

## REAL ESTATE LEASE

This Lease Agreement ("Lease"), by and between Millington Realty Partners I, LP ("Landlord") and the City of Millington, TN ("Tenant"), is executed as of the \_\_\_ day of \_\_\_\_\_, 2012, but is made effective as of January 1, 2012. The parties agree as follows:

**LEASED PREMISES.** Landlord, in consideration of the lease payments provided in the Lease, leases to Tenant the two parcels of real property consisting of 50 acres, more or less, known as the Felipe Haddad tract in District I, Shelby County, Tennessee, situated on the west side of U.S. Highway 51 North, Millington, Tennessee, being substantially all of the tract purchased from Barretville Bank and Trust Company and described in Warranty Deed of record as Instrument No. R8 1232 in the Shelby County Register's Office, and having tax parcel numbers M01-15J0-C-00050-0 and M01-15J0-C-00045-0 (the "Premises"). The Premises is leased subject to all easements and mineral leases now existing or which the Landlord may grant in the future.

**TERM.** The Term of the Lease begins on January 1, 2012, and terminates on December 31, 2012, unless renewed as set out below.

**RENT.** Rent for the Term shall be \$ 4,000.00, and shall be payable in the month of December of each Lease year. Rent payments shall be made to Landlord at Saig Realty Company, 7807 Church Street, Millington, TN 38053, or such other address as Landlord shall notify Tenant.

**RENEWAL.** This Lease shall automatically renew for successive one-year terms unless either party gives written notice of non-renewal to the other party at least thirty (30) days prior to the end of the then-current Term. Rent for each renewal Term shall be the same as stated herein unless otherwise agreed by Landlord and Tenant.

**HOLDOVER.** If Tenant maintains possession of the Premises for any period after the termination of this Lease without renewal ("Holdover Period"), Tenant shall pay rent to Landlord for the Holdover Period in the same annual amount as set out above, but prorated for each month during the Holdover Period in which Tenant maintains possession of the Premises. Such holdover shall constitute a month to month extension of this Lease, which may be terminated on thirty (30) days prior written notice.

**POSSESSION.** Tenant shall be entitled to possession on the first day of the Term of this Lease, and shall yield possession to Landlord on the last day of the Term of this Lease or a then-current renewal Term, unless otherwise agreed by both parties in writing.

**USE OF PREMISES.** Tenant may use the Premises only for general use associated with the Tenant's use of its adjoining property, the USA Stadium property, and related activities. The Premises may be used for any other purpose only with the prior written consent of the Landlord, which shall not be unreasonably withheld. Tenant shall notify Landlord of any anticipated extended absence from the Premises not later than the first day of the extended absence.

**PROPERTY AND LIABILITY INSURANCE.** Landlord and Tenant shall each be responsible to maintain appropriate insurance for their respective interests in the Premises and their personal property located on or at the Premises, with the Landlord being named as an additional insured on the policy of the Tenant. The insurance to be maintained by Tenant shall include liability insurance in the minimum amount of \$1,000,000.00.

**DEFAULTS.** Either party shall be in default of this Lease if it fails to fulfill any Lease obligation or term by which it is bound.

**ENTIRE AGREEMENT/AMENDMENT.** This Lease contains the entire agreement of the parties and there are no other promises or conditions in any other agreement whether written or oral.

**SEVERABILITY.** If any portion of this Lease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Lease is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

**WAIVER.** The failure of either party to enforce any provisions of this Lease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict

compliance with every provision of this Lease.

CUMULATIVE RIGHTS. The rights of the parties under this Lease are cumulative and shall not be construed as exclusive unless otherwise required by law.

RIGHT OF ENTRY. The Landlord reserves the right to enter the Premises at any reasonable time to inspect the Premises or to make improvements, provided such entry or improvements do not interfere with Tenant's operations. Landlord agrees that it will give Tenant prior notice if it intends to do any work on the Premises.

RELEASE. In connection herewith, the Tenant agrees to indemnify and hold the Landlord or Landlord's representative harmless from any and all claims, damages or liabilities whatsoever that might arise in connection with the Tenant's use of the leased premises, except such as may be caused solely by act or failure to act of the Landlord.

GOVERNING LAW. This Lease shall be governed by and construed in accordance with the laws of the State of Tennessee. Jurisdiction and venue for any litigation with respect to this Lease shall lie only in a court sitting in Shelby County, Tennessee.

AUTHORIZATION. Each of Landlord and Tenant represents that the execution, delivery and performance of this Lease has been properly authorized by each of them, and that the person who executes this Lease on behalf of each of them has been authorized to do so and thereby to bind the party for which such person signs.

LANDLORD:

MILLINGTON REALTY PARTNERS I, LP

By: Millington Properties, LLC, General Partner

By: \_\_\_\_\_  
Miguel Simon Haddad  
Title: Chief Manager

TENANT:

CITY OF MILLINGTON, TN

By: \_\_\_\_\_  
Linda L. Carter, Mayor