

ADDENDUM NO. I

RFP NUMBER: 198989

RFP TITLE: Parking Garage Services

DEPARTMENT: ECD/Real Property and CDRC

DATE OF ADDENDUM: June 19, 2020

DEADLINE FOR QUESTIONS: June 11, 2020, 4:00 p.m., e.s.t.

RFP DUE DATE/TIME: June 30, 2020, 4:00 p.m., e.s.t.

REASON: ANSWERS TO QUESTIONS

(SIGNED): _____ (DATE): _____

(COMPANY): _____

As acknowledgment of having received this information, Offeror must sign one (1) copy of this page and return it with the proposal.

Retain a copy for your file.

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RFP TITLE: ____Parking Garage Services____

Question: Can the CDRC please confirm that the term "income" as referenced to the Financial Reports for both garages represents gross revenues for each facility? Specifically, was the Southside Garage gross revenue for July 2018-June 2019 \$643,387 and River Pier Garage \$145,493?

Answer: Confirmed

Question: Does the CDRC have a copy of the parking lease agreement with the Chattanooga Hotel and, if so, may we see a copy of it to understand the terms to ensure compliance with them?

Answer: Attached

Question: Does the CDRC have minimum security staffing requirements that they would like respondents to use in their response to ensure a high level of security presence?

Answer: There are not written, established security staffing requirements; however, the current agreement requires that the management shall at all times use its best efforts to investigate and evaluate security issues of which it becomes aware and to present recommendations to the owner. It is expected for adequate security to be provided.

Question: Does the CDRC own the current PARCS equipment in the facilities and know the age of this equipment?

Answer: The PARCS equipment is owned by the CDRC. The River Pier equipment is one (1) year old and the equipment at Southside is five (5) years old.

Question: Can the CDRC please provide the 2019 year-end financial statement outlining in line-item detail the current expenses associated with operating the existing parking locations?

Answer: The Revenue and Expense Reports for both locations are attached.

Question: Will the CDRC accept booting as a means of ensuring parking compliance if/when necessary in addition to/as an alternative to towing?

Answer: Yes

Question: Please provide a copy of the P&L Statements for the prior year or trailing twelve months for each facility.

Answer: The Revenue and Expense Reports for both locations are attached.

Question: Please provide a sample monthly statement for each facility.

Answer: Attached is a sample statement. Two of the locations on the sample document, King and DRC, are not included sites in this request for proposals.

Question: What year was the Parking Access and Revenue Control Systems (PARCS) installed in both the Southside and River Pier Garage?

Answer: PARCS was installed in the Southside Garage in 2015. PARCS was installed in the River Pier Garage in 2019.

Question: Is the PARCS under an existing service and preventative maintenance agreement? If so, please provide a copy of the service agreement.

Answer: No

Question: Please confirm what version of Windows is being used as the operating system for the PARCS server.

Answer: Server 2012 R2 at Southside

Server 2019 R2 at River Pier

Question: Are there any planned capital projects for either garage over the initial term of the agreement? If so, please define.

Answer: No

Question: Please provide current staffing schedules for each facility.

Answer: below:

Maintenance staff – River Pier and Southside: 5am – 3pm, M-F; 2pm – 10pm weekends; 3pm – 10pm evenings (evenings and weekends split between both locations)

Question: Please provide a current rate schedule for each garage.

Answer: River Pier and Southside

0 – 1 hour; \$3.00

1 – 1.5 hours; \$5.00

1.5 – 2 hours; \$7.00

Over 2 hours; \$8.00

Each Day; \$9.00

Question: When was the last rate increase approved and are there any planned increases in the near future?

Answer: The last increase was in 2012. There are no planned rate increases in the future.

Question: Can you clarify how you would like the Proposal Cost / Compensation Summary Form (Appendix A) to be completed? Is this form intended to display the entire annual budget or just the proposed management fee?

Answer: Submit proposed pricing for year one, year, two, etc. Until all approvals of a proposed agreement are given and the agreement is signed, there is no guarantee that the term will be for any particular duration, nor is there a promise of renewal.

Question: The RFP mentions providing budgets for four (4) years, should this actually be five (5) years to coincide with the length of the initial term?

Answer: Please read the response above. There are no assurances of any term. Please submit annual pricing in accordance with the request made in the RFP.

Question: Please provide a copy of the management contract with the existing operator.

Answer: Attached

END

**Chattanooga Downtown Redevelopment Corporation Garage
River Pier Garage (529)
Managed by Republic
Fiscal Year 2019
Oracle Fund # 2071**

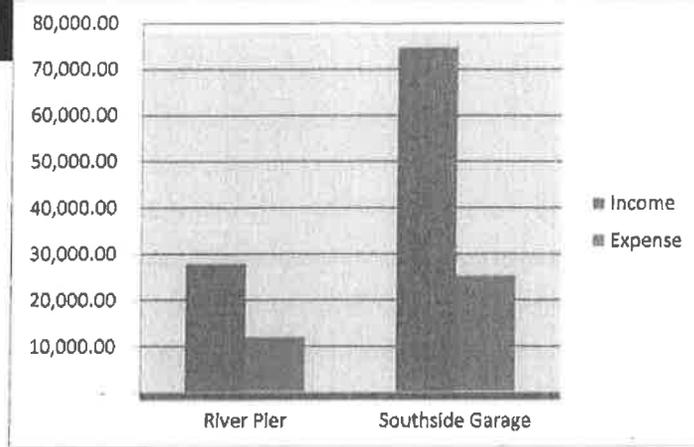
	Aug	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
REVENUE:										
Parking revenue	26,219.67	18,382.37	20,794.09	18,318.20	22,594.48	34,367.56	28,299.10	48,697.76	37,148.12	342,676.59
Total revenue	26,219.67	18,382.37	20,794.09	18,318.20	22,594.48	34,367.56	28,299.10	48,697.76	37,148.12	342,676.59
EXPENSES:										
Payroll & Benefits	6,737.94	5,808.55	5,796.28	6,696.38	5,834.02	5,245.00	5,802.61	7,235.21	6,588.71	75,974.71
Insurance	1,574.63	1,522.23	1,556.62	1,657.99	1,912.89	1,766.05	1,776.45	1,803.87	1,791.25	20,051.76
General operating:										
Utilities	2,555.37	2,390.56	2,408.31	2,514.64	2,343.18	2,369.21	2,427.12	2,570.94	2,404.14	29,142.83
Mgmt fee	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	9,000.00
Incentive fee										
Repair & Maintenance	2,173.94	1,146.05		133.84	1,146.05			2,854.28		7,944.72
Operations	2,954.28	1,595.96	1,456.44	2,661.50	1,607.84	2,217.75	4,372.18	1,202.88	1,874.13	24,110.24
Sales taxes	2,464.45	1,654.23	1,857.97	1,640.64	2,025.51	3,090.40	2,536.49	4,375.86	3,336.17	30,958.97
Total expenses	19,210.61	14,867.58	13,825.62	16,054.99	15,619.49	15,438.41	17,664.85	20,793.04	16,744.40	197,183.23
NET INCOME (LOSS)	7,009.06	3,514.79	6,968.47	2,263.21	6,974.99	18,929.15	10,634.25	27,904.72	20,403.72	145,493.36
check figure	7,009.06	3,514.79	6,968.47	2,263.21	6,974.99	18,929.15	10,634.25	27,904.72	20,403.72	

Summary for JV	Acct	Aug	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Garage revenue	532115	(26,219.67)	(18,382.37)	(20,794.09)	(18,318.20)	(22,594.48)	(34,367.56)	(28,299.10)	(48,697.76)	(37,148.12)
Utilities	703101	2,555.37	2,390.56	2,408.31	2,514.64	2,343.18	2,369.21	2,427.12	2,570.94	2,404.14
Personnel	704304	6,737.94	5,808.55	5,796.28	6,696.38	5,834.02	5,245.00	5,802.61	7,235.21	6,588.71
Mgt fee	704318	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00
Incentive fee										
Repair & Maintenance	702207	2,173.94	1,146.05		133.84	1,146.05			2,854.28	
Operating costs	704317	2,954.28	1,595.96	1,456.44	2,661.50	1,607.84	2,217.75	4,372.18	1,202.88	1,874.13
Insurance	742402	1,574.63	1,522.23	1,556.62	1,657.99	1,912.89	1,766.05	1,776.45	1,803.87	1,791.25
Sales tax	781202	2,464.45	1,654.23	1,857.97	1,640.64	2,025.51	3,090.40	2,536.49	4,375.86	3,336.17
Cash	103104	7,009.06	3,514.79	6,968.47	2,263.21	6,974.99	18,929.15	10,634.25	27,904.72	20,403.72
Accounts receivable	103105									
Total		-	-	-	-	-	-	-	-	-

Hennen collection to A/R -FY18

75,493.00

Feb-20



CASHFLOW

	River Pier	Southside Garage	DRC lot	King Lot	Totals
Income	27,833.84	74,735.21	1,839.28	2.03	104,210.36
Less: Expenses	11,902.70	25,194.90	1,243.25	-	38,340.85
Check Amount - INCOME LESS EXPENSES	15,931.14	49,540.31	396.03	2.03	65,869.51

INCOME -

	River Pier	Southside Garage	DRC Lot	King Lot
51003 Event Parking				
51120 Transient	20,491.50	12,180.00	1,883.25	2.35
51130 Monthly Lease	3,248.84	71,190.00		
51131 Monthly Lease Revenue-Exempt				
51142 Card Deposit				
51143 Card Deposit Refund				
51303 Hotel Guest Self Parking				
51347 Token Income				
51570 Refunds				
51583 Credit Card Service Charge	(814.96)	(1,298.96)	(84.52)	(0.12)
51584 Credit Card Chargeback (taxable)				
51590 Sales Tax	(2,010.05)	(7,059.63)	(159.45)	(0.20)
51599 B & O Tax	(81.49)	(288.20)		
TOTAL INCOME (gross)	20,833.84	74,735.21	1,639.28	2.03
51330 Charges				
51340 Charge Credits	7,000.00			
51580 Over & Short				
51585 Declaration of No Funds				
51596 DNF - Payments				
TOTAL INCOME (adjustments)	7,000.00	-	-	-
TOTAL INCOME	27,833.84	74,735.21	1,639.28	2.03

EXPENSES -

	Rivar Pler	Southside Garage	DRC Lot	King Lot
61110 Salaries & Wages	5,389.45	3,972.95		
61114 Employee Vacation Wages				
61130 Payroll Taxes	596.53	447.27		
61199 Gas Allowance		100.00		
61210 Insurance - Work Comp	113.18	83.43		
61220 Insurance - Liability	229.00	555.00		
61223 Insurance - Liability- event				
61230 Insurance - Employee Health	(622.19)	494.97		
61233 Insurance - Dental				
61244 Insurance Parking equipment				
61252 Insurance employee				
61310 Electric Power	2,084.98	6,470.12		
61320 Water	215.09	46.95		
61330 Telephone	176.78	332.00		
61332 Telephone - cellular				
61340 Postage				
61365 PCI COMPLIANCE				
61370 Management Fee	750.00	750.00	250.00	
61380 Data Processing/Audit	65.00	65.00		
61381 Computer & Programming	120.00	120.00		
61385 Internet - Setup & monthly costs				
61390 Customer Auto Repairs				
61394 Customer Auto Rental				
61399 Repairs - Garage				
61400 Repairs Equipment				
61421 Cleaning Service Sweeping	575.00	575.00		
61430 Cleaning -Garage				
61440 Painting & Striping				
61459 Gasoline/Lubricants/Tolls	16.00	15.00		
61470 Uniforms/NameTags/Badges				
61480 Taxes & Licenses				
61495 Security		4,693.92		
61497 Landscaping				
61500 professional fees				
61502 Consulting/Advisory Service				
61504 Remote Monitoring	350.00	500.00		
61520 Office Supplies	271.98			
61524 Fixed Operating Cost			993.25	
61527 Ticket Purchase Expense				
61530 General Supplies		3,445.68		
61531 Equipment Rental				
61534 Bank Service Charge	168.30	168.30		
61538 Employee Crime / Drug Check				
61539 Equipment				
61548 Equipment Maintenance				
61570 Equipment Service Agreements				
61575 Service Agreement	109.25			
61590 Staffing Services				
61593 Rental - Misc.				
61600 Repairs- Plumbing				
61603 Enforcement System Charges				
61630 Repairs - Electrical		428.74		
61640 Maintenance - Elevator	1,313.35	1,930.58		
61760 Trash Removal				
61770 Telepager				
81600 Credit Card Account Svc Charge				
TOTAL OPERATING EXPENSES	11,902.70	25,194.90	1,243.25	-

PARKING LEASE AGREEMENT

THIS PARKING LEASE AGREEMENT (as amended, replaced, supplemented or otherwise modified from time to time, "**Agreement**") is entered into as of the ____ day of October, 2018, by and between **CHATTANOOGA DOWNTOWN REDEVELOPMENT CORPORATION**, a Tennessee nonprofit corporation ("**CDRC**"), and **CHATTANOOGAN, LLC**, a Tennessee limited liability company ("**Tenant**"; and together with CDRC, each, a "**Party**" and, collectively, the "**Parties**").

RECITALS

A. The United States of America (the "**USA**"), acting by and through the Tennessee Valley Authority, a corporation created by an Act of Congress known as the Tennessee Valley Authority Act of 1933, as amended ("**TVA**"), as its legal agent, and the City of Chattanooga, Tennessee (the "**City**") entered into that certain Grant of Permanent Easement dated October 7, 1999 (the "**Original Easement**"), recorded in Book 5460, Page 517 in the Register's Office of Hamilton County, Tennessee (the "**Register's Office**"), pursuant to which the USA granted the City an exclusive permanent easement in, on, over, across, upon, through and under that certain parcel of land designated in the TVA land records as Tract No. XCOFC-4E located in the First Civil District of Hamilton County, Tennessee (the "**Original Easement Area**"), more particularly described on Exhibit A attached hereto and made a part hereof.

B. By Quitclaim Deed dated April 12, 2001 recorded in Book 5832, Page 786 in the Register's Office, the City conveyed the Original Easement to the Southside Redevelopment Corporation, a Tennessee non-profit corporation.

C. The Southside Redevelopment Corporation changed its name to Chattanooga Downtown Redevelopment Corporation, referred to herein as CDRC.

D. CDRC constructed and operated a hotel, conference center, parking garage and related hotel and restaurant facilities on the Original Easement Area.

E. The conference center, hotel and restaurant facilities are located on Lot 1 of the Original Easement Area ("**Lot 1**") as more particularly designated and shown on the Final Plan of Lots 1-3, Hotel Conference Center Subdivision recorded in Plat Book 65, Page 2 in the Register's Office (the "**Plat**"), the parking garage (the "**Garage**") is located on Lot 2 as more particularly designated and shown on the Plat ("**Lot 2**"), and an unimproved tract of land is located on Lot 3 as more particularly designated and shown on the Plat ("**Lot 3**"; and, together with Lot 1 and Lot 2, each, a "**Lot**," and, collectively, the "**Lots**").

F. A copy of the Plat is attached hereto as Exhibit B and made a part hereof.

G. By that certain Amended and Restated Grant of Permanent Easement dated as of October 3, 2018, between the USA, acting by and through TVA, and CDRC, recorded in Book 11469, Page 489 in the Register's Office (the "**Lot 1 Amendment**"), that certain Amended and Restated Grant of Permanent Easement dated as of October 3, 2018, between the USA, acting by and through TVA, and CDRC, recorded in Book 11469, Page 500 in the Register's Office, and

that certain Amended and Restated Grant of Permanent Easement dated as of October 3, 2018, between the USA, acting by and through TVA, and CDRC, recorded in Book 11469, Page 511 in the Register's Office, the Original Easement has been amended and restated completely so as to grant three (3) separate and distinct easements over each of Lot 1, Lot 2, and Lot 3 as designated on the Plat.

H. CDRC has conveyed its easement estate in Lot 1 created by the Lot 1 Amendment to Tenant by Special Warranty Deed dated as of _____, 2018 and recorded in Book _____, Page _____ of the Register's Office.

I. By that certain Reciprocal Easement Agreement, dated as of _____, 2018, by the Parties, recorded in Book _____, Page _____ of the Register's Office, Lot 1, Lot 2 and Lot 3 are each provided reciprocal ingress, egress, and access over, upon, and through the other Lots.

J. CDRC has appointed Republic Parking System, Inc. as its managing agent ("**Managing Agent**") for the purpose of conducting the day to day operations of the Garage, as set forth in that certain Agreement dated May 30, 2015, by and between Managing Agent and CDRC. CDRC may designate a different managing agent at any time and from time to time during the Term of this Agreement, in which event such designated party will be deemed to be the Managing Agent for purposes of this Agreement. CDRC shall give Tenant notice of any change in the Managing Agent.

K. In connection with the sale of the easement estate in Lot 1 and the hotel and conference center located thereon (the "**Hotel**"), CDRC has agreed to, simultaneous with the closing of the sale of the Hotel to Tenant, lease certain designated spaces in the Garage to Tenant.

L. The purpose of this Agreement is to set forth the terms and conditions of the Parties with respect to CDRC's lease of 160 designated parking spaces in the Garage to Tenant under the terms and conditions hereinafter set forth.

TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the premises, mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge, the parties hereby agree as follows:

1. Incorporation of Recitals. The recitals set forth above are incorporated herein by reference.

2. Parking Spaces.

(a) Throughout the Term (defined below), CDRC shall lease to Tenant and provide Tenant the right, privilege and license for the employees, agents and contractors of Tenant and Tenant's manager of the Hotel (if any) and the guests, invitees and patrons of the Hotel (collectively, "**Permitted Users**") to use one hundred sixty (160) designated spaces

("Spaces"), consisting of all one hundred ten (110) spaces located on the bottom level of the Garage, together with fifty (50) spaces on the ground level of the Garage, as shown on the drawing attached hereto and made a part hereof as Exhibit C.

(b) Tenant acknowledges that it has examined and inspected the Garage and the Spaces, is familiar with the physical condition thereof, and finds same suitable for Tenant's purposes. Tenant further acknowledges (i) that CDRC has not made and does not hereby make any representations regarding the physical condition of the Garage or Spaces, and (ii) that there are no warranties, either express or implied, regarding the condition of the Garage and/or the Spaces. CDRC shall have no responsibility for (x) the removal, modifications, or upgrading of any existing construction or equipment to accommodate use of the Spaces by Permitted Users, (y) the undertaking of any additional improvements or alterations, or (z) the installation of any equipment. Accordingly, Tenant hereby accepts the Spaces in their "AS IS" condition.

3. Access. CDRC shall furnish the Permitted Users sufficient means of access to and exit from the Garage. Managing Agent shall issue, without charge, an initial set of one hundred sixty (160) unique access cards, with an anti-passback feature. For each access card that is lost, stolen or damaged, Managing Agent will issue a replacement access card upon Tenant providing Managing Agent with the four (4) digit identification number of the card that was lost, stolen or damaged and paying Managing Agent a replacement fee of Twenty Dollars (\$20.00).

4. Compensation. The rent for the Spaces (the "**Rent**") shall be determined as set forth in this Section.

(a) During the initial Term the Rent shall be as follows:

- (i) for each month of the first (1st) year through the fifth (5th) year of the Term (as defined in Section 5), an amount equal to **\$75.00** for each Space in the Garage;
- (ii) for each month of the sixth (6th) year through the tenth (10th) year of the Term, an amount equal to the lesser of (A) 110% times the monthly Rent charged pursuant to Section 4(a)(i) or (B) **\$5.00** less for each Space in the Garage than the Market Rate (as defined below) as of the first (1st) day of the month prior to the first (1st) day of the sixth (6th) year of the Term;
- (iii) for each month of the eleventh (11th) year through the fifteenth (15th) year of the Term, an amount equal to the lesser of (A) 110% times the monthly Rent charged pursuant to Section 4(a)(ii) or (B) **\$5.00** less for each Space in the Garage than the Market Rate as of the first (1st) day of the month prior to the first (1st) day of the eleventh (11th) year of the Term;
- (iv) for each month of the sixteenth (16th) year through the twentieth (20th) year of the Term, an amount equal to the lesser of (A) 110% times the monthly Rent charged pursuant to Section 4(a)(iii) or (B) **\$5.00** less for each Space in the Garage than the Market Rate as of

the first (1st) day of the month prior to the first (1st) day of the sixteenth (16th) year of the Term;

- (v) for each month of the twenty-first (21st) year through the twenty-fifth (25th) year of the Term, an amount equal to the lesser of (A) 110% times the monthly Rent charged pursuant to Section 4(a)(iv) or (B) **\$5.00** less for each Space in the Garage than the Market Rate as of the first (1st) day of the month prior to the first (1st) day of the twenty-first (21st) year of the Term;
- (vi) for each month of the twenty-sixth (26th) year through the thirtieth (30th) year of the Term, an amount equal to the lesser of (A) 110% times the monthly Rent charged pursuant to Section 4(a)(v) or (B) **\$5.00** less for each Space in the Garage than the Market Rate as of the first (1st) day of the month prior to the first (1st) day of the twenty-sixth (26th) year of the Term;
- (vii) for each month of the thirty-first (31st) year through the thirty-fifth (35th) year of the Term, an amount equal to the lesser of (A) 110% times the monthly Rent charged pursuant to Section 4(a)(vi) or (B) **\$5.00** less for each Space in the Garage than the Market Rate as of the first (1st) day of the month prior to the first (1st) day of the thirty-first (31st) year of the Term; and
- (viii) for each month of the thirty-sixth (36th) year through the fortieth (40th) year of the Term, an amount equal to the lesser of (A) 110% times the monthly Rent charged pursuant to Section 4(a)(vii) or (B) **\$5.00** less for each Space in the Garage than the Market Rate as of the first (1st) day of the month prior to the first (1st) day of the thirty-sixth (36th) year of the Term.

(b) In the event Tenant timely exercises the Option Term (as defined in Section 5), all of the terms and conditions of this Agreement shall be applicable to the Option Term, except that the Rent during the Option Term shall be as follows:

- (i) for each month of the first (1st) year through the fifth (5th) year of the Option Term, an amount equal to the lesser of (A) 110% times the monthly Rent charged pursuant to Section 4(a)(viii) or (B) **\$5.00** less for each Space in the Garage than the Market Rate as of the first (1st) day of the month prior to the first (1st) day of the first (1st) year of the Option Term;
- (ii) for each month of the sixth (6th) year through the tenth (10th) year of the Option Term, an amount equal to the lesser of (A) 110% times the monthly Rent charged pursuant to Section 4(b)(i) or (B) **\$5.00** less for each Space in the Garage than the Market Rate as of

the first (1st) day of the month prior to the first (1st) day of the sixth (6th) year of the Option Term;

- (iii) for each month of the eleventh (11th) year through the fifteenth (15th) year of the Option Term, an amount equal to the lesser of (A) 110% times the monthly Rent charged pursuant to Section 4(b)(ii) or (B) **\$5.00** less for each Space in the Garage than the Market Rate as of the first (1st) day of the month prior to the first (1st) day of the eleventh (11th) year of the Option Term; and
- (iv) for each month of the sixteenth (16th) year through the twentieth (20th) year of the Option Term, an amount equal to the lesser of (A) 110% times the monthly Rent charged pursuant to Section 4(b)(iii) or (B) **\$5.00** less for each Space in the Garage than the Market Rate as of the first (1st) day of the month prior to the first (1st) day of the sixteenth (16th) year of the Option Term.

(c) For purposes of this Agreement, the following terms shall have the meanings set forth below.

(i) The term “**Comparison Garages**” shall mean the following parking garages in Chattanooga, Tennessee:

- (A) the parking garage commonly referred to as the 7th and Broad Street Garage located west of Broad Street, north of West 7th Street, east of Chestnut Street and south of West 6th Street, Chattanooga, Tennessee;
- (B) the parking garage commonly referred to as the EPB Building Garage located at 10 West Martin Luther King Boulevard, Chattanooga, Tennessee;
- (C) the parking garage commonly referred to as the Union Square Garage at 130 West 10th Street, Chattanooga, Tennessee;
- (D) the parking garage commonly referred to as the Liberty Garage located at 289 West 6th Street, Chattanooga, Tennessee; and
- (E) the parking garage commonly referred to as the Convention Center Garage located at Two Carter Plaza, Chattanooga, Tennessee.

In the event that as of any Determination Date, any Comparison Garage has become an Ineligible Garage, then as of such Determination Date, the Parties shall exercise commercially reasonable efforts to select a parking garage located in the downtown Chattanooga, Tennessee market that as of such Determination Date, provides covered unreserved parking for monthly self

parkers at a monthly rate per space that is stated, published or otherwise made available to the public to replace such Ineligible Garage as a Comparison Garage, and upon such selection, the Parties shall enter into a written amendment to this Agreement, amending this Agreement to replace such Ineligible Garage with the replacement Comparison Garage selected by the Parties.

(ii) The term “**Determination Date**” shall mean, with respect to any five (5) year period set forth in Section 4(a)(ii) through (viii) or Section 4(b)(i) through (iv), the day as of which it is necessary to determine the Market Rate for purposes of determining the Rent for such five (5) year period.

(iii) The term “**Ineligible Garage**” shall mean, as of any Determination Date, a Comparison Garage that has ceased to provide covered unreserved parking for monthly self parkers for a monthly rate per space or has ceased to state, publish or otherwise make available to the public the monthly rate per space for covered unreserved parking for monthly self parkers.

(iii) The term “**Market Rate**” shall mean, as of any Determination Date, the average monthly rate per space charged monthly self parkers on such Determination Date for covered unreserved parking in the Comparison Garages.

(iv) The term “**Person**” shall mean any natural person, corporation, general or limited partnership, limited liability company, association, joint venture, trust, estate, governmental authority or other legal entity, in each case whether in its own or a representative capacity.

(d) During the Term (as defined in Section 5), Tenant shall pay to CDRC, without previous demand therefor and without any setoff or deduction whatsoever (subject to Section 9), the Rent, payable in monthly installments, in advance, on the first day of each and every calendar month throughout the Term and, if applicable, the Option Term, except that the first installment of Rent shall be paid upon the execution of this Agreement and, if the Term commences on a date other than the first day of a month, Tenant shall pay CDRC on the first day of the Term, a pro-rata portion of such Rent, calculated based upon the number of calendar days in the month in which Tenant’s obligation to pay Rent commences. Rent for any period less than one (1) month shall be prorated based upon a thirty (30) day basis. Rent is all inclusive, and there shall be no further charge for any other item whatsoever including, but not limited to, taxes, utilities, operational costs, maintenance, insurance or any other charges, cost or expense whatsoever that arise out of or in connection with the Garage, all of which are included in the Rent.

(e) If any installment of Rent, or any other sum due to CDRC from Tenant, is not paid within five (5) days of the applicable due date, Tenant shall pay to CDRC a late charge equal to five percent (5%) of the overdue amount in order to defray the expenses incident to handling such delinquent payment. Such payment shall be in addition to, and not in lieu of, any other remedy Landlord may have.

5. Term. The term of this Agreement shall commence upon the date hereof and shall continue for a period of forty (40) years (the “**Term**”). Provided that Tenant is not then in

default beyond any applicable notice and cure period, Tenant shall have the option exercised by written notice to CDRC given not less than one (1) year prior to the expiration of the Term to extend the Term for one (1) additional period of twenty (20) years (the “**Option Term**”).

6. Quiet Enjoyment. Tenant, upon paying the rents herein reserved and performing and observing all of the other terms, covenants, and conditions of this Agreement on Tenant’s part to be performed and observed, shall peaceably and quietly have, hold, and enjoy the Spaces during the Term and, if applicable, the Option Term, subject, nevertheless, to the terms of this Agreement and to any mortgages, ground or underlying leases, agreements, and encumbrances to which this Agreement is subordinate.

7. Use of Spaces; Signage. All of the Spaces shall be available to Tenant three hundred sixty-five (365) or three hundred sixty-six (366) days a year (as applicable), twenty-four (24) hours a day, seven (7) days a week, throughout the Term and if applicable, the Option Term, without any additional charge whatsoever. CDRC shall (or shall cause Managing Agent to) provide signage (the “**Signage**”) to identify the Spaces as reserved for the use of the Permitted Users. The form of the Signage shall be subject to the approval of Tenant. The contents of the Signage shall be provided by Tenant and subject to the approval of CDRC. CDRC’s responsibility for the cost of the initial Signage shall not exceed \$3,500.00.

8. Maintenance/Repairs; Security. During the Term and, if applicable, the Option Term, CDRC shall maintain (or cause to be maintained) the Garage in a first-class manner and in good order and repair. CDRC shall maintain the lawn and landscaping in a manner that is similar to the manner in which the lawn and landscaping for the Hotel is maintained. CDRC shall repair or replace (or cause to be repaired or replaced) as needed, all lighting, directional signage, mechanical systems, exterior and façade of the building, lawn and landscaping. CDRC shall maintain (or cause to be maintained) cleaning standards for the Garage in accordance with parking garages of similar scope in the downtown Chattanooga, Tennessee market. During the Term and, if applicable, the Option Term, security for the Garage shall be maintained and supervised by Managing Agent in accordance with past practices. Currently, Managing Agent (a) maintains cameras at the East side entrance and exit gates, which cameras are monitored remotely by Managing Agent from its national call center located in Chattanooga, Tennessee, and are for customer service purposes only, and (b) arranges for a security guard to be physically present at the Garage daily from 7 p.m. to 3 a.m. (local time). To the extent possible, CDRC shall use (or cause to be used) commercially reasonable efforts to make any and all necessary repairs and maintenance in a manner reasonably expected to minimize the disruption of normal parking operations in the Garage. CDRC agrees to use commercially reasonable efforts to make available to Tenant alternative parking spaces, in the Garage, reasonably comparable to those affected during the period such repairs or maintenance are being made or provided, at no additional expense, cost or charge to Tenant.

9. Property Insurance; Casualty.

(a) CDRC shall obtain and maintain, or cause to be maintained, property insurance for the Garage (“**Property Insurance**”) in an amount equal to at least one hundred percent (100%) of the replacement cost value of the Garage, which for purposes of this

Agreement shall mean the amount necessary to reconstruct the Garage (exclusive of costs of excavations, foundations, underground utilities and footings).

(b) In the event of any casualty, damage or destruction that materially impacts the ability of the Permitted Users to use the Garage or any portion thereof necessary for use of the Spaces by the Permitted Users as contemplated herein or materially impacts the ability of the Permitted Users to use all of the Spaces leased hereunder (a “**Casualty**”), then Rent payable hereunder shall equitably abate to the extent of the inability of the Permitted Users to use the Garage or the Spaces, as the case may be, as a result of a Casualty, provided that Tenant’s obligation to pay Rent shall resume on the date that the Permitted Users are able to use the Garage and the Spaces.

(c) In the event of a Casualty, CDRC shall, except as otherwise provided herein, repair and/or rebuild the portion of the Garage that suffered a Casualty, but CDRC shall not be obligated to commence such repairs and/or rebuilding until the Insurance Proceeds (as defined below) are received by CDRC. In addition, CDRC’s obligation hereunder shall be limited to the net amount of insurance proceeds received by CDRC as a result of such Casualty, after deduction of CDRC’s costs and expenses (including, but not limited to, reasonable counsel fees) in collecting same (“**Insurance Proceeds**”). Nothing hereinabove contained shall impose upon CDRC any liability or responsibility to repair, rebuild or replace any property belonging to Tenant or any damage or destruction that is not a Casualty.

(d) Notwithstanding anything else to the contrary contained in this Section 9 or elsewhere in this Agreement, if the Casualty results in the cost to repair and/or rebuild that portion of the Garage that suffered the Casualty to be twenty-five percent (25%) or more of the cost of replacement of the Garage, CDRC, at its option, may elect to construct a surface parking lot or a new parking garage with less parking spaces than the Garage in lieu of rebuilding the Garage, so long as the surface parking lot or new parking garage provides Tenant with the number of Spaces it is leasing under this Agreement as of the date of the Casualty, and from and after completion of construction of the surface parking lot or new parking garage, this Agreement shall automatically be deemed amended so that the term “Garage” refers to the new surface parking lot or new parking garage and the term “Spaces” refers to the spaces designated for use by the Permitted Users located on the new surface parking lot or in the new parking garage.

10. Notices.

(a) All notices, requests, demands and other communications required to be provided by any Party under this Agreement (each, a “**Notice**”) shall be in writing and delivered, at the sending Party’s cost and expense, by (i) personal delivery, (ii) certified U.S. mail, with postage prepaid and return receipt requested, (iii) overnight courier service, (iv) facsimile or email transmission, with a verification copy sent on the same day by any of the methods set forth in clauses (i), (ii) or (iii), to the recipient Party at the following address, email address, or facsimile number (or to such other address, email address, or facsimile number as the Parties may designate from time to time pursuant to Section 10(c)):

If to CDRC:

Chattanooga Downtown Redevelopment Corporation
101 E. 11th Street
City Hall
Chattanooga, Tennessee 37402
Attention: Daisy W. Madison, President
Facsimile: (423) 643-7399
Email: dmadison@chattanooga.gov

With a copy to:

Husch Blackwell LLP
736 Georgia Avenue, Suite 300
Chattanooga, Tennessee 37402-2059
Attn: John K. Culpepper, Esq.
Facsimile No.: (423) 266-5499
Email: john.culpepper@huschblackwell.com

City Attorney's Office
100 E. 11th Street, Suite 200
Chattanooga, TN 37402
Attention: Valerie L. Malueg, Assistant City Attorney
Facsimile No.: (423) 643-8255
Email: vmalueg@chattanooga.gov

If to Tenant:

c/o Ascent Hospitality L.L.C.
3616 S. Bogan Road, Suite 201
Buford, Georgia 30519
Attn: John Tampa
Facsimile No.: 770-904-0765
Email: jtampa@ascent-hospitality.com

With a copy to:

Sirote & Permutt, P.C.
2311 Highland Avenue South
Birmingham, Alabama 35205
Attn: Scott Sims, Esq.
Facsimile No.: 205-212-3809
Email: ssims@sirote.com

(b) All Notices sent by a Party (or its counsel pursuant to Section 10(d)) under this Agreement shall be deemed to have been received by the Party to whom such Notice is sent

upon (i) delivery to the address, email address or facsimile number of the recipient Party, provided that such delivery is made prior to 5:00 p.m. (local time for the recipient Party) or any day other than (A) a Saturday, (B) a Sunday, (C) a federal holiday or the Friday after Thanksgiving Day (each, a “**Business Day**”), otherwise the following Business Day, or (ii) the attempted delivery of such Notice if (A) such recipient Party refuses delivery of such Notice, or (B) such recipient Party is no longer at such address, email address, or facsimile number, and such recipient Party failed to provide the sending Party with its current address, email address, or facsimile number pursuant to Section 10(c).

(c) The Parties and their respective counsel shall have the right to change their respective address, email address, and/or facsimile number for the purposes of this Section 10 by providing a Notice of such change in address, email address, and/or facsimile number as required under this Section 10.

(d) The Parties agree that the attorney for any Party shall have the authority to deliver Notices on such Party’s behalf to the other Party hereto.

11. Representations and Warranties of CDRC. CDRC hereby represents and warrants as follows:

(a) CDRC is a nonprofit corporation validly existing and in good standing under the laws of the State of Tennessee. CDRC has the full power and authority to enter into this Agreement, and each of the Persons signing on behalf of CDRC is authorized to do so. CDRC warrants that it is not necessary for any other Person to join in the execution of this Agreement to make the execution by CDRC complete, appropriate and binding, and when entered into, this Agreement will constitute a binding obligation of CDRC in accordance with the terms and conditions set forth herein; and

(b) There are no other understandings or agreements, oral or written, which would interfere with or are inconsistent with the terms of this Agreement.

12. Representations and Warranties of Tenant. Tenant hereby represents and warrants the following:

(a) Tenant is a Tennessee limited liability company validly existing and in good standing under the laws of the State of Tennessee. Tenant has the full power and authority to enter into this Agreement, and each of the persons signing on behalf of Tenant is authorized to do so. Tenant warrants that it is not necessary for any other Person to join in the execution of this Agreement to make the execution by Tenant complete, appropriate and binding, and when entered into, this Agreement will constitute a binding obligation of Tenant in accordance with the terms and conditions set forth herein; and

(b) There are no other understandings or agreements, oral or written, which would interfere with or are inconsistent with the terms of this Agreement; and

(c) Tenant is not, and shall not become, a Person whom CDRC is restricted from doing business with under regulations of the Office of Foreign Asset Control (“**OFAC**”) of the Department of the Treasury (including, but not limited to, those named on OFAC’s Specially

Designated and Blocked Persons list) or under any statute, executive order (including, but not limited to, the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and shall not engage in any dealings or transaction or be otherwise associated with such Persons.

Tenant acknowledges that CDRC is executing this Agreement in reliance upon the foregoing representations and warranties and that such representations and warranties are a material element of the consideration inducing CDRC to enter into and execute this Agreement.

13. Default.

(a) Tenant shall be in “**default**” hereunder if (i) Tenant fails to pay without any setoff or deduction whatsoever when due Rent and any other sums due under this Agreement and such failure shall continue for more than five (5) days after written notice from CDRC to Tenant; provided, however, that during any period of twelve (12) consecutive calendar months, CDRC shall not be required to give such notice if CDRC has previously given such notice two (2) times during such period; or (ii) Tenant fails to observe and perform any of the other terms, covenants and/or conditions of this Agreement and such failure shall continue for more than thirty (30) days after written notice from CDRC to Tenant. If the nature of a default under clause (ii) above is such that it cannot reasonably be cured within the aforesaid time period, then a default shall not be deemed to exist so long as Tenant commences to cure the same within such thirty (30) day period and diligently and in good faith prosecutes the same to completion within no longer than sixty (60) days from receipt of such written notice from CDRC.

(b) If at any time during the Term and, if applicable, the Option Term, there shall be filed by or against Tenant or any successor tenant then in possession, in any court pursuant to any statute either of the United States or of any state, a petition (i) in bankruptcy, (ii) alleging insolvency, (iii) for reorganization, (iv) for the appointment of a receiver, or (v) for an arrangement under the Bankruptcy Acts, or if a similar type of proceeding shall be filed, CDRC may terminate Tenant’s rights under this Agreement by notice in writing to Tenant, and thereupon Tenant shall immediately quit and surrender the Spaces to CDRC, but Tenant shall continue liable for the payment of Rent and all other sums due hereunder.

(c) In the event of any default by Tenant, CDRC may (i) cure Tenant’s default at Tenant’s cost and expense, and/or (ii) without terminating this Agreement re-take possession of the Spaces and remove all Persons and all or any property therefrom, by any suitable action or proceeding at law, or by force or otherwise, without being liable for any prosecution therefor or damages therefrom, and repossess and enjoy the Spaces, with all additions, alterations, and improvements, and CDRC may at its option, repair the Spaces as it may deem fit, and/or (iii) at any time relet the Spaces or any part or parts thereof, as the agent of Tenant or in CDRC’s own right, and/or (iv) terminate this Agreement upon not less than ten (10) days’ written notice to Tenant. The exercise by CDRC of any right granted in this Section shall not relieve Tenant from the obligation to make all rental payments, and to fulfill all other covenants required by this Agreement, at the time and in the manner provided herein, and, if CDRC so desires, all current and future Rent and other monetary obligations due hereunder shall become payable as follows: CDRC shall not be required to obtain more than one order or judgment for all damages awarded

from Tenant, but such order shall require that the rental payment elements of such damages shall be paid monthly as they become due. Tenant throughout the remaining Term and, if applicable, the Option Term, shall pay CDRC, no later than the last day of each month during the Term and, if applicable, the Option Term, the then current excess, if any, of the sum of the unpaid rentals and costs to CDRC resulting from such default by Tenant over the proceeds, if any, received by CDRC from such reletting, if any, but CDRC shall have no liability to account to Tenant for any excess. CDRC shall use reasonable efforts to relet the Spaces provided CDRC shall not be required to give preference to the reletting of the Spaces over the leasing of any other space in the Garage. CDRC shall not be required to nor exercise any other right granted to CDRC hereunder, nor shall CDRC be under any obligation to minimize Tenant's loss as a result of Tenant's default. If CDRC attempts to relet the Spaces, CDRC shall be the sole judge as to whether or not a proposed tenant is suitable and acceptable. If CDRC relets the Spaces, then any proceeds from such reletting shall be applied in the following order of priority: (x) to the payment of all expenses CDRC may have incurred in connection with reentering, ejecting, removing, dispossessing, reletting, altering, repairing, redecorating, subdividing or otherwise preparing the Spaces for said reletting, including court costs, reasonable attorneys' fees, and brokerage fees; (y) to the payment of any past-due indebtedness or obligations due hereunder from Tenant to CDRC, including the cost of debt collection; and (z) the residue, if any, to the payment of the on-going obligations of Tenant to CDRC pursuant to the terms and conditions of this Agreement, and Tenant hereby waives all claims to any excess.

(d) Interest at the Default Rate (as hereinafter defined) shall accrue on any amount due and owing from Tenant that is not paid within five (5) days as to the payment of Rent and within thirty (30) days as to any other payments (including without limitation all of the foregoing in subsection (c) above), from the date incurred until the date of payment. The term "**Default Rate**" means an annual interest rate equal to the maximum legal rate permitted by applicable law. The same rights and remedies shall apply to the collection of any interest which accrues under this subsection as apply to the collection of the underlying amount due.

14. Assignment. Tenant shall not, voluntarily, involuntarily, or by operation of law, sell, mortgage, pledge, or in any manner transfer or assign this Agreement in whole or in part, or sublet or license the whole or any part of the Spaces, or permit any Persons other than Permitted Users to use same, without the consent of CDRC, references elsewhere herein to assignees, subtenants, licensees, or other Persons notwithstanding, which consent may be withheld in CDRC's sole and absolute discretion. For the purpose of this Section 14, if the stock, partnership interest, member interest or other ownership interest of Tenant is transferred directly or indirectly by sale, assignment, bequest, inheritance, operation of law, or other dispositions so as to result in a change in the present effective voting control of Tenant or any guarantor of this Agreement by the Person(s) owning a majority of said outstanding stock, partnership interest, member interest or other ownership interest on the date of this Agreement, then such event will constitute an assignment requiring CDRC's consent.

Notwithstanding the foregoing provisions of this Section 14, upon thirty (30) days' prior written notice, Tenant shall have the right to assign all of its right, title and interest in, to and under this Agreement to a Qualified Successor Tenant (as defined below) that will assume all of the obligations of Tenant hereunder (an "**Assumption**"), provided that at the time of the

Assumption, Tenant is not in default under any of the terms, conditions or covenants of this Agreement and the following conditions are met to the satisfaction of CDRC:

(a) the Qualified Successor Tenant shall perform in accordance with the terms, conditions, and covenants of this Agreement;

(b) that if the Rent or any additional rent or charges required to be paid by the Qualified Successor Tenant exceeds the Rent and/or items of additional rent reserved hereunder, then Tenant shall pay to CDRC monthly the entire amount of such excess, which shall be deemed additional rent; and

(c) Tenant and the Qualified Successor Tenant shall execute, acknowledge, and deliver to CDRC a fully executed counterpart of a written assignment and assumption of lease in form and substance acceptable to CDRC, evidencing (i) Tenant's assignment to the Qualified Successor Tenant of Tenant's entire interest in this Agreement, together with all prepaid rents hereunder, and (ii) the Qualified Successor Tenant's acceptance of said assignment and assumption of, and agreement to perform directly for the benefit of CDRC, all of the terms, conditions, and covenants of this Agreement on Tenant's part to be performed hereunder;

For purposes of this Agreement, the term "**Qualified Successor Tenant**" shall mean a Person that on or about the date of the Assumption (a) has acquired ownership of the Hotel and (b) is or will be operating or using the Hotel as a hotel.

15. Indemnity.

(a) Except to the extent of the gross negligence or willful misconduct of CDRC or its agents, directors, officers, employees or contractors (the "**CDRC Parties**"), Tenant hereby agrees to defend, indemnify and hold harmless the CDRC Parties from and against any actual liability, damage (but expressly excluding any consequential and punitive damages), loss, cost or expense, including, without limitation, reasonable attorneys' fees, arising from the breach by Tenant of its obligations under this Agreement or as a result of death, bodily injury, personal injury or property damage, to the extent caused in whole or in part by the negligence, acts or omissions of Tenant or Tenant's manager of the Hotel (if any) or any of their respective employees, contractors, agents, guests, invitees or licensees. In the event insurance coverage is available, or becomes available, for the losses or liabilities described in this paragraph, Tenant shall furnish such coverage for the protection of both Tenant and CDRC (and any designees of CDRC).

(b) Except to the extent of the gross negligence or willful misconduct of Tenant or its agents, directors, officers, employees or contractors (the "**Tenant Parties**"), subject to the limitation of the applicable governmental liability limitations under Tennessee law, CDRC hereby agrees to defend, indemnify and hold harmless the Tenant Parties from and against any actual liability, damage (but expressly excluding any consequential and punitive damages), loss, cost or expense, including, without limitation, reasonable attorneys' fees, arising from the breach by CDRC of its obligations under this Agreement or as a result of death, bodily injury, personal injury or property damage, to the extent caused in whole or in part by the recklessness, carelessness or negligence of CDRC or Managing Agent or any of their respective employees,

agents or servants. In the event insurance coverage is available, or becomes available, for the losses or liabilities described in this paragraph, CDRC shall furnish such coverage for the protection of both Tenant and CDRC (and any designees of Tenant).

The covenants of this Section 15 shall survive the termination or expiration of this Lease.

16. Insurance Required of Tenant.

(a) Tenant shall obtain and provide, on or before the earlier of the commencement of the Term, and keep in force at all times thereafter, Commercial General Liability Insurance against claims for personal injury, bodily injury, death or property damage occurring upon, in or about the Garage, such insurance (A) to be on an occurrence basis with not less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) in the aggregate; and (B) contractual liability covering the indemnity contained in Section 15(a) of this Agreement to the extent same is available. In addition, should Tenant have any excess or umbrella general liability policies, the benefit of those policies shall be applicable, in total, to the terms of this Agreement.

(b) All of the aforesaid insurance shall be written by one or more insurance companies with a A.M. Best Insurance Guide Rating of at least A-VIII licensed in the State of Tennessee and in form satisfactory to CDRC and shall be written in the name of Tenant with CDRC (and any designee(s) of CDRC) named as Additional Insured to such policies; all such insurance may be carried under a blanket policy; all such insurance shall contain endorsements that such insurance may not be cancelled or amended with respect to CDRC (or its designees) except upon thirty (30) days' prior written notice to CDRC (and any such designees) by the insurance company or Tenant; Tenant shall be solely responsible for payment of premiums and that CDRC (or its designees) shall not be required to pay any premium for such insurance. The minimum limits of the commercial general liability policy of insurance shall in no way limit or diminish Tenant's liability hereunder. Tenant shall deliver to CDRC at least fifteen (15) days prior to the time such insurance is first required to be carried by Tenant, and thereafter at least fifteen (15) days prior to the expiration of such policy, either a stamped certified true duplicate original or a certificate of insurance, including endorsements evidencing Additional Insured status on all policies procured by Tenant in compliance with its obligations hereunder, together with evidence satisfactory to CDRC of the payment of the premiums therefor. If Tenant fails to obtain and provide any or all of the aforesaid insurance, then CDRC may, but shall not be required to, purchase such insurance on behalf of Tenant and add the cost of such insurance as additional rent payable with the next installment of Rent.

(c) Tenant agrees, at its own cost and expense, to comply with all laws, ordinances, regulations and orders applicable to leasing the Spaces and making the Spaces available for use by the Permitted Users.

17. Alterations. In no event shall Tenant make any alterations to the Spaces during the Term and, if applicable, the Option Term without the prior written consent of CDRC.

18. Right of First Refusal. The Parties acknowledge that because CDRC is an instrumentality of the City, CDRC substantially follows or observes the requirements of the City

in Section 2-566 of the Chattanooga City Code, as amended from time to time, to seek competitive bids for the disposal of real property that has been determined to be surplus (the “**Competitive Bidding Process**”). If during the Term and, if applicable, the Option Term, CDRC determines the Garage and CDRC’s interest in the real estate on which the Garage is situated (the “**Property**”) to be surplus real property, and in the attendant Competitive Bidding Process for the sale of the Property CDRC receives a bid to purchase the Property from a bidder other than Tenant (the “**Bidder**”) which it desires to accept (the “**Bid**”), then prior to acceptance of the Bid, CDRC shall give Tenant written notice (the “**Offer Notice**”) enclosing a copy of the Bid. Tenant shall have thirty (30) days following receipt of the Offer Notice in which to elect to acquire the Property that is the subject of the Bid on the terms and conditions set forth in the Bid. If the Bid received by CDRC covers other property in addition to the Property, the purchase price for the Property shall be separately stated, and Tenant shall have the right to acquire the Property without acquiring such other property. If Tenant exercises the rights herein granted, then Tenant and CDRC shall enter into a contract having the same terms and conditions as the Bid. If Tenant does not exercise the rights herein granted, CDRC may accept the Offer and close the transaction contemplated thereby; provided, however, if such transaction is not completed on the same terms and conditions contained in the Offer Notice within one hundred eighty (180) days after the Offer Notice is received by Tenant, such transaction shall not take place and the requirements of this Section shall remain in full force and effect as to any future offers. The covenants of this Section are of a continuing nature and shall not be exhausted by one or more sales of the Property.

19. Miscellaneous.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee (without giving effect to rules regarding conflict of laws).

(b) ANY LITIGATION OR OTHER COURT PROCEEDING WITH RESPECT TO ANY MATTER ARISING FROM OR IN CONNECTION WITH THIS AGREEMENT SHALL BE CONDUCTED IN ANY STATE OR FEDERAL COURT SITTING IN HAMILTON COUNTY, TENNESSEE, AND CDRC AND TENANT HEREBY SUBMIT TO JURISDICTION AND CONSENT TO VENUE IN SUCH COURTS, AND WAIVE ANY DEFENSE BASED ON FORUM NON CONVENIENS.

(c) EACH PARTY HEREBY WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY LITIGATION OR OTHER COURT PROCEEDING WITH RESPECT TO ANY MATTER ARISING FROM OR IN CONNECTION WITH THIS AGREEMENT.

(d) Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

(e) Any headings in this Agreement are inserted only as a matter of convenience and reference and are not to be given any effect whatsoever in construing this Agreement.

(f) This Agreement shall be binding upon, and inure to the benefit of the parties hereto and their respective successors and permitted assignees.

(g) This Agreement constitutes the complete and final agreement between the parties hereto with respect to the subject matter contained in this Agreement, and supersedes all prior agreements, whether written or oral, between the Parties relating to the subject matter hereof. This Agreement shall be modified or amended only by an instrument in writing and signed by the Parties hereto.

(h) The rights and remedies of the parties under this Agreement or under any section, subsection or clause hereof, shall be cumulative and in addition to any and all other rights or remedies which the parties have or may have elsewhere under this Agreement or at law or equity, whether or not so expressly stated.

(i) This Agreement may be executed in counterparts, all of which taken together shall constitute the same agreement. Further, photocopies and/or facsimile and/or electronic transmission (including, but not limited to, by portable document format (.pdf)) signatures shall be deemed as valid as an original.

[Remainder of page intentionally left blank; signature page follows]

[Signature Page to Parking Lease Agreement]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date and year first written above.

CDRC:

**CHATTANOOGA DOWNTOWN
REDEVELOPMENT CORPORATION, a
Tennessee nonprofit corporation**

BY: *Daisy W. Madison*
PRINT NAME: Daisy W. Madison
TITLE: President

[Signature Page to Parking Lease Agreement]

TENANT:

**CHATTANOOGAN, LLC,
a Tennessee limited liability company**

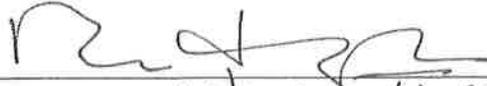
BY: 
PRINT NAME: John Remy
TITLE: mgr

EXHIBIT A

Original Easement Area

See attached.

EXHIBIT A
TO
GRANT OF PERMANENT EASEMENT
FROM
THE UNITED STATES OF AMERICA
TO THE
CITY OF CHATTANOOGA, TENNESSEE

A parcel of land lying in the First Civil District of Hamilton County, State of Tennessee, being located south of West Twelfth Street, west of Broad Street, north of West Thirteenth Street, east of Chestnut Street, being on the Chattanooga Office Complex Reservation, as shown on US-TVA Drawing No. G MS 422 B 893(D), R.O and being more particularly described as follows:

Commencing at a brass cap (found) in sidewalk at the northwest corner of West Twelfth Street and Carter Street (Coordinates: N. 237,558.91, E. 2,205,529.60), being corner No. COC-12; thence S29°27'56"E, 842.51 feet to an aluminum monument (found) in the Chattanooga Office Complex reservation boundary line and at the northeast intersection of Chestnut Street and West Thirteenth Street, being corner No. K; and the Point Of Beginning:

Thence leaving the point of beginning and with said reservation boundary line and the east line of Chestnut Street N24°11'40"E, 409.77 feet to chiseled cross in sidewalk (found) at the southeast intersection of Chestnut Street and West Twelfth Street to a point on a curve, being corner No. H/S-7; thence leaving the east line of Chestnut Street and continuing with said reservation boundary line and with the south line of West Twelfth Street as it curves to the left having a radius of 340.00 feet and an arc length of 81.62 feet forming a chord of S85°05'21"E, 81.42 feet to a point of tangency at an angle iron (set), being corner No. H/S-6; thence leaving said curve and continuing with said reservation boundary line and the south line of West Twelfth Street N87°59'53"E, 400.24 feet to an angle iron (set) in the northwest intersection of West Twelfth Street and Broad Street, being corner No. H/S-5; thence continuing with said reservation boundary line S67°24'59"E, 11.35 feet to a punch mark with crows foot in sidewalk (set) at the northeast intersection of West Twelfth Street and Broad Street, being corner No. H/S-4; thence leaving the south line of West Twelfth Street and continuing with said reservation boundary line and with the west line of Broad Street S22°52'57"E, 87.10 feet to a punch mark with crows foot in concrete (set) at a point of curvature, being corner No. F-1; thence continuing with said reservation boundary line and the west line of Broad Street as it curves to the right having a radius of 370.27 feet and an arc length of 301.36 feet forming a chord of S00°30'51"W, 293.10 feet to a chiseled cross in sidewalk (found) at the point of tangency, being corner No. N, thence leaving said curve and continuing with said reservation boundary line and the west line of Broad Street S23°50'23"W, 294.60 feet to a chiseled cross in concrete traffic signal base (found) in the northwest intersection of Broad Street and West Thirteenth Street, being corner No. N-1; thence leaving the west line of Broad Street and continuing with said reservation boundary line and with the north line of West Thirteenth Street N65°39'10"W, 275.26 feet to an angle iron (set), being corner No. J; thence continuing with said reservation boundary line and the north line of West Thirteenth Street N62°09'39"W, 50.00 feet to an angle iron (found), being corner No. 22-1; thence continuing with said reservation boundary line and the north line of West Thirteenth Street N82°09'39"W, 110.28 feet to an angle iron (found), being corner No. J-1; thence continuing with said reservation boundary line and the north line of West Thirteenth Street N65°53'20"W, 195.32 feet to the point of beginning and containing 7.437 acres.

EXHIBIT A
TO
GRANT OF PERMANENT EASEMENT
FROM
THE UNITED STATES OF AMERICA
TO THE
CITY OF CHATTANOOGA, TENNESSEE
CONTINUED

Positions of corners and directions of lines are referred to the Tennessee Coordinate System and NAD 27 Horizontal Datum. Located on VTM Quad CHATTANOOGA, TN, 105-SE.

The above description was prepared from Land Maps G MS 421 P 750-1, G MS 421 K 750-3, G MS 421 B 763, Land Planning Map G MS 421 K 757-2, R.3, a survey dated August 3, 1999 and maps and records of:

Tennessee Valley Authority
1101 Market Street
Haney Building 2A
Chattanooga, TN 37402

The GRANTOR also conveys, to the extent of the rights conveyed herein, all of its right, title, and interest in and to abutting streets and roadways.

The above-described property was acquired by the United States of America by virtue of the Judgment entered June 13, 1986, in the Eastern District of the State of Tennessee, Southern Division, Case No. CIV-1-86-244, styled United States of America ex rel., Tennessee Valley Authority vs. Katharine Lanier Jones, et al., of record in Deed Book 3389, page 373 (COFC-7); by virtue of the Special Warranty Deed dated June 5, 1980, executed by GAF Corporation, a Delaware corporation, of record in Deed Book 2883, page 731 (COFC-21); by virtue of the Warranty Deed dated January 5, 1981, executed by Tallan Properties Company, a Tennessee limited partnership, of record in Deed Book 2729, page 574, (COFC-22); by virtue of the Warranty Deed dated December 29, 1980, executed by The Spencer Companies, Incorporated, of record in Deed Book 2728, page 968 (COFC-27); by virtue of the Warranty Deed dated January 28, 1992, executed by C. Kenneth Still, of record in Deed Book 3936, page 776 (COFC-28); all in the office of the Register of Hamilton County, Tennessee.

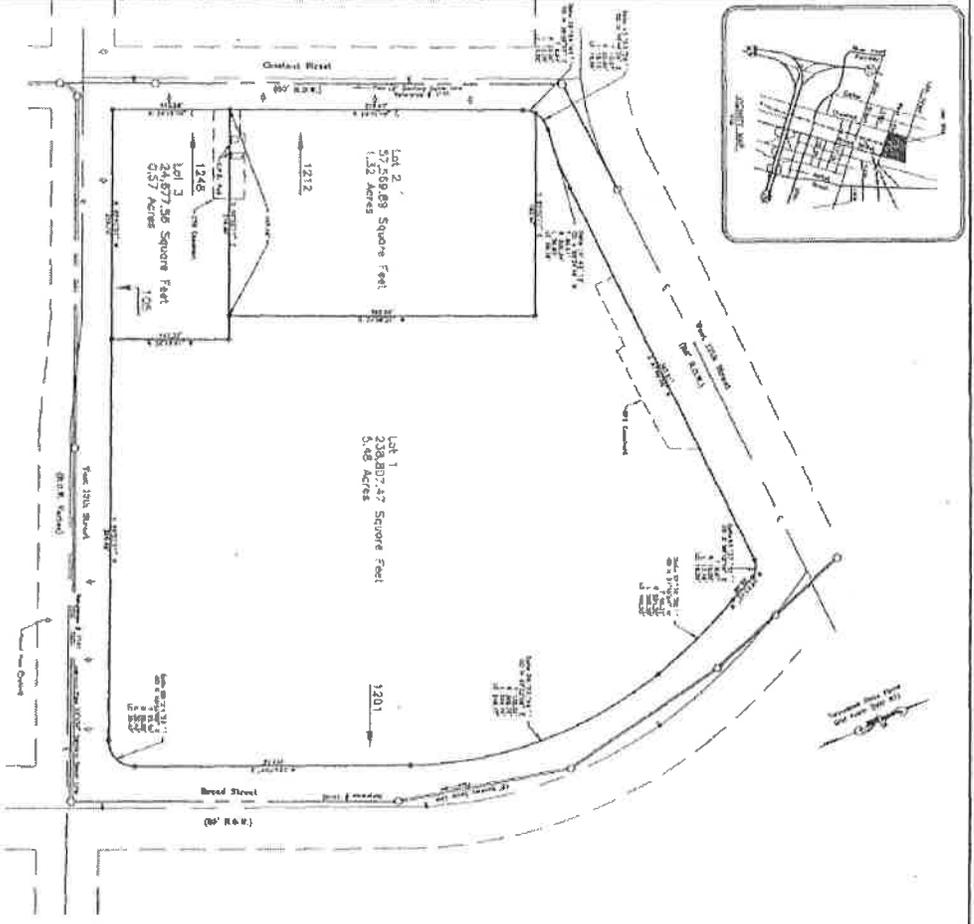
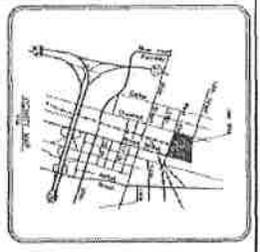
8/9/99
date received 8/9/99

abs:djb
xcofc4e\exhibitA

EXHIBIT B

Plat

See attached.



Survey No. 2021-110-2
 2021 Survey
 2021



See Instrument No. 2021-110-2 and 2021-110-1
 for a complete description of the land and the
 survey.

APPROVED FOR RECORDING	RECORDED
DATE: 11/15/2021	TIME: 10:15 AM
BY: [Signature]	
CLERK: [Signature]	
DEPUTY CLERK: [Signature]	
REGISTERED PROFESSIONAL SURVEYOR	
NO. 1100	
STATE OF TENNESSEE	
MEMPHIS, TENNESSEE	

65/2

Map of the State of Tennessee
 showing the location of the land in the
 County of Shelby, State of Tennessee.
 Date: 11/15/2021

NOTES:
 1. The survey was made by the method of angles and distances.
 2. The bearings were taken from the meridian.
 3. The distances were measured by a steel tape.
 4. The survey was made on the 15th day of November, 2021.
 5. The land is situated in the County of Shelby, State of Tennessee.
 6. The land is bounded by Oak Hill Road, Broad Street, and Oak Hill Road.
 7. The land is divided into three lots, Lot 1, Lot 2, and Lot 3.
 8. The area of Lot 1 is 208,803.47 square feet, or 4.76 acres.
 9. The area of Lot 2 is 57,569.89 square feet, or 1.32 acres.
 10. The area of Lot 3 is 24,877.96 square feet, or 0.57 acres.
 11. The survey was made by [Signature]

I, the undersigned, being duly sworn, depose and say that the foregoing is a true and correct copy of the original survey as shown to me by the surveyor.
 City of Memphis
 Commission Expires 2024
 [Signature]

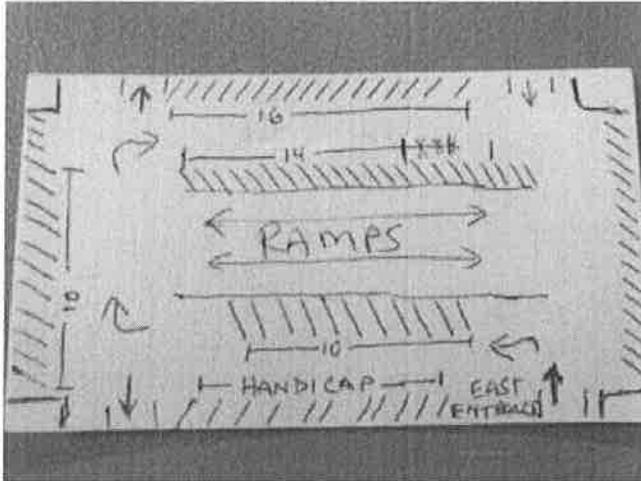
I hereby certify that the foregoing is a true and correct copy of the original survey as shown to me by the surveyor.
 Hopkins Surveying Group, Inc.
 175 Horton Road - P.O. Box 4388
 Chattanooga, Tennessee 37426
 (423) 267-3747 / (423) 267-0511 / Fax: (423) 267-3747
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EXHIBIT C

Spaces on Ground Level

Entering the garage from The Chattanooga side (east entrance)



Enter gate

Turn left, first 10 spaces on right

Turn right, first 10 spaces on left

Turn right, first 16 spaces on left and first 14 spaces on right