premises, the result of which causes Landlord to be legally liable for damage resulting therefrom, the Tenant shall indemnify, defend, and hold Landlord harmless from any and all claims, judgments, damages (including attorneys' fees), penalties, fines, costs, liabilities or losses, including, but not limited to, diminution in value of the Premises, damages for the loss or restriction of use of leasable or usable space or of any amenity of the Premises, damages arising from any adverse impact on marketing of space, and sums paid in settlement of fees, which arise during or after the lease term as a result of such contamination. The indemnification of Landlord by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial removal or restoration work required by any federal, state, or local governmental agency or political subdivision because of hazardous material present in the improvements, soil or ground waste or ground water on or under the Premises. Without limiting the foregoing, if the presence of any hazardous material on the Premises caused or permitted by Tenant results in any contamination of the Premises. Tenant shall promptly take all actions at its sole expense as are necessary to return the Premises to the condition existing prior to the introduction of any such hazardous material to the Premises.

**18. Costs of Litigation.** In the event of any litigation between the parties hereto involving this Lease or the respective rights of the parties hereunder, if the Tenant is adjudged to be in the default of this Lease or if the Landlord otherwise prevails, the Landlord shall be entitled to recover its costs, expenses and attorneys' fees from the Tenant.

**19. Utilities.** During the term of this Lease, the Tenant shall be responsible for and pay thirty percent (30%) of the Landlord's monthly utility cost for the Midland Office Center. "Utility" or "utilities" as used herein shall mean electric, gas, water and sewer provided to the Midland Office Center. The Landlord shall invoice the Tenant on a monthly basis for the Tenant's share of the cost of the utilities for the Midland Office Center. The Tenant shall remit payment of the invoice for utilities within fifteen (15) days of receipt. The Tenant's obligation to pay for utilities under this section shall be the same as the Tenant's obligation to pay rent. The Tenant's use of utilities may be monitored by Landlord. If in the opinion of the Landlord the Tenant's operations are resulting in an excessive use of utilities, the Landlord may surcharge the Tenant for the additional costs of the utilities. Tenant shall also be responsible for the cost related to the installation and use of their own telephone, internet, fax and copier services and systems.

**20. Fees.** Tenant shall be responsible for and shall pay any and all fees assessed and or levied against the Premises, the improvements thereon and/or related to the use of the Premises before such fees become delinquent. The payment of such fees shall be treated as rent the Tenant is obligated to pay hereunder.

**21. Miscellaneous.**

- a. Entry by Landlord. Landlord shall have the right to examine the Premises at all reasonable times for all reasonable purposes.
- b. End of Term. Tenant shall surrender the Premises at the end of this Lease in as good an order and condition as the same are at the time possession is delivered to Tenant except for reasonable wear and tear, and return to Landlord all tangible personal property supplied by Landlord to Tenant, other than personal property purchased by Tenant from Landlord. Should

Tenant hold over after the term of this Lease expires, with Landlord's approval, Tenant shall become a Tenant on a month-to-month basis upon all of the terms and conditions specified in the Lease.

- c. Relationship of Landlord and Tenant. Tenant shall not use any trademark, service mark or trade name of Landlord, nor shall Tenant hold itself out as having any business affiliation with Landlord without having specific written agreement from Landlord.
- d. Estoppel Certification. Tenant will execute, acknowledge and deliver to Landlord, or any proposed mortgagee or purchaser a certificate by Tenant which confirms the term and conditions of this Lease within five (5) days of written request by Landlord.
- e. No Waiver or Breach. Any failure or neglect by Landlord to assume or enforce any rights or remedies because of any breach or default by Tenant under this Lease shall not prejudice Landlord's rights or remedies with respect to any existing or subsequent breaches or defaults. Acceptance of a partial payment from Tenant will not waive Landlord's right to pursue Tenant for any remaining balance, nor shall any endorsement or statement on any check or any letter, which acknowledges a payment as rent, be deemed as an accord and satisfaction.
- f. Burden, Benefit and Applicable Law. This Lease shall be binding upon and shall inure to the benefit of the respective permitted successors and assigns of the Landlord and Tenant. This Lease contains all the agreements and understandings made between the parties and may be modified only by writing signed by the parties of their respective successors in interest. This Lease will be construed under the laws of the Commonwealth of Kentucky.
- g. Notices. Whenever any notice, consent, or request given or made under this Lease, it shall be in writing and delivered to the person with written acknowledgement of receipt or mailed by certified mail.

If to the Tenant, to:

Kentucky Conference for Community  
and Justice, d/b/a The Plantory  
Attn: President  
13 5 1 Fontaine Road  
Lexington, KY 40502

If to the Landlord, to:

Community Ventures Corporation  
Attn: President  
1450 North Broadway  
Lexington, KY 40505

- h. Remedies Cumulative. All remedies provided herein shall be cumulative and shall be in addition to any other right or remedy which Landlord may have at law or in equity.

IN WITNESS WHEREOF, the parties have caused this Lease to be executed, effective as of the day and year first above written, in duplicate originals.

"Landlord"

Community Ventures Corporation

By: *(Linda Rumpke)*

Its: *(Sr. Executive Vice President)*

"Tenant"

Kentucky Conference for Community and Justice,  
d/b/a The Plantory

By: *(Shannon Stuart-Smith)*

Its: *(Board Chair)*

COMMONWEALTH OF KENTUCKY  
COUNTY OF FAYETTE

Subscribed and acknowledged before me by \_\_\_\_\_ in his/her capacity as the authorized representative of **Community Ventures Corporation**, a Kentucky non-profit corporation, for an on behalf of such corporation, on this the \_\_\_ day of \_\_\_\_\_, 2011.

My commission expires: \_\_\_\_\_.

\_\_\_\_\_  
Notary Public  
State at Large

COMMONWEALTH OF KENTUCKY  
COUNTY OF FAYETTE

Subscribed and acknowledged before me by \_\_\_\_\_ in  
his/her capacity as the authorized representative of **Kentucky Conference for Community and  
Justice, d/b/a The Plantory**, a Kentucky non-profit corporation, for an on behalf of such  
corporation, on this the \_\_\_\_\_ day of \_\_\_\_\_, 2011.

My commission expires: \_\_\_\_\_.

\_\_\_\_\_  
Notary Public  
State at Large