

STATE OF SOUTH CAROLINA)
)
COUNTY OF DARLINGTON)

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "**Lease**") made and entered into this _____ day of _____, 2020 (the "**Effective Date**"), between the City of Hartsville, a municipal corporation (the "**City**" or the "**Lessor**"); and Retrofit Sip 'n' Seat , LLC (the "**Lessee**" and together with the Lessor, the "**Parties**").

WITNESSETH:

That in consideration of the mutual agreements herein contained, the Parties hereto do hereby covenant to and with each other as follows:

1. Lessor does hereby lease to Lessee: (i) a 2,714 square foot portion of that certain property located on Fourth Street located in the City of Hartsville (TMS No. 056-06-02-087) the "**Premises**"). The Premises are more precisely depicted in Exhibit A attached hereto. The Premises shall be leased to Lessee for a term of one (1) year commencing on the Effective Date and ending _____, 2021 (the "**Term**"). Lessee shall have use and possession of the Premises upon receipt of rent as described in Section 3 below.

2. The Lease will be reviewed 90 days in advance of the end of the Term for potential option to purchase or renewal of lease terms. The Lessor does grant the Lessee a 'first right of refusal' should the Lessor decide to sell the leased property. Notwithstanding the provisions of Sections 1 or 2 above, this Lease may also be unilaterally terminated by the Lessor for any reason upon thirty (30) days written notice to the Lessee.

3. The rent for the Term and any successor terms will be \$5.00 annually.

4. The Lessee acknowledges that the primary function of the Premises is for access to the Lessee's place of business.

5. Lessee shall, at its own expense, keep and maintain the Premises in good order and repair during the term of this Lease and any renewal periods.

6. Lessee shall not have the right to assign or transfer this Lease or to sublease any of the Premises.

7. Lessee agrees to take possession of the Premises in its current good condition. Absent written approval from the Lessor, Lessee shall not be permitted to make any physical improvements to the Premises, including but not limited to paving and graveling. Lessee further agrees to return the property to its pre-lease conditions should the lease be terminated or Lessee decide not to pursue the option to purchase from the Lessor.

8. Lessee agrees at the expiration or other termination of this Lease to quit and surrender, peaceably and quietly to Lessor, it's agents or attorney, the Premises herein leased in

as good order and condition as they are at the Effective Date, ordinary wear and tear, fire and acts of God excepted. Lessee shall not make or suffer any waste of or on the Premises and shall be obligated to replace or pay to the Lessor the reasonable value of any damage to the Premises caused by Lessee's negligence, misuse or omission.

9. In the event of any default by Lessee in the performance of the terms of this Lease, the Lessor shall have all remedies available at law.

Upon occurrence of a default, the Lessor shall give the Lessee written notice and if said Lessee has not taken meaningful steps to cure default within ten (10) days after notice, Lessor shall have the right to re-enter the Premises and remove all persons therefrom and terminate this Lease, and Lessee agrees to vacate and surrender the Premises to Lessor.

10. In the event of any condemnation of the whole or any part of the Premises which shall render the Premises (or such portion thereof as shall remain after such condemnation) unsuitable for the purpose of access, Lessee may, at its option, terminate this Lease in which event all liability on the part of Lessee shall cease.

11. It is further understood and agreed that no waiver of any breach or non-performance of any covenant herein contained shall operate as a waiver of said covenant itself or any subsequent breach thereof.

12. Lessor, at its sole option, may immediately cancel and terminate this Lease in the event of bankruptcy of the Lessee, any assignment for the benefit of creditors by Lessee, the appointment of a receiver for Lessee, and any such occurrence shall be deemed a breach of this Lease.

13. Lessee shall maintain casualty insurance coverage on the Premises for loss by fire, liability, and all other casualty. Lessee shall obtain and maintain in force a commercial general liability insurance policy with a minimum limit of \$1,000,000; worker's compensation with no exclusions; and liquor liability. The City of Hartsville should be listed as certificate holder along with additional insured. The City shall have no obligation to insure the Premises. In the event that the Premises, including any improvements and additions, shall be damaged by fire or other insured casualty, the Lessee shall promptly repair the Premises to the extent possible with the insurance proceeds. If the damage shall be so severe that the Premises cannot be repaired or restored with the insurance proceeds, the Lessee will consult with the Lessor and in the Lessee's discretion shall make the insurance proceeds available for application to possible restoration or construction of a new structure at the existing location.

14. Lessee hereby indemnifies the City of Hartsville, South Carolina and agrees to save both parties harmless from and against all claims, actions, damages, liability and expenses, including reasonable attorney's fees, in connection with loss of life, personal injury and/or damage to property arising from or in any way relating to the occupancy or use by Lessee of the Premises or any part thereof of any other part of Lessor's property, including but not limited to any act or omission of Lessee, its officers, agents, contractors or employees; any default, breach, violation or nonperformance of this Lease Agreement by Lessee; any injury to person or property or loss of life sustained in or about the Premises, during the term of this Lease.

15. Any notice required hereunder shall be given to:

City of Hartsville, as Lessor
Attention: City Manager
100 E. Carolina Ave.
Hartsville, South Carolina 29550

Retrofit Sip 'n' Seat, LLC, as Lessee
Attention: Owner
114 S. Fourth St.
Hartsville, South Carolina 29550

16. Nothing contained herein shall have the effect of creating any relationship of principal and agent or of partnership or joint venture between the parties, whose sole relationship is that of Lessor and Lessee.

17. This Lease shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns and shall be governed by the laws of the State of South Carolina.

18. Absent the written approval of the Lessor, which upon request may not be unreasonably withheld, Lessee shall have no right to erect or maintain signs on the Premises.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals at Hartsville, South Carolina, the day and year first above written.

City of Hartsville, As Lessor

By: Daniel P. Moore
Its: City Manager

Retrofit Sip 'n' Seat LLC, As Lessee

By: _____
Its: _____

EXHIBIT A

Depiction of the Premises

Areas in red constitute the Premises and are subject to the terms of this Lease.

