

STATE OF SOUTH CAROLINA)
COUNTY OF DARLINGTON)
CITY OF HARTSVILLE)

LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered by and between **THE CITY OF HARTSVILLE** (hereinafter referred to as Lessee), and **SPONDULITS, LLC**, (hereinafter referred to as Lessor).

WITNESSETH:

In consideration of the rents, covenants and agreements stated herein, the Lessor leases unto the Lessee and the Lessee leases from the Lessor the land and premises hereinafter described on the terms and conditions stated, to wit:

DEMISED PREMISES: The demised premises hereby leased are described or identified as:

Building located at 106 East Carolina Avenue, Hartsville, Darlington County, South Carolina – consisting of approximately 1250 sq ft.

TERM OF LEASE: The Lease shall be for the period of thirty-eight (38) months, from the 1st day of April, 2020, until the 30th day of June, 2023. Lessee has the option to renew for a second term for a period of thirty-six (36) additional months and said term is to begin July 1, 2023 and terminate on June 30, 2026.

LEASE RATE: Lessee shall pay to Lessor as rent for the demised premises One Thousand, Four-Hundred and Fifty (\$1,450.00) Dollars monthly for the term of the lease.

Rental payment as above specified shall be due in advance on the first of each month, beginning April 1, 2020. Any payment not timely shall constitute a default hereunder.

LATE CHARGES: It is understood and agreed that there will be a late charge of five (5) percent of the monthly rental payment in the event that any monthly rental payment is not paid by the tenth day of any month.

ALTERATIONS: The Lessee shall have the right to make alterations to the interior of the improvements located on the demised premises as it deems advisable provided prior written consent is obtained from the Lessor. The Lessee shall be responsible for the cost of any and all such alterations to the improvements located on the demised premises. All alterations performed on the demised premises by the Lessee shall be done in accordance with applicable zoning and building regulations. In the course of constructing any alterations to the demised premises, Lessee will in no way cause the same to be completed so that any improvements will attach to or become a part of any other building or improvements situate on property not demised herein.

At the termination of the within Lease Agreement, or of any extension thereof, all alterations or improvements placed upon the demised premises by the Lessee, shall become the property of the Lessor with the exception of items requested to be removed

by the Lessor and said property to be restored to a condition at least equal to the original condition.

REPAIRS AND MAINTENANCE: Lessee agrees that Lessor shall have no obligation as to maintenance of the premises, except for structural components of the improvement on the demised premises. In regard to the HVAC unit, any and all maintenance, upkeep or repairs to the HVAC unit is the responsibility of Spondulits, LLC entirely. In addition, The Lessee shall keep the improvements located on the demised premises in good and tenantable condition and repair.

Lessee further agrees that at all times during the term hereof, it will, at its own expense, keep the interior of the improvements on the demised premises in good and tenantable condition and repair. Without limiting the generality of the foregoing, the term "interior of the improvements" shall include plumbing (example-stoppage caused by lessee), non-structural wiring, and interior walls, ceilings, floors, etc.

USE OF PREMISES: It is agreed that the premises shall be used as office space and no other use. Furthermore, the Lessee shall at all times keep the premises, buildings, improvements and appurtenances in a safe, clean and wholesome condition and comply in all respects with all laws, ordinances and regulations of every lawful authority having jurisdiction of premises.

ASSIGNMENT AND SUBLETTING: Lessee agrees not to assign or sublet the demised premises or any portion thereof without Lessor's prior written consent (which shall not be unreasonable withheld), subject to the terms and conditions contained in this Lease Agreement; PROVIDED, however, no such assignment or sublease shall in any way relieve Lessee herein from its liability for the performance of all of its covenants under this Lease agreement and all amounts of rental due hereunder.

UTILITIES: Lessee shall be solely responsible for the payment of all charges for telephone, electricity, heat, air, and other utility service used by Lessee in or on the demised premises.

INSURANCE: Lessee shall keep in effect at Lessee's expense during the term of this Lease:

- a) All risk property insurance covering the full replacement cost of Lessee's equipment and all other property and improvements installed or placed in the premises by Lessee at Lessee's expense;
- b) Worker's compensation insurance with no less than the minimum limits required by law;
- c) Employer's liability insurance with such limits as required by law; and
- d) Commercial liability insurance with a minimum limit of \$1,000,000 per occurrence and \$2,000,000 aggregate. All such policies and coverage shall be primary and non-contributory, issued by insurers, licensed to do business in the state in which the premises are located and which are rated A- or better by Best's Key Rating Guide, endorsed to include Lessor as additional insured (Commercial General

Liability only), and endorsed to provide at least 30-days prior notification of cancellation or material change in coverage to said Lessor.

TAX AND INSURANCE RESPONSIBILITIES: The responsibility for all ad valorem real estate taxes and hazard insurance on the demised premises shall be the responsibility of the Lessor; Lessee shall be solely responsible for all taxes, charges and assessments levied against personal property and trade fixtures placed or owned by Lessee, in, on or about the demised premises.

DEFAULT: If the Lessee shall fail or neglect to pay any amount of rent when the same is due and payable or if the Lessee shall fail or neglect to perform or observe any of the agreements and covenants herein contained, then the Lessor shall deliver or mail to the Lessee at the leased premises or at the option of the Lessor, at the Lessee's last known address, a written notice giving tenant a period of fourteen (14) days in which to pay the rents due or cure any other default. In the event that the Lessee shall fail to pay the rent due or cure the default complained of after such notice, the Lessor may immediately terminate this Lease and take possession of the premises in accordance with the termination provisions of this Lease Agreement.

In the event the Lessor shall exercise the right to terminate this lease under the aforesaid provisions, the Lessor will not thereby be deprived of any other right he may have against the Lessee, but shall at all times be entitled to recover from the Lessee any and all other damages sustained by the Lessor on account of the breach of covenants or agreement herein contained which Lessee is obligated to perform. Lessor's failure to object to a breach at the time it occurs does not waive Lessor's rights to object to and demand a cure of said breach or of any other breach at a later date.

BANKRUPTCY: The Lessee further covenants and agrees that if, at any time, Lessee is adjudged bankrupt or insolvent under the laws of the United States or of any state, or make a general assignment for the benefit of creditors, or if a receiver of all the property of the Lessee is appointed and shall not be discharged within the ninety (90) days after such appointment, then the Lessor may, at his option, declare the term of this Lease Agreement at an end and shall forthwith be entitled to immediate possession of the demised premises.

NOTICES: All notices required to be given to Lessor hereunder shall be sent by registered or certified mail and all rent payments shall be made to Lessor or Lessor's agent at:

1420 Flinns Rd.
Hartsville, South Carolina 29550

or to such other address as Lessor may direct from time to time by written notice to Lessee by registered or certified mail.

All notices required to be given to Lessee hereunder shall be sent by registered or certified mail to Lessee at:

100 East Carolina Avenue
Hartsville, South Carolina 29550

or to such other address as Lessee may direct from time to time by written notice forwarded to Lessor by registered or certified mail.

TERMINATION: Upon the expiration of the term of this Lease or upon any default by Lessee, which shall not be cured within the time period prescribed, this Lease shall terminate. Upon any termination hereof the Lessor may, immediately or anytime thereafter, without notice of demand, enter into and upon the premises or any part thereof, and repossess the same, and expel the Lessee and those claiming under it and retain all property located thereon forcibly, if necessary, without being taken or deemed guilty of any manner of trespass; and thereupon this Lease shall terminate, but without prejudice to any remedies which might otherwise be used by Lessor for collection of rent or any breach of the Lessee's covenants.

ENTRY AND INSPECTION: Lessee shall permit Lessor, or Lessor's agents, to enter the premises at reasonable times and upon reasonable notices for the purpose of inspecting the premises, or showing the same to prospective tenants or purchasers, or for making necessary repairs.

BINDING SUCCESSORS AND ASSIGNS: The covenants and agreements herein contained in the within Lease shall apply to, inure to the benefit of and be binding upon the parties hereto, their respective heirs, distributees, executors, administrators, legal representatives, successors and assigns.

WAIVER OF RIGHTS: It is further mutually covenanted and agreed between the parties hereto that no waiver of any covenant, agreement, stipulation or condition of this Lease shall be construed to be a waiver of any succeeding breach of the same or any other covenant, agreement, stipulation or condition; that the payment by Lessee, or the receipt by Lessor, of rent with knowledge of the breach by the other party of any covenant, stipulations, conditions and agreements herein contained shall not constitute a waiver of said breach.

Nothing contained in the Lease shall authorize the Lessee to do any act or make any contract, which will or may in any manner adversely affect the estate or interest of the Lessor in the said demised premises or any improvements there on.

HOLD--OVER: It is agreed, without in any manner impairing the covenants of the Lessee or the remedies of the Lessor in this lease agreement, that should the Lessee hold over in possession after the expiration of the original term or of any extended term, such holding over shall not be deemed to extend the term or renew the Lease, but henceforth a month-to-month tenancy shall be thereby created upon the same covenants and conditions as are herein set forth, at the monthly rate of rental in effect during the last month of the previous term, subject to Lessor's written approval until terminated at the end of any rental month by either party by serving upon the other not less than thirty (30) days previous notice in writing of such termination.

QUIET ENJOYMENT: The Lessee, upon payment of the rent and all sums herein reserved, and upon the due performance of all the terms, covenants, conditions and agreements herein contained on the Lessee's part to be kept and performed, shall and may at all times during the term hereby granted, including any extension hereof, peaceably and quietly enjoy the demised premises, subject, however, to the terms of this Lease.

SIGNAGE: All signage must be approved in writing by the Lessor and must comply with all local codes and ordinances.

EMINENT DOMAIN: If the demised premises or part of the demised premises shall be taken by the exercise of a right of eminent domain so much as that the lessee can no longer conduct any business on the demised premises, the lessee shall have the option to terminate this lease agreement on the date of passage of title to the authority exercising the right of eminent domain. If part of the demised premises shall be taken by exercise of a right of eminent domain or conveyed under threat of condemnation and the lessee can continue to conduct business then this Lease shall continue in full force and effect. Lessor shall not be held liable for any damages incurred by the lessee in the event of an exercise of the right of eminent domain or conveyance under threat of condemnation. Any claims for damages shall be brought against such authority exercising the right of eminent domain or condemnation.

ABANDONMENT: If during the term of this lease the premises are left vacant for a period greater than fifteen consecutive days after default in the payment of rent, the premises will be considered abandoned. If the premises are abandoned, the Lessor has the option to terminate this lease and take possession of the premises. This will not preclude any other remedies landlord may take to enforce the terms of agreement.

It is understood and agreed that this agreement contains the entire agreement between the parties.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed the _____ day of _____, 2020.

In the Presence of:

Witness _____ Date _____ Lessee _____
The City of Hartsville

Witness _____

Attest: _____
City Clerk

Seal

In the Presence of:

Witness _____ Date _____ Lessor _____
Spondulits, LLC

Witness _____

Federal ID# _____