THE STATE OF SOUTH CAROLINA
In The Court of Appeals

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SC Court of Appeals

APPEAL FROM CHARLESTON COUNTY
Court of Common Pleas

The Honorable Mikell R. Scarborough, Master-In-Equity

Case No. 2014-CP-10-7481
Appellate Case No. 2015-002259

Lee & Associates Charleston, LLC, Respondent,

v.

Chicora Gardens Holdings, LLC, Chicora Life Center, LC, and Jeremy Blackburn,

Of whom, Chicora Gardens Holdings, LLC and Chicora Life Center, LC are Appellants.

RECORD ON APPEAL

VOLUME 1

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STATE OF SOUTH CAROLINA COUNTY OF CHARLESTON LEE & ASSOCIATES CHARLESTON, LLC, Plaintiff, v. CHICORA GARDENS HOLDINGS, LLC, CHICORA LIFE CENTER, LC and JEREMY BLACKBURN, Defendants.	)	IN THE COURT OF COMMON PLEAS NINTH JUDICIAL CIRCUIT CASE NO.: 2014-CP-10-7481 **CONSENT ORDER REFERRING ACTION TO MIKELL R. SCARBOROUGH**

FILED
2015 JAN 21 PM 2:51
JULIE J. ARMSTRONG
CLERK OF COURT
BY

On Motion of Plaintiff Lee & Associates Charleston, LLC, pursuant to SCRCP Rule 53(b), and with the consent of Defendants above-named, the action is hereby referred to Mikell R. Scarborough, Master In Equity for Charleston County with authority to enter a final judgment in this case.

IT IS ORDERED, that the foreclosure action and all related matters in this case, including any and all counterclaims alleged by the Defendants, are referred to Mikell R. Scarborough, Master In Equity for Charleston County, who, pursuant to Rule 53(b) SCRCP, shall exercise all power and authority with a circuit judge sitting without a jury would have, including but not limited to, making findings of fact and conclusions of law; directing entry of final judgment in this action under Rule 53(b) SCRCP; to order a sale on any day, to hear any issues, including motions, after sale or judgment; issuing any and all Orders and Supplemental Orders, Writs of Assistance, and hearing any issues involving possession and/or removal of property and appraisal proceedings under Section 29-3-360, et. seq. of the South Carolina Code. Pursuant to Rule 53(b) SCRCP, any appeal from the final judgment entered by the Master In

Rule 1

Equity shall be to the Supreme Court or the Court of Appeals as provided by the South Carolina Appellate Court Rules.

IT IS SO ORDERED this 16th day of Jan, 2014, at Charleston County, South Carolina.

Presiding Judge, Charleston County

R. Appeal2

I SO MOVE:

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STATE OF SOUTH CAROLINA COUNTY OF CHARLESTON LEE & ASSOCIATES CHARLESTON, LLC, Plaintiff, v. CHICORA GARDENS HOLDINGS, LLC, CHICORA LIFE CENTER, LC, and JEREMY BLACKBURN, Defendants.	)	IN THE COURT OF COMMON PLEAS NINTH JUDICIAL CIRCUIT CASE NO.: 2014-CP-10-7481 **ORDER GRANTING PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT AND DENYING DEFENDANTS' MOTION FOR SUMMARY JUDGMENT**

FILED
2015 OCT 23 PM 2:56
JULIE J. ARMSTRONG
CLERK OF COURT

This matter is before the Court on cross motions for summary judgment. Plaintiff Lee & Associates Charleston, LLC ("Lee & Associates") moved for summary judgment on Plaintiff's foreclosure of bond claim (First Cause of Action) and breach of contract claim (Second Cause of Action) against Defendant Chicora Gardens Holdings, LLC. Defendants Chicora Gardens Holdings, LLC, Chicora Life Center, LC, and Jeremy Blackburn moved for summary judgment seeking dissolution of Plaintiff's mechanic's lien and dismissal of Plaintiff's defamation claim (Fourth Cause of Action). The Court hereby grants Plaintiff's motion for summary judgment and denies Defendants' motion for summary judgment.

FACTS

This action arises from Plaintiff's efforts to collect a commission allegedly due and owing by Defendants pursuant to an Exclusive Agency Agreement to Lease Real Property ("Exclusive Agency Agreement") entered on February 21, 2014, between Plaintiff and Defendant Chicora Gardens. The Exclusive Agency Agreement was for a one year term commencing February 21, 2014 and expiring January 31, 2015.

As indicated by the title of the Agreement, Plaintiff and Defendant Chicora Gardens contracted to make Plaintiff the exclusive agent for Chicora Gardens in its efforts to lease space in the former Naval Hospital property located at 3600 Rivers Avenue in North Charleston, South Carolina (hereafter "the Subject Property").

On June 30, 2014, Charleston County entered into a Lease ("Charleston County Lease") with Defendant Chicora Life Center, as landlord, leasing the Subject Property.[1] The twenty-five (25) year lease provided for base rent of $12.00 per square foot and 98,087 square feet of leased space for a rent of $1,177,044.00 per year.

The Exclusive Agency Agreement specifically references Charleston County as a potential tenant subject to a lower commission rate. Section 23 of the Exclusive Agency Agreement creates a separate commission based on when the lease is entered for so-called "Excluded Entities." Charleston County is listed as an "Excluded Entity" in Exhibit B to the Exclusive Agency Agreement. Because the Charleston County Lease was entered on June 30, 2014, the commission owed is 1% pursuant to Section 23.

Fifty percent of the commission is due upon execution of the lease and 50% upon occupancy by Charleston County. Exclusive Agency Agreement, Section 4(a). The commission is owed whether the tenant is found by Lee & Associates, by another broker, by Chicora Gardens, or by any other person. Exclusive Agency Agreement, Section 2(b).

Based on the foregoing, Lee & Associates claims that Chicora Gardens owes a total commission of $294,261.00 (25 years x $1,177,044.00 per year x 1% commission) on the Charleston County Lease, 50% of which was due and owing as of June 30, 2014, when the lease was signed, and

[1] Defendants Chicora Gardens and Chicora Life Center are affiliates. Chicora Gardens owned the Subject Property at the time the parties entered the Exclusive Agency Agreement and at the time the Charleston County Lease was signed. After the mechanic's lien was filed in this matter, Chicora Gardens transferred the Subject Property to Chicora Life Center.

50% of which is due and owing upon occupancy. To date, Charleston County has not occupied the premises, so the current amount owed by Chicora Gardens is 50% of $294,261.00, or $147,130.50.

On or around August 6, 2014, Lee & Associates filed a Mechanic's Lien against the Naval Hospital property pursuant to S.C. Code Ann. §§ 21-5-20 and 21-5-21. On August 22, 2014, Chicora filed a Cash Bond to Release the Mechanic's Lien in the amount of $179,400.00.[2]

STANDARD OF REVIEW

A court shall grant summary judgment "if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and the moving party is entitled to judgment as a matter of law." Rule 56(c), SCRCP. The party seeking judgment has the initial burden of demonstrating the absence of a genuine issue of material fact. Boone v. Sunbelt Newspapers, Inc., 347 S.C. 571, 578-79, 556 S.E.2d 732, 736 (Ct. App. 2001); Regions Bank v. Schmauch, 354 S.C. 648, 582 S.E.2d 432 (Ct. App. 2003). However, when a motion for summary judgment is made and supported as provided by the rule, an adverse party may not rest upon the mere allegations or denials of his pleadings. Rather, the non-moving party must come forward with specific facts showing that there is a genuine issue for trial. Regions Bank, 582 S.E.2d at 438.

The primary concern of the court interpreting a contract is to give effect to the intent of the parties. Lee v. Univ. of S.C., 407 S.C. 512, 757 S.E.2d 394, 397 (2014). The best evidence of the parties' intent is the contract's plain language. Id. "Interpretation of a contract is governed by the objective manifestation of the parties' assent at the time the contract was made, rather than the

---

The fact that the lease was signed with Chicora Life Center does not impact Plaintiff's claims herein.

[2] Defendants refused to provide Plaintiff with a copy of the Charleston Lease, so Plaintiff's original lien amount was estimated to be $138,000. The bond amount was 130% of this original figure. After Plaintiff obtained the Charleston County Lease, it filed an amended verified statement for the correct amount of the commission, or $147,130.50.

subjective, after-the-fact meaning one party assigns to it." Laser Supply & Servs., Inc. v. Orchard Park Assoc., 382 S.C. 326, 676 S.E.2d 139, 143–144 (Ct.App. 2009); N. Am. Rescue Products, Inc. v. Richardson, 411 S.C. 371, 769 S.E.2d 237, 240-41 (2015).

The question of whether a contract is ambiguous is a question of law. Id. A contract is ambiguous when it is capable of more than one meaning or when its meaning is unclear. Ellie, Inc. v. Miccichi, 358 S.C. 78, 594 S.E.2d 485, 493 (Ct.App. 2004). If a contract's language is unambiguous, the plain language will determine the contract's force and effect. Lee, 757 S.E.2d at 397. The construction of a clear and unambiguous contract presents a question of law for the court. Ward v. West Oil Co., Inc., 379 S.C. 225, 665 S.E.2d 618 (Ct.App.2008); S. Carolina Dep't of Transp. v. M & T Enterprises of Mt. Pleasant, LLC, 379 S.C. 645, 667 S.E.2d 7, 13 (Ct. App. 2008).

FINDINGS

I. LEE & ASSOCIATES IS ENTITLED TO SUMMARY JUDGMENT ON ITS BREACH OF CONTRACT CLAIM.

To establish the right to recover a commission from a principal for services rendered in procuring a purchaser of property, the broker must establish that a contract for the payment of a commission existed between himself and the principal at the time the services were performed. Hilton Head Island Realty, Inc. v. Skull Creek Club, 287 S.C. 530, 339 S.E.2d 890, 893 (Ct. App. 1986) (citing 12 C.J.S. Brokers § 118 at 334-38 (1980)). The contract can be either express or implied. Id. (citing 12 Am.Jur.2d Brokers § 158 at 896 (1964); 12 C.J.S. Brokers § 119 at 339 (1980)). "[A] real estate broker is entitled to compensation, where a sale is effected during the continuance of the broker's agency." Hutson v. Stone, 119 S.C. 259112 S.E. 39, 40 (1922)

In this case, there is an express agreement between the parties. The Exclusive Agency Agreement unambiguously manifests the parties' intent that Lee & Associates was to receive a

commission on all leases of the Naval Hospital that were entered during the term of the agreement, including any leases with Charleston County. Exclusive Agency Agreement, Section 4(a).

This broad language in the Exclusive Agency Agreement granting a commission on all leases is called an "exclusive sales contract." Courts "have interpreted an exclusive sales contract to be an agreement that gives the realtor sole right to sell the property, and a commission must be paid even if the owner sells the land." Wilbur Smith & Associates v. Nat'l Bank of S. Carolina, 274 S.C. 296, 263 S.E.2d 643, 646 (1980) (quoting Dorman Realty & Ins. Co., Inc. v. Stalvey, 264 S.C. 94, 212 S.E.2d 591 (1975)).

A. HALF OF THE COMMISSION IS DUE UPON EXECUTION OF THE LEASE.

Defendant Chicora Gardens has asserted a number of defenses, but all are refuted by the unambiguous language of the contract. First, Defendant Chicora Gardens argues that no commission is due until Charleston County occupies the premises. The Exclusive Agency Agreement plainly states that half of the commission, ~~$147,130.50~~ MS, is due when the lease is signed. Section 4(a) states in relevant part:

> . . . fifty percent (50%) of the above fee to be paid, in cash, at lease or amendment[3] execution, and fifty percent (50%) to be paid in cash upon occupancy by tenant. In all events, it is understood that no fee shall be deemed earned until and unless the lease or other agreement shall have become effective between the tenant and the Client by the execution of a contract or other enforceable instrument.

Exclusive Agency Agreement, Section 4(a).

In addition, Section 15(g) states:

> Commission shall be deemed earned and payable to Agent when a tenant has entered into a ratified lease with Client even if Client refused to lease once Client has entered into a ratified lease with a tenant.

[3] Section 4(a) also grants Lee & Associates a commission on any renewal or extension of an existing lease during the term of the agreement.

Exclusive Agency Agreement, Section 15(g).

The language of the Exclusive Agency Agreement triggering payment of the commission upon execution of the lease is not only enforceable, but a common term in such brokerage agreements. See, e.g., Maro v. Lewis, 389 S.C. 216, 697 S.E.2d 684, 689 (Ct. App. 2010) ("Per the parties' listing agreement, executing a contract for sale of the property during the listing period appears all that was necessary to secure Maro's commission."). In fact, when the brokerage agreement does not specify when the commission is due and owing, it is typically deemed due and owing upon entering the sales contract. Springs & Davenport, Inc. v. AAG, Inc., 385 S.C. 320, 683 S.E.2d 814, 816 (Ct.App. 2009) ("Generally, a broker earns his commission when he procures a purchaser who is accepted by the owner of the property and with whom the latter, uninfluenced by any representation or fraud on the part of the broker, enters into a valid and enforceable contract."). In short, the contract's language granting half of the commission upon execution of the lease is enforceable.

Defendant Chicora Gardens claims that the Charleston County Lease has not been finalized, has a number of contingencies, and has not been "ratified." A plain review of the Charleston County Lease shows that it is indeed a "lease" and not an "agreement to agree" as argued by defense counsel. It is titled a "lease." It identifies the term of the lease, the lease rate, and the square footage to be leased. There are no sections in the lease titled "contingency." Section 54 of the Lease does allow the tenant to terminate the Lease for non-appropriation of funds, but the use of the term "termination" makes clear that the Lease has been entered, and it is simply subject to termination in the future. Section 2 of the Lease calls for "Tenant Improvements" prior to occupation, which are currently taking place at the Naval Hospital, but this does not call into question the fact that the Lease has been executed.

Defendant Chicora Gardens also claims that the Charleston County Lease has not been ratified as called for in Section 15(g) quoted above. Ratification, as it relates to the law of agency, means the express or implied adoption and confirmation by one person of an act or contract performed or entered into in his behalf by another who at the time assumed to act as his agent. Lincoln v. Aetna Cas. & Sur. Co., 300 S.C. 188, 386 S.E.2d 801, 803 (Ct.App. 1989). Ratification exists upon the concurrence of three elements; (1) acceptance by the principal of the benefits of the agent's acts, (2) full knowledge of the facts, and (3) circumstances or an affirmative election indicating an intention to adopt the unauthorized arrangements. Id. Thus, ratification occurs when the agent enters an unauthorized contract, and the principal must accept or "ratify" the contract. Since in this case the principal, Chicora Gardens, entered the lease, ratification is neither required nor relevant.

B. THE EXCLUSIVE AGENCY AGREEMENT WAS NOT TERMINATED.

Defendant Chicora Gardens has claimed that it attempted to terminate the agency relationship a day before signing the Charleston County Lease. The Exclusive Agency Agreement is for a one year term and contains no provisions allowing for early termination. Again, this is not unusual and is designed to insure that a vendor does not unilaterally cancel the Agency Agreement on the eve of a sale. Further, Defendant Chicora Gardens has failed to identify any writing provided to Lee & Associates and attempting to terminate the Exclusive Agency Agreement prior to June 30, 2014, when the Charleston County Lease was entered.

C. DEFENDANTS HAVE NOT IDENTIFIED ANY PROVISION OF THE EXCLUSIVE AGENCY AGREEMENT BREACHED BY LEE & ASSOCIATES.

Defendant Chicora Gardens has asserted that Plaintiff Lee & Associates failed to adhere to timelines in an alleged "Marketing Plan." There are no such timelines in the Exclusive Agency

Agreement. Defendant Chicora Gardens has produced a generic timeline from a brochure published by Lee & Associates with suggested goals for various actions, but this timeline was not incorporated into the Exclusive Agency Agreement. In the end, Defendant Chicora Gardens has not pointed to any provision in the Exclusive Agency Agreement that was breached by Lee & Associates.

Similarly, Defendant Chicora Gardens has claimed that Plaintiff Lee & Associates had no role in lining up the Charleston County Lease. This assertion has no relevance at all as to whether the commission is owed. Again, the Exclusive Agency Agreement makes clear that a commission is owed on all leases entered during the term of the Agreement, specifically granting a 1% commission for any lease with Charleston County. Exclusive Agency Agreement, Section 23 and Exhibit B. As noted above, such exclusive sales agreements are enforceable, even if the owner leases the property without the help of the agent. Wilbur Smith & Associates, 263 S.E.2d at 646.

Based on the foregoing, Defendant Chicora Gardens has plainly breached the Exclusive Agency Agreement by refusing to pay any commission to Lee & Associates for the Charleston County Lease entered on June 30, 2014. The Charleston County Lease has been executed during the term of the lease, and Lee & Associates has not violated any terms of the Exclusive Agency Agreement. As such, Lee & Associates is entitled to summary judgment on its breach of contract claim.

II. LEE & ASSOCIATES IS ENTITLED TO FORECLOSE ON ITS LIEN AND COLLECT ON DEFENDANTS' BOND.

Plaintiff Lee & Associates also seeks summary judgment to foreclose its mechanics lien and collect on the Defendants' cash bond. South Carolina Code Ann. § 29-5-21(B) grants a lien to commercial release estate agents with a written agreement:

> (1) A real estate licensee who, by virtue of a written agreement with the owner, performs professional services for which he is licensed under Title 40 incident

to marketing, developing, or improving commercial real estate preparatory to or as a part of a commercial real estate lease or rental transaction involving the commercial real estate, has furnished labor or material for the improvement of commercial real estate within the meaning of Section 29-5-20.

(2) A real estate licensee shall not acquire a lien under this subsection unless:

(a) the owner of the commercial real estate or the owner's authorized agent authorizes the real estate licensee, under the terms of a written agreement, to lease an interest in the commercial real estate; and

(b) the real estate licensee or the real estate licensee's affiliated licensees provide licensed services that result, during the term of a written agreement described in item (1) of this subsection, in the procuring of a person or entity that rents or leases the commercial real estate or rents or leases an interest in the commercial real estate upon terms contained in a written agreement described in item (1) of this subsection.

S.C. Code Ann. § 29-5-21(B).

Defendant Chicora Gardens has attacked Lee & Associates' claim to a lien under this section on a number of grounds. First, Defendant Chicora Gardens argues that that the licensed services provided by Lee & Associates to Defendants did not result in the procurement of the subject Charleston County Lease as required by S.C. Code Ann. § 25-5-21(B)(2)(b) ("[T]he real estate licensee . . . provide licenses services that result . . . in the procuring of a person or entity that rents or leases the commercial real estate."). More specifically, Defendant has argued that Lee & Associates was not involved in the final negotiations of the lease terms that took place from April to June between Chicora Gardens and Charleston County. This argument is unavailing in that it is based on an overly restrictive reading of the statute and also ignores the ample evidence that Lee & Associates did, in fact, provide licensed services that aided in the procurement of the Charleston County Lease.

First, the mechanics lien statute refers to brokers providing "licensed services." "Licensed services" is a broadly defined term of art used in the real estate brokerage industry and is not limited

to negotiating the final terms of a lease, as Defendants are arguing. Rather, "licensed services" are broadly defined under South Carolina law:

> A licensee may offer the following services to a customer **including, but not limited to**:
>
> (a) identify and show property for sale, lease, or exchange;
> (b) provide real estate statistics and information on property;
> (c) provide pre-printed real estate form contracts, leases, and related exhibits and addenda;
> (d) act as a scribe in the preparation of real estate form contracts, leases, and related exhibits and addenda;
> (e) locate a list of architects, engineers, surveyors, inspectors, lenders, insurance agents, attorneys, and other professionals; and
> (f) identify schools, shopping facilities, places of worship, and other similar facilities on behalf of any of the parties in a real estate transaction.

S.C. Code Ann. § 40-57-137(O)(1) (emphasis added).

Ignoring the broad reach of "licensed services" employed in the mechanics lien statute, Defendants have argued that Lee & Associates is not entitled to a lien because it purportedly did not participate in negotiations with Charleston County (Defendants' Motion, Page 5) or that it purportedly stopped providing services on or around April 4, 2012 (Defendants' Motion, Pages 5-6). These arguments are both factually and legally wrong.

Legally, as adopted in the South Carolina statute governing realtors cited above, "licensed services" includes all the services that a real estate agent might provide, including showing and marketing the property; providing statistics and information on the property; providing forms, contracts, and leases; acting as a scribe in the preparation of forms, contracts, and leases; identifying appropriate professionals; and providing regional information related to the property. It is not limited to situations where the agent initially identifies the tenant or seats the tenant at the signing table.

Factually, as amply demonstrated by the emails compiled and provided by Lee & Associates and further supported by the Affidavit of Robert H. Nuttall, Jr., Lee & Associates' broker-in-charge, Lee & Associates engaged in a broad array of licensed services that led to the procurement of the Charleston County lease:

1. Defendants demanded that Lee & Associates' agents, Milton Thomas and Bob Nuttall, participate in numerous conference calls to strategize about how to market the property in general and how to specifically market to Charleston County, including the setting of rental rates;

2. At the repeated urging of Defendants, Lee & Associates participated in negotiations with Charleston County, including negotiations over the rental rate;

3. Plaintiff Lee & Associates prepared a proposal for lease terms with Charleston County;

4. Lee & Associates worked with the appraiser who appraised the property to help Chicora Gardens understand the comparable properties used to determine the appraiser's recommended lease rate;

5. Lee & Associates met with Charleston County officials and its unofficial adviser, Eric Meyer, to present Chicora Gardens' position of wanting a higher rental rate;

6. Lee & Associates worked with Chicora Gardens to determine what the operating expenses for the building should be in order to determine the net rental rate for the Charleston County lease;

7. Lee & Associates helped draft and edit letters of intent which were sent to Charleston County; and

8. Lee & Associates worked with Chicora Gardens on the layouts proposed by Charleston County, pointing out flaws with the way the Charleston County planned to use the lobby

of the building, which would severely impact the future leasability of the remainder of the space in the building.

Lee & Associates also submitted evidence that it provided licensed services in conjunction with the Charleston County negotiations after April 4, 2014.

In opposition to Lee & Associates' presentation, Defendant Chicora Gardens has submitted affidavits from two of its principals, Douglas Durbano and Jeremy Blackburn. Both affidavits summarily claim that "Lee & Assoc. did not provide services that resulting in the procuring of any tenant." More specifically, they claim that someone from Charleston County refused to deal with Lee & Associates due to a personal conflict. These affidavits do not create a genuine issue of fact for a number of reasons. First, the general disclaimer that Lee & Associates did not provide any services resulting in the procurement of a tenant is directly contradicted by the emails submitted by Lee & Associates, most of which are copied to both Durbano and Blackburn. These emails show unequivocally that Lee & Associates was involved in Charleston County negotiations (at the insistence of Durbano) and provided other services in the pursuit of Charleston County as a tenant. Second, Durbano's and Blackburn's claim that Lee & Associates had no involvement with Charleston County after a personal conflict arose implicitly contradicts their claim that Lee & Associates *never* had any involvement in Charleston County negotiations. Based on a review of the emails and the affidavits taken as a whole, there is no dispute that Lee & Associates provided services that led to the lease with Charleston County. Even if Lee & Associates was not directly involved in negotiations with Charleston County after April 4, 2014, that does not change the fact that licensed services were provided, and a lease did result from those services.

Based on the foregoing, Lee & Associates' lien is valid and was properly filed. As a result, Lee & Associates is entitled to pursue a foreclosure of that lien. On August 22, 2014, Chicora filed a

cash bond to release the mechanic's lien in the amount of $179,400.00. Accordingly, Lee & Associates is entitled to summary judgment on its claim for the first half of the commission and is entitled to collect against the cash bond on that judgment.

III. LEE & ASSOCIATES IS ENTITLED TO A JUDGMENT AND FORECLOSURE ~~IN THE AMOUNT OF $218,238.35.~~

Finally, the Court must calculate the amount due and owing to Lee & Associates. First, the Court must calculate the amount of the commission due and owing to date. As pointed out above, Charleston County is an "excluded entity" under the Exclusive Agency Agreement and entered the lease on June 30, 2014. ~~Based on~~ Under Section 23 of the Exclusive Agency Agreement, Lee & Associates is entitled to a one percent (1%) commission on the Charleston County Lease.

The Charleston County Lease is for 25 years. The base rent is $12.00 per square foot, and Charleston County leased 98,087 square feet at the Naval Hospital. Thus, yearly rent is $1,177,044.00. Total rent for 25 years is $29,426,100. One percent of that total rent is $294,261 in commission owed, half of which, or $147,130.50, is due upon execution of the lease.

~~Although~~ Section 4(a) of Exclusive Agency Agreement provides a commission based on the first ten years of the lease, however, that language is not incorporated into Section 23, which provides the commission for Excluded Entities, including Charleston County. Indeed, it would be difficult, if not ~~impossible, to calculate commission for an Excluded Entity under Section 4(a) because the commission structure is completely different~~. Under Section 4(a), Lee & Associates is entitled to a 4% commission on the first five years of the lease, a 2% commission on the second five years of the lease, and a 2.5% commission for any renewals or extensions of the lease. Under Section 23, the commission percentage is based on when the lease is entered. For leases entered from May 1, 2014 to June 30, 2014, the commission is 1%. Defendant Chicora Gardens ~~has failed to explain how this~~ contends this creates a genuine issue of material fact.

flat rate of 1% is to be shoehorned into the fluctuating rate set out in Section 4(a). Moreover, there is no language in Section 23 incorporating the ten year limitation on calculating the commission found in Section 4(a). As such, the Court finds that Lee & Associates is entitled to a 1% commission on the full 25 year lease period as set out above. to be determined at a subsequent hearing.

Based on the foregoing, Lee & Associates is entitled to judgment in the amount of $147,130.50 on its breach of contract claim against Defendant Chicora Gardens.

In addition, the lien statute provides that the "prevailing party" in a lien foreclosure action is entitled to recover attorney's fees and costs. S.C. Code Ann. § 29-5-10(a). To date, Plaintiff Lee & Associates has incurred $49,815.00 in attorney's fees and $4,503.35 in costs in pursuing this claim. The Court finds that this request is reasonable and awards same. will be determined at the hearing.

In addition, Plaintiff Lee & Associates is entitled to prejudgment interest in that this was a liquidated damages claim due and owing on June 30, 2015. The law allows prejudgment interest on obligations to pay money from the time when, either by agreement of the parties or operation of law, the payment is demandable, if the sum is certain or capable of being reduced to certainty. Butler Contracting, Inc. v. Court St., LLC, 369 S.C. 121, 631 S.E.2d 252, 258 (2006). The fact that the amount due is disputed by the opposing party does not render the claim unliquidated for the purposes of an award of prejudgment interest. Id. In South Carolina, prejudgment interest is set by statute at annual rate of 8.75%. S.C. Code Ann. § 34–31–20(A). Prejudgment interest running from June 30, 2014 to October 19, 2015 on $147,130.50 is $16,789.50. shall also be determined at the hearing.

Based on the above, Plaintiff Lee & Associates is entitled to a total judgment against Chicora Gardens in the amount of $218,238.35. Plaintiff Lee & Associates is further entitled to collect on that judgment from the cash bond of $179,400.00 posted by Defendant Chicora Gardens to release

* This matter is set for a damages hearing on Nov. 10, 2015 at 10 AM

Lee & Associates' lien. This conclusion does not limit any potential future requests for additional damages should Charleston County occupy the premises or should any other tenants come to light.

III. DEFENDANTS ARE NOT ENTITLED TO SUMMARY JUDGMENT.

Defendants have also moved for summary judgment seeking to discharge Lee & Associates' lien and also to dismiss Lee & Associates' claim for defamation. Defendants seek to dissolve Lee & Associates' lien on the grounds that Lee & Associates did not provide licensed services that resulted in the procurement of the Charleston County Lease. S.C. Code Ann. § 29-5-21(b)(2)(b). As set out above, the evidence presented shows that Lee & Associates did in fact provide such licensed services resulting in lease with Charleston County.

Defendants also claim that Lee & Associates' mechanics lien was premature because the Charleston County Lease is not final. Again, as pointed out above, the Charleston County Lease has been executed and that is all that is required under the Exclusive Agency Agreement to trigger payment of half of the commission. The issues raised by Defendants all address when Charleston County will *occupy* the premises. Occupation of the premises triggers the second half of the commission, which Plaintiff Lee & Associates is not seeking at this time. Accordingly, Lee & Associates' lien is not premature. Rather, the mechanics lien statutes put strict time lines that the claimant has to adhere to in order to perfect its lien. Lee & Associates met these timelines and is, therefore, in compliance with the lien statutes.

Defendants also assert that Lee & Associates' mechanics lien should be dissolved pursuant to S.C. Code Ann. § 29-5-100, which is informatively titled "Proceedings not invalidated by inaccuracy of statement of account," and which states:

> No inaccuracy in such statement relating to the property to be covered by the lien, if the property can be reasonably recognized, or in stating the amount due for labor or

> materials shall invalidate the proceedings, unless it appear that the person filing the certificate has wilfully and knowingly claimed more than is his due.

S.C. Code Ann. § 29-5-100.

Under South Carolina law, a court cannot dissolve a lien if the claimant makes a prima facie showing for filing the lien or if the amount owed depends upon which of the parties' allegations are to be believed. Sea Pines Co. v. Kiawah Island Co., 268 S.C. 153, 232 S.E.2d 501 (1977); Black v. Haile, 270 S.C. 93, 240 S.E.2d 646 (1978). The statutory authority to dissolve a lien is only available when there is no genuine issue of material fact. Cobb v. Maccaro, 310 S.C. 303, 305-06, 423 S.E.2d 156, 157 (Ct. App. 1992). A lien may only be invalidated under this Section on the grounds that the lienholder *willfully and knowingly* submitted an inflated claim, a determination that can only be made at trial.

Defendants have presented no evidence that Lee & Associates willfully and knowingly submitted an inflated mechanics lien. Rather, as noted above, Lee & Associates' calculation of the lien amount was based on a plain reading of the Exclusive Agency Agreement and the commission granted thereunder. DEFAMATION

Finally, Defendants also seek summary judgment on Lee & Associates' defamation claim. After refusing to pay Lee & Associates any commission, Jeremy Blackburn, a principal of Defendants, sent an email to Lee & Associates disputing its right to a commission and its right to a lien. The email was copied to the Mayor of North Charleston and to Charleston County. Among other things, the email alleged that:

1. Lee & Associates' lien was "wrongful and very harmful."

2. The lien was "contrary to the Agency Agreement and it is having a catastrophic effect on this project and will hurt a lot of people."

3. Lee & Associates had breached the Exclusive Agency Agreement in numerous ways.

4. The lien was preventing a new loan from being made.

5. Lee & Associates never proposed a single tenant for the project.

6. Lee & Associates had undisclosed conflicts of interest;

7. Defendants properly terminated the Exclusive Agency Agreement before the Charleston County Lease was entered.

8. Lee & Associates "took no part in" the acquisition of the Charleston County Lease.

At the hearing on this matter, counsel for Defendants acknowledged that whether these statements were defamatory is a question of fact and not ripe for summary judgment. However, Defendants did argue that Blackburn's statements were conditionally privileged. One who publishes defamatory matter concerning another is not liable for the publication if (1) the matter is published upon an occasion that makes it conditionally privileged, and (2) the privilege is not abused. Swinton Creek Nursery v. Edisto Farm Credit, ACA, 334 S.C. 469, 514 S.E.2d 126, 134 (1999). " 'The essential elements of a conditionally privileged communication may be enumerated as good faith, an interest to be upheld, a statement limited in its scope to this purpose, a proper occasion, and publication in a proper manner and to proper parties only.' " Manley v. Manley, 291 S.C. 325, 353 S.E.2d 312, 315 (Ct.App. 1987) (quoting Conwell v. Spur Oil Co. of W.S.C., 240 S.C. 170, 125 S.E.2d 270, 274–75 (1962)).

> When one has an interest in the subject matter of a communication, and the person (or persons) to whom it is made has a corresponding interest, every communication honestly made, in order to protect such common interest, is privileged by reason of the occasion. The statement, however, must be such as the occasion warrants, and must be made in good faith to protect the interests of the one who makes it and the persons to whom it is addressed.

Bell v. Bank of Abbeville, 208 S.C. 490, 38 S.E.2d 641, 643 (1946); Murray v. Holnam, Inc., 344 S.C. 129, 542 S.E.2d 743, 748 (Ct.App. 2001).

In general, the question whether an occasion gives rise to a qualified or conditional privilege is one of law for the court. Murray, 542 S.E.2d at 749 (citing 50 Am.Jur.2d Libel and Slander § 276 (1995)). However, the question whether the privilege has been abused is one for the jury. Id. An abuse of the privilege occurs in one of two situations: (1) a statement made in good faith that goes beyond the scope of what is reasonable under the duties and interests involved, or (2) a statement made in reckless disregard of the victim's rights. Swinton Creek, 514 S.E.2d at 135.

Blackburn's statements are not privileged because they were sent to the Mayor of North Charleston and Charleston County, neither of which have an interest in the dispute between Lee & Associates and Chicora Gardens over the commission and mechanics lien. A simple reading of the email calls into question whether Mr. Blackburn was acting in good faith by copying the mayor and the County with the email concerning the commission or simply trying to embarrass Lee & Associates. Factual inquiries, such as whether the defendants acted in good faith in making the statement, whether the scope of the statement was properly limited in its scope, and whether the statement was sent only to the proper parties, are generally left in the hands of the jury to determine whether the privilege was abused. Murray, 542 S.E.2d at 749.

Whether the City of North Charleston and Charleston County had a sufficient interest in the commission dispute and whether Blackburn acted in good faith or exceeded the scope of any privilege are all issues of fact that should be decided after a full trial. Accordingly, Defendants' motion for summary judgment on Plaintiffs' defamation claim is denied.

CONCLUSION

Based on the foregoing, there are no genuine issues of material fact concerning Defendant Chicora Gardens' debt owed to Plaintiff Lee & Associates. The parties entered an unambiguous Exclusive Agency Agreement. That Agreement provides that Plaintiff Lee & Associates will receive a commission for all tenants at the Naval Hospital, half paid upon execution of the lease and half paid upon occupation of the premises. The Agreement has a one year term and had no provisions for early termination.

On June 30, 2014, during the term of the Exclusive Agency Agreement, Defendants executed a Lease Agreement with Charleston County. Based on the terms of that lease, Chicora Gardens owes Lee & Associates ~~$147,130.50, representing the~~ half of the commission owed upon execution of the lease. There is no defense to Chicora Gardens' failure to pay this commission. In addition, Lee & Associates is entitled to ~~$49,815.00 in~~ pursue fts attorney's fees and ~~$4,503.35 in~~ costs and ~~$16,789.50 in~~ prejudgment interest.

~~Based on the above, Plaintiff Lee & Associates is entitled to a total judgment against Chicora~~ Gardens in the amount of ~~$218,238.35~~. Plaintiff Lee & Associates is ~~further~~ entitled to collect on that judgment from the cash bond of $179,400.00 ~~posted~~ by Defendant Chicora Gardens to release Lee & Associates' lien. ~~This conclusion does not limit any potential future requests for additional damages should Charleston County occupy the premises or should any other~~ tenants come to light.

In addition, Defendants are not entitled to dissolution of the lien or to summary judgment on Plaintiff's claim for defamation.

IT IS SO ORDERED this 16 day of October, 2015, at Charleston County, South Carolina.

Mikell R. Scarborough, Master In Equity for

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	NINTH JUDICIAL CIRCUIT
COUNTY OF CHARLESTON	)	CASE NO.: 2014-CP-10-7481
	)	
LEE & ASSOCIATES CHARLESTON, LLC,	)	
	)	
Plaintiff,	)	
	)	
v.	)	**SUMMONS**
	)	
CHICORA GARDENS HOLDINGS, LLC and JEREMY BLACKBURN,	)	
	)	
Defendants.	)	
	)	

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2014 DEC -8 PM 4:17
JULIE J. ARMSTRONG
CLERK OF COURT
BY

TO THE DEFENDANTS ABOVE NAMED:

YOU ARE HERBY SUMMONED and required to answer the Complaint in this action, a copy of which is herewith served upon you, and to serve a copy of your Answer on the subscribers at 321 East Bay Street, Charleston, South Carolina, 29401, within thirty (30) days of the date of service, exclusive of such day. In the event you fail to answer within the stated time, judgment by default will be rendered against you for the relief demanded in the Complaint.

PIERCE, HERNS, SLOAN & WILSON, LLC

Carl E. Pierce, II
Joseph C. Wilson, IV
Kristen B. Fehsenfeld
321 East Bay Street (29401)
PO Box 22437 (29413)
Charleston, South Carolina
843-722-7733/843-722-7732 *fax*
ATTORNEYS FOR LEE & ASSOCIATES CHARLESTON, LLC

12/8, 2014
Charleston, South Carolina

STATE OF SOUTH CAROLINA)	IN THE COURT OF COMMON PLEAS
)	NINTH JUDICIAL CIRCUIT
COUNTY OF CHARLESTON)	CASE NO.: 2014-CP-10-7481
)	
LEE & ASSOCIATES CHARLESTON, LLC,)	
)	
Plaintiff,)	**COMPLAINT**
)	(Foreclosure) (Breach of Contract) (Quantum Meruit) (Defamation/Libel) (Constructive Trust) (Fraudulent Conveyance)
v.)	
)	
)	(Jury Trial Demanded)
CHICORA GARDENS HOLDINGS, LLC, CHICORA LIFE CENTER, LC, and JEREMY BLACKBURN,)	
)	
Defendants.)	

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JULIE J. ARMSTRONG
CLERK OF COURT
BY

The Plaintiff Lee & Associates Charleston, LLC ("Lee & Associates"), complaining of the Defendants above named, alleges and states as follows:

1. The Plaintiff Lee & Associates, is a corporation formed and existing under the laws of South Carolina and providing real estate services in Charleston County.

2. Defendant Chicora Gardens Holdings, LLC, (hereafter "Chicora Gardens") is a corporation formed and existing under the laws of South Carolina, doing business in the State of South Carolina, County of Charleston.

3. Defendant Chicora Life Center, LC (hereafter "Chicora Life Center") is a corporation formed and existing under the laws of South Carolina, doing business in the State of South Carolina, County of Charleston.

5. Defendant Jeremy Blackburn (hereafter "Blackburn"), is a citizen and resident of the County of Charleston, State of South Carolina, and the Project Manager for Chicora Gardens. Upon information and belief Blackburn is a part owners of Chicora Gardens and Chicora Life Center.

FACTUAL ALLEGATIONS

6. On or around January 16, 2014, Chicora Gardens purchased the former Naval Hospital property located at 3600 Rivers Avenue in North Charleston, South Carolina (hereafter "the Subject Property"). Limited Warranty Deed, Exhibit A.

7. On or around February 3, 2014, Chicora Gardens selected Lee & Associates as its broker for the Subject Property.

8. On or around February 21, 2014, Chicora Gardens, as client, and Lee & Associates, as agent, executed the Exclusive Agency Agreement to Lease Real Property ("Exclusive Agency Agreement"), attached hereto as Exhibit B. The Agreement was for a one year term commencing February 21, 2014 and expiring January 31, 2015.

9. Since February 21, 2014, Lee & Associates has devoted substantial effort to preparing the Subject Property to be leased and to lease the Subject Property, including, but not limited to:

a. analyzing the appropriate tenants for the Subject Property;

b. setting an appropriate rent for the Subject Property;

c. advising on preparing the Subject Property for leasing;

d. working with the appraiser to understand the comparable property used to determine the lease rate;

e. meeting with potential tenant Charleston County to present the landlord's position with regards to the rental rate;

f. working with Chicora Gardens to determine what the operating expenses should be;

g. helping draft and edit letters of intent which were sent to Charleston County; and

h. working with Chicora Gardens on the layouts proposed by Charleston County.

10. From February 21, 2014 forward, Lee & Associates has performed services pursuant to the Exclusive Agency Agreement to lease the property, including services directly related to leasing part of the property to Charleston County. Throughout this time, Lee & Associates has not breached the Exclusive Agency Agreement in any way.

11. On or around June 30, 2014, Charleston County entered into a Lease ("Charleston County Lease"), attached as Exhibit C, with Chicora Life Center, as landlord, leasing the Subject Property. The Lease incorrectly identifies Chicora Life Center as the owner of the Subject Property at the time the lease was entered. Upon information and belief, the parties to the list were mutually mistaken and intended that the Lease be between Chicora Gardens, the owner of the Subject Property, and Charleston County.

12. The twenty-five (25) year lease provided for rent in the amount of $1,177,044.00 per year (payable in installments of $98,087.00 per month) from June 30, 2014 to June 30, 2016. Effective July 1, 2016, rent is to be adjusted based on the South Region CPI-U.

13. Based on the Exclusive Agency Agreement, Chicora Gardens owes Lee & Associates a commission for the Charleston County Lease calculated at one percent commission for all rentals due under the Charleston County Lease, such commission to be paid 50% upon execution of the lease and 50% upon occupancy by Charleston County. See Sections 23 and Exhibit B of the Exclusive Agency Agreement, Exhibit B. Based on the foregoing, Chicora Gardens owes Lee & Associates $294,261.00 in commissions on the Charleston County Lease, 50% of which is due and owing as of June 30, 2014 and 50% of which is due and owing upon occupancy.

14. Chicora Gardens did not inform Lee & Associates about the execution of the Charleston County Lease.

15. On or around June 27, 2014, Chicora Gardens representatives requested modification or termination of the Exclusive Agency Agreement between Chicora and Lee & Associates. Chicora Gardens did not identify any basis for this request other than its own desire to exit the Exclusive Agency Agreement. There is no provision in the Exclusive Agency Agreement for early termination.

16. Chicora Gardens has since removed Lee & Associates' signage at the subject property, has refused to discuss the terms of the existing and prospective lease agreements of the subject property, has refused to pay commissions owed to Lee & Associates, and has expressed that it refuses to pay future commissions owed to Lee & Associates.

17. On or around August 6, 2014, Lee & Associates filed a Mechanic's Lien against the Naval Hospital property pursuant to S.C. Code Ann. §§ 21-5-20 and 21-5-21. The amount of damages reflected in the accompanying Verified Statement of Account was approximated based on the terms of the Listing Agreement and was calculated prior to Chicora providing a copy of the Charleston County Lease to Plaintiff.

18. On August 22, 2014, Chicora filed a Cash Bond to Release the Mechanic's Lien in the amount of $179,400.00.

19. On August 22, 2014, the subject property was conveyed from Chicora Gardens to Chicora Life Center by virtue of a Quit Claim Deed in consideration of the sum of One and 00/100 Dollars ($1.00).

20. Contemporaneously with the execution of the Quit Claim Deed, Chicora Life Center entered into a Mortgage, Security Agreement and Fixture Filing with UCF 1 Trust 1.

21. Upon information and belief, the conveyance of the Subject Property to Chicora Life Center and the conveyance of a mortgage to UCF I Trust 1 were undertaken with the intent to deprive Lee & Associates of the outstanding and future commissions owed by Chicora Gardens.

FOR A FIRST CAUSE OF ACTION
(Foreclosure of Bond)

22. Plaintiff realleges and reiterates Paragraphs 1 through 21 above as fully as if set forth herein verbatim.

23. Lee & Associates assisted in securing a lease of the Subject Property, with notice and consent of Chicora Gardens and pursuant to the Exclusive Agency Agreement.

24. Lee & Associates has demanded payment of the commission due to based on the Charleston County Lease, and Chicora Gardens has wrongfully refused and continues to refuse to pay Lee & Associates. There is now a balance due and owing to Plaintiff in the amount of half of the commission on the Charleston County Lease, or $147,130.50, together with costs, interest, and attorney's fees as provided by contract and statute, and an additional $147,130.50 due the upon occupancy of the Subject Property By Charleston County.

25. On or around August 6, 2014, Lee & Associates filed a Mechanic's Lien against the subject property pursuant to S.C. Code Ann. §§ 21-5-20 and 21-5-21. Mechanic's Lien attached hereto as Exhibit D.

26. On August 22, 2014, Chicora Gardens filed a Cash Bond to Release the Mechanic's Lien in effect discharging and releasing the Mechanic's Lien, pursuant to S.C. Code Ann. § 29-5-110. Cash Bond to Release the Mechanic's Lien attached hereto as Exhibit E.

27. By virtue of the filing of its Mechanic's Lien, and pursuant to Defendant Chicora Garden's indebtedness to Lee & Associates, Lee & Associates is entitled to an Order foreclosing its Mechanic's Lien against the Surety Bond posted by Chicora Gardens, and shall be applied to the account of Lee & Associates, together with the costs, interest, and attorney's fees as provided by contract and statute.

FOR A SECOND CAUSE OF ACTION
(Breach of Contract)

28. Plaintiff reallages and reiterates Paragraphs1 through 27 as fully as if set forth herein verbatim.

29. Lee & Associates properly performed its services pursuant to the Exclusive Agency Agreement with Chicora Gardens.

30 Chicora Gardens has breached the Exclusive Agency Agreement by failing and refusing to pay Lee & Associates commissions due and owing under the Exclusive Agency Agreement and to pay future commissions due to Lee & Associates.

31. As a direct and proximate result of Chicora Garden's breach of the Exclusive Agency Agreement, Lee & Associates is entitled to recover actual damages, plus the incidental, consequential, and special damages resulting therefrom, including the costs and attorney's fees associated with this action.

FOR A THIRD CAUSE OF ACTION
(Quantum Meruit)

32. Plaintiff realleges and reiterates Paragraphs 1 through 31 above as fully as if set forth herein verbatim.

33. Lee & Associates provided real estate agency services to Chicora Gardens regarding the Subject Property as is more fully set forth above.

34. Lee & Associates' real estate agency services were provided to Chicora Gardens with the knowledge and consent of Chicora Gardens, and Chicora Gardens received the value and benefit of these services.

35. Chicora Gardens' failure to pay Lee & Associates for its real estate agency services constitutes unjust enrichment for Chicora Gardens.

36. As a direct and proximate result of Chicora Gardens' unjust enrichment as described above, Lee & Associates has suffered pecuniary losses and is entitled to recover from Chicora Gardens in quantum meruit actual damages, plus the incidental, consequential, and special damages resulting therefrom, including the costs and attorney's fees associated with this action.

FOR A FOURTH CAUSE OF ACTION
(Defamation/Libel)

37. Plaintiff realleges and reiterates Paragraphs 1 through 36 above as fully as if set forth herein verbatim.

38. On or about August 18, 2014, Defendant Jeremy Blackburn, both individually and in his capacity as Project Manager and part owner of Chicora Gardens and Chicora Life Center, published an email in which Blackburn wrongfully accused Lee & Associates of substantial non-performance of the Exclusive Agency Agreement, that Lee & Associates was willfully incompetent in its field of business, and that the mechanics lien filed by Lee & Associates was illegal. August 18, 2014 email of Blackburn, attached hereto as Exhibit F.

39. The above-referenced August 18, 2014 email was delivered to and read by the Mayor of North Charleston and the Charleston County Administrator, neither of whom was a party to the Agreement.

40. The email wrongfully accused Plaintiff of conducting bad business practices in frustration of the Agreement.

41. The email wrongfully libeled Plaintiff by accusing Plaintiff of being unfit in its business and profession.

42. The email referred to Lee & Associates by name throughout, was made of and concerning Lee & Associates and was so understood by those who read the email.

43. Defendant Blackburn's statements were and are false and defamatory, and, upon information and belief, Blackburn made and published such statements to others, knowing them to be false, with actual malice and ill will, and/or with reckless disregard for the truth or falsity of such statements, for the purposes and intent of lowering Lee & Associates in the estimation of the industry and the community and causing damage to Plaintiff's business and reputation.

44. Defendant Blackburn's defamatory statements constitute libel, per se and are actionable per se pursuant to South Carolina Code of Laws Ann. § 16-7-150.

45. As a direct and proximate result of Blackburn's defamatory statements, Lee & Associates has suffered, among other things, humiliation and scorn, and injury to its reputation both with respect to reputation within the community. As a result, Lee & Associates is entitled to recover from Blackburn, Chicora Gardens, and Chicora Life Center actual damages, plus the incidental, consequential, and special damages resulting therefrom, including the costs and attorney's fees associated with this action.

46. Defendant Blackburn's conduct is and was willful, wanton, or in reckless disregard of Lee & Associates' rights, and Lee & Associates is further entitled to punitive damages against Blackburn, Chicora Gardens, and Chicora Life Center.

FOR A FIFTH CAUSE OF ACTION
(Constructive Trust)

47. Plaintiff realleges and reiterates Paragraphs 1 through 46 above as fully as if set forth herein verbatim.

48. That portion of any rents collected by Defendants from the lease of the Subject Property and representing the commissions owed to Lee & Associates do not equitably belong to Defendants, and Defendants may not in good conscience retain or withhold commission from Lee &

Associates.

49. Lee & Associates is rightfully entitled to its commission on all of the rents collected by Defendants.

50. Based upon the foregoing, Lee & Associates is entitled to the entry of an order imposing a constructive trust on all monies obtained by Defendants from rents on the Subject Property in the amount of the commissions owed to Lee & Associates.

FOR A SIXTH CAUSE OF ACTION
(Fraudulent Conveyance under S.C. Code Ann. § 27-23-10)

51. Plaintiff realleges and reiterates Paragraphs 1 through 50 above as fully as if set forth herein verbatim.

52. The Subject Property has been conveyed from Chicora Gardens to Chicora Life Center by virtue of a Quit Claim Deed dated August 22, 2014, and in consideration of the sum of One and 00/100 Dollars ($1.00). Quitclaim Deed, attached hereto as Exhibit G.

53. Contemporaneously with the execution of the Quit Claim Deed, Chicora Life Center entered into a Mortgage, Security Agreement and Fixture Filing with UCF 1 Trust 1. Mortgage, Security Agreement and Fixture Filing with UCF 1 Trust 1, attached hereto as Exhibit H.

54. Upon information and belief, Chicora Gardens and Chicora Life Center are alter ego business entities.

55. Chicora Gardens continues to exercise control and dominion over the Subject Property even though title has been transferred to Chicora Life Center.

56. The transfer of the subject property from Chicora Gardens to Chicora Life Center and the mortgage provided by Chicora Life Center to UCF 1 Trust 1 were made for inadequate

consideration, were made to defraud Lee & Associates, and should be declared void and of no force or effect as to Lee & Associates' ability to recover from Chicora Gardens.

57. Plaintiff demands a jury trial for all causes of action at law.

WHEREFORE, Plaintiff Lee & Associates prays that it be awarded judgment as follows:

a. foreclosure of Lee & Associates' mechanics lien against the Defendant Chicora Gardens' Bond;

b. judgment against all Defendants for actual damages, plus the incidental, consequential, and special damages;

c. costs and attorney's fees associated with this action pursuant to S.C. Code Ann. §§ 29-5-20 and 27-1-15 and pursuant to the terms of the Exclusive Agency Agreement;

d. punitive damages against all Defendants; and

e. such further relief as the Court deems just and proper.

PIERCE, HERNS, SLOAN & WILSON, LLC

Carl E. Pierce, II
Joseph C. Wilson, IV
Kristen B. Fehsenfeld
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Charleston, South Carolina
843-722-7733/843-722-7732 *fax*
Attorneys for Lee & Associates Charleston, LLC

12/8, 2014
Charleston, South Carolina

BP0384594

PGS: 5

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

LIMITED WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS, THAT, CITY OF NORTH CHARLESTON in the State aforesaid for/and in consideration of the sum of FIVE MILLION AND 00/100 DOLLARS ($5,000,000.00), to it in hand paid at and before the sealing of these presents by CHICORA GARDENS HOLDINGS, LLC, in the State aforesaid the receipt of which is hereby acknowledged, have granted, bargained, sold and released, and by these Presents do grant, bargain, sell and release unto the said CHICORA GARDENS HOLDINGS, LLC, its successors and assigns, all of its right, title, and interest in the following described property:

EXHIBIT "A"

PROPERTY AND ALL IMPROVEMENTS THEREON ARE CONVEYED "AS IS, WHERE IS" CONDITION.

THE GRANTEE SHALL PAY THE BALANCE OF THE PURCHASE PRICE AS MORE FULLY SET FORTH IN THE FIFTH AMENDMENT TO CONTRACT ON OR BEFORE SEPTEMBER 30, 2014. SHOULD THE GRANTEE FAIL TO MAKE THE AFORESAID PAYMENT BY SEPTEMBER 30, 2014, THE TITLE TO THE AFORESAID PROPERTY SHALL IMMEDIATELY REVERT TO THE GRANTOR AND, THEREUPON, TITLE TO THE AFORESAID PROPERTY SHALL IMMEDIATLEY AND WITHOUT NECESSITY OF ANY FURTHER ACTION ON THE PART OF GRANTOR, REVERT TO AND REVEST IN GRANTOR AND GRANTEE SHALL LOOSE AND FORFEIT ALL OF ITS RIGHT, TITLE AND INTEREST IN AND TO THE WHOLE OF THE CONVEYED PREMISES, TOGETHER WITH ANY IMPROVEMENTS THEREON, AND GRANTOR SHALL HAVE THE RIGHT OF RE-ENTRY TO THE PROPERTY CONVEYED BY THIS INSTRUMENT.

TOGETHER with all and singular, the Rights, Members, Hereditaments and Appurtenances to the said Premises/Property belonging, or in anywise incident or appertaining.

TO HAVE AND TO HOLD, all and singular, the said Premises unto the said CHICORA GARDENS HOLDINGS, LLC, its successors and assigns forever.

AND it does hereby bind itself and it successors and assigns, executors and administrators, to warrant and forever defend all and singular, the said Premises unto the said CHICORA GARDENS HOLDINGS, LLC, its successors and assigns, against it and its heirs lawfully claiming or to claim the same or any part thereof.

PLAINTIFF'S EXHIBIT A

WITNESS our hand and seal this 16th day of January, in the year of our Lord Two Thousand Fourteen (2014) and in the Two Hundred and Thirty-seventh year of the sovereignty and Independence of the United States of America.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

Willie D Elmore

CITY OF NORTH CHARLESTON

By: R. Keith Summey
Its: Mayor

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PROBATE

PERSONALLY appeared before me the undersigned witness and made oath that (s)he saw the within named R. Keith Summey, as Mayor of CITY OF NORTH CHARLESTON, sign, seal, and as his act and deed, deliver the within written instrument and that (s)he with the other subscribing witness witnessed the execution thereof.

SWORN to before me this 16th
day of January, 2014.

Notary Public for South Carolina
My Commission Expires: 6-29-14

Willie D Elmore
Witness

EXHIBIT "A"

ALL that piece, parcel, or strip of land, situate, lying, and being in the City of North Charleston, County of Charleston, State of South Carolina, measuring and containing 0.28 ACRES, more or less, and being shown and designated on a plat entitled: "PLAT SHOWING TMS #469-07-00-001 AND THE COMBINATION OF A PORTION OF COSGROVE AVENUE RIGHT OF WAY A 0.28 ACRE TRACT PROPERTY OF CHARLESTON COUNTY AND A PORTION OF TRACT A (0.12 ACRE) FROM TMS #469-06-00-208 ORIGINALLY A 0.37± ACRE TRACT PROPERTY OF THE CITY OF NORTH CHARLESTON TO FORM A 23.25 ACRE TRACT PROPERTY OF THE CITY OF NORTH CHARLESTON AND SHOWING THE 0.25 ACRE RESIDUAL OF TMS #469-08-00-208. PROPERTY OF THE CITY OF NORTH CHARLESTON LOCATED CITY OF NORTH CHARLESTON, CHARLESTON COUNTY, SOUTH CAROLINA", dated August 19, 2013, revised August 29, 2013, and recorded in the RMC Office for Charleston County in Plat Book L13, at Page 0319.

ALSO

Beginning at a pipe at the intersection of the Southern margin of Carolina Avenue extension, a Charleston County road, and the Western margin of Cosgrove Avenue, said pipe being South Twenty Three (23) degrees Thirty Three (33) minutes Thirty (30) seconds West Two Hundred and Forty Seven and Eighty Eight Hundredths (247.88) feet from a granite monument marking the Southwest corner of the United States Marine Reservation, Charleston Navy Yard, and runs thence along the margin of the said Charleston County road, South Sixty Three (63) degrees Thirty Four (34) minutes Thirty (30) seconds West One Thousand Six Hundred and Fourteen and Twenty Five Hundredths (1614.25) feet to a pipe in the Eastern margin of the United States Highway #52, thence along and with the said margin of United States Highway #52, South Fifty Seven (57) degrees Three (03) minutes Thirty (30) seconds East One Thousand Two Hundred and Forty and Eighty Three Hundredths (1240.83) feet to a pipe; thence North Twenty Four (24) degrees Fifty Seven (57) minutes Thirty (30) seconds East One Thousand Two Hundred and Forty Six and Ninety Five Hundredths (1246.95) feet to a pipe in the above mentioned margin of Cosgrove Avenue; thence along and with the said Western margin of Cosgrove Avenue the following courses and distances: North Forty (40) degrees Forty Four (44) minutes Thirty (30) seconds, West Ninety Seven and Forty Five Hundredths (97.45) feet, North Twenty Two (22) degrees Fifty One (51) minutes Thirty (30) seconds, West One Hundred (100) feet, North Ten (10) degrees Thirty Four (34) minutes Thirty (30) seconds, West One Hundred (100) feet to the point of beginning, containing **Twenty Two and Eighty Four Hundredths (22.84) acres**, more or less.

TMS No.: 469-07-00-001

Being the same property conveyed to the grantor by the United States of America date November 14, 2012, and recorded in Book 0299- Page 001.

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

AFFIDAVIT

PERSONALLY appeared before me the undersigned, who being duly sworn, deposes and says:

1. I have read the information on this Affidavit and I understand such information.

2. The property being transferred is located at 3600 Rivers Avenue, North Charleston, SC, bearing Charleston County Tax Map Number 469-07-00-001 by City of North Charleston to Chicora Gardens Holdings, LLC on January 17th, 2014.

3. Check one of the following: *The DEED is*
   (a) __X__ subject to the deed recording fee as a transfer for consideration paid or to be paid in money or money's worth.
   (b) _____ subject to the deed recording fee as a transfer between a partnership, or other entity and a stockholder, partner, or owner of the entity, or is a transfer to a trust or as a distribution to a trust beneficiary.
   (c) _____ EXEMPT from the deed recording fee because * (If exempt, please skip items 4-7 and go to item 8 of this affidavit.)

4. Check one of the following if either item 3(a) or item 3(b) above has been checked.
   (a) __X__ The fee is computed on the consideration paid or to be paid money or money's worth in the amount of $5,000,000.00.
   (b) _____ The fee is computed on the fair market value of the realty which is $_____.
   (c) _____ The fee is computed on the fair market value of the realty as established for property tax purposes which is $_____.

5. Check YES____ or NO___ to the following: A lien or encumbrance existed on the land, tenement, or realty before the transfer and remained on the land, tenement, or realty after the transfer. If "YES," the amount of the outstanding balance of this lien or encumbrance is $_____.

6. The DEED Recording Fee is computed as follows:
   (a) __X__ the amount listed in item 4 above.
   (b) _____ the amount listed in item 5 above (no amount place zero)
   (c) _____ Subtract Line 6(b) from Line 6(a) and place the result.

7. As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as: Settlement Attorney

8. I understand that a person required to furnish this affidavit who willfully furnishes a false or fraudulent affidavit is guilty to a misdemeanor and, upon conviction, must be fined not more than one thousand dollars or imprisoned not more than one year, or both.

Settlement Attorney

SWORN to before me this 17th day of January, 2014.

Notary Public for South Carolina
My Commission Expires: 12-06-2022

ALISON FRASER NOTARY PUBLIC SOUTH CAROLINA My Commission Expires 12-06-2022

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RECIPIENT:
CHICORA GARDENS HOLDINGS

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THIS AGREEMENT IS SUBJECT TO ARBITRATION PURSUANT TO THE SOUTH CAROLINA UNIFORM ARBITRATION ACT, TITLE 15, CHAPTER 48, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

AGREEMENT CREATING AGENCY TO LEASE REAL PROPERTY

THIS AGREEMENT CREATING AGENCY TO LEASE REAL PROPERTY (hereinafter "Agreement") is made and entered into this the 21th day of February, 2014 (hereinafter "Effective Date"), between **Chicora Gardens Holdings, LLC** (hereinafter "Client") and **Lee & Associates Charleston, LLC** (hereinafter "Agent").

STATEMENT OF PURPOSE

Client is the record fee simple owner of **the former US Naval Hospital** located at 3600 Rivers Avenue, North Charleston, South Carolina further identified as TMS # **469-07-00-001**as shown on Exhibit "A" attached hereto and made a part hereof., (hereinafter, "Property"). Client has requested Agent to find prospective tenants for the Property and to negotiate agreement of lease therefore, and Agent is willing to perform such services.

Client and Agent desire to reduce to this written Agreement all of their discussions and negotiations in regard to the grant by Client, and the assumption of Agent, of the offering for lease of said Property upon the terms and conditions set out below.

AGREEMENT

1. LEASE RATE. Subject to the limitations hereinafter contained, the Client may grant to the Agent the exclusive right to negotiate for a lease of and to lease any and all space within the Property which is as of the date of this Agreement is vacant and may be available to be leased, during the term of this Agreement. The leasing of the Property shall be at a base rental rate of **TBD on a case-by-case basis Dollars per rentable square foot per year, net of all operating expenses.** All leases shall be paid on a monthly basis, or, in the alternative, for such other rental and on such other terms and conditions as Client may hereafter specifically approve.

2. TERM. Subject to the limitations hereinafter contained, the term of this Agreement shall be for approximately **one (1) year** commencing **on the Effective Date** and expiring at midnight on **January 31, 2015.**

3. EXCLUSIVITY. Subject to the limitations hereinafter contained the Client grants to the Agent the sole and exclusive right for the term as hereinbefore defined or any extension or renewal to market the lease of all or any part of the Property which is as of the date of this Agreement available to be leased.

4. COMMISSION.

a. The Client, upon entering into any lease, agreement, or arrangement granting space to any new tenant during the term of this Agreement, shall pay to Agent a fee calculated at **four** percent (**4.0%**) of all fixed base rentals due under the first five (5) years of the initial term plus **two** percent (**2.0%**) of all fixed base rentals due under the second five (5) years of the initial term of all such new leases for new tenants based upon the initial term of any such lease, or based upon the initial term of the lease with existing tenants for expansion space, fifty percent (50%) of the above fee to be paid, in cash, at lease or amendment execution, and fifty percent (50%) to be paid in cash upon occupancy by tenant. In all events, it is understood that no fee shall be deemed earned until and unless the lease or other agreement shall have become effective between the tenant and the Client by the execution of a contract or other enforceable instrument. It is agreed that for those existing tenants who during the term of this agreement renew or extend their leases, or who lease additional space, a commission equal to **two and one-half** percent (**2.5%**) shall be due Agent, payable at the execution of said renewal, extension, or expansion amendment.

b. Said commission shall be paid to Agent whether tenant is found by Agent, by another broker, by the Client, or by any other person during the term of this Agreement or any extension or renewal thereof.

d. Upon the expiration or termination of this Agreement or any extension or renewal thereof, Agent shall furnish to Client the names of prospective tenants to whom the Property was shown by Agent, Client, or any other person during the term of this Agreement (as the same may have been extended or renewed). Said list of names shall be furnished to Client no later than ten (10) days after the expiration or termination of this Agreement. In the event Agent furnishes Client with said list in a timely manner the following shall apply:

i. Agent shall continue to serve as Client's Agent of record for the prospective tenants named in said list for a period of ninety (90) days after the expiration or termination of this Agreement or any extension or renewal thereof.

ii. In the event Client lists the property with another agent, the names of prospective tenants named in said list shall be included in the new agent's listing agreement as excluded parties for the time period set forth in section (i) above.

iii. For a period of six (6) months after the expiration or termination of the Agreement, in the event a lease of the Property or an agreement to lease the Property is made, entered into, or effected with any of the prospective tenants named in said list the Client shall pay Agent upon the closing of any such lease the commission set forth in this Agreement.

In the event Agent shall fail to furnish to Client said names in a timely manner, the provisions of this section shall be null and void and of no further effect and Agent's right to continue to represent Client and to collect any commission from Client shall terminate as of the expiration or termination of the Agreement.

5. CO-BROKERAGE. The Agent agrees that during the term of this Agreement, if other duly licensed real estate sales personnel bring to Agent a prospective tenant who leases the Property, whether a licensee associated with Agent or a third-party broker, then the fees as set forth in Paragraph 4 hereof shall be increased to **five and 50/100** percent (**5.5%**), with **two and 50/100** percent (**2.5%**) paid to said broker and **three** percent (**3.0%**) paid to Agent, and settlement therefore shall be the sole responsibility of the Agent once Client has paid Agent the fees set forth in this Agreement.

6. TENANT REPRESENTATIVE.

a) Agent shall seek out and cooperate with brokers (and/or salespersons working for them) representing prospective tenants ("Tenant Representative") to provide maximum market exposure for the Property in the marketplace. From the commissions stated herein to be paid to Agent, Agent agrees to pay up to fifty percent (50%) of those commissions to any such Tenant Representative with respect to any concluded transaction as an inducement to Tenant Representatives to introduce to Agent the tenants they represent who might have an interest in the Property. Client understands that the Tenant Representative, if any, shall solely represent the tenant and shall have no fiduciary obligation to the Client even though said Tenant Representative will receive a portion of the commission payable by Client. For purposes of identification, a Tenant Representative shall be a licensed real estate agent, so designated in writing by the tenant.

b) Agent may at its option treat another broker as a Tenant Representative, even if said broker is not so designated in writing by the tenant; however, if said tenant designates some other party as its representative then the tenant decision shall be binding on all parties. In the event any tenant should change its designation of Tenant Representative during the course of negotiations and, as a result, a dispute occurs, the resolution of such dispute shall be undertaken solely between the tenant and its various Tenant Representatives. Agent and Client shall therefore have no responsibility except to set aside the portion of the commission payable upon resolution of such dispute. The Tenant Representative's commission so set aside shall be released at such time as written releases are received from all parties making claims, an arbitrator appointed by the disputing parties, or by a court of law.

7. MARKETING. Agent shall market the Property in such manner and in such publications and other media as it deems appropriate for the marketing of the subject Property. All of said marketing expenses shall be promptly paid by the Client provided that said marketing expenses shall have first been approved in advance by the Client. Client agrees to make available to Agent such information as to design and layout possibilities, and other information as will assist Agent in securing leases. In all events, the Agent agrees to advertise and promote the Property in the best interest of the Client.

8. ARCHITECTURAL SERVICES. Intentionally deleted

9. COVENANT. The Client agrees to enter into a lease with, and to lease said Property to, any such ready, willing and able tenant for the rental rate set forth herein or upon such other terms and conditions as Client may hereafter approve, said approval to specifically include Client's review and acceptance of the credit worthiness of any such tenant.

10. INSURANCE. Client shall carry at its own expense necessary public liability insurance in an amount of at least One Million Dollars ($1,000,000.00) to protect the interest of the parties to this Agreement. Client shall direct its insurance carrier to include Agent as an additional insured party on its Fire and Casualty Insurance Policy and its Public Liability Insurance Policy. Client agrees to have included in its public liability insurance policy coverage to include Blanket Contractual Liability. Client agrees to deliver to Agent as soon as possible copies of all insurance policies covered by this paragraph showing the required additions or endorsements, and to give Agent at least ten (10) days' notice of cancellation, non-renewal or any material changes in insurance policies described in this Agreement.

11. INDEMNIFICATION. Client hereby indemnifies Agent against and agrees to hold and save Agent, its directors, officers, partners, members, employees and agents, harmless from and against any loss, damage, or expense (including court costs and reasonable attorneys' fees) resulting from any breach of Client's duties and obligations under this Agreement or the negligence, gross negligence, willful misconduct or fraud of Client or its employees, agents and contractors.

12. EMPLOYEES OF AGENT. Upon the expiration or earlier termination of this Agreement, Client shall not employ any of Agent's employees or independent contractors for the purpose of discharging any of the duties set forth in this Agreement for a period of twelve (12) months from the date of said expiration or earlier termination.

13. NOTICES. All notices provided for in this Agreement shall be in writing and shall be deemed to be given when sent by registered or certified mail, return receipt requested, postage prepaid an addressed as follows:

If to Client: **Chicora Gardens Holdings, LLC**
Attention: Brent Wilde
476 W Heritage Park Blvd., Suite 200
Layton, UT 84041

If to Agent: Lee & Associates Charleston, LLC
Attention: Robert H. Nuttall, Jr.
126 Seven Farms Drive, Suite 110
Charleston, South Carolina 29492

14. ENVIRONMENTAL CONDITIONS. Both the Client and any tenant, their heirs and assigns, shall indemnify, defend, and hold harmless Anchor Commercial, LLC from and against any and all claims or damages of whatever kind or nature with regard to any ground water pollution, chemical hazard, sub-surface soil contamination or any hazardous or potentially

hazardous substance of any kind or nature pre-existing or presently existing as of the date hereof on the Property. The provisions of this Paragraph 14 shall survive the closing date of any agreement of lease and the expiration of this Agreement.

15. ADDITIONAL TERMS AND CONDITIONS. The following terms and conditions are a part of this Agreement.

a. Property shall be sold subject to zoning ordinances, restrictions, easements and conditions of public record, with taxes and rents to be prorated as of the date of closing.

b. Intentionally Deleted.

c. Client shall refer to Agent any inquiries received by the Client and Client shall deal with prospective tenants of the Property during the term of this Agreement only through Agent and shall allow the Agent or any participating broker to show the Property at reasonable times upon reasonable notice and shall commit no act which might tend to obstruct the Agent's performance hereunder.

d. Client shall cooperate with Agent to ascertain the accuracy of all pertinent data concerning the Property so as to avoid error, exaggeration, misrepresentation or concealment of pertinent facts. Client agrees to hold the Agent harmless from any liability or damage arising out of incorrect or undisclosed information provided by the Client. Client agrees to notify the Agent promptly of any changes in said information.

e. Agent shall not be responsible for vandalism, theft, damage or maintenance of the Property unless such is caused by gross negligence of Agent or representatives or customers while in the presence of Agent at the Property.

f. Intentionally Deleted.

g. Commission shall be deemed earned and payable to Agent when a tenant has entered into a ratified lease with Client even if Client refuses to lease once Client has entered into a ratified lease with a tenant.

h. Agent shall place such "for lease" signs on the Property as Agent may deem appropriate.

16. DEFECTS. Client agrees to disclose to the Agent any defects (whether latent or otherwise) of the Property and shall defend and hold Agent harmless from any liability or damages including without limitation attorney's fees arising from any defects. Client represents to the best of its knowledge (i) that Client has not received notice of any claimed environmental hazard or condition in connection with the Property; (ii) that the Property contains no hazardous or toxic wastes, asbestos, or other substance dangerous or harmful to human health or the environment, and has not been used for the manufacture, storage, or transport of any such substance, to the best of Client's information and belief after due inquiry; and (iii) that no part of

the Property consists of federal jurisdictional wetlands.

17. NO AUTHORITY. Agent shall have no authority to obligate Client with regard to any transaction contemplated hereunder without Client's specific authorization to do so.

18. CONFIDENTIALITY. All financial data and other proprietary information with regard to the Property shall be treated as confidential by Agent and shall be disseminated to third parties on a "need to know" basis only.

19. Intentionally Deleted.

20. ALTERNATIVE DISPUTE PROVISIONS. If a dispute, controversy or claim (whether based upon contract, tort, statute common law or otherwise) (collectively a "Dispute") arises from or relates directly or indirectly to the subject matter hereof, and if the Dispute cannot be settled through direct discussions, the parties shall first endeavor to resolve the Dispute by participating in a mediation administered by the American Arbitration Association (the "AAA") under its Commercial Mediation Rules before resorting to arbitration. Thereafter, any unresolved Dispute shall be settled by binding arbitration administered by the AAA in accordance with its Commercial Arbitration Rules and judgment on the award rendered by the arbitrator, after the review rights set forth below have been exhausted, may be entered in any court having jurisdiction. The arbitration proceedings shall be conducted in Charleston, South Carolina on an expedited basis before a neutral arbitrator who is a member of the Bar of the State of South Carolina, and has been actively engaged in the practice of law for at least 15 years, specializing in commercial transactions with substantial experience in the subject matter of this Agreement. Any attorney who serves as an arbitrator shall be compensated at a rate equal to his or her current regular hourly billing rate unless the AAA is able to arrange with the parties and the arbitrator to agree otherwise. Upon the request of either party, the arbitrator's award shall include findings of fact and conclusions of law provided that such findings may be in summary form. Either party may seek review of the arbitrator's award before an arbitration review panel comprised of three arbitrators qualified in the same manner as the initial arbitrator (as set forth above) by submitting a written request to the AAA. The right of review shall be deemed waived unless requested in writing within 10 days of the delivery of the initial arbitrator's award. The arbitration review panel shall be entitled to review all findings of fact and conclusions of law in whatever manner it deems appropriate and may modify the award of the initial arbitrator in its discretion. Unless otherwise deemed appropriate by the arbitrator(s), the prevailing party shall be entitled to an award of all reasonable out-of-pocket costs and expenses (including attorney's and arbitrator's fees) related to the entire arbitration proceedings (Including review if applicable.)

21. ENTIRE AGREEMENT. The foregoing constitutes the entire agreement between the parties and shall be binding on each of them and their respective successors in interest. Wherever used herein, words of one gender shall be construed to include all genders; the singular shall include the plural and vice versa, as the sense requires.

22. INTERPRETATION PRESUMPTION. This Agreement has been negotiated by the

parties hereto and by the respective attorneys for each party. The parties represent and warrant to one another that each has, by counsel or otherwise, actively participated in the finalization of this Agreement, and in the event of a dispute concerning the interpretation of this Agreement, each party hereby waives the doctrine that an ambiguity should be interpreted against the party which has drafted the document.

23. EXCLUSIONS. Both Client and Agent hereby acknowledge Client has had discussions with potential tenants ("Excluded Entities") for the Property which are set forth on Exhibit "B" attached hereto and made a part hereof. In the event a lease is fully executed with any Excluded Entity on or before October 31, 2014, Client shall pay Agent a commission in accordance with the following schedule:

a) From the Effective Date to April 30, 2014: 50/100 percent (0.50%)
b) From May 1, 2014 to June 30, 2014: one percent (1.00%)
c) From July 1, 2014 to August 31, 2014: one and 50/100 percent (1.50%)
d) From September 1, 2014 to October 31, 2014: two percent (2.0%)
e) After October 31, 2014: two and 50/100 percent (2.50%)

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

WITNESS:

CLIENT:

Chicora Gardens Holdings, LLC

By:
Name: DOUGLAS M. DEBRUHL
Its: manager
Date: 2/21/14

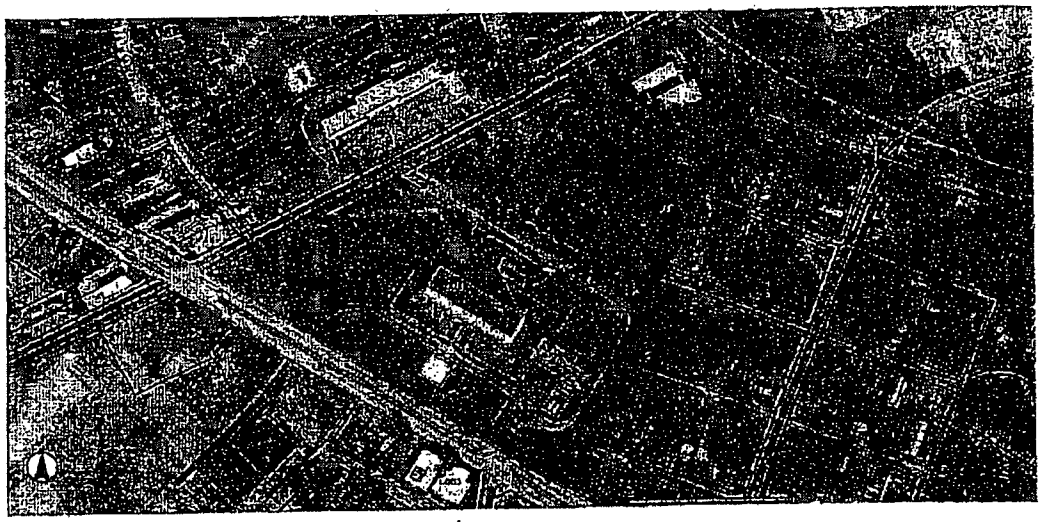
AGENT:

Lee & Associates Charleston, LLC

By:
Name: Robert H. Nuttall, Jr.
Its: Member
Date:

EXHIBIT "A"

The Property is denoted below in the red-outlined area



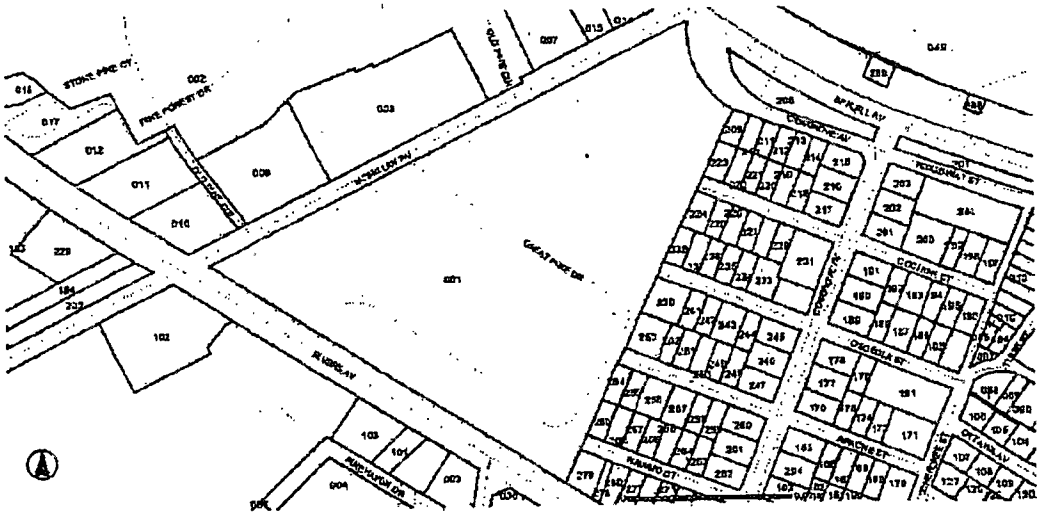


EXHIBIT "B"

Exclusions

Bain Capital
CBS
Charleston County
Charleston County Coroner
Clemson Extension office
Clemson Research
DAODAS- Lease w/Charleston County
DHEC Environmental
DHEC- Lease w/Charleston County
Fetter Health Care Network Inc
Heroes Haven LLC
Veterans Affar / GSA
Vital Records- Lease w/Charleston County

Final list of the negotiations

CHICORA LIFE CENTER, L.C.
3600 Rivers Avenue, North Charleston, SC 29405

BASIC LEASE INFORMATION

	Date:	June 30, 2014
	Landlord:	Chicora Life Center, L.C.
	Tenant:	Charleston County, South Carolina
Article 1	Premises:	Former Charleston Naval Hospital at 3600 Rivers Avenue, North Charleston, SC 29405 of which Approx. 98,087 Net Rentable Sq. Ft. ("RSF") is leased by Tenant. See Exhibit "A"
Article 2	Term Commencement	On the date that tenant takes possession of the Leased Premises per Article 2
Article 2	Term / Expiration	25 years.
Article 4	Monthly Rental:	$12.00 base rent per RSF, with the Monthly Rental amount adjusted annually indexed to the CPI for all Urban Consumers South Region as specified in Article 4
Article 5	Projected Operating Expense	$6.50 per square foot prior to July 1, 2016, per Article 5 calculation thereafter
Article 33	Security Deposit	None
Article 35	Tenants Address for Notices:	County Administrator 4045 Bridge View Drive North Charleston, SC 29405
Article 40	Exhibit and Addenda:	A – Plan Sheets of Leased Premises (A-101, A-102, A-103, A-104, and A-107; All dated 6/23/2014) B – Improvements to Premises/Tenant Improvements C – Landlord Warranties on Major Operating Systems D – Rules and Regulations (TBD) E – Remodel/Finish Schedule F – Cost Estimate Charleston County and Chicora Life Center Charleston County

Renovations (prepared 1/31/2014)

Article 50 Tenant Improvements: See Lease and all Exhibits And Addenda

The provisions of the Lease identified in the margins above are those provisions where reference to particular Basic Lease Information appear and this "Basic Lease Information" sheet is for the ease and convenience of the Parties as a quick point of reference, while the actual controlling terms are contained in the Lease. Each such reference in this sheet shall incorporate the applicable Basic Lease Information as more specifically detailed in the Lease and its Exhibits. In the event of any conflict arising between any Basic Lease Information contained in this sheet and the Lease, including its Exhibits, the Lease shall control.

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STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

LEASE FOR
3600 RIVERS AVENUE

THIS Commercial Lease Agreement ("Lease") is made on June 30, 2014 by and between Chicora Life Center, LC, as Landlord and Charleston County, as Tenant, "Party" as to each, collectively the "Parties." Landlord desires to lease the leased premises to Tenant, and Tenant desires to lease the leased premises from Landlord for a term, at the rental and upon the covenants, conditions and provisions herein set forth.

WITNESSETH:

WHEREAS, on January 16, 2014, the City of North Charleston conveyed the property located at 3600 Rivers Avenue in North Charleston, South Carolina, and known as the Old Naval Hospital to Chicora Life Center, LC, by limited warranty deed; and

WHEREAS, said deed has a reverter clause that requires Chicora Life Center, LC, to make a final payment to the City of North Charleston on or before September 30, 2014, or the title to the Old Naval Hospital will revert to the City of North Charleston; and

WHEREAS, Chicora Life Center, LC, has represented to Charleston County that it will satisfy to the extent required any obligation to obtain a release from the City of North Charleston on or before September 30, 2014; and

WHEREAS, Chicora Life Center, LC, intends for Charleston County to be its anchor tenant to encourage further development, facilitate and promote the consolidation of various county-wide medical services, and help in expansion in the area of the Old Naval Hospital and the surrounding areas; and

WHEREAS, Charleston County wishes to rent space in the Old Naval Hospital to relocate certain County offices and programs, thereby assisting in the goals intended by Chicora Life Center, LC,

NOW THEREFORE: in consideration of the above promises and mutual covenants herein contained, to include the above-referenced recitals that are incorporated herein by reference and other good and valuable consideration, the Parties agree as follows:

1. PREMISES

(a) Landlord is the owner of land and improvements commonly known and numbered as 3600 Rivers Avenue, North Charleston, South Carolina (hereinafter the "Premises") consisting of approximately 17 acres and a building consisting of approximately 400,000 square feet of which 365,717 square feet is rentable space (hereinafter "Building"). Landlord makes available for lease a portion of the Building identified in Exhibit "A" Plan Sheets A-101 (dated 6/23/2014), A-102 (dated 6/23/2014), A-103 (dated 6/23/2014), A-104 (dated 6/23/2014), and A-107 (dated 6/23/2014) Chicora Life Center, containing 98,087 of rentable square feet ("RSF") area (hereinafter the "Leased Premises").[1] Exhibit A shall bear the initials of the Parties to confirm dimensions of the Leased Premises.

[1] Exhibit "A" references the Leased Premises space as a total area of 98,087 rentable square feet, which shall apply to Article 2, Rent, and Article 5, Projected Operating Expense. The first month's lease

(b) The Leased Premises shall include the appurtenant right to use, in common with others, the lobbies, entrances, stairs, elevators, restrooms, parking areas, driveways, and other public portions of the Premises. All of the outside walls and windows of the Building and any space in the Building used for shafts, stacks, pipes, conduits, ducts, and electric or other utilities, sinks, or other Building facilities, and the use thereof and access thereto through the Building for the purposes of operation, maintenance and repairs, are reserved to Landlord, subject to the limitations on access as necessary for a confidential medical facility as described in Article 18.

2. TERMS, EFFECTIVE DATE, AND COMPLETION OF IMPROVEMENTS

The Landlord hereby leases the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for a term of twenty-five (25) years, beginning on the Effective Date of this Lease. Wherever in this Lease the word "term" appears, it shall include any extension of the primary term pursuant to the provisions of this Lease as well as any renewal agreement of holdover period. Effective Date shall mean the date Tenant takes possession of the Leased Premises and all of the following events have occurred: (a) the City of North Charleston issues a Certificate of Occupancy for the Leased Premises; (b) the necessary licensing agencies have issued licenses for the Leased Premises; (c) certain improvements to the Leased Premises are completed in accordance with Tenant's specifications and to the Tenant's reasonable satisfaction as provided for in Exhibit A (Plan Sheets of Leased Premises), Exhibit B (Improvements to Premises/Tenant Improvements), Exhibit C (Landlord Warranties on Major Operating Systems, Exhibit D (Rules and Regulations (TBD)), Exhibit E (Remodel/Finish-Schedule Documents), and Exhibit F (Cost Estimate Charleston County); (hereinafter collectively referred to as "Tenant Improvements"), (d) Landlord has provided an Irrevocable Letter of Credit to the Tenant in a form acceptable to the Tenant pursuant to the terms outlined in Article 22 and (e) Landlord has satisfied the conditions of the reverter clause.

Upon completion of the Tenant Improvements and satisfying the requirements of the Effective Date, Landlord shall provide written notice to the Tenant that the requirements of the effective date have been met, accompanied by the supporting documentation, and that the Leased Premises is ready for occupancy. The Tenant shall have five business days to confirm the requirements of the Effective Date have been met or it will be deemed to be met. If the Tenant believes that the Leased Premises is not ready for occupancy, it shall within the time specified herein deliver a written objection identifying in reasonable detail those specific items which it believes must be completed before the Leased Premises is ready for occupancy, and upon resolution of those specific items the Leased Premises will be considered completed, except as provided in Article 10, Repairs.

Landlord shall make the Leased Premises available to Tenant on or before January 1, 2015, as provided herein and satisfy the reverter clause with the City of North Charleston on or before

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payment shall be and is hereby established at $11.36 per rentable square foot, or $92,821.00. Prior to the Effective Date, and after the completion of the Tenant Improvements, the Parties shall complete an "As Built" drawing of the Leased Premises and calculate, determine and/or confirm the actual As Built Rentable Square Footage, per BOMA standards, and amend or confirm Exhibit A accordingly, which As Built RSF shall be the basis for the rental calculation of the Lease. This As Built Rentable Square Footage shall be the RSF referenced in the Lease as the Leased Premises on the Effective Date with the initial Rental Rate at the agreed $12.00 per rentable square foot and the Projected Operating Expenses pursuant to Article 5.

September 30, 2014, to prevent title to the Premises from reverting to the City of North Charleston. Landlord agrees to provide written notification from the City of North Charleston to Tenant indicating that Landlord has satisfied the Limited Warranty Deed.

The Parties expressly understand and agree that the Remodel/Finish Schedule Documents have not been completed, are not final, and are not approved. Therefore the Remodel/Finish Schedule Documents must be approved in writing by Tenant prior to any work being performed for Tenant. The Remodel/Finish Schedule Documents (Exhibit E) shall include, but not be limited to, all building plans for the Leased Premises and all specifications and supporting documents used during the design, engineering, construction, and/or completion of the Tenant Improvements. All Tenant Improvements shall be the sole responsibility of the Landlord to include the costs as provided in Exhibit B, Improvements to Premises/Tenant Improvements which the Landlord agrees to pay up to $1,600,000, and Exhibit F, Cost Estimate Charleston County and Chicora Life Center Charleston County Renovations.

3. NON-OCCUPANCY OF IMPROVED SPACE

In the event Tenant fails to occupy the Leased Premises, except due to Landlord's failure to complete Tenant Improvements or to perform any other obligation set forth herein, the Landlord may recover only the actual costs incurred in making the Tenant Improvements, subject to appropriation of funds. Provided, however, the Tenant shall be entitled to a full refund of the actual costs paid by Tenant to Landlord; if the Leased Premises (or greater than sixty-five (65) percent thereof) is leased to a third party within twelve months of the termination of the Lease. Landlord will refund the same within 30 days of the written request for refund. In all cases Tenant shall have the right to audit costs of the Tenant Improvements.

4. RENTAL

Upon completion of the Tenant Improvements as provided herein and possession of the Leased Premises, Tenant shall commence payment to Landlord, as rental for the Leased Premises except as provided in footnote 1, $1,177,044 per year (i.e., $12.00 per sq. ft. x the Leased Premises per year), payable in installments of $98,087 per month (Monthly Rental), until June 30, 2016, subject to adjustment for the period between January 1, 2016 and June 30, 2016, as provided for below. Effective July 1, 2016, the Leased Premises price per square foot for the entire calendar year shall be annually adjusted by the South Region CPI-U with the possibility of either a credit or an additional payment due for the period between January 1 and June 30 of that calendar year, the credit or additional payment to be amortized over the twelve months commencing on July 1, this adjustment process to mirror that described for Operating Expenses in Article 5 below.[2] Tenant shall pay the Monthly Rent in advance and continuing thereafter on the first day of each and every calendar month of the Term of this Lease. In the event the term of this Lease commences on a day other than the first day of a calendar month, then the Monthly Rental for the first and fractional months of the term hereof shall be appropriately prorated. Rent shall be paid to Landlord, without deduction, abatement, counter claim, offset, or demand, in lawful money of the United

[2] Applying the actual South Region CPI-U Percent Dec – Dec 12 month average increase as detailed in the U.S. Department of Labor Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers for the South Region - All Items, See: 'http://www.bls.gov/ro3/cpiso.htm' or similar type index if the above is no longer published (copy attached), as a reference for determining and calculating the annual CPI-U increase.

States of America, at 476 W. Heritage Park Blvd., Suite 200, Layton, Utah 84041 or to such other person or at such other place as Landlord may from time to time designate in writing, except as expressly authorized in this Lease.

Tenant will, upon the execution of the Lease, pay its first month's Monthly Rental as specified herein and in paragraph 5. If Tenant does not take possession of the Leased Premises as contemplated in paragraph 2, this first month's Monthly Rental payment will be refundable upon written demand by Tenant.

5. **PROJECTED OPERATING EXPENSE**

In addition to the Monthly Rental payment, the Tenant shall pay monthly its share of the operating expenses (Operating Expenses) of the Premises. The Operating Expenses shall be and are established through December 31, 2015 as $6.50 per rentable square foot of the Leased Premises (i.e., 98,087 x 6.50 = $637,565.50) payable in installments of $53,130.46 per month until June 30, 2016, subject to adjustment for the period between January 1, 2016 and June 30, 2016, as provided for below. The monthly Operating Expense payment shall be paid in addition to and pursuant to the payment provisions of Article 4 and made part of the Monthly Rental.

Effective July 1, 2016, the Tenant's annual Operating Expenses for the entire calendar year shall be determined based on the actual yearly costs of operation and maintenance of the Premises for the previous calendar year divided by the total rentable square feet of the Building multiplied by Leased Premises Square feet, with the possibility of either a credit or an additional payment due for the period between January 1, 2016 and June 30, 2016, the credit or additional payment to be amortized over the twelve months commencing on July 1, 2016. See Example A, Titled "Formula," below and the example following the Formula. The sum of the Annual Operating Expense shall be made payable to the Landlord in 12 equal monthly installments pursuant to the payment provisions of Article 4. Landlord shall provide Tenant with an annual accounting total and if requested by Tenant, a copy of all invoices supporting the previous year's Annual Operating Expenses by February 1, of the following year.

In addition, the Landlord agrees that any nontraditional or heavy users of utilities, including but not limited to a grocery store, a data center, or a 24-hour operation must be separately metered, and will not be included in any costs borne by Tenant.

Example A. Formula

AC (annual costs of operation and maintenance of entire building) / BSF (365,717 Total Square Feet of Building) = N (net operating amount per square foot)

N x LPSF (Leased Premises Square Feet) = Y (Tenant's Yearly Operating Expenses)

Y/12= Monthly Operating Expense Payment by Tenant

By way of example, Landlord will total all costs of operation and maintenance of the Premises for 2015 and send Tenant its Annual Operating Expense as calculated by the Formula above, for year 2016, no later than February 1, 2016. Tenant will begin paying its 2016 Operating Expense at the start of the next fiscal

year, July 1, 2016, and during that twelve-month period Tenant will also on an amortized basis either pay for or receive a credit for any difference between the 2016 Operating Expense and the Operating Expense which was actually paid by Tenant from January 1, 2016 through June 30, 2016. Tenant will continue paying its Monthly Operating Expense Payment (as adjusted by the amortization described above) through June 30, 2017. This process shall repeat annually for the entirety of the Lease Term.

Operation and Maintenance of the Premises as provided in Article 7, Services (as determined by standard accounting practices), shall include the following costs by way of illustration, but will not be limited to: Maintenance, including but not limited to routine (i.e., minor) repairs or maintenance of structural, electrical, plumbing, or HVAC systems; common area janitorial services, security, and dumpster services; pest control, lawn and landscaping services, elevator services, fire protection and sprinkler maintenance services, costs of maintaining parking and common areas, and any other service generally considered maintenance; All Utilities: electricity, gas, water, and sewer service; All Taxes and Fees: real property taxes and assessments, solid waste user fees, etc.; and Administrative Fees: legal and accounting services and Building staff and management fees. In calculating the actual costs of Operation and Maintenance of the Premises, Administrative Fees shall be capped at $00.75 per square foot, subject to annual adjustment based on the CPI for all Urban Consumers South Region.

Landlord and Tenant both agree that the "Net Rentable Area" of the Building is approximately 98,087 RSF or 26.8% of the total (365,717) Building RSF. Notwithstanding, Tenant's Projected Operating Expense will be stated on a per rentable square foot basis and charged and paid monthly in addition to the Monthly Rent as provided in the formula above.

Operating Expenses shall not include those expenses which are paid directly or separately by proceeds of insurance, or Tenant or any third party by way of separate metering or otherwise; and depreciation of the building of which the Premises are a part and the equipment therein, loan payment, or real estate broker's commission.. Operating Expenses shall also not include Landlord's Capital Improvements to the following: structural components of the Premises; HVAC, mechanical, electrical, plumbing (hereinafter "Major Systems"). As used herein, Capital Improvements includes, by way of illustration, costs which replace the Major Systems or restore the Major Systems to "like new" condition or extend their useful life (as opposed to ongoing maintenance to keep the Major Systems in efficient operating condition and realize their useful life), and costs which improve the efficiency or quality of the Major Systems, increase the strength or capacity of the Major Systems, or fix a defect or design flaw in the Major Systems;

6. USE

The Premises may be used by Tenant for any uses permitted by law for a county governmental entity, including, but not limited to: general office space, social services, counseling, medical offices, hospital type services including beds and support facilities, sales, training, staffing, and related uses. Tenant shall not do or permit to be done in or about the Premises, nor bring or keep or permit to be brought or kept therein, anything which is prohibited by or will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Tenant shall not use or allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose, nor shall Tenant cause, maintain or permit any nuisance in, on or about the Premises or commit or suffer to be committed any waste in, on

or about the Premises. Landlord is aware of the Tenant's intended uses for its various spaces and shall not declare a nuisance arising from these operations.

7. SERVICES

(a) Landlord shall maintain the public and common areas of the Premises, to include but not limited to: the lobbies, stairs, elevators, corridors and restrooms in reasonably good order and condition as part of Projected Operating Expenses. In addition, Landlord shall be solely responsible for the Capital Improvements of the Building when necessary at no cost to the Tenant.

(b) Landlord shall furnish the Premises with (i) electricity sufficient to provide power for the uses for which Tenant shall occupy the Premises, but not including special lighting or electrical equipment in excess of building standard improvements. It is not currently anticipated that Tenant's intended uses will necessitate installation of special lighting or electrical equipment, but in the event that installation of special lighting or electrical equipment requires additional air conditioning capacity above that provided by the building standard improvements, then the additional air conditioning installation and operating costs shall be paid by Tenant as may be mutually agreed, (ii) heat and air conditioning to the extent reasonably required for the comfortable occupation of the Premises during reasonable and usual business hours of Tenant's occupancy; (iii) Tenant shall pay any cleaning and janitorial costs attributable to the Leased Premises separate and apart from the Operating Expenses; and (iv) security for the building; Landlord shall not be liable to Tenant for losses due to theft or burglary, or for damages done by unauthorized persons in or about the building, Landlord will be liable for damages caused by Landlord's negligence and the negligence of its employees and representatives.

Some of Tenant's Leased Premises may require 24 hour 7 days per week services and occupancy. Separate metering and billing may be used for such 24/7 utilized Leased Premises and Tenant shall be responsible for such costs.

(c) Landlord shall not be in default hereunder or be liable for any damages directly or indirectly resulting from, (1) failure to furnish or delay in furnishing any such services when such failure or delay is caused by accident or any condition beyond the reasonable control of Landlord or by the making of necessary repairs or improvements to the Premises or to the Building, except Landlord's failure to pay or provide the Services identified in subpart (a) herein or (2) the limitation, curtailment, rationing or restrictions on use of water, electricity, gas or any other form of energy serving the Premises or the Building as required by ordinance or law.

Nevertheless, Landlord shall use all reasonable efforts to remedy any interruption in the furnishing of such services, and in particular to avoid disruption of any 24 hour 7 days per week inpatient services provided by Tenant. If, notwithstanding all reasonable efforts to remedy any interruption in the furnishing of such services, the Premises are not habitable for Tenant's use for a period in excess of 72 hours, the Tenant's Monthly Rent will be abated until the Premises are habitable, and if the Premises are not habitable in excess of 30 days, and it is within the control of Landlord to remedy, then Tenant may elect to avail itself of any of the remedies provided in this Lease. Landlord will notify Tenant immediately of any real or threatened interruption in power or other service to the Premises or Building.

(d) It is understood that Landlord does not warrant that any of the services referred to above, or any other services which Landlord may supply, will be free from commercially

reasonable interruption. Tenant acknowledges that any one or more such services may be suspended or reduced by reason of accident or repairs, alterations or improvements necessary to be made, by strikes or accident or by any cause beyond the reasonable control of Landlord, or by orders or regulations of any federal, state, county or municipal authority, subject to Tenant's remedies of rental abatement and termination stated in the foregoing paragraph and Article 11. Except as otherwise provided in this Lease, any such interruption or suspension of services shall never be deemed an eviction of the Leased Premises or any part thereof, or render Landlord liable to Tenant for damages. Landlord will use its best reasonable efforts in the event of a strike to secure parties not involved in the labor dispute to provide minimum services for cleaning restrooms, waste removal, and janitorial services for the common areas. If such interruption or suspension results in Tenant's inability to conduct business or provide its' usual and customary services for a period exceeding seventy-two (72) hours, then Tenant shall receive an abatement of rent during such interruption or suspension, but Landlord shall not be liable to Tenant for lost profits or loss of business resulting therefrom. In the event of repeated occurrences of the same recurring event of interruption or suspension which would be within the control of Landlord to remedy, then Tenant may elect to terminate this Lease by written notice to Landlord.

(e) Tenant shall notify Landlord of any need for an increase in power usage.

8. ALTERATIONS

(a) Tenant will not make or suffer to be made any alterations, additions or improvements to or of the Leased Premises or any part thereof, or attach any fixtures or equipment thereto, without first obtaining Landlord's approval. Any alterations, additions or improvements (except the initial Tenant Improvements) to the Leased Premises consented to by Landlord shall be made by Tenant at Tenant's sole cost and expense, and any contractor or other person selected by Tenant to make the same shall be subject to Landlord's prior written approval. All alterations, additions, fixtures and improvements, including all improvements made pursuant to the Tenant Improvements, whether temporary or permanent in character, made in or upon the Leased Premises either by Tenant of Landlord, shall immediately become Landlord's property and, at the end of the term hereof, shall remain on the Leased Premises without compensation to Tenant, except for Tenant's trade fixtures, equipment, furniture panels and other items Tenant may provide to Landlord in writing.

(b) Any alteration, addition, or improvement shall, when completed, be of such a character as not to lessen the value of the Premises or such improvements as may be then located thereon. Any alteration, addition or improvement shall be made promptly and in a good workmanlike manner and in compliance with all applicable permits and authorizations and building and zoning laws and with all other laws, ordinances, orders, rules, regulations, and requirements of all federal, state and municipal governments, departments, commissions, boards and offices. The costs of any such alterations, addition or improvement shall be paid by Tenant, except as otherwise provided herein.

9. LIENS

Tenant shall make reasonable efforts to keep the Leased Premises free from any mechanics' and/or materialmen's liens or other lien arising out of any work performed, material furnished or obligations incurred by Tenant. Tenant shall notify Landlord in writing at least seventy-two (72) hours before any work or activity is to commence on the Premises which may give rise to such liens and Landlord shall have the right to post and keep posted on the Premises any notices that

maybe provide by law or which Landlord may deem to be proper for the protection of Landlord, the Premises and the Building from such liens.

10. REPAIRS

Unless Tenant notifies Landlord in writing within 180 days of the Effective Date of the Lease, Tenant accepts the Leased Premises as being in the condition in which Landlord is obligated to deliver the Leased Premises. Landlord will reasonably maintain the Premises for Tenant's quiet enjoyment and habitability such that the Premises may be occupied and utilized for its intended purpose by Tenant, including maintenance of the structural soundness of the Premises and maintenance of the electrical, HVAC, or other systems necessary to furnish the Premises with the services described herein. Tenant shall at the end of the term hereof surrender to Landlord the Leased Premises and all alterations, additions and improvements thereto subject to ordinary wear and tear, excepting any damage by fire, earthquake, act of God or the elements. Landlord has made no promise to alter, remodel, improve, repair, decorate or paint the Premises or any part thereof, except as may be specified in the Tenant Improvements. No representations respecting the condition of the Premises or the Building have been made by Landlord to Tenant, except as specifically herein set forth and specifically for the Premises' habitability and fitness for its intended purpose and the Tenant Improvements. The Premises shall meet and comply with the licensing standards of DHEC, DAODAS, CARF, and any other regulatory agencies having jurisdiction, as detailed in the Tenant Improvements.

11. DESTRUCTION OR DAMAGE

(a) If the Leased Premises shall be damaged or destroyed during the term of this Lease by any casualty insured under Landlord's standard property and casualty insurance, Landlord shall, except as otherwise provided in this Lease and subject to any delay or inability from causes beyond its control, repair and/or rebuild the same substantially to what had been the condition thereof immediately prior to such damage or destruction, it being understood that Landlord is obligated to make a claim against its property and casualty insurance.

(b) If the Premises, Building, or Leased Premises shall be damaged or destroyed to the extent of fifty percent (50%) or more of the insurable value thereof, or if such casualty shall not have been insured against by Landlord's standard property and casualty policies, then Landlord or Tenant may terminate this Lease or Landlord may elect to repair such damage or rebuild the Leased Premises. Within thirty (30) days after any such casualty, Landlord shall notify Tenant whether Landlord intends to repair or rebuild the Leased Premises, and Tenant shall notify Landlord whether Tenant intends to terminate this Lease. If Landlord elects to repair or rebuild the Leased Premises, Landlord shall perform such repair or rebuilding as provided in Subsection 11 (a) above, and rent shall be abated proportionately as provided in Subsection 11 (e) below. If Landlord elects not to repair or rebuild, the Lease shall terminate without further notice and all further obligations of both parties hereunder shall cease (other than those which shall theretofore have accrued), effective as of the date on which Tenant ceases doing business in the Premises.

(c) If Landlord elects to repair the Leased Premises and Tenant does not elect to terminate the Lease, and if Landlord's repairs are not substantially completed within one hundred twenty (120) days following the date of the casualty, then Tenant, upon not less than thirty (30) days written notice to Landlord, may terminate this Lease if Landlord has not substantially completed such repairs within the time period (which shall not be less than 30 days) set forth in such notice. Substantial completion, as used herein, shall mean that the Premises, Building, and

Leased Premises are restored to the condition that they may be occupied and utilized for their intended purpose, notwithstanding that there may be additional "punch list" or other non-essential items to be completed, which neither affect nor impact Tenant's use and enjoyment of the Leased Premises. Nevertheless, Landlord shall diligently pursue the completion of all remaining work in a timely manner.

(d) During any period of reconstruction or repair of the Premises, Building, and/or Leased Premises, provided Tenant has not elected to terminate this Lease, Tenant may at its sole option continue the operation of Tenant's business in the Leased Premises to the extent reasonably practicable from the standpoint of good business practice.

(e) During any period in which, by reason of any damage or destruction not resulting from the negligence of Tenant, Tenant's employees, agents, or invitees, Tenant is unable to occupy all or a portion of the Leased Premises, Tenant's rent shall be appropriately abated for that part of the Leased Premises rendered unusable for the conduct of Tenant's business. Such abatement shall continue for the period commencing with such destruction or damage and ending with the substantial completion by Landlord or Landlord's repairs and/or rebuilding of the Leased Premises, as required by this Lease.

12. SUBROGATION

[Intentionally Omitted]

13. INDEMNIFICATION

No provision of this agreement shall be construed to constitute any waiver of sovereign immunity of Tenant or other constitutional or statutory limitations of liability in existence or arising later.

Except for expenses or liabilities arising from the negligence or intentional acts of the Tenant, the Landlord hereby expressly agrees to indemnify and hold the Tenant harmless against any and all expenses and liabilities arising out of the negligent performance, action or inaction of the Landlord, its members, officers, employees or agents, in conduct of this Lease, as follows:

For matters other than those arising from the rendering or failure to render professional services, the Landlord expressly agrees to the extent that there is a causal relationship between its negligence, action or inaction, or the negligence, action or inaction of any of its employees or any person, firm or corporation directly or indirectly employed by the Landlord and any damage, liability, injury, loss or expense (whether in connection with bodily injury or death or property damage) that is suffered by the Tenant and/or its officers or employees or by any member of the public, to indemnify and save the Tenant and its officers and employees harmless against any and all liabilities, penalties, demands, claims, lawsuits, losses, damages, costs, and expenses arising out of the negligence, action or inaction of the Landlord , regardless of whether such liabilities, penalties, demands, claims, lawsuits, losses, damages, costs and expenses are caused in part by the Tenant. Such costs are to include, without limitation, defense, settlement and reasonable attorney's fees incurred by the Tenant and its employees. This promise to indemnify shall include, without limitation, bodily injuries or death occurring to the Landlord's employees and any person, directly or indirectly employed by the Landlord (including, without limitation, any employee of any subcontractor), the Tenant's officers or employees, the employees of any other independent contractors, or occurring to any member of the public. When the Tenant submits notice, Landlord shall promptly defend any aforementioned action.

The limits of insurance carried by Landlord shall not limit the Landlord's obligations under this Section. The terms and conditions contained in this Section shall survive the termination of this Lease. To the extent that any liabilities, penalties, demands, claims, lawsuits, losses, damages, costs and expenses are caused in part by the acts of the Tenant, the Landlord's obligations shall be reduced in proportion to the Tenant's fault, as determined by a court of competent jurisdiction. The obligations herein shall also extend to any actions by the Tenant to enforce this indemnity obligation. The recovery of costs and fees all extend to those incurred in the enforcement of this indemnity.

14. COMPLIANCE WITH LEGAL REQUIREMENTS

Landlord and, to the extent applicable, Tenant, shall, at each Party's respective cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force, with the requirements of any board of fire underwriters or other similar body now or hereafter constituted, with any direction or occupancy certificate issued pursuant to any law by any public officer or officers, as well as the provisions of all recorded documents affecting the Premises, insofar as any thereof relate to or affect the condition, use or occupancy of the Premises, excluding requirements of structural changes not related to or affected by improvements made by Tenant or Tenant's acts. Landlord represents that at the time of delivery of the Premises, the Premises will be free of hazardous waste, toxic materials, and asbestos, and indemnifies Tenant against all claims, damages, expenses, and fees resulting from the presence or discharge thereof, in accordance with the indemnity provisions of Section 13.

15. INSURANCE

During the Term of the Lease Agreement, Landlord shall take out and maintain all customary insurance on the Premises, the Building, and the Leased Premises, as part of the Operating Expenses, in such form as used by solvent insurance companies in the State of South Carolina. Landlord shall name and maintain Tenant as an additional insured on said policies and shall provide this information in writing to Tenant for the Lease Term. Landlord, as part of the Operating Expenses, shall at all times during the term of the Lease, maintain:

(a) Comprehensive general liability insurance against claims for bodily injury, including death, and property damage or loss arising out of the use or occupation of the Premises, Building or the Leased Premises; such insurance to be in the joint name of the Tenant and the Landlord so as to indemnify and protect both the Tenant and the Landlord and to contain a "cross liability" and "severability of interest" clause so that the Landlord and Tenant may be insured in the same manner and to the same extent as if individual policies had been issued to each, and will be for the amount of not less than $1,000,000.00 combined single limit; such comprehensive general liability insurance will for the Tenant's benefit only include contractual liability insurance in a form and of a nature broad enough to insure the obligations imposed upon the Tenant under the terms of this Lease.

(b) Extended fire and extended coverage insurance on the Premises and Building on a replacement cost basis, subject to such deductions and exceptions as the Landlord may determine; such insurance will be in a form or forms normally in use from time to time for buildings and improvements of a similar nature similarly situate,

including, should Landlord so elect, insurance to cover any loss of rental income which may be sustained by Landlord.

Tenant may contact Landlord's insurer(s) or insurer(s)' agent(s) directly at any time regarding Landlord's coverage, coverage amounts, or other such relevant and reasonable issues related to this Lease. Landlord shall also require any subsequent purchaser of the Premises to carry the same coverages in the same amounts. Tenant must be advised immediately of any changes in required coverages.

During the Term of the Lease, Tenant shall obtain and maintain customary insurance, as available to Tenant by the South Carolina Insurance Reserve Fund.

16. ASSIGNMENT AND SUBLETTING

In the event Tenant should desire to assign or sublet the Leased Premises, Tenant shall give Landlord written notice of such desire at least thirty (30) days in advance of the date on which Tenant desires to make such assignment or sublease. Landlord shall then have a period of thirty (30) days following receipt of such notice within which to notify Tenant in writing that Landlord elects either (i) to terminate this Lease as to the space so affected as of the date so specified by Tenant, in which event Tenant will be relieved of all further obligations hereunder as to such space, or (ii) to permit Tenant to assign or sublet such space, subject, however, to prior written approval of the proposed assignee or that Tenant is of sound financial condition as determined by Landlord. If Landlord should fail to notify Tenant in writing of such election within said thirty (30) day period, Landlord shall have deemed to have waived option (i) above, but written approval by Landlord of the proposed assignee or Tenant shall be required. Any assignment or subletting which conflicts with the provisions hereof shall be void.

17. RULES

RESERVED

18. ENTRY BY LANDLORD

Landlord acknowledges that certain portions of the Leased Premises may be occupied by confidential medical facilities and may not be accessed without prior permission. Tenant will designate the location of these confidential medical facilities and provide the same to Landlord in writing. Landlord shall not enter such designated locations without prior permission, otherwise Landlord may enter the Leased Premises at reasonable hours, with advance consent of Tenant except in emergencies, to (a) inspect the same, (b) exhibit the same to prospective purchasers, lenders or tenants, (c) determine whether Tenant is complying with all of Tenant's obligations hereunder; (d) supply janitorial service and any other service to be provided by Landlord to Tenant hereunder, (e) post notices of non-responsibility and (f) make repairs required of Landlord under the terms hereof or repairs to any adjoining space or utility service or make repairs, alterations or improvements to any other portion of the Building, but that all such work must be done as promptly as possible and, so as to cause as little interference to Tenant as reasonably possible.

Landlord shall at all times have and retain a key with which to unlock all of the doors in, on or about the Leased Premises (excluding Tenant's furniture and fixtures, vaults, safes and similar areas designated in writing by Tenant in advance); and Landlord shall have the right to use any and all means which Landlord may deem proper to open said doors in an emergency in order to obtain entry to the Premises, and such entry to the Premises obtained by Landlord by any of said means,

or otherwise shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into or a detainer of the Premises or an eviction, actual or constructive, of Tenant from the Premises, or any portion thereof.

19. EVENTS OF DEFAULT

(a) By Tenant: The occurrence of any one or more of the following events ("Events of Tenant Default") shall constitute a breach of this Lease by Tenant: (a) if Tenant shall fail to pay any rental or other sum when and as the same becomes due and payable and such failure shall continue for more than 30 days after written notice of such failure is received by Tenant from Landlord; or (b) if Tenant shall fail to perform or observe any other term hereof or of the rules and regulations described in Paragraph 14, "Compliance with Legal Requirements," to be performed or observed by Tenant, such failure shall continue for more than 30 days after written notice thereof is received by Tenant from Landlord and Tenant shall not within such period commence with due diligence and dispatch the curing of such default, or, having so commenced, shall thereafter fail or neglect to prosecute or complete with due diligence and dispatch the curing of such default; or (c) vacation or abandonment of the Leased Premises for a continuous period in excess of thirty (30) business days unless rent is current; (d) if this Lease or any estate of Tenant hereunder shall be levied upon under any attachment or execution against Tenant and such attachment or execution is not vacated within thirty (30) days; or (e) failure of Tenant to meet any provisions of this Lease.

The non-appropriation of funds or reduction in Leased Premises due to a change in the State DHEC mandate, as such are outlined in Article 54, Termination for Non Appropriation of Funds, shall not be considered Events of Default.

(b) By Landlord: The occurrence of any one or more of the following events ("Events of Landlord Default") shall constitute a breach of this Lease by Landlord: (a) if Landlord shall fail to pay any sum necessary to maintain the habitability of the Premises when and as the same becomes due and payable and such failure shall continue for more than 30 days after written notice of such failure is received by Landlord from Tenant; or (b) if Landlord shall fail to perform or observe any other term hereof or of the rules and regulations described in Paragraph 14, "Compliance with Legal Requirements," to be performed or observed by Landlord, such failure shall continue for more than 30 days after written notice thereof is received by Landlord from Tenant and Landlord shall not within such period commence with due diligence and dispatch the curing of such default, or, having so commenced, shall thereafter fail or neglect to prosecute or complete with due diligence and dispatch the curing of such default; or (c) vacation or abandonment of its obligations as Landlord for a continuous period in excess of thirty (30) business days; (d) if Landlord fails to separately meter the non-traditional heavy users of utilities in the Building prior to said non-traditional users occupation of the Premises, or (e) if Landlord sells the Premises and fails to have new Landlord agree to all terms and conditions outlined herein by signing a new lease with Tenant that has the same terms as outlined in this Lease; or (f) failure of Landlord to remain current with the costs and expenses associated with the Premises, including but not limited to, electricity, water, plumbing, resulting in Tenant's loss of power, water, sewer or the use of any and all electrical systems in Premises, Building, and/or Leased Premises; or (g) failure to indemnify Tenant as outlined in this Lease; or (h) failure to meet any of the provisions of this Lease.

20. TERMINATION UPON DEFAULT

(a) As to Tenant: In the Event of Tenant's Default, Landlord may terminate this Lease at any time after notice has been given to Tenant in writing, and on the date specified in such notice (which shall be not less than thirty (30) days after the giving of such notice), and provided Tenant shall have failed to cure such default. Tenant's right to possession shall terminate and this Lease shall terminate, unless on or before such date all arrears or rental and all other sums payable by tenant under this Lease and all costs and expenses incurred by or on behalf of Landlord hereunder shall have been paid by Tenant and all other breaches of this Lease by Tenant at the time existing shall have been fully remedied to the satisfaction of Landlord.

Upon such termination, and subject to the South Carolina Tort Claims Act, Landlord may recover from Tenant: (a) the unpaid rental which had been earned at the time of termination without acceleration, less any rental received by Landlord for reletting the Leased Premises (subject to the terms hereinabove); (b) and any other amount necessary to compensate Landlord for all the actual damages proximately caused by Tenant's failure to perform its obligations under this Lease excluding any punitive, exemplary, or consequential damages. Landlord shall be obligated to make reasonable and diligent efforts to mitigate its damages by reletting the Leased Premises at reasonable and current market rates in a timely manner.

(b) As to Landlord: In the Event of Landlord's Default, Tenant may terminate this Lease at any time after such notice has been given to Landlord in writing, and on the date specified in such notice (which shall be not less than thirty (30) days after the giving of such notice), and provided Landlord shall have failed to cure such default. This Lease shall terminate, unless on or before such date all items causing Default under this Lease and all costs and expenses incurred by or on behalf of Tenant hereunder shall have been remedied to the satisfaction of Tenant and/or paid by Landlord and all other breaches of this Lease by Landlord at the time existing shall have been fully remedied to the satisfaction of Tenant. Upon such termination, Tenant may recover from Landlord: (a) the paid rental and operating expense amounts which have been paid from the time of notice of termination until Tenant's relocation from the Premises; (b) all moving and relocation expenses incurred and to be incurred by Tenant, along with any other amount necessary to compensate Tenant for all the actual damages proximately caused by Landlord's failure to perform its obligations under this Lease excluding any punitive, exemplary or consequential damages.

21. AFTER DEFAULT

The legal rights and remedies after default available to the Parties shall include any and all that are available at law, equity or statute. If any fixture, equipment, improvement, installation or appurtenance which, as herein provided, shall be required to be removed from the building by Tenant specified therefore, then Landlord may, after fifteen (15) days written notice to such effect to Tenant, deem the same has been abandoned by Tenant to Landlord, or Landlord may remove the same.

22. OTHER RELIEF

The rights and remedies provided for Landlord and Tenant in this Lease are in addition to any other remedies available at law or in equity by statute or otherwise, except as expressly limited or waived under the provisions of this Lease.

Notwithstanding the above, Landlord and Tenant recognize that the Landlord's performance and compliance with the conditions, obligations, and responsibilities of this Lease are of great importance to the Tenant. Landlord's delays and/or failure to perform any of the conditions, obligations, or responsibilities in this Lease will cause damages to the Tenant greater than termination of the Lease can remedy. Therefore, as additional security and as a performance guaranty of Landlord's compliance and performance with the conditions, obligations, and/or responsibilities of this Lease, the Landlord shall provide, annually, an irrevocable letter of credit in the penal sum of $1,300,000. This letter of credit shall act as security for the Landlord's fulfillment of its obligations to pay third parties for the operation and maintenance of the Premises, Major Systems, or any other matter(s) which negatively impact the habitability of the Premises and Tenant's Quiet Enjoyment of same. The Letter of Credit shall be issued by a financial institution authorized to do business in the State of South Carolina. The cost and expense of the letter(s) of credit shall be paid for by the Tenant and Landlord equally, with the Tenant's portion not to exceed 1.25% annually of the penal sum(s).

23. RIGHT TO CURE DEFAULTS

Except as expressly stated in this Lease, all agreements and provisions to be performed by Landlord and Tenant under any of the terms of this Lease shall be at its sole cost and expense. If Tenant shall fail to pay any sum of money, other than rental, required to be paid by it hereunder or shall fail to perform any other act on its part to be performed hereunder and such failure shall continue for 30 days after written notice thereof by Landlord is received by Tenant, Landlord may, but shall not be obligated to do so, and without waiving or releasing Tenant from any obligations of Tenant, make any such payment or perform any such other act on Tenant's part to be made or performed as provided in this Lease.

If Landlord shall fail to pay any sum of money required to be paid by it hereunder or shall fail to perform any other act on its part to be performed hereunder and such failure shall continue for 30 days after written notice thereof by Tenant is received by Landlord, Tenant may, but shall not be obligated to do so, and without waiving or releasing Landlord from any obligations of Landlord, make any such payment or perform any such other act on Landlord's part to be made or performed as provided in this Lease.

All sums reasonably paid by either Party and all necessary incidental costs shall be deemed additional rent hereunder and shall be payable or credited within thirty (30) days of written demand so long as funds are appropriated therefore, and Parties shall have (in addition to any other rights or remedies) the same rights and remedies in the event of the nonpayment thereof by Tenant as in the case of default by Tenant in the payment of rental, or in the event of the nonpayment thereof by Landlord as in the case of default by Landlord in the payment of its obligations under this Lease

24. ATTORNEY'S FEES

Should any party hereto employ an attorney for the purpose of enforcing, constructing, or declaring rights under this Lease, or any amendment thereto, or any judgment based on this Lease, in any legal proceeding whatsoever, including bankruptcy, arbitration, declaratory relief or other litigation, said Party and each other Party shall pay its own attorneys' fees.

25. EMINENT DOMAIN

If the entire Premises shall be taken by reasons of condemnation or under eminent domain proceedings, Tenant may terminate this Lease Agreement as of the date when possession of the Premises is taken. If a portion of the Premises shall be taken under eminent domain or by reason of condemnation if in the opinion of Tenant, reasonably exercised, the remainder of the Leased Premises is no longer suitable for Tenant's business, the Lease, at Tenant's option, to be exercised by notice to Landlord within sixty (60) days of such taking shall terminate, and any unearned rents paid or credited in advance shall be refunded to Tenant.

If this Lease is not so terminated because the entire Premises has not been taken, Landlord forthwith and with due diligence, shall restore the Leased Premises pursuant to plans approved by Tenant, if so damaged. Until so restored, subject to the following sentence, fixed rent shall abate to the extent that Tenant shall not be able to conduct business in accordance with Tenant's customary business practices, and thereafter fixed rent for the remaining portion of the Term shall be proportionately reduced.

In the event any part of the Leased Premises shall be taken by reason of condemnation or under eminent domain and if in the opinion of Tenant, reasonably exercised, the Leased Premises is no longer suitable for Tenant's business, this Lease, at Tenant's option, by notice to Landlord within sixty (60) days of such taking shall terminate. If this Lease is not terminated, Landlord, at Landlord's expense shall restore the Leased Premises to a proper and usable condition pursuant to plans approved by Tenant. Until such time that areas are restored to a proper and usable condition, rent shall be abated and thereafter fixed rent for the remainder of the Term shall be proportionately reduced.

Tenant shall be entitled to the award in connection with any condemnation insofar as the same represents compensation for or damage to Tenant's fixture, equipment, leasehold improvements or other property, moving expenses as well as the loss of leasehold (i.e. the unexpired balance of the Lease Term immediately prior to such taking). Landlord shall be entitled to the award insofar as the same represents compensation for or damage to the fee remainder, such amounts as allowed by law as losses or as damages in condemnation proceedings.

For the purposes of this Article, the term "condemnation of under eminent domain proceedings shall include, without limitation: (1) conveyances and grants made in anticipation of or in lieu of such proceedings and/or (2) loss or impairment of ingress or egress rights to and/or from Premises from adjacent roadways.

26. SUBORDINATION / NON-DISTURBANCE / ATTORNMENT

Landlord shall use its best efforts to ensure that any mortgagee, trustee or ground lessor shall elect to have this Lease prior to the lien of its mortgage, deed of trust or ground lease, and in such event this Lease shall be deemed prior to such mortgage, deed of trust or ground lease, whether this Lease is dated prior or subsequent to the date of said mortgage, deed of trust or ground lease or the date of recording thereof.

Tenant's right to quiet possession of the Leased Premises shall not be disturbed if Tenant is not in default of the Lease, unless this Lease is otherwise terminated pursuant to its terms. So long as Tenant enjoys the right of quiet possession of the Premises, Tenant shall enjoy this same right with any successor in title to the Premises, including any purchaser to whom the mortgagee,

trustee, or ground lessor might sell the Premises to following or as a part of the exercise of enforcement remedies against the Landlord.

The Landlord agrees to use its best efforts to obtain the subordination of any mortgage, deed of trust or ground lease, as the case may be such that this lease may have priority. Notwithstanding, Tenant agrees to execute any documents required or requested by Landlord's lenders that are reasonable and necessary to effectuate the subordination of this lease or to make this Lease subordinate to any mortgage, deed of trust or ground lease, as the case may be.

27. NO MERGER

The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of Landlord terminate all or any existing subleases or sub tenancies, or may, at the option of Landlord, operate as an assignment to it of all such subleases or sub tenancies.

28. SALE

In the event the Landlord hereunder, or any successor owner of the Premises, shall sell or convey the Premises, all liabilities and obligations on the part of the Landlord, or such successor owner, under this Lease accruing thereafter shall remain, and only terminate to the extent that the purchaser, transferee, tenant or assignee assumes the covenants and obligations of the Landlord under this Lease as new owner(s) and agrees in writing with the Tenant to accept all liabilities and obligations on the part of the Landlord to be binding upon the new owner.

29. ESTOPPEL CERTIFICATE

Provided that Tenant receives reasonable written assurances from Landlord and a prospective purchaser, mortgagee or beneficiary under any deed of trust of the Premises that Tenant's right to quiet possession of the Leased Premises shall not be disturbed if Tenant is not in default and so long as Tenant shall pay the rent and observe and perform all of the provisions of the Lease, then Tenant shall, at any time and from time to time but on not less than 10 days prior written request by Landlord, execute, acknowledge and deliver to Landlord, promptly upon request, a certificate certifying (a) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the date and nature of each modification), (b) the date, if any, to which rental and other sums payable hereunder have been paid, (c) that no notice has been received by Tenant of any default which has not been cured, except as to defaults specified in said certificate and (d) such other matters as may be reasonably requested by Landlord. Any such certificate may be relied upon by any prospective purchaser, mortgagee or beneficiary under any deed of trust of the Building or any part thereof, as an estoppel without liability of Tenant.

30. NO LIGHT, AIR OR VIEW EASEMENT

Any diminution or shutting off of light, air or view by any structure which may be erected on lands adjacent to the Building shall in no way affect this Lease or impose any liability on Landlord.

31. HOLDING OVER

If, without objection by Landlord, Tenant holds possession of the Leased Premises after expiration of the term of this Lease, Tenant shall become a tenant from month to month upon the terms herein specified.

32. ABANDONMENT

Tenant shall not be considered to have abandoned or vacated the Leased Premises as long as Tenant continues to pay rent and fulfill all other obligations of this Lease, regardless of whether Tenant is actually continuously occupying the space or not, unless Tenant gives notice of termination if and as allowed by this Lease.

33. SECURITY DEPOSIT

There is no security deposit for this Lease.

34. WAIVER

The waiver by Landlord or Tenant of any agreement, condition or provision herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other agreement, condition or provision herein contained, nor shall any custom or practice which may grow upon between the Parties in the administration of the terms hereof be construed to waive or to lessen the right of Landlord or Tenant to insist upon the performance by the other in strict accordance with said terms. The subsequent acceptance of rental hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any agreement, condition or provision of this Lease, other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rental.

35. NOTICES

All notices and demands which may or are required to be given by either party to the other hereunder shall be in writing and shall be deemed to have been fully given when deposited in the United States mail, certified or registered, postage prepaid, and addressed as follows: to Tenant at:

Charleston County
Attn: County Administrator
4045 Bridge View Drive
North Charleston, South Carolina 29405

or to such other place as Tenant may from time to time designate in a written notice to Landlord. All notices for Landlord shall go to:

Chicora Life Center, LC
c/o Durbano Properties, L.C.
476 W. Heritage Park Blvd., Suite 200
Layton, Utah 84041

or to such other place as Landlord may from time to time designate in a written notice to Tenant.

36. ENTIRE AGREEMENT

There are no oral agreements between Landlord and Tenant affecting this Lease, and this Lease supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements and understandings, if any, between Landlord and Tenant with respect to the subject

matter of this Lease. This Lease may not be altered, changed or amended, except by an instrument in writing signed by both parties hereto.

37. CORPORATE AUTHORITY

Tenant represents that it is a duly authorized and validly existing local government and political subdivision of the State of South Carolina. Landlord represents that it is a duly authorized and validly existing limited liability company in the State of South Carolina.

38. GUARANTEE OF LEASE

[Intentionally Omitted]

39. MISCELLANEOUS

The words "Landlord" and "Tenant" as used herein shall include the plural as well as the singular. If there be more than one Tenant, the obligations hereunder imposed upon Tenant shall be joint and several. Time is of the essence of this Lease and each and all of its provisions. Submission of this instrument or examination or signature by Tenant does not constitute a reservation of or option for lease, and it is not effective as a lease or otherwise until execution and delivery by both Landlord and Tenant. The agreements, conditions, and provisions herein contained shall, subject to the provisions as to assignment, apply to and bind the heirs, executors, administrators, successors and assigns of the Parties hereto. Landlord shall not use the name of Tenant for any purposes except that Tenant's name may be listed in any directory within the premises. All amounts of money payable by Tenant to Landlord hereunder, if not paid when due, shall bear interest from the due date until paid at the rate of 12% per annum, subject to the appropriation of funds therefor. If any provision of this Lease shall be determined to be illegal or unenforceable, such determination shall not affect any other provision of this Lease and all such other provisions shall remain in full force and effect. This Lease shall be governed by and construed in accordance with the laws of the State of South Carolina.

40. EXHIBITS

The Landlord and Tenant agree that the Lease shall include the following documents: Exhibit A (Plan Sheets of Leased Premises (A-101 (dated 6/23/2014), A-102 (dated 6/23/2014), A-103 (dated 6/23/2014), A-104 (dated 6/23/2014) and, A-107 (dated 6/23/2014))), Exhibit B (Improvements to Premises/Tenant Improvements), Exhibit C (Landlord Warranties on Major Operating Systems), Exhibit D (Rules and Regulations (TBD)), Exhibit E (Remodel/Finish Schedule Documents), Exhibit F (Cost Estimate Charleston County and Chicora Life Center Charleston County Renovations) and Basic Lease Information, which are incorporated herein by reference. In the event of any conflict, discrepancy, or inconsistency among any of the documents which make up this Lease (Lease Documents), the following shall control: As between the Lease and the Lease Documents, the Lease shall govern. In the event of any conflict, discrepancy, or inconsistency among any of the Lease Documents, the Landlord shall notify the Tenant immediately upon discovery and Tenant shall notify the Landlord immediately upon discovery of the same so the Parties can reach a resolution. Any documents not included or expressly contemplated in this Lease do not, and shall not, form a part of this Lease. The Lease Documents are intended to be complementary, and a requirement in one document shall be deemed a requirement in all documents.

41. SEVERABILITY

If any term or provision of this Lease, or the application thereof to any person or circumstance, shall to any extent be held to be invalid or unenforceable by a court of competent jurisdiction, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and shall be enforceable to the extent permitted by law.

42. BROKERS/DISCLOSURES

Tenant and Landlord warrant that it has no dealings with any real estate broker or agents in connection with the negotiation of this Lease and it knows of no other real estate brokers or agents who are entitled to a commission in connection with this lease.

43. FORCE MAJEURE

Landlord shall have no liability whatsoever to Tenant, and Tenant to Landlord, on account of (1) the inability to fulfill, or delay in fulfilling, any obligations under this Lease by reason of strike, other labor trouble, governmental preemption of priorities or other controls in connection with national or other public emergency, or shortages of fuel, supplies or labor resulting there from or any other cause, whether similar or dissimilar to the above, beyond Landlord's or Tenant's reasonable control; or (2) any failure or defect in the supply, quantity or character of electricity or water furnished to the Premises, by reason of any requirement, act or omission of the public utility or others furnishing the building with electricity or water, or for any other reason, whether similar or dissimilar to the above, beyond Landlord's or Tenant's reasonable control. If this Lease specifies a time period for performance of an obligation, that time period shall be extended by the period of any delay in performance caused by any of the events of force majeure described above, but all events not to exceed ninety (90) days.

Landlord and Tenant jointly shall establish and will continue to have in place a disaster recovery plan to reestablish the Premises in working order as soon as practicable.

44. TENANT'S RIGHT TO SELF HELP

Landlord and Tenant acknowledge that Tenant's use of the Leased Premises may involve critical health care operations for which generators, pumps, or other equipment must operate without disruption. Accordingly, if such equipment should malfunction or the Leased Premises should otherwise suffer from a disruption of these critical processes outside of normal business hours or at a time when Tenant cannot reasonably reach Landlord, Tenant is authorized to take such self-help measures as are reasonably necessary to maintain critical processes. The exercise of such self-help measures by Tenant shall not be construed an Event of Default under the Lease.

45. ENVIRONMENTAL DISCLOSURE

Landlord represents and warrants that it has no knowledge of any deposit, asbestos, storage, disposal, removal, burial, discharge, spillage, uncontrolled loss, seepage or filtration of oil, petroleum or chemical liquids or solids, liquid or gaseous products or any hazardous wastes or hazardous substances (collectively, "Hazardous Substances"), as those terms are used in any appropriate and applicable law, code or ordinance including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 at, upon, under or within the Premises as a consequence of ownership or other use thereof prior to the Lease Term

Commencement of this Lease by Landlord, its employees, agents or servants or any party acting pursuant to a right or interest therein from Landlord.

46. AMERICANS WITH DISABILITIES / DHEC / DAODAS

Landlord shall be responsible for compliance with the Americans With Disabilities Act (ADA). In the event it becomes necessary to make modifications to the floor plan as approved by Tenant in order to comply with provisions of ADA or other applicable building codes, such modifications shall not be grounds for termination of this Lease by Tenant, so long as modifications do not substantially impair Tenants intended use of the Leased Premises. Landlord and Tenant will work together to ensure compliance and appropriate licensing according to requirements of the South Carolina Department of Health and Environmental Control and Department of Alcohol and Other Drug Abuse Services.

47. NON-DISTURBANCE

So long as the Tenant is not in default in the payment of rent or in the performance of any of the terms of the Lease, Tenant shall peaceably and quietly hold and enjoy the Leased Premises for the Term provided herein without hindrance or interruption by Landlord or any other person or persons lawfully or equitably claiming by, through or under Landlord, and the Tenant's possession of the Leased Premises and the Tenant's rights and privileges under the Lease or any renewal thereof shall not be diminished or interfered with by the Mortgagee.

48. PREPARATION OF LEASE

It is hereby understood that no representation or recommendations have been made by the Landlord, Durbano Law Firm, real estate brokers involved herein, or their employees or agents, as to the legal sufficiency, legal effect or tax consequences of this Lease or this transaction. Landlord and Tenant should retain legal counsel to advise them on such matters and should rely upon the advice of such legal counsel. Landlord and Tenant have expressly directed its respective legal counsel to fill in this form Lease and to make certain insertions and deletions.

49. FINANCIAL CONDITION

[Intentionally Omitted]

50. TENANT IMPROVEMENTS

The Landlord shall deliver the Leased Premises pursuant to the specifications approved by the Tenant as provided in this Lease. In addition, Landlord shall obtain and grant warranties for the term of this Lease on all Major Systems included in the Tenant Improvements and for the term of this Lease for the Major Systems of the Premises. Landlord will obtain third-party warranties from qualified service providers if such is reasonably and commercially available. Landlord will obtain insurance against equipment breakdown prior to Tenant taking possession of the Leased Premises. See Exhibit C, Landlord Warranties on Major Operating Expenses.

51. SIGNAGE

See Tenant Improvements.

52. OPTION

There is no option associated with this Lease, unless otherwise agreed to in writing by the Parties.

53. CONTROLLING LAW

The laws of South Carolina shall govern this Lease. All litigation arising under this Contract shall be litigated only in a nonjury hearing in the Court of Common Pleas, Ninth Judicial Circuit, Charleston County, South Carolina.

54. TERMINATION FOR NON-APPROPRIATION OF FUNDS

The Tenant, by written advance notice of at least ninety (90) days, may terminate this Lease in whole or in part in the event that sufficient appropriation of funds from any source (whether federal, state, county or other source) are not made or sufficient funds or otherwise unavailable, in either case, to pay the charges under this Lease. If this Lease is so terminated, the Landlord shall be compensated for all necessary and reasonable actual costs of performing the Lease up to the date of such termination. The Landlord will not be compensated for any other costs in connection with a termination for non-appropriation. The Landlord will not be entitled to recover any damages in connection with a termination for non-appropriation, including but not limited to, lost profits.

Pursuant to S.C. Code Ann. § 6-27-55, as amended, Charleston County provides various county offices to state agencies including DHEC. Provided however, if this State mandate should change, Tenant will promptly notify Landlord in writing and provide thirty (30) days notice before reducing the net usable square footage of the Leased Premises for which it is responsible to pay rent at no penalty to the Tenant and the Tenant shall be entitled to a reduction in the Monthly Rent reflecting the change in net usable square feet and prorated accordingly.

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IN WITNESS WHEREOF, the parties have executed this Lease dated the day and year first above written.

WITNESS

LANDLORD

CHICORA LIFE CENTER, LC

By: _____

Its: _____ 6/30/14

WITNESS

TENANT

CHARLESTON COUNTY

By: _____

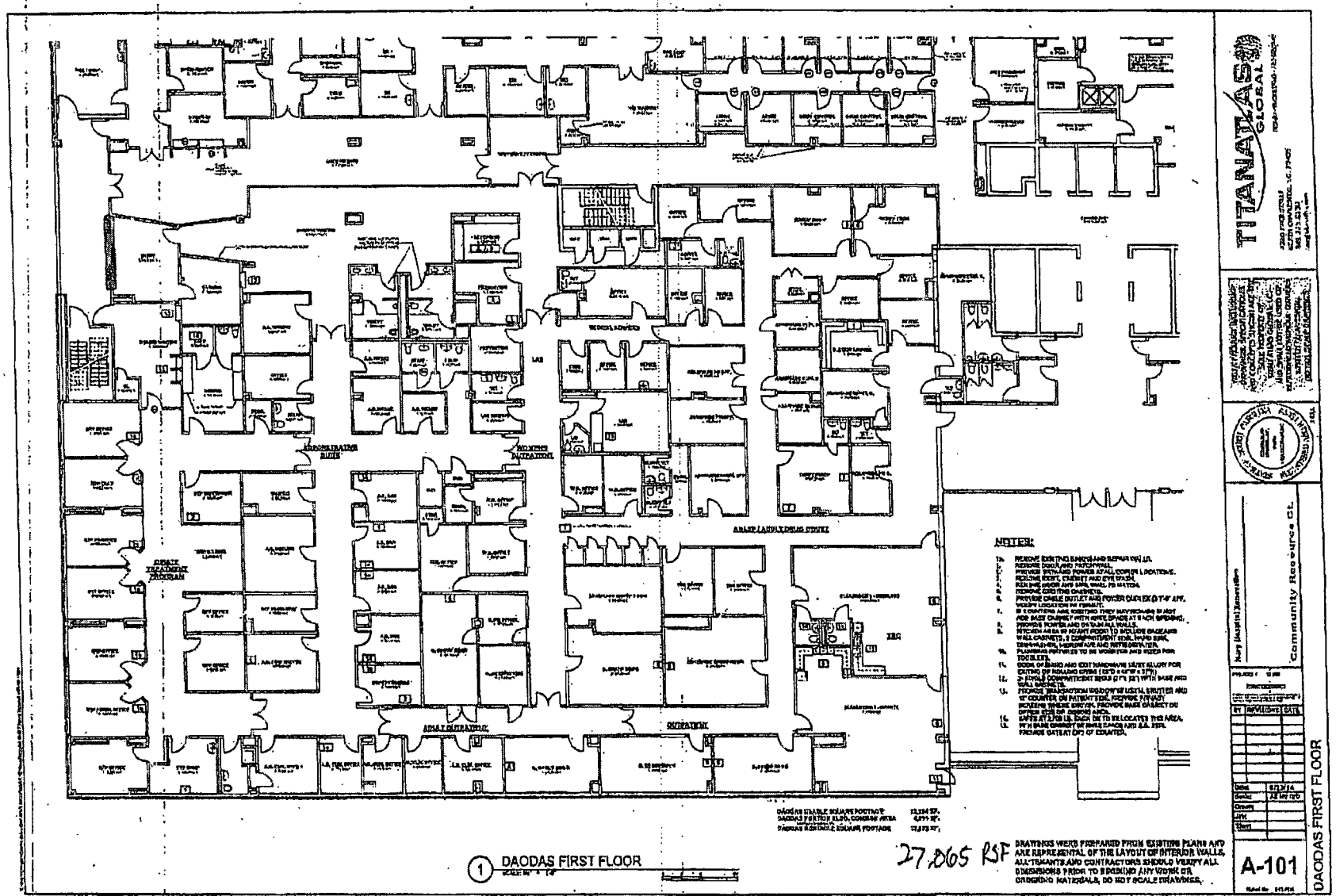
Its: Chairman 6/30/14

EXHIBIT "A"
Plan Sheets of Leased Premises

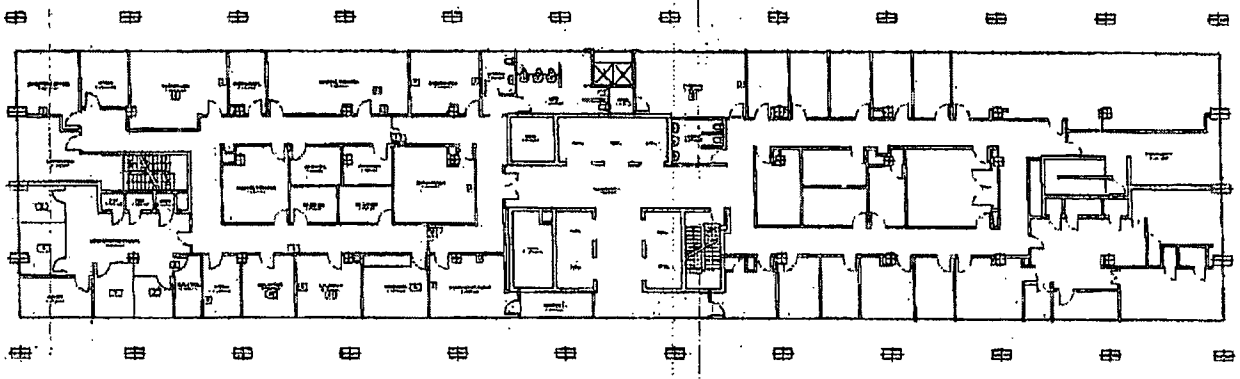
A-101(6/23/14) DAODAS First Floor	27,065 RSF
A-102 (6/23/14) DAODAS Second (23,048 RSF) and Eighth Floor (8,427 RSF)	31,475 RSF
A-103 (6/23/14) Coroner Main and First Floor	8,786 RSF
A-104 (6/23/14) DHEC First Floor	28,360 RSF
A-107 (6/23/14) Vital Records First Floor	2,401 RSF
Lease Premises Total Rentable Square Feet	98,087 RSF

Initials

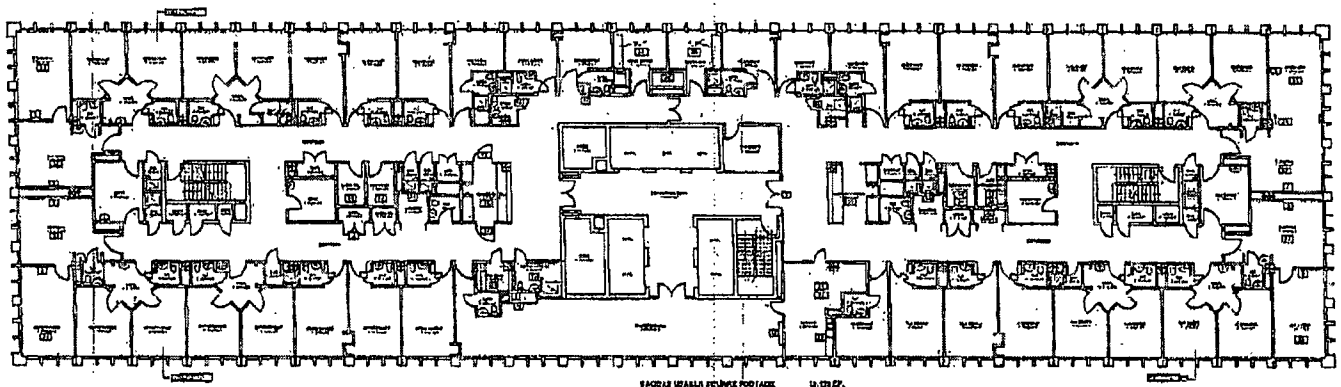
Initials


DAODAS FIRST FLOOR
27,065 RSF
A-101
DAODAS FIRST FLOOR
Community Resource Ct.
TITAN/ASG GLOBAL

Ex A. cont



1 2nd Floor 8,427 RSF



2 8th Floor Plan 23,048 RSF

NOTES:

1. REMOVE EXIST. DOOR AND INFILL WALL TO MATCH.
2. ADD WALL & DOOR.
3. PROVIDE CABLE AND DUPLEX OUTLET @ 7'-0" AFF
4. PROVIDE POWER & DATA @ 4'-0" ALONG WALL.
5. REMOVE WALL & DOOR.
6. RETAIN EXISTING CUBICLES.
7. MODIFY EXISTING CUBICLE TO PROVIDE ACCESS TO DOOR.
8. RETAIN EXISTING DOOR.
9. ADD NEW PARTITION WALL.
10. RETAIN EXISTING LOCKERS ON 8th FLOOR.
11. PROVIDE DATA AND POWER AT CORNER LOCATIONS.
12. PROVIDE 42" WALL AND GATE AT NURSES STATION.
13. PROVIDE ADA COMPLIANT 30"X60" ANTI ROOM.
14. PROVIDE 6'-0" BASE CABINET AND SINK. POWER @ 42" FOR 3 MICROWAVES
15. PROVIDE DATA/RJ POWER AT FRONT AND REAR CABINETS OF NURSES STATION.
16. REMOVE EXISTING CABINETS.
17. RETAIN EXISTING SINK AND MAKE OPERATIONAL.
18. RENOVATE INTO STAFF TOILET.
19. PROVIDE 5'-0" WIDE PASS THRU W/ ROLL DOWN SHUTTER AND 14" DEEP SERVICE COUNTER. CENTER IN EXISTING WALL.
20. DEMO CLINICAL SINK, SANITIZER AND CABINET.
21. DEMO EXISTING BASE AND WALL CABINETS. PROVIDE BASE CABINET WITH 2 INFANT BATHING 21"L x 42"D S.S. SINK. OPTION FOR TROUGH TYP. SINK TO ACCOMODATE 3- 22"L x 15"D BATHING TUBES. TROUGH OPTION IS PREFERED.
22. IN ALL GROUP AND DAY ROOMS REMOVE ALL SURFACE MOUNTED CONDUIT AND BOXES. PATCH AS REQUIRED. PROVIDE WASH REVORYSER HOOK-UP AND BI-FOLD DOORS.
24. DEMO EXISTING WALLS OF SHOWER AND JANITOR CLOSET AND INCORPORATE INTO KITCHEN AREA.
25. DEMO EXISTING WALL.
26. ROOM DIVIDERS
27. PROVIDE WATER SUPPLY, WASTE AND POWER TO ACCOMODATE COMMERCIAL REFRIGERATOR, FREEZER, ICE MACHINE, STEAM TABLE, MICROWAVE AND DISHWASHER.
28. SHEETROCK OVER EXISTING CURB/WAINSCOT TO PREVENT ACCESS.
29. ADD BASE CABINET WITH DBL SINK AND DISHWASHER CUT-OUT.
30. REMOVE EXISTING SERVING TILE WALL AND FLOOR FINISHES. REPLACE WITH SHEETROCK ON WALLS. FLOORING TO BE CARPET IN OFFICES AND VCT IN WORK/CORNER ROOM.
31. EXISTING STORAGE TILE FINISHES CAN REMAIN OR BE REPLACED AS REQUIRED.
32. REMOVE HOPPER, PREP CLINICAL SINK, MAKE OPERATIONAL. REPAIR OR REPLACE RUSTY BASE AND WALL CABINETS. DAMAGED WALL AND FLOOR FINISH MAY REMAIN. REPAIR AREA OF HOPPER DEMOLITION.
33. REMOVE EXISTING SITZ BATH AND REPLACE WITH MOP SINK.
34. DEMO SHOWER IN ADJACENT BATH AND CAPTURE SPACE FOR MED. PREPERATION ROOM. MED. PREP. ROOM TO HAVE NEW LOCKABLE BASE AND WALL CABINETS W/ S.S. SINK. PROVIDE 6- 12" DEEP SHELVES ON WALL WHERE SHOWN.
35. OHSC REQUIRES 100 SF/PATIENT IN SINGLE ROOMS AND 80 SF/PATIENT IN DOUBLE ROOMS.

DRAWINGS WERE PREPARED FROM EXISTING PLANS AND ARE REPRESENTAL OF THE LAYOUT OF INTERIOR WALLS. ALL TENANTS AND CONTRACTORS SHOULD VERIFY ALL DIMENSIONS PRIOR TO ORDERING ANY WORK OR ORDERING MATERIALS. DO NOT SCALE DRAWINGS.

TITAN/A&D GLOBAL

Community Resources Ct.

Jury Hospital Remodel

No	REVISIONS	DATE

Date 8/22/14
Drawn AS NOTED
Checked
Scale

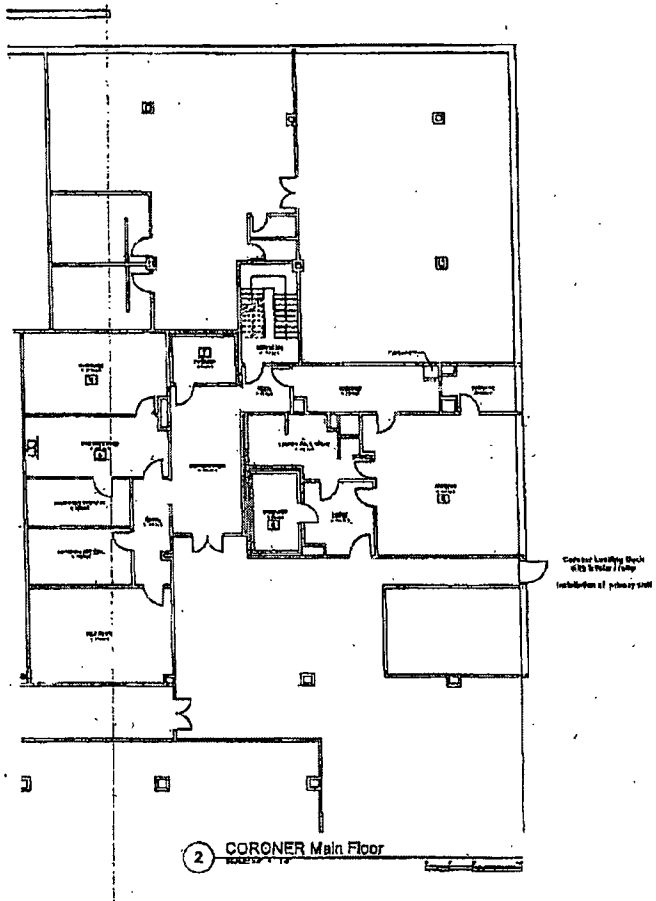
A-102

2nd & 8th FLOOR PLANS

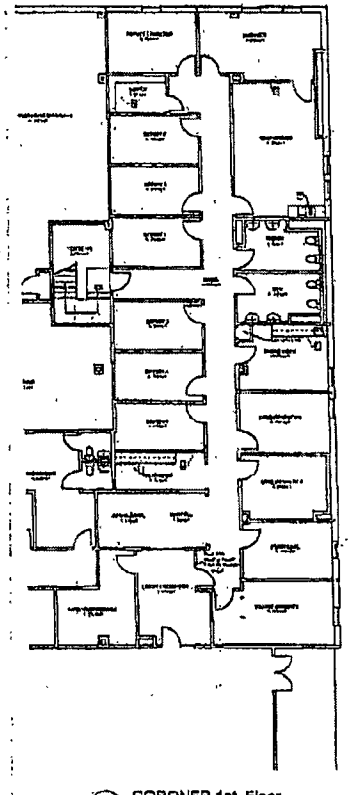
Ex A - Cont.

R. Appeal75

DRAWINGS WERE PREPARED FROM EXISTING PLANS AND ARE REPRESENTAL OF THE LAYOUT OF INTERIOR WALLS. ALL TENANTS AND CONTRACTORS SHOULD VERIFY ALL DIMENSIONS PRIOR TO BEGINNING ANY WORK OR ORDERING MATERIALS. DO NOT SCALE DRAWINGS.



(2) CORONER Main Floor



(1) CORONER 1st. Floor

NOTES:

1. PROVIDE BASE & DBLL CHAIRS WITH POWER/DATA OUTLETS BEHIND COUNTER.
2. PROVIDE DBLL AND POWER AT ALL COPIER LOCATIONS.
3. PROVIDE POWER/CABLE OUTLETS AT APP. VERIFY LOCATION WITH TENANT.
4. PROVIDE 8 DRAWERS, 12 HONG DEEP ON TWO WALLS.
5. PROVIDE BASE AND WALL CABINETS W/ ADJ. SHELVING.
6. PROVIDE DATA AND DATA FOR TENANTS REFRIGERATOR/BOARD LAN EQUIPMENT, VERIFY LOCATIONS WITH TENANT.
7. PROVIDE POWER AND DATA AT UTILITY SQUARE FOR TENANT PROCESS.
8. PROVIDE, PROVIDE CABLE STYLE OPTIONAL, PROVIDE 8 LOCK CABINET W/ ADJ. SHELVING.

8,786 RSF

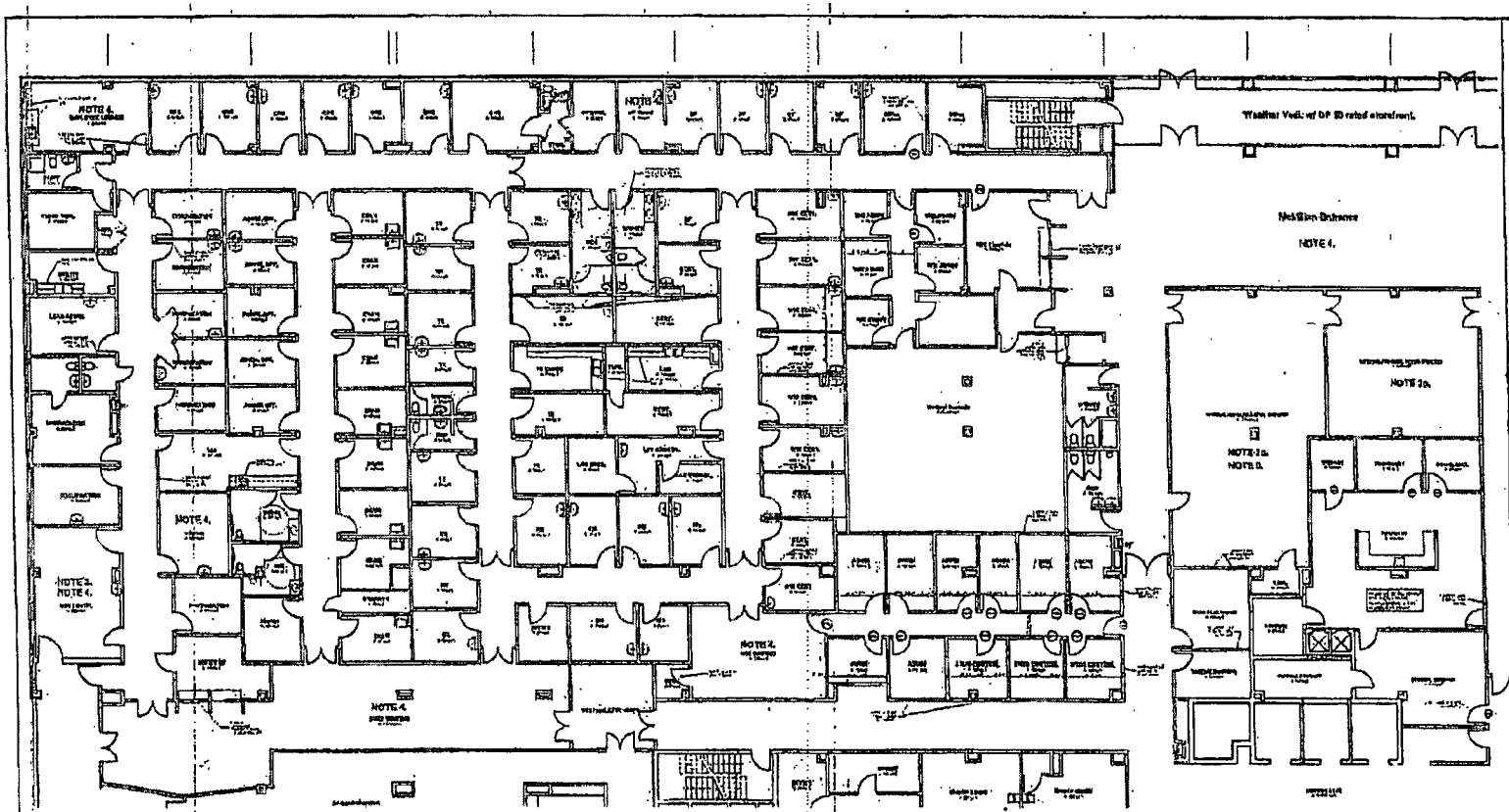
Ex A - Cont

TITAN/AS GLOBAL

Community Resource Ct.

A-103

Corner Plan



1 DHEC 1st Floor

DHEC RENTABLE PRIVATE FOOTAGE : 25,287 SF.
DHEC PORTION BLDG. COMMON AREA : 3,073 SF.
DHEC RENTABLE SQ MAX FOOTAGE : 28,360 SF.

28,360 RSF

GENERAL NOTES (EXHIBIT FOR LEASE)

NOTE 1. All existing rooms have a minimum of (power on two walls and data on one wall. Agency to coordinate Additional locations with their IT provider.
NOTE 2. Emergency Generator Receptacle provided for entire building.
NOTE 2a. Regional Consultant Component to have power and data at 4'-0" o/c on perimeter walls. Coordinate location of Cable TV and power for TV in each room.
NOTE 2b. Special Needs Shelter to have power at 4'-0" o/c on perimeter walls. Coordinate location of cable TV and power for TV in each room.
NOTE 4. Provide Cable TV and power for TV in these rooms. Coord. locations on final drawings.
NOTE 6. Provide data/power for 8 commercial refrigerators and freezers on back-up generator grid.
NOTE 6. Coordinate all finishes with DHEC Licensing Agency on final drawings and specifications.
NOTE 7. DHEC to coordinate and provide all drawings and paperwork for Emergency relocation.
NOTE 8. Building will provide 277 all spaces in compliance ceilings and locations in their areas.
NOTE 9. DHEC to be provided 200 square feet of storage space for Special Needs Shelter supplies, equipment and cots on the state level.

DRAWINGS WERE PREPARED FROM EXISTING PLANS AND ARE REPRESENTATIVE OF THE LAYOUT OF INTERIOR WALLS. ALL TENANTS AND CONTRACTORS SHOULD VERIFY ALL DIMENSIONS PRIOR TO BEGINNING ANY WORK OR ORDERING MATERIALS. DO NOT SCALE DRAWINGS.

TITAN/AS GLOBAL

Community Resource Ct.

Date:	6/23/14
Scale:	As noted
Drawn:	
Job #:	
Sheet:	

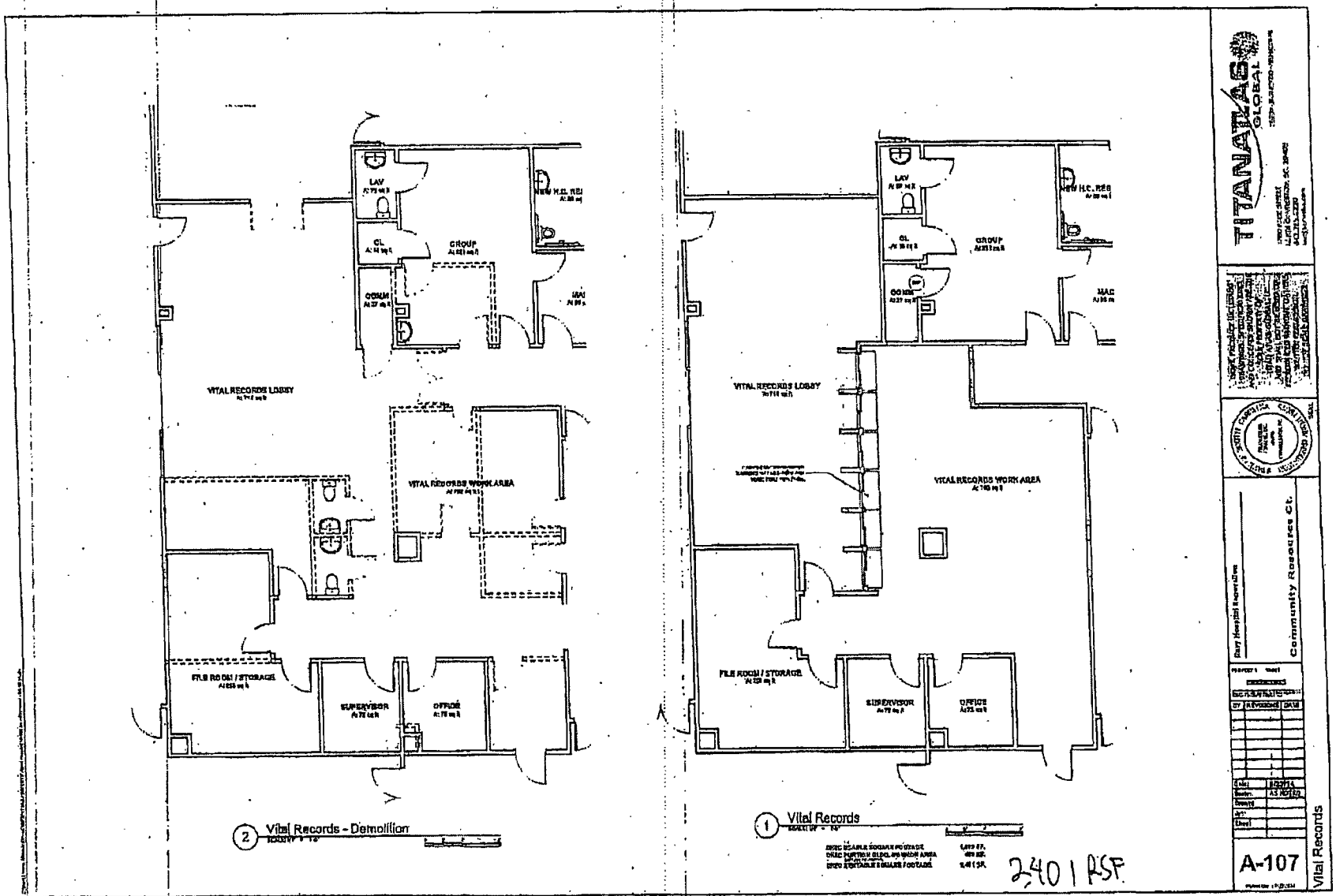
A-104

DHEC PLAN

Ex A - Cont.

6/23/14

R. Appeal77


VITAL RECORDS LOBBY
VITAL RECORDS WORK AREA
FILE ROOM / STORAGE
SUPERVISOR
OFFICE
GROUP
2 Vital Records - Demolition
1 Vital Records
2,401 RSF
TITAN/A&S GLOBAL
Community Resources Ct.
A-107
Vital Records

Ex A-Cont

EXHIBIT B
Improvements to Premises / Tenant Improvements

The Parties have identified and drawn up the Tenant Improvements for the Tenant's use of the Premises. When the Tenant Improvements are approved, the Tenant will provide written notice of the same to the Landlord.

Landlord has provided a cost estimate of $1,200,383 ("Cost Estimate"), as provided in Exhibit F (entitled "Cost Estimate Charleston County and Chicora Life Center Charleston county Renovations,") to complete the Tenant Improvements. Landlord has agreed to provide up to $1,600,000.00 for any and all Tenant Improvements (the "Budget Cap"). The Tenant Improvements will be completed to the Tenant's reasonable satisfaction as outlined and detailed in the Exhibits. The Tenant Improvements will include the necessary requirements to be determined by any licensing or regulatory authority of the Tenant, which Tenant must apply for and pursue in a reasonable and timely manner. Landlord will pay the first $1,600,000 of Tenant Improvements with any amount over $1,600,000 to be mutually agreed to in advance by the Parties before such Budget Cap is ever exceeded. The Parties agree to negotiate in good faith to determine a mutually agreed upon amount over the Budget Cap and the respective financial obligations of the Parties for the same.

The expectation and agreement of the Parties, subject to written approval by the Tenant is that any current or existing improvements at the Premises may be utilized to the fullest extent possible so as to reduce the costs of Tenant Improvements which Landlord shall pay and allow for completion of the Tenant Improvements within the parameters of the attached Budget.

The expectation of the Parties is that all built-in furnishings, as are existing or shown on drawings in Exhibit A, will be included in the Tenant Improvements.

GENERAL RENOVATION:

The following general renovation requirements are supplemental to the notes listed on the drawings in Exhibit A, and apply to all suites, all floors, again subject to the Budget Cap:

1. As directed by Tenant, rooms shall have a minimum of two (2) electrical outlets and two (2) communications outlets. Rooms that house multiple staff shall have a minimum of (2) electrical outlets and (1) communications outlet per staff member.
2. Additional electrical and communications outlet requirements noted on the floor plans shall be provided.
3. Where equipment locations are shown on the floor plans, power and data as required by the individual piece of equipment shall be provided.
4. One (1) electrical and one (1) communication outlet shall be provided at locations indicated on floor plans for copiers, fax machines, and television/monitor locations.
5. The existing HVAC system shall be modified to accommodate the approved floor plan layout to provide conditioned air in all spaces. Where modifications are extensive the portion of the HVAC system serving the area shall be rebalanced.

6. The existing sprinkler system shall be modified to accommodate the approved floor plan layout to provide sprinkler coverage in all spaces.

7. Room finishes (ceiling, wall, and floor) shall be provided as requested by the Tenant or as required by the Regulatory and Licensing Agency.

8. Landlord shall provide the following building signage:
   - Exterior signage to identify entry point for Tenant's suite.
   - Directory signage at all Lobbies listing suite numbers and occupants and directional signage throughout the building adequate to direct visitors to a specific suite.
   - Emergency fire evacuation signage and signage as required by the building code or the authority having jurisdiction.
   - Internal signage within Tenant suite(s) to include adequate directional signage and a minimum of one (1) sign per room or space.

9. Parking: Landlord shall provide and maintain common parking areas as per the terms of the Lease.

LICENSING AGENCIES & APPROVING AUTHORITIES:

1. When originally built, the building met all building code requirements in accordance with the then-existing edition of the building code (IBC). The building is to be renovated in a manner that the Landlord shall be able to obtain a certificate of occupancy, which will not require meeting all requirements of the current edition of the IBC provisions for existing and current buildings.

2. Landlord shall participate with Tenant in a combined effort to obtain approvals and licensing from Regulatory and Licensing Agencies, including DHEC and any other regulatory agencies. Landlord, as Architect of Record for the Tenant Improvements, shall provide signed and sealed drawings and specifications, and other documents and information as necessary, to obtain approvals and licensing. Landlord or its agent shall attend meetings with Regulatory and Licensing Agencies that are part of the review and approval process.

3. Landlord shall provide construction administration services during renovations as required in DHEC Regulation 61-93 (section 1804-A-3).

4. Landlord shall provide permanently mounted FF&E items required by Regulatory and Licensing Agencies as required and listed in published guideline, regulations, or requirements. These items may include, for example, fire extinguishers, grab bars, mirrors, and similar items.

IT AND COMMUNICATIONS SYSTEMS:

The structured cable system for telephone and data systems should already be installed at the Premises and may be adequate for Tenant's uses. Tenant may request

additional structured cable (telephone and data) infrastructure where missing or needed to meet Tenant's standards, the costs to be included in the Tenant Improvements, again subject to the Budget Cap. Landlord shall thereafter maintain the structured cable system as one of the building systems. Tenant will be responsible for installing its telephone systems, handsets and any data network switches and routers. The following specifications apply, again subject to the Budget Cap:

At least one wiring closet or IDF (intermediate distribution frame) shall be provided per leased space/office suite/contiguous work area on each floor to allow the mounting of data networking and telephony equipment. The IDF shall also contain all data cabling for the supported area. The IDF shall be equipped with a plywood backboard suitable for securely mounting a minimum 32" tall data rack or sufficient floor space to install a typical 19" wide two post data rack. Sufficient clearances must be provided around the rack to allow for the installation and maintenance of equipment in the rack. The IDF shall be sufficiently ventilated to allow the data networking and telephony equipment to operate within appropriate temperature and humidity specifications. Each IDF shall be equipped with at least one 20 amp 120 volt NEMA outlet on a dedicated circuit.

Station cables (cables from IDF to termination point or jack) shall connect the workers' computer, telephones and other data-com equipment to the IDF. Station cabling shall be Category 5 compliant. Cabling shall be terminated in ANSI/TIA T568B configuration terminated in a jack at the station end and in a corresponding Category 5 compliant patch panel in the IDF. All cables shall be clearly labeled in a logical manner to allow for fast and accurate identification of a cable at both ends. 2 cables shall be supplied for each individual work area. Additional cables shall be provided for common work equipment such as copiers, fax machines, wireless access points, etc. RG6 coaxial cable shall connect from the IDF or to television locations as marked on the drawings. The Tenant will test all provided cable using the appropriate TIA/EIA specification. Landlord shall replace or repair any cables which do not pass testing.

One IDF shall be designated the MDF (main distribution frame). This wiring closet shall connect to all other IDF's in spaces leased by the Tenant with fiber optic cable. Fiber optic cable shall consist of at least 6 strands and shall be capable of supporting 1 gigabit transmission over the length of the installed cable. The MDF shall be equipped with at least two 20 amp 120 volt NEMA outlets on dedicated circuits.

Landlord shall ensure that AT&T, the local cable television provider, and preferably other service providers, have a pathway into the building from the right of way. Landlord shall provide a pathway within the building for AT&T to route their cables to each IDF leased by the Tenant. At a minimum these cables will consist of AT&T fiber optic cable and 12 pair copper cable to the MDF and a minimum of 6 pairs of copper cable to all other IDF's. AT&T typically requires a minimum 2" inner duct to run fiber optic cable within a building. Landlord shall provide a pathway within the building for the local cable television provider to route their cables to each IDF leased by the Tenant.

COUNTY REVIEW AND APPROVAL OF PLANS:

Landlord shall be responsible for providing construction documents—at the level of detail necessary for obtaining a building permit from the City—for the Tenant 's review and approval prior to making the Tenant Improvements. The Tenant shall complete all such reviews within 3 business days of being provided such design documents and Tenant shall be deemed to have approved the provided design documents in the event it has not communicated specific objections to such documents within such period.

DOCUMENTATION:

1. All documents relating in any manner whatsoever to the renovations, or any designated portion thereof, which are in the possession of Landlord, or any subcontractor of Landlord, shall be made available to the Tenant for inspection and copying upon written request by the Tenant. Furthermore, said documents shall be made available, upon request by the Tenant, to any state, federal or other regulatory authority and any such authority may review, inspect and copy such records. Said records include, but are not limited to, all drawings, plans, specifications, submittals, correspondence, minutes, memoranda, tape recordings, videos, or other writings or things which document the project, its design, and its construction. Said records to include those documents reflecting the cost of construction to Landlord, if requested by the Tenant. Landlord shall maintain and protect these documents for no less than three (3) years after completion of the project, or for any longer period of time as may be required by law or good construction practice. Landlord further agrees to include these provisions in any subcontracts issued by it in connection with this lease agreement.

2. Project documentation will be furnished by Landlord to the Tenant upon completion and final acceptance of the Tenant Improvements. Documentation shall include, but not be limited to, electronic computer files of construction documents, including all rights, title and interest to any and all drawings and specifications. The Tenant shall retain possession and (to the extent ownership can be obtained) ownership of all reports, documents, and any other data prepared, furnished, or obtained under the Lease Agreement. All above listed items will become the property of the Tenant without restriction or limitation on their use. No material produced, whole or in part, will be subject to the copyright of the Engineer or his consultants.

INSPECTIONS AND ACCEPTANCE:

Landlord is responsible for required building code inspections and quality assurance testing as is routine and customary during a construction project. All renovations shall be subject to inspection by the Tenant, at all reasonable times and places prior to occupancy. Tenant shall provide Landlord with notice prior to any such inspection and shall conduct all such inspections in a manner which does not interfere or impede the progress of Landlord in completing the renovations.

Initials

Initials

EXHIBIT "C"
Landlord Warranties on Major Operating Systems

Landlord hereby warrants, pursuant to paragraphs 7, 10, and 50 of the Lease, utilizing industry standards, that the mechanical, heating, ventilating, and air conditioning systems, boilers, water handling, piping, and associated major mechanical systems, will be in good working order and that Landlord will either rehabilitate, cause to be remanufactured, or replace such systems as determined by industry standards, for the Term of the Lease.

Additionally, Landlord shall put in place and maintain a separate policy of "Equipment Breakdown Insurance" that is acceptable to Tenant in the amount of $1,000,000.00 if commercially available and will provide similar coverage to that of the CNA Equipment Breakdown Policy at Landlord's expense.

Initials

Initials

EXHIBIT "D"
RULES AND REGULATIONS

(RESERVED)

Initials

Initials

EXHIBIT "E"
REMODEL/FINISH SCHEDULE DOCUMENTS

(TBD)

Initials

Initials

EXHIBIT "F"
COST ESTIMATE CHARLESTON COUNTY AND
CHICORA LIFE CENTER
CHARLESTON COUNTY RENOVATIONS
(prepared 1/31/2014)

Initials

Initials

Exhibit F-Cost Estimate

Charleston County:

Coroner, DAODAS, DHEC, Vital Records

1/31/2014

Tenant Improvements	
Item	*Cost ($)*
Floor Demolition	$84,073.00
Carpet	$94,215.00
Hardscape	$146,144.00
Wall Demolition	$36,741.00
Wall Board	$52,874.00
Wall Studs	$20,321.00
Finishes	$92,874.00
Ceilings	$40,125.00
Lighting	$97,537.00
Electrical	$52,147.00
Plumbing	$25,912.00
Mechanical	$35,827.00
Windows	$12,256.00
Stairs	$14,578.00
Labor	$195,500.00
General Conditions	$65,000.00
Overhead and Profit	$134,224.00
TOTAL	**$1,200,348.00**

Ex F : Cont.

Chicora Life Center
Charleston County Renovations

Prepared: 01/31/2014

Description		Unit		Cost Per Unit		Total Cost
Wall Demolition						
DAODAS (1st, 2nd, and 3rd Floor)		589	SQFT	1	$	589
DHEC		182	SQFT	1	$	182
Vital Records		97	SQFT	1	$	97
Coroner		185	SQFT	1	$	185
	Subtotal:	1,053			$	1,053
Wall Board						
DAODAS (1st, 2nd, and 3rd Floor)		344	Sheets	10.65	$	3,664
DHEC		208	Sheets	10.65	$	2,215
Vital Records		34	Sheets	10.65	$	362
Coroner		278	Sheets	10.65	$	2,961
	Subtotal:	864			$	9,202
Paint						
DAODAS (1st, 2nd, and 3rd Floor)		540	Gallons	13	$	7,020
DHEC		294	Gallons	13	$	3,822
Vital Records		28	Gallons	13	$	364
Coroner		97	Gallons	13	$	1,261
	Subtotal:	959			$	12,467
Wall Studs						
DAODAS (1st, 2nd, and 3rd Floor)		1,705	Lin FT	0.65	$	1,108
DHEC		1,033	Lin FT	0.65	$	671
Vital Records		165	Lin FT	0.65	$	107
Coroner		350	Lin FT	0.65	$	228
	Subtotal:	3,253			$	2,114
Floor Demolition						
DAODAS (1st, 2nd, and 3rd Floor)		49,617	SQFT	1	$	49,617
DHEC		25,179	SQFT	1	$	25,179
Vital Records		1,980	SQFT	1	$	1,980
Coroner		7,297	SQFT	1	$	7,297
	Subtotal:	84,073			$	84,073
Carpet						
DAODAS (1st, 2nd, and 3rd Floor)		36,909	SQFT	1.22	$	45,029
DHEC		20,144	SQFT	1.22	$	24,576
Vital Records		1,584	SQFT	1.22	$	1,932
Coroner		5,838	SQFT	1.22	$	7,122
	Subtotal:	64,475			$	78,660
Hallways						
DAODAS (1st, 2nd, and 3rd Floor)		9,227	SQFT	5	$	46,136
DHEC		5,036	SQFT	5	$	25,180
Vital Records		396	SQFT	5	$	1,980
Coroner		1,460	SQFT	5	$	7,300
	Subtotal:	16,119			$	80,596

Ex F - Cont

Chicora Life Center
Charleston County Renovations

Prepared: 01/31/2014

Description		Unit		Cost Per Unit		Total Cost
Comon Area Renovation						
Common Area Floor Demolition		70,000	SQFT	1	$	70,000
Common Area Floor Renovation		70,000	SQFT	5	$	350,000
Common Area Paint		378	gallons	13	$	4,914
	Subtotal:	140,378			$	424,914
Ceilings, lighting, Tile						
Ceiling Tiles		6,866	SQFT	0.6	$	4,120
Lights		38,000	Bulbs	2.05	$	77,900
Tile		41,889	Lin FT	2.5	$	104,723
	Subtotal:	86,755			$	186,742
Labor						
Common Area and Hallway Floor Reovation		430,596	SQFT	0	$	-
Carpet		78,660	SQFT	0.33333	$	26,220
Tile		41,889	Lin FT	0	$	-
Paint		377,000	SQFT	0.25	$	94,250
	Subtotal:	928,145			$	120,470
				Total Costs	$	1,000,290
Other / Contigency						
Contigency				5%	$	50,014.52
General Conditions				5%	$	50,014.52
Overhead and Profit				10%	$	100,029.04
[Other]					$	-
	Subtotal:				$	200,058

Summary

Wall Demolition	$	1,053
Wall Board	$	9,202
Paint	$	12,467
Wall Studs	$	2,114
Floor Demolition	$	84,073
Carpet	$	78,660
Hallways	$	80,596
Comon Area Renovation	$	424,914
Ceilings, lighting, Tile	$	186,742
Labor	$	120,470
Contigency	$	50,015
General Conditions	$	50,015
Overhead and Profit	$	100,029
[Other]	$	-
Total:	$	1,200,348

BP0421347

PGS: 17

STATE OF SOUTH CAROLINA)	**MECHANIC'S LIEN BOOK_____**
)	**AT PAGE NO. _____**
COUNTY OF CHARLESTON)	
)	
LEE & ASSOCIATES CHARLESTON, LLC,)	
)	
Plaintiff,)	
)	**NOTICE AND CERTIFICATE OF MECHANIC'S LIEN**
v.)	
)	
CHICORA GARDENS HOLDINGS, LLC,)	
)	
Defendant.)	

TO: THE DEFENDANT ABOVE NAMED AND ALL OTHERS CONCERNED:

YOU WILL PLEASE TAKE NOTICE that Lee & Associates Charleston, LLC ("Lee & Associates"), by virtue of the attached Verified Statement of Account, does hereby claim a Real Estate Licensee Mechanic's Lien pursuant to Sections 29-5-20 & -21 of the South Carolina Code, on the real property more fully described in Exhibit "A" attached hereto. The Lien, representing half of the commission due on signing, in an amount equal to one percent of the fixed base rental of a commercial lease entered into with Charleston County, upon information and belief, on June 30, 2014 ("County Lease"), is based on real estate services rendered preparatory to the procurement of the County Lease pursuant to a Listing Agreement with Chicora Gardens Holdings, LLC ("Chicora") entered into on February 21, 2014 and attached hereto as Exhibit "B". The services, having been furnished by Lee & Associates pursuant to the aforementioned Listing Agreement, were provided with the notice and consent of Chicora as the owners of the Property.

The value of the commission fee owed at signing is estimated at an amount equal to the sum of One Hundred and Thirty Eight Thousand dollars ($138,000.00), as is evidenced by the Verified

PLAINTIFF'S EXHIBIT D

Statement of Account attached hereto as Exhibit "C" and incorporated herein by reference. The Verified Statement of Account is a just and true statement of monies due to Lee & Associates for such services provided at the request of and with the consent of the owners of said real estate or with their authorization. The real estate services contemplated in the listing agreement were provided less than ninety (90) days from the date of the filing and service of this Mechanic's Lien. The last date of services rendered is the date the parties negotiated and finalized the referenced lease agreement with Charleston County on or about June 30, 2014.

Accordingly, pursuant to the relevant provisions of the South Carolina Code, by serving and filing of this Notice and Certificate, Lee & Associates has and claims a lien to secure the payment of the debt so due and the cost of enforcing said lien upon the real property described in Exhibit "A" attached hereto.

PIERCE, HERNS, SLOAN & WILSON, LLC

Carl E. Pierce, II, Esquire
Joseph C. Wilson, Esquire
Kristen B. Fehsenfeld, Esquire
The Blake House
321 East Bay Street (29401)
PO Box 22437
Charleston, SC 29413
Telephone: (843) 722-7733/(843) 722-7732 *fax*

ATTORNEYS FOR LEE & ASSOCIATES CHARLESTON, LLC

8/6, 2014
Charleston, South Carolina

EXHIBIT "A"

Address: This property is currently owned by Chicora Gardens Holdings, LLC and bears a street address of 3600 Rivers Avenue, North Charleston, South Carolina.

TMS No.: 469-07-00-001

Legal Description: All that piece, parcel, or strip of land, situate, lying and being in the City of North Charleston, County of Charleston, State of South Carolina, measuring and containing 0.28 Acres, more or less, and being shown and designated on a plat entitled: "PLAT SHOWING TME #469-07-00-001 AND THE COMBINATION OF A PORTION OF COSGROVE AVENUE RIGHT OF WAY A 0.28 ACRE TRACT OF PROPERTY OF CHARLESTON COUNTY AND A PORTION OF TRACT A (0.12 ACRE) FROM TMS #469-06-00-208 ORIGINALLY A 0.37 ACRE TRACT PROPERTY OF THE CITY OF NORTH CHARLESTON TO FORM A 23.25 ACRE TRACT PROPERTY OF THE CITY OF NORTH CHARLESTON AND SHOWING THE 0.25 ACRE RESIDUAL OF TMW #496-08-00-208 PROPERTY OF THE CITY OF NORTH CHARLESTON LOCATED CITY OF NORTH CHARLESTON, CHRALESTON COUNTY, SOUTH CAROLINA", dated August 19, 2013, revised August 29, 2013, and recorded in the RMC Office for Charleston County in Plat Book L 13, at Page 0319.

ALSO

Beginning at a pipe at the intersection of the Southern margin of Carolina avenue extension, a Charleston County road, and the Western margin of Cosgrove Avenue, said pipe being South Twenty Three (23) degrees Thirty Three (33) minutes Thirty (30) seconds West Two Hundred and Forty Seven and Eighty Eight Hundredths (247.88) feet from a granite monument marking the Southwest corner of the United States Marine Reservation, Charleston Navy Yard, and runs thence along the margin of the said Charleston County road, South Sixty Three (63) degrees Thirty Four (34) minutes Thirty (30) seconds West One Thousand Sis Hundred and Fourteen and Twenty Five Hundredths (1614.25) feet to a pipe in the Eastern margin of the United States Highway #52, thence along and with the said margin of United States Highway #52, South Fifty Seven (57) degrees Three (03) minutes Thirty (30) seconds East One Thousand Two Hundred and Forty and Eighty Three Hundredths (1240.83) feet to a pipe; thence North Twenty Four (24) degrees fifty Seven (57) minutes Thirty (30) seconds East One Thousand Two Hundred and Forty Six and Ninety Five Hundredths (1246.95) feet to a pipe in the above mentioned margin of Cosgrove Avenue; thence along and with

the said Western margin of Cosgrove Avenue the following courses and distances: North Forty (4) degrees Forty Four (44) minutes Thirty (30) seconds, West Ninety Seven and Forty Five Hundredths (97.45) feet, North Twenty Two (22) degrees Fifty One (51) minutes Thirty (30) seconds, West One Hundred (100) feet, North Ten (10) degrees Thirty Fourt (34) minutes Thirty (30) seconds, West One Hundred (100) feet to the point of beginning, containing Twenty Two and Eighty Four Hundredths (22.84) acres, more or less.

Being the same property conveyed to the grantor by the United States of America date November 14, 2012, and recorded in Book Ø299 – Page 001.

Grantor: City of North Charleston

Grantee: Chicora Gardens Holdings, LLC

Date Acquired: January 16, 2014

Filing: Deed Book 0384, at Page 594, Charleston County RMC

THIS AGREEMENT IS SUBJECT TO ARBITRATION PURSUANT TO THE SOUTH CAROLINA UNIFORM ARBITRATION ACT, TITLE 15, CHAPTER 48, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

AGREEMENT CREATING AGENCY TO LEASE REAL PROPERTY

THIS AGREEMENT CREATING AGENCY TO LEASE REAL PROPERTY (hereinafter "Agreement") is made and entered into this the 21th day of February, 2014 (hereinafter "Effective Date"), between **Chicora Gardens Holdings, LLC** (hereinafter "Client") and **Lee & Associates Charleston, LLC** (hereinafter "Agent").

STATEMENT OF PURPOSE

Client is the record fee simple owner of **the former US Naval Hospital** located at 3600 Rivers Avenue, North Charleston, South Carolina further identified as TMS # **469-07-00-001**as shown on Exhibit "A" attached hereto and made a part hereof., (hereinafter, "Property"). Client has requested Agent to find prospective tenants for the Property and to negotiate agreement of lease therefore, and Agent is willing to perform such services.

Client and Agent desire to reduce to this written Agreement all of their discussions and negotiations in regard to the grant by Client, and the assumption of Agent, of the offering for lease of said Property upon the terms and conditions set out below.

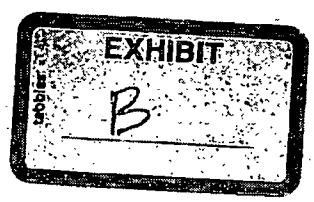
AGREEMENT

1. LEASE RATE. Subject to the limitations hereinafter contained, the Client may grant to the Agent the exclusive right to negotiate for a lease of and to lease any and all space within the Property which is as of the date of this Agreement is vacant and may be available to be leased, during the term of this Agreement. The leasing of the Property shall be at a base rental rate of **TBD on a case-by-case basis Dollars per rentable square foot per year, net of all operating expenses**. All leases shall be paid on a monthly basis, or, in the alternative, for such other rental and on such other terms and conditions as Client may hereafter specifically approve.

2. TERM. Subject to the limitations hereinafter contained, the term of this Agreement shall be for approximately **one (1) year** commencing **on the Effective Date** and expiring at midnight on **January 31, 2015**.

3. EXCLUSIVITY. Subject to the limitations hereinafter contained the Client grants to the Agent the sole and exclusive right for the term as hereinbefore defined or any extension or renewal to market the lease of all or any part of the Property which is as of the date of this Agreement available to be leased.

4. COMMISSION.



a. The Client, upon entering into any lease, agreement, or arrangement granting space to any new tenant during the term of this Agreement, shall pay to Agent a fee calculated at **four** percent (**4.0%**) of all fixed base rentals due under the first five (5) years of the initial term plus **two** percent (**2.0%**) of all fixed base rentals due under the second five (5) years of the initial term of all such new leases for new tenants based upon the initial term of any such lease, or based upon the initial term of the lease with existing tenants for expansion space, fifty percent (50%) of the above fee to be paid, in cash, at lease or amendment execution, and fifty percent (50%) to be paid in cash upon occupancy by tenant. In all events, it is understood that no fee shall be deemed earned until and unless the lease or other agreement shall have become effective between the tenant and the Client by the execution of a contract or other enforceable instrument. It is agreed that for those existing tenants who during the term of this agreement renew or extend their leases, or who lease additional space, a commission equal to **two and one-half** percent (2.5%) shall be due Agent, payable at the execution of said renewal, extension, or expansion amendment.

b. Said commission shall be paid to Agent whether tenant is found by Agent, by another broker, by the Client, or by any other person during the term of this Agreement or any extension or renewal thereof.

d. Upon the expiration or termination of this Agreement or any extension or renewal thereof, Agent shall furnish to Client the names of prospective tenants to whom the Property was shown by Agent, Client, or any other person during the term of this Agreement (as the same may have been extended or renewed). Said list of names shall be furnished to Client no later than ten (10) days after the expiration or termination of this Agreement. In the event Agent furnishes Client with said list in a timely manner the following shall apply:

i. Agent shall continue to serve as Client's Agent of record for the prospective tenants named in said list for a period of ninety (90) days after the expiration or termination of this Agreement or any extension or renewal thereof.

ii. In the event Client lists the property with another agent, the names of prospective tenants named in said list shall be included in the new agent's listing agreement as excluded parties for the time period set forth in section (i) above.

iii. For a period of six (6) months after the expiration or termination of the Agreement, in the event a lease of the Property or an agreement to lease the Property is made, entered into, or effected with any of the prospective tenants named in said list the Client shall pay Agent upon the closing of any such lease the commission set forth in this Agreement.

In the event Agent shall fail to furnish to Client said names in a timely manner, the provisions of this section shall be null and void and of no further effect and Agent's right to continue to represent Client and to collect any commission from Client shall terminate as of the expiration or termination of the Agreement.

5. CO-BROKERAGE. The Agent agrees that during the term of this Agreement, if other duly licensed real estate sales personnel bring to Agent a prospective tenant who leases the Property, whether a licensee associated with Agent or a third-party broker, then the fees as set forth in Paragraph 4 hereof shall be increased to **five and 50/100** percent (**5.5%**), with **two and 50/100** percent (**2.5%**) paid to said broker and **three** percent (**3.0%**) paid to Agent, and settlement therefore shall be the sole responsibility of the Agent once Client has paid Agent the fees set forth in this Agreement.

6. TENANT REPRESENTATIVE.

a) Agent shall seek out and cooperate with brokers (and/or salespersons working for them) representing prospective tenants ("Tenant Representative") to provide maximum market exposure for the Property in the marketplace. From the commissions stated herein to be paid to Agent, Agent agrees to pay up to fifty percent (50%) of those commissions to any such Tenant Representative with respect to any concluded transaction as an inducement to Tenant Representatives to introduce to Agent the tenants they represent who might have an interest in the Property. Client understands that the Tenant Representative, if any, shall solely represent the tenant and shall have no fiduciary obligation to the Client even though said Tenant Representative will receive a portion of the commission payable by Client. For purposes of identification, a Tenant Representative shall be a licensed real estate agent, so designated in writing by the tenant.

b) Agent may at its option treat another broker as a Tenant Representative, even if said broker is not so designated in writing by the tenant; however, if said tenant designates some other party as its representative then the tenant decision shall be binding on all parties. In the event any tenant should change its designation of Tenant Representative during the course of negotiations and, as a result, a dispute occurs, the resolution of such dispute shall be undertaken solely between the tenant and its various Tenant Representatives. Agent and Client shall therefore have no responsibility except to set aside the portion of the commission payable upon resolution of such dispute. The Tenant Representative's commission so set aside shall be released at such time as written releases are received from all parties making claims, an arbitrator appointed by the disputing parties, or by a court of law.

7. MARKETING. Agent shall market the Property in such manner and in such publications and other media as it deems appropriate for the marketing of the subject Property. All of said marketing expenses shall be promptly paid by the Client provided that said marketing expenses shall have first been approved in advance by the Client. Client agrees to make available to Agent such information as to design and layout possibilities, and other information as will assist Agent in securing leases. In all events, the Agent agrees to advertise and promote the Property in the best interest of the Client.

8. ARCHITECTURAL SERVICES. Intentionally deleted

9. COVENANT. The Client agrees to enter into a lease with, and to lease said Property to, any such ready, willing and able tenant for the rental rate set forth herein or upon such other terms and conditions as Client may hereafter approve, said approval to specifically include Client's review and acceptance of the credit worthiness of any such tenant.

10. INSURANCE. Client shall carry at its own expense necessary public liability insurance in an amount of at least One Million Dollars ($1,000,000.00) to protect the interest of the parties to this Agreement. Client shall direct its insurance carrier to include Agent as an additional insured party on its Fire and Casualty Insurance Policy and its Public Liability Insurance Policy. Client agrees to have included in its public liability insurance policy coverage to include Blanket Contractual Liability. Client agrees to deliver to Agent as soon as possible copies of all insurance policies covered by this paragraph showing the required additions or endorsements, and to give Agent at least ten (10) days' notice of cancellation, non-renewal or any material changes in insurance policies described in this Agreement.

11. INDEMNIFICATION. Client hereby indemnifies Agent against and agrees to hold and save Agent, its directors, officers, partners, members, employees and agents, harmless from and against any loss, damage, or expense (including court costs and reasonable attorneys' fees) resulting from any breach of Client's duties and obligations under this Agreement or the negligence, gross negligence, willful misconduct or fraud of Client or its employees, agents and contractors.

12. EMPLOYEES OF AGENT. Upon the expiration or earlier termination of this Agreement, Client shall not employ any of Agent's employees or independent contractors for the purpose of discharging any of the duties set forth in this Agreement for a period of twelve (12) months from the date of said expiration or earlier termination.

13. NOTICES. All notices provided for in this Agreement shall be in writing and shall be deemed to be given when sent by registered or certified mail, return receipt requested, postage prepaid an addressed as follows:

If to Client: **Chicora Gardens Holdings, LLC**
Attention: Brent Wilde
476 W Heritage Park Blvd., Suite 200
Layton, UT 84041

If to Agent: Lee & Associates Charleston, LLC
Attention: Robert H. Nuttall, Jr.
126 Seven Farms Drive, Suite 110
Charleston, South Carolina 29492

14. ENVIRONMENTAL CONDITIONS. Both the Client and any tenant, their heirs and assigns, shall indemnify, defend, and hold harmless Anchor Commercial, LLC from and against any and all claims or damages of whatever kind or nature with regard to any ground water pollution, chemical hazard, sub-surface soil contamination or any hazardous or potentially

hazardous substance of any kind or nature pre-existing or presently existing as of the date hereof on the Property. The provisions of this Paragraph 14 shall survive the closing date of any agreement of lease and the expiration of this Agreement.

15. ADDITIONAL TERMS AND CONDITIONS. The following terms and conditions are a part of this Agreement.

a. Property shall be sold subject to zoning ordinances, restrictions, easements and conditions of public record, with taxes and rents to be prorated as of the date of closing.

b. Intentionally Deleted.

c. Client shall refer to Agent any inquiries received by the Client and Client shall deal with prospective tenants of the Property during the term of this Agreement only through Agent and shall allow the Agent or any participating broker to show the Property at reasonable times upon reasonable notice and shall commit no act which might tend to obstruct the Agent's performance hereunder.

d. Client shall cooperate with Agent to ascertain the accuracy of all pertinent data concerning the Property so as to avoid error, exaggeration, misrepresentation or concealment of pertinent facts. Client agrees to hold the Agent harmless from any liability or damage arising out of incorrect or undisclosed information provided by the Client. Client agrees to notify the Agent promptly of any changes in said information.

e. Agent shall not be responsible for vandalism, theft, damage or maintenance of the Property unless such is caused by gross negligence of Agent or representatives or customers while in the presence of Agent at the Property.

f. Intentionally Deleted.

g. Commission shall be deemed earned and payable to Agent when a tenant has entered into a ratified lease with Client even if Client refuses to lease once Client has entered into a ratified lease with a tenant.

h. Agent shall place such "for lease" signs on the Property as Agent may deem appropriate.

16. DEFECTS. Client agrees to disclose to the Agent any defects (whether latent or otherwise) of the Property and shall defend and hold Agent harmless from any liability or damages including without limitation attorney's fees arising from any defects. Client represents to the best of its knowledge (i) that Client has not received notice of any claimed environmental hazard or condition in connection with the Property; (ii) that the Property contains no hazardous or toxic wastes, asbestos, or other substance dangerous or harmful to human health or the environment, and has not been used for the manufacture, storage, or transport of any such substance, to the best of Client's information and belief after due inquiry; and (iii) that no part of

the Property consists of federal jurisdictional wetlands.

17. NO AUTHORITY. Agent shall have no authority to obligate Client with regard to any transaction contemplated hereunder without Client's specific authorization to do so.

18. CONFIDENTIALITY. All financial data and other proprietary information with regard to the Property shall be treated as confidential by Agent and shall be disseminated to third parties on a "need to know" basis only.

19. Intentionally Deleted.

20. ALTERNATIVE DISPUTE PROVISIONS. If a dispute, controversy or claim (whether based upon contract, tort, statute common law or otherwise) (collectively a "Dispute") arises from or relates directly or indirectly to the subject matter hereof, and if the Dispute cannot be settled through direct discussions, the parties shall first endeavor to resolve the Dispute by participating in a mediation administered by the American Arbitration Association (the "AAA") under its Commercial Mediation Rules before resorting to arbitration. Thereafter, any unresolved Dispute shall be settled by binding arbitration administered by the AAA in accordance with its Commercial Arbitration Rules and judgment on the award rendered by the arbitrator, after the review rights set forth below have been exhausted, may be entered in any court having jurisdiction. The arbitration proceedings shall be conducted in Charleston, South Carolina on an expedited basis before a neutral arbitrator who is a member of the Bar of the State of South Carolina, and has been actively engaged in the practice of law for at least 15 years, specializing in commercial transactions with substantial experience in the subject matter of this Agreement. Any attorney who serves as an arbitrator shall be compensated at a rate equal to his or her current regular hourly billing rate unless the AAA is able to arrange with the parties and the arbitrator to agree otherwise. Upon the request of either party, the arbitrator's award shall include findings of fact and conclusions of law provided that such findings may be in summary form. Either party may seek review of the arbitrator's award before an arbitration review panel comprised of three arbitrators qualified in the same manner as the initial arbitrator (as set forth above) by submitting a written request to the AAA. The right of review shall be deemed waived unless requested in writing within 10 days of the delivery of the initial arbitrator's award. The arbitration review panel shall be entitled to review all findings of fact and conclusions of law in whatever manner it deems appropriate and may modify the award of the initial arbitrator in its discretion. Unless otherwise deemed appropriate by the arbitrator(s), the prevailing party shall be entitled to an award of all reasonable out-of-pocket costs and expenses (including attorney's and arbitrator's fees) related to the entire arbitration proceedings (Including review if applicable.)

21. ENTIRE AGREEMENT. The foregoing constitutes the entire agreement between the parties and shall be binding on each of them and their respective successors in interest. Wherever used herein, words of one gender shall be construed to include all genders; the singular shall include the plural and vice versa, as the sense requires.

22. INTERPRETATION PRESUMPTION. This Agreement has been negotiated by the

parties hereto and by the respective attorneys for each party. The parties represent and warrant to one another that each has, by counsel or otherwise, actively participated in the finalization of this Agreement, and in the event of a dispute concerning the interpretation of this Agreement, each party hereby waives the doctrine that an ambiguity should be interpreted against the party which has drafted the document.

23. EXCLUSIONS. Both Client and Agent hereby acknowledge Client has had discussions with potential tenants ("Excluded Entities") for the Property which are set forth on Exhibit "B" attached hereto and made a part hereof. In the event a lease is fully executed with any Excluded Entity on or before October 31, 2014, Client shall pay Agent a commission in accordance with the following schedule:

a) From the Effective Date to April 30, 2014: 50/100 percent (0.50%)
b) From May 1, 2014 to June 30, 2014: one percent (1.00%)
c) From July 1, 2014 to August 31, 2014: one and 50/100 percent (1.50%)
d) From September 1, 2014 to October 31, 2014: two percent (2.0%)
e) After October 31, 2014: two and 50/100 percent (2.50%)

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

WITNESS:

CLIENT:

Chicora Gardens Holdings, LLC

By: _____
Name: DOUGLAS M. DURBAN
Its: MANAGER
Date: 2/21/14

AGENT:

Lee & Associates Charleston, LLC

By: _____
Name: Robert H. Nuttall, Jr.
Its: Member
Date: _____

EXHIBIT "A"

The Property is denoted below in the red-outlined area

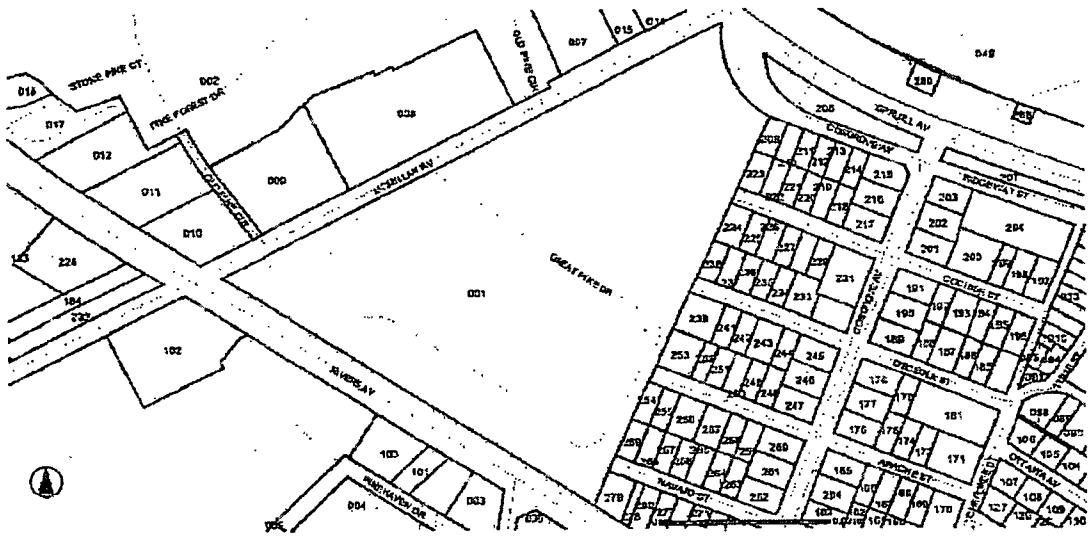


EXHIBIT "B"

Exclusions

Bain Capital
CBS
Charleston County
Charleston County Coroner
Clemson Extension office
Clemson Research
DAODAS- Lease w/Charleston County
DHEC Environmental
DHEC- Lease w/Charleston County
Fetter Health Care Network Inc
Heroes Haven LLC
Veterans Affar / GSA
Vital Records- Lease w/Charleston County

STATE OF SOUTH CAROLINA	)	**MECHANIC'S LIEN BOOK_____**
	)	**AT PAGE NO. _____**
COUNTY OF CHARLESTON	)	
	)	
LEE & ASSOCIATES CHARLESTON, LLC,	)	
Plaintiff,	)	
	)	**VERIFIED STATEMENT OF ACCOUNT**
vs.	)	
	)	
CHICORA GARDENS HOLDINGS, LLC,	)	
	)	
Defendant.	)	
	)	

Personally appeared before me Robert H. Nuttall, Jr., who, being duly sworn, alleges and states as follows:

1. I am over the age of twenty-one (21) years and make this Affidavit upon my own personal knowledge.
2. I am an owner/member and the Broker in Charge of Lee & Associates Charleston, LLC, Real Estate License No. 6568, and am responsible for entering into the Listing Agreement described below and in the Notice of Mechanic's Lien.
3. On February 21, 2014, Lee & Associates Charleston, LLC, entered into an exclusive listing agreement with Chicora Gardens Holdings, LLC, to act as the sole and exclusive agent with the right to market and lease office space at the former U.S. Naval Hospital Building located at 3600 Rivers Avenue, North Charleston, South Carolina, and further identified as TMS # 469-07-00-001 (the "Property"). The Listing Agreement is attached to the Notice of Mechanic's Lien as Exhibit "B."
4. The Property governed by the Listing Agreement is owned by Chicora Gardens Holdings, LLC, and concerns a 22.84 acre tract on which Chicora intends to lease commercial

office space.

5. Pursuant to the Listing Agreement, Chicora agreed to pay Lee & Associates a commission of .5% to 2.5% of all executed leases concerning tenants which Chicora had engaged in discussions prior to the date of the Listing Agreement ("Excluded Entities"). See Exhibit B, Listing Agreement, Section 23, at p. 7.

6. Charleston County is specifically identified as one of these Excluded Entities subject to the .5% to 2.5% commission. See Exhibit B, Listing Agreement at p. 9. Charleston County includes Charleston County Coroner, DAODAS, DHEC and Vital Records, all of which are listed as Excluded Entities on Exhibit B.

7. Upon information and belief, on or about June 30, 2014, Chicora and Charleston County, including Charleston County Coroner, DAODAS, DHEC and Vital Records, entered into a lease agreement subject to a commission as set forth in Section 23 of the Listing Agreement.

8. Pursuant to the Listing Agreement, Lee & Associates is owed a total commission of approximately $276,000.00 as a result of the June 30, 2014 Charleston County lease based on the 1% rate for leases entered with Excluded Entities between May 1, 2014 and June 30, 2014. Half of this commission, or $138,000, is due at signing, and is now currently due and owing to Lee & Associates, plus interest and attorney's fees. To date, Chicora has failed to pay the commission owed despite demand by Lee & Associates.

9. I have reviewed this statement of account and find it to be true and accurate and hereby verify the allegations thereof.

FURTHER AFFIANT SAYETH NOT.

Robert H. Nuttall, Jr.
Owner/Member, Lee + Associates Charleston, LLC

SWORN to before me this
5th day of August, 2014

NOTARY PUBLIC OF SOUTH CAROLINA
MY COMMISSION EXPIRES: 06-08-15

RECORDER'S PAGE

***NOTE*: This page MUST remain with the original document**

Lien Book

DWT KLH

Filed By:

PIERCE, HERNS, SLOAN & WILSON LLC
THE BLAKE HOUSE
321 EAST BAY ST.
CHARLESTON SC 29401

RECORDED

Date:	August 6, 2014
Time:	12:25:41 PM

Book	*Page*	*DocType*
0421	347	Mech/Lien

Charlie Lybrand, Register
Charleston County, SC

# of Pages:	17
# of Sats:	
# of Refs:	

Maker: CHICORA GARDENS ETC

Note:

Recipient: LEE & ASSOCS CHAS LLC

Recording Fee	$ 10.00
Extra Reference Cost	$ -
Extra Pages	$ 12.00
Postage	$ -
Chattel	$ -
TOTAL	$ 22.00

Original Book:

Original Page:

Drawer	Drawer 1
Clerk	KLH

0421
Book

347
Page

08/06/2014
Recorded Date

17
Pgs

Original Book

Original Page

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12:25:41
Recorded Time

BP0426126

PGS: 5

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

Lee & Associates Charleston, LLC

Lienor

v.

Chicora Gardens Holdings, LLC

Lienee

Mechanic's Lien Book #_____ at Page _____

CASH BOND TO RELEASE MECHANIC'S LIEN
(Lien Filed in Book 0421 at Page 347)

WHEREAS, Lee & Associates Charleston, LLC has filed a Mechanic's Lien dated August 6, 2014 in the amount of One Hundred Thirty Eight Thousand Dollars ($138,000.00) against certain property owned by Chicora Gardens Holdings, LLC, and more particularly described in Exhibit A to the Mechanic's Lien and attached to this document and made a part of this document by reference, on account of real estate commissions claimed to be due and owing to Lee & Associates Charleston, LLC, which Lienee disputes; and

WHEREAS, the Mechanic's Lien was filed with the Register of Deeds for Charleston County and recorded in Book 0421 at Page No. 347; and

WHEREAS, the issues in this action are now in dispute and the owner of the real property desires to have the property described in Exhibit A released from the Mechanic's Lien in accordance with the provisions of S.C. Code Ann §29-5-110, without waiving any rights or defenses that it or any other party may have against Lienor.

THEREFORE, Know all men by these presents that Lienee Chicora Gardens Holdings, LLC, without admitting any liability or waiving any of its rights to Alternative Dispute Remedy does hereby deposit with the office of the Register of Deeds for Charleston County, South Carolina, United States the amount of One Hundred Seventy Nine Thousand Four Hundred and No/100 Dollars ($179,400.00) (1.3 x $138,000.00) for payment of any sum to Lienor, not to exceed the amount of this cash bond, as may be recovered or found due and owing to Lienor by virtue of a final adjudication of any action to foreclose the Mechanic's Lien. The cash bond is made pursuant to S.C. Code Ann §29-5-110.

THIS CASH BOND is given as substitute security for the real property described in Exhibit A against which the Mechanic's Lien has been filed. Nothing contained in this cash bond shall be deemed as an admission of any liability on the part of the owner or any other party/person or Lienees nor a waiver of any rights, claims, counterclaims, offsets, defenses and/or Alternative Dispute Remedy which they may have or assert.

UPON THE FILING OF THIS CASH BOND, the property described in Exhibit A shall be discharged and released from Mechanic's Lien filed by Lienor in Book 0421, Page 347 in the Register of Deeds for Charleston County, South Carolina. This cash bond shall take the place of the property upon which the Mechanic's Lien existed, and this cash bond shall be subject to the Mechanic's Lien.

Executed this 22nd day of August, 2014.

DURBANO LAW FIRM

Witness

By: _____
Douglas M. Durbano
Attorney for Chicora Gardens Holdings, LLC
476 W. Heritage Park Blvd., #200
Layton, Utah 84041
Telephone (801) 776-4111
Fax: (801) 776-1121

Witness

STATE OF UTAH)
)
COUNTY OF DAVIS)

I, Theresa L. Babauta, a Notary Public for the State of Utah, do hereby certify that Douglas M. Durbano, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this 22nd day of August, 2014

Notary Public for Utah

My Commission Expires: 1-26-2018

THERESA L. BABAUTA
Notary Public • State of Utah
Commission # 673697
COMM. EXP. 01-26-2018

EXHIBIT "A"

Address: This property is currently owned by Chicora Gardens Holdings, LLC and bears a street address of 3600 Rivers Avenue, North Charleston, South Carolina.

TMS No.: 469-07-00-001

Legal Description: All that piece, parcel, or strip of land, situate, lying and being in the City of North Charleston, County of Charleston, State of South Carolina, measuring and containing 0.28 Acres, more or less, and being shown and designated on a plat entitled: "PLAT SHOWING TME #469-07-00-001 AND THE COMBINATION OF A PORTION OF COSGROVE AVENUE RIGHT OF WAY A 0.28 ACRE TRACT OF PROPERTY OF CHARLESTON COUNTY AND A PORTION OF TRACT A (0.12 ACRE) FROM TMS #469-06-00-208 ORIGINALLY A 0.37 ACRE TRACT PROPERTY OF THE CITY OF NORTH CHARLESTON TO FORM A 23.25 ACRE TRACT PROPERTY OF THE CITY OF NORTH CHARLESTON AND SHOWING THE 0.25 ACRE RESIDUAL OF TMW #496-08-00-208 PROPERTY OF THE CITY OF NORTH CHARLESTON LOCATED CITY OF NORTH CHARLESTON, CHRALESTON COUNTY, SOUTH CAROLINA", dated August 19, 2013, revised August 29, 2013, and recorded in the RMC Office for Charleston County in Plat Book L 13, at Page 0319.

ALSO

Beginning at a pipe at the intersection of the Southern margin of Carolina avenue extension, a Charleston County road, and the Western margin of Cosgrove Avenue, said pipe being South Twenty Three (23) degrees Thirty Three (33) minutes Thirty (30) seconds West Two Hundred and Forty Seven and Eighty Eight Hundredths (247.88) feet from a granite monument marking the Southwest corner of the United States Marine Reservation, Charleston Navy Yard, and runs thence along the margin of the said Charleston County road, South Sixty Three (63) degrees Thirty Four (34) minutes Thirty (30) seconds West One Thousand Sis Hundred and Fourteen and Twenty Five Hundredths (1614.25) feet to a pipe in the Eastern margin of the United States Highway #52, thence along and with the said margin of United States Highway #52, South Fifty Seven (57) degrees Three (03) minutes Thirty (30) seconds East One Thousand Two Hundred and Forty and Eighty Three Hundredths (1240.83) feet to a pipe; thence North Twenty Four (24) degrees fifty Seven (57) minutes Thirty (30) seconds East One Thousand Two Hundred and Forty Six and Ninety Five Hundredths (1246.95) feet to a pipe in the above mentioned margin of Cosgrove Avenue; thence along and with

the said Western margin of Cosgrove Avenue the following courses and distances: North Forty (4) degrees Forty Four (44) minutes Thirty (30) seconds, West Ninety Seven and Forty Five Hundredths (97.45) feet, North Twenty Two (22) degrees Fifty One (51) minutes Thirty (30) seconds, West One Hundred (100) feet, North Ten (10) degrees Thirty Fourt (34) minutes Thirty (30) seconds, West One Hundred (100) feet to the point of beginning, containing Twenty Two and Eighty Four Hundredths (22.84) acres, more or less.

Being the same property conveyed to the grantor by the United States of America date November 14, 2012, and recorded in Book Ø299 – Page 001.

Grantor:	City of North Charleston
Grantee:	Chicora Gardens Holdings, LLC
Date Acquired:	January 16, 2014
Filing:	Deed Book 0384, at Page 594, Charleston County RMC

RECORDER'S PAGE

NOTE: This page MUST remain with the original document

Filed By:

BROWNYARD LAW FIRM
PALMETTO BUSINESS CENTER
1017 CHUCK DAWLEY BLVD SUITE 200
MT PLEASANT SC 29464 (COURIER)

RECORDED

Date:	August 29, 2014
Time:	8:38:13 AM

Book	Page	DocType
0426	126	Cash/Bond

Charlie Lybrand, Register
Charleston County, SC

Maker: CHICORA GARDENS ETC

Recipient: LEE & ASSOCS CHAS LLC

Original Book: 0421

Original Page: 347

# of Sats:

Note:

# of Pages: 5

# of Refs:

Recording Fee	$ 10.00
Extra Reference Cost	$ -
Extra Pages	$ -
Postage	$ -
Chattel	$ -
TOTAL	$ 10.00

Drawer: Drawer 1
Clerk: KLH

0426	126	08/29/2014	5
Book	Page	Recorded Date	# Pgs

0421	347	D	08:38:13
Original Book	Original Page	Doc Type	Recorded Time

From: Jeremy Blackburn [mailto:jb@chicoragarden.com]
Sent: Monday, August 18, 2014 4:01 PM
To: mthomas@lee-associates.com; bnuttall@lee-associates.com
Cc: doug@durbanolawfirm.com; jmassalon@wmalawfirm.net; Joseph Wilson; Brent Wilde; djtjr@trumporg.com; mayor@northcharleston.org; ktaylor@charlestoncounty.org
Subject: Subject: Workman's Lien, ADR, Breach/Damages – Chicora Life Center

Offical Notice

Subject: Workman's Lien, ADR, Breach/Damages – Chicora Life Center

Bob & Milt:

We have received notice of your Workman's Lien placed on the Chicora Life Center (former Naval Hospital) for alleged compensation for commissions earned. This lien is wrongful and very harmful. It is contrary to the Agency Agreement and it is having a catastrophic effect on this project and will hurt a lot of people.

As required by section 20 ADR, I stopped by both of your offices this morning in an attempt to discuss and resolve any issues you feel you may have. Unable to meet with anyone I again called your numbers and I was able to speak with Milton on his cell phone. He stated that all communications were to be through your legal counsel. I inquired why he felt that it had reached this point and was again directed to your legal counsel without further comment offered. Again, this is a breach of Section 20.

It is unfortunate that you feel that litigation and lien filing are your only paths of resolution to any issues you have. We are more than willing to discuss this, mediate and arbitrate but it appears that you are not.

There are many factors that you may not have considered, and we may need to hear from you on what has upset you as well. These are things that we feel could reasonably be discussed if given the chance.

As you know, your lien is preventing the new loan from closing and being secured by the property. The loan is necessary for paying off the City of North Charleston ($1M) and escrowing for the Grocery Store Incentive ($1M) and preventing the property from reverting back to the City, as well as paying for the construction of tenant improvements ($1.6M) as required under the lease for Charleston County. If these things are not done in a timely fashion then the lease upon which you claim a workman's lien for compensation never becomes effective, it fails.

Your should be aware that Chicora believes that you have violated the Agency Agreement on several levels, to name a few, none of the marketing milestones represented in your presentation were met such as.

- Signs on property
- MLS listing

- Website
- Email
- Flyers
- Status updates and progress reports were never provided

- There was not even ONE tenant lease proposed by Lee and Associates.

- You had undisclosed conflicts of interest as you represent several other buildings and projects which compete with the Chicora Life Center in the immediate market area.
- Follow up with the three proposed tenants you represented was insufficient by their own account.
- Violation of Section 20 which requires ADR as the exclusive remedy, instead you immediately resorted to filing an illegal lien and using the legal processes of foreclosure as a remedy, not provided for in the Agreement.

There are damage issues I urge you to consider. You are having the exact opposite effect of what you are hired to do as a Broker/Agent and what you claim you have in fact done. A lot of people are about to be hurt. We know this is opposite to your motto of "People First".

- Your lien references an excluded party, which was contracted with after the termination of your listing agreement.
- Your lien amount far exceeds any commission calculation if you are legally owed one.
- Your lien and potential foreclosure violates section 20 of the listing agreement.
- Your lien is causing damages to Charleston County, North Charleston City and multiple state agencies. All of these parties will suffer economic harm which you will be liable for.
- Your lien will cause significant direct financial obligations to Chicora Gardens which it will seek full remuneration for.
- Your lien has the potential to cause the loss of additional tenants and decade's worth of lost income.
- The property could revert back to the City, causing a catastrophic loss of all potential future cash flow and equity in the property.

Because of these very high amounts for damages caused by your wrongful lien, your Errors and Omissions insurance as well as the National Parent Company will be brought in to the action at the onset.

Frankly, Gentlemen I do not understand. The offer was made to you to continue representing this project on a non-exclusive basis. You are seeking large sums of money for a transaction that you took no part of. Your Agency Agreement calls for you to "find prospective tenants...and negotiate agreement of lease therefore", something you have not done, yet filed an illegal lien to be paid some amount you never earned.

This will not play well with any of the other parties it is affecting, nor in the public eye. If you are offended on how this was handled, or your feelings are hurt then let's talk about it. The litigation route does not play out well from what we can see. The publicity would be

disastrous. If you have a different vision then let's discuss (this is why the contract called for mediation I would assume). Time is of the essence, let's talk.

Again, we would look to you for any and all economic losses caused by the lien, delay or failure of the loan and loss of the property and failure or delay of any lease. In order to avoid these catastrophic consequences, we must have your lien released immediately!

After release of the lien we can comply with Section 20 ADR. I have attached section 20 of your agency agreement for reference and hereby demand compliance of same. I remain willing and able to meet and discuss a speedy resolution any time. Please call me or respond ASAP.

Sincerely;

Jeremy Blackburn
Project Manager for Chicora Life Center
(843) 860-6120

Sent via email and certified mail to:
Lee and Associates Charleston, LLC
Att: Robert H. Nuttall Jr.,
126 Seven Farms Drive
Suite 110
Charleston SC 29492

BP0426102

PGS: 4

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

TITLE TO REAL ESTATE

(Quit Claim)

KNOW ALL MEN BY THESE PRESENTS, that CHICORA GARDENS HOLDINGS, LLC for and in consideration of the sum of One and 00/100 ($1.00) DOLLARS, to it in hand paid at and before the sealing and delivery of these presents by CHICORA LIFE CENTER, LC in the State aforesaid, County aforesaid, the receipt whereof is hereby acknowledged, has granted, bargained, sold and released, and by these presents does grant, bargain, sell and release unto the said CHICORA LIFE CENTER, LC, their heirs and assigns forever, the following described real property, to-wit:

ALL that piece, parcel, or strip of land, situate, lying, and being in the City of North Charleston, County of Charleston, State of South Carolina, measuring and containing 23.25 ACRES, more or less, and being shown and designated on a plat entitled "PLAT SHOWING TMS #469-07-00-001 AND THE COMBINATION OF A PORTION OF COSGROVE AVENUE RIGHT OF WAY A 0.28 ACRE TRACT PROPERTY OF CHARLESTON COUNTY AND A PORTION OF TRACT A (0.12 ACRE) FROM TMS# 469-08-00-208 ORIGINALLY A 0.37+/- ACRE TRACT PROPERTY OF TH ECITY OF NORTH CHARLESTON AND SHOWING THE 0.25 ACRE RESIDUAL OF TMS# 469-08-00-208 PROPERTY OF THE CITY OF NORTH CHARLESTON CHARLESTON COUNTY, SOUTH CAROLINA" prepared by Davis & Floyd, Inc. and being dated June 19, 2013, revised August 28, 2013 and recorded in the RMC Office for Charleston County in Plat Book L13, Page 0319.

BEING the same premises conveyed to CHICORA GARDENS HOLDINGS, LLC by CITY OF NORTH CHARLESTON by deed dated January 16, 2014 and recorded in the Charleston County RMC on January 17, 2014 in Book 0384, Page 594; re-recorded in Book 0426, Page 101.

TMS No. 469-07-00-001

Grantees' Address: 476 W. Heritage Blvd # 200
Layton, Ut. 84041

TOGETHER WITH, all and singular, the rights, members, hereditaments and appurtenances to the said premises belonging, or in anywise incident or appertaining.

TO HAVE AND TO HOLD, all and singular, the said premises unto the said CHICORA LIFE CENTER, LC, their heirs and assigns, from and against its successors and assigns lawfully claiming under it.

PLAINTIFF'S EXHIBIT 9

WITNESS MY HAND AND SEAL, this 22nd day of August, in the year of our Lord two thousand fourteen and in the two hundred and thirty-ninth year of the Sovereignty and Independence of the United States of America.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

CHICORA GARDENS HOLDINGS, LLC

By:
~~By:~~
Its: Manager

STATE OF ~~SOUTH CAROLINA~~ Utah)
)
COUNTY OF ~~CHARLESTON~~ Davis)

Before me, the undersigned Notary Public, personally appeared Douglas M. Durbano, Its: Manager for CHICORA GARDENS HOLDINGS, LLC, who executed the foregoing instrument this 22nd day of August, 2014, and acknowledged that (s)he executed the same.

Notary Public for ~~South Carolina~~ Utah
My Commission Expires: 1-26-2018

THERESA L. BABAUTA
Notary Public • State of Utah
Commission # 673697
COMM. EXP. 01-26-2018

STATE OF SOUTH CAROLINA)
) AFFIDAVIT
COUNTY OF CHARLESTON)

PERSONALLY appeared before me this undersigned, who being duly sworn, deposes and says:

1. I have read the information on this Affidavit and I understand such information.

2. The property being transferred by Chicora Garden Holdings, LLC to Chicora Life Center, LC on August 22, 2014.

3. Check one of the following: *The DEED is*
   (a) ____ subject to the deed recording fee as a transfer for consideration paid or to be paid in money or money's worth.
   (b) ____ subject to the deed recording fee as a transfer between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, or is a transfer to a trust or as a distribution to a trust beneficiary.
   (c) __x__ EXEMPT from the deed recording fee because (exemptions 1-12) (If exempt, please skip items 4-6, and go to item 7 of this affidavit).
   Exempt # 12

4. Check one of the following if either item 3(a) or item 3(b) above has been checked.
   (a) ____ The fee is computed on the consideration paid or to be paid in money or money's worth in the amount of $__.
   (b) ____ The fee is computed on the fair market value of the realty which is $ #.
   (c) ____ The fee is computed on the fair market value of the realty as established for property tax purposes which is $ #.

5. Check *YES* ___ or *NO* __x__ to the following: A lien or encumbrance existed on the land, tenement, or realty before the transfer and remained on the land, tenement, or realty after the transfer. If A*YES*@, the amount of the outstanding balance of this lien or encumbrance is $ #.

6. The DEED Recording Fee is computed as follows:
   (a) $ _____ the amount listed in item 4 above
   (b) -0- the amount listed in item 5 above (no amount place zero)
   (c) $ _____ Subtract Line 6(b) from Line 6(a) and place the result.

7. As required by Code Section <12-24-70, I state that I a responsible person who was connected with the transaction as: legal representative.

8. I understand that a person required to furnish this affidavit who wilfully furnishes a false or fraudulent affidavit is guilty of a misdemeanor and, upon conviction, must be fined not more than one thousand dollars or imprisoned not more than one year, or both.

Sworn to before me this
28th day of August, 2014

Notary Public for South Carolina
My Commission Expires: 12-06-2022

ALISON FRASIER NOTARY PUBLIC SOUTH CAROLINA My Commission Expires 12-06-2022

Richard J. Brownyard

RECORDER'S PAGE

NOTE: This page MUST remain with the original document

Filed By:

BROWNYARD LAW FIRM
PALMETTO BUSINESS CENTER
1017 CHUCK DAWLEY BLVD SUITE 200
MT PLEASANT SC 29464 (COURIER)

RECORDED

Date:	August 28, 2014
Time:	4:38:40 PM

Book	Page	DocType
0426	102	Q/Claim

Charlie Lybrand, Register
Charleston County, SC

MAKER:
CHICORA GARDENS ETC

RECIPIENT:
CHICORA LIFE CENTER

Original Book:

Original Page:

Note:

# of Pages:	4
Recording Fee	$ 10.00
State Fee	<Exempt>
County Fee	<Exempt>
Extra Pages	$ -
Postage	$ -
Chattel	$ -
TOTAL	$ 10.00
Drawer	Drawer 2
Clerk	JBA

AUDITOR STAMP HERE
RECEIVED FROM RMC
SEP 3 2014
PETER TOURLENBURG
CHARLESTON COUNTY AUDITOR

PID VERIFIED BY ASSESSOR
REP MKD
DATE 9/3/14
31

0426	102	08/28/2014	4
Book	Page	Recorded Date	# Pgs

		D	16:38:40
Original Book	Original Page	Doc Type	Recorded Time

BP0426103

PGS: 21

State of South Carolina)
) Mortgage, Security Agreement and Fixture Filing
County of Charleston)

CHICORA LIFE CENTER, LC
(Borrower)

and

UCF I TRUST 1
(Lender)

MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING

Dated: As of August 28, 2014

Prepared by, and after recording return to:

Federman Steifman LLP
350 North Orleans Street
Suite 950
Chicago, Illinois 60654
Attention: Andrew F. Lampert

THIS INSTRUMENT AFFECTS REAL AND PERSONAL PROPERTY SITUATED IN THE STATE OF SOUTH CAROLINA, COUNTY OF CHARLESTON, KNOWN AS AND BY STREET ADDRESS 3600 RIVERS AVENUE, NORTH CHARLESTON, SOUTH CAROLINA.

THIS MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING COVERS GOODS THAT ARE OR ARE TO BECOME FIXTURES AND CONSTITUTES A FIXTURE FILING FINANCING STATEMENT.

THE DEBT SECURED HEREBY IS SUBJECT TO CALL IN FULL OR THE TERMS HEREOF BEING MODIFIED IN THE EVENT OF DEFAULT, INCLUDING SALE OR CONVEYANCE OF ANY INTEREST IN THE PROPERTY.

THIS INSTRUMENT IS TO BE FILED AND INDEXED IN THE REAL ESTATE RECORDS AND IS ALSO TO BE INDEXED IN THE INDEX OF FINANCING STATEMENTS UNDER THE NAMES OF BORROWER, AS "DEBTOR", AND LENDER, AS "SECURED PARTY"

Chicora Life Center
Loan Number: 30085

PLAINTIFF'S EXHIBIT H

MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING

THIS MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING (this "**Security Instrument**") is made as of August 28, 2014, from **CHICORA LIFE CENTER, LC**, a South Carolina limited liability company having an address at 476 West Heritage Park Boulevard, Suite 200, Layton, Utah 84041 ("**Borrower**"), as mortgagor, to **UCF I TRUST 1**, a Delaware statutory trust having an address c/o UC Credit Services, LLC, 745 Boylston Street, Suite 502, Boston, Massachusetts 02116, Attention: Loan Servicing (together with its successors and assigns, "**Lender**"), as mortgagee.

BORROWER, FOR AND IN CONSIDERATION OF THE SUM OF TEN AND NO/100 DOLLARS ($10.00), AND OTHER VALUABLE CONSIDERATION, INCLUDING THE INDEBTEDNESS HEREIN RECITED, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, HEREBY IRREVOCABLY MORTGAGES, GRANTS, BARGAINS, SELLS, CONVEYS, TRANSFERS, PLEDGES, SETS OVER AND ASSIGNS, AND GRANTS A SECURITY INTEREST, TO AND IN FAVOR OF LENDER, ITS SUCCESSORS AND ASSIGNS, with power of sale, all of Borrower's estate, right, title and interest in, to and under any and all of the following described property, whether now owned or hereafter acquired (collectively, the "**Property**"):

(A) All that certain real property situated in the County of Charleston, State of South Carolina, more particularly described on Exhibit A attached hereto and incorporated herein by this reference (the "**Real Estate**"), together with all of the easements, rights, privileges, franchises, tenements, hereditaments and appurtenances now or hereafter thereunto belonging or in any way appertaining thereto, and all of the estate, right, title, interest, claim and demand whatsoever of Borrower therein or thereto, either at law or in equity, in possession or in expectancy, now owned or hereafter acquired;

(B) All structures, buildings and improvements of every kind and description now or at any time hereafter located or placed on the Real Estate (the "**Improvements**");

(C) All easements, rights-of-way, strips and gores of land, vaults, streets, ways, alleys, passages, sewer rights, air rights and development rights and other emblements now or hereafter located on the Real Estate or under or above the same or any part or parcel thereof, all rights to oil, gas, minerals, coal and other substances of any kind or character, and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances, reversions and remainders whatsoever, in any way belonging, relating or appertaining to the Property or any part thereof, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Borrower;

(D) All furniture, furnishings, fixtures, goods, equipment, inventory or personal property owned by Borrower and now or hereafter located on, attached to or used in or about the Improvements; including, but not limited to, all machines, engines, boilers, dynamos, elevators, stokers, tanks, cabinets, awnings, screens, shades, blinds, carpets, draperies, lawn mowers, and all appliances, plumbing, heating, air conditioning, lighting, ventilating, refrigerating, disposal and incinerating equipment, and all fixtures and appurtenances thereto, and such other goods and

chattels and personal property owned by Borrower as are now or hereafter used or furnished in operating the Improvements, or the activities conducted therein, and all building materials and equipment hereafter situated on or about the Real Estate or the Improvements, and all warranties and guaranties relating thereto, and all additions thereto and substitutions and replacements therefor (exclusive of any of the foregoing owned or leased by tenants of space in the Improvements);

(E) All water, water courses, ditches, wells, reservoirs and drains and all water, ditch, well, reservoir and drainage rights and powers which are appurtenant to, located on, under or above or used in connection with the Real Estate or the Improvements, or any part thereof, together (i) with all utilities, utility lines, utility commitments, utility capacity, capital recovery charges, impact fees and other fees paid in connection with the same, (ii) reimbursements or other rights pertaining to utility or utility services provided to the Real Estate and/or the Improvements, and (iii) the present or future use or availability of waste water capacity or other utility facilities to the extent same pertain to or benefit the Real Estate and/or the Improvements; including, without limitation, all reservations of or commitments or letters covering any such use in the future, whether now existing or hereafter created or acquired;

(F) All minerals, crops, timber, trees, shrubs, flowers and landscaping features now or hereafter located on, under or above the Real Estate;

(G) All cash funds, deposit accounts and other rights and evidence of rights to cash, now or hereafter created or held by Lender pursuant to this Security Instrument, the Loan Agreement or any other of the Loan Documents, as hereinafter defined; including, without limitation, all funds now or hereafter on deposit in the Reserves held by Lender pursuant to the terms of the Loan Agreement;

(H) All leases, licenses, rental agreements and occupancy agreements of whatever form now or hereafter affecting all or any part of the Real Estate and/or the Improvements and any and all guarantees, extensions, renewals, replacements and modifications thereof (collectively, the "**Leases**");

(I) All rents, royalties, issues, profits, revenue, income and other benefits of the Real Estate, the Improvements, or the fixtures or equipment now or hereafter arising from the use or enjoyment of all or any portion thereof or from any present or future Leases, and all cash or securities deposited to secure performance by the Tenants of their obligations under any of the Leases, whether said cash or securities are to be held until the expiration of the terms of said Leases or applied to one or more of the installments of rent coming due prior to the expiration of said terms (collectively, the "**Rents**");

(J) All contracts and agreements now or hereafter entered into covering any part of the Real Estate or the Improvements (collectively, the "**Contracts**") and all revenue, income and other benefits thereof; including, without limitation, management agreements, service contracts, maintenance contracts, equipment leases, personal property leases and any contracts or documents relating to construction on any part of the Property (including plans, specifications, studies, drawings, surveys, tests, operating and other reports, bonds and governmental approvals) or to the management or operation of any part of the Real Estate or the Improvements;

(K) All present and future monetary deposits given to any public or private utility with respect to utility services furnished to any part of the Real Estate or the Improvements;

(L) All present and future funds, accounts, instruments, accounts receivable, documents, causes of action, claims, general intangibles (including, without limitation, trademarks, trade names, servicemarks and symbols now or hereafter used in connection with any part of the Real Estate or the Improvements, all names by which the Real Estate or the Improvements may be operated or known, all rights to carry on business under such names, and all rights, interest and privileges which Borrower has or may have as developer or declarant under any covenants, restrictions or declarations now or hereafter relating to the Real Estate or the Improvements) and all notes or chattel paper now or hereafter arising from or by virtue of any transactions related to the Real Estate or the Improvements (collectively, the "**General Intangibles**");

(M) All water taps, sewer taps, certificates of occupancy, permits, special permits, uses, licenses, franchises, certificates, consents, approvals and other rights and privileges now or hereafter obtained in connection with the Real Estate or the Improvements and all present and future warranties and guaranties relating to the Improvements or to any equipment, fixtures, furniture, furnishings, personal property or components of any of the foregoing now or hereafter located or installed on the Real Estate or the Improvements;

(N) All building materials, supplies and equipment now or hereafter placed on the Real Estate or in the Improvements and all architectural renderings, models, drawings, plans, specifications, studies and data now or hereafter relating to the Real Estate or the Improvements;

(O) All right, title and interest of Borrower in any insurance policies or binders now or hereafter relating to the Property, including any unearned premiums thereon;

(P) All proceeds, products, substitutions and accessions (including claims and demands therefor) of the conversion, voluntary or involuntary, of any of the foregoing into cash or liquidated claims; including, without limitation, proceeds of insurance and condemnation awards and all refunds, rebates or credits in connection with a reduction or overpayment of taxes;

(Q) All interest rate cap agreements, swaps or other interest hedging agreements now or hereafter executed with respect to the Loan, as hereinafter defined, or to guard against interest rate exposure in connection with the Loan; and

(R) All other or greater rights and interests of every nature in the Real Estate or the Improvements and in the possession or use thereof and income therefrom, whether now owned or hereafter acquired by Borrower.

FOR THE PURPOSE OF SECURING:

(1) A loan from Lender to Borrower in the original principal amount of TEN MILLION NINE HUNDRED THOUSAND AND NO/100 DOLLARS ($10,900,000.00) (the "**Loan**"), which is evidenced by (a) a Loan Agreement of even date herewith between Borrower and Lender (the "**Loan Agreement**"), and (b) a Promissory Note of even date herewith executed by Borrower and payable to the order of Lender in the original principal amount of the Loan

(such note, together with any and all renewals, modifications and extensions thereof, is hereinafter referred to as the "**Note**") with a maturity date of March 1, 2016 (subject to extension to September 1, 2016);

(2) The truth, accuracy, and completeness of all representations and warranties and the performance of all covenants and obligations of Borrower set forth in the Loan Agreement;

(3) The full and prompt payment and performance of all of the provisions, agreements, covenants and obligations herein contained and contained in any other agreements, documents or instruments now or hereafter evidencing, securing or otherwise relating to the indebtedness evidenced by the Note (the Note, the Loan Agreement, this Security Instrument, and such other agreements, documents and instruments, together with any and all renewals, modifications, amendments, restatements, consolidations, substitutions, replacements, and extensions and modifications thereof, are hereinafter collectively referred to as the "**Loan Documents**") and the payment of all other sums therein covenanted to be paid; including, without limitation, all interest, fees, and any applicable yield maintenance premiums or prepayment fees;

(4) Any and all future or additional advances (whether or not obligatory) made by Lender to protect or preserve the Property, or the lien or security interest created hereby on the Property, or for taxes, assessments or insurance premiums as hereinafter provided or for performance of any of Borrower's obligations hereunder or under the other Loan Documents or for any other purpose provided herein or in the other Loan Documents (whether or not the original Borrower remains the owner of the Property at the time of such advances), together with interest thereon at the Default Interest Rate; and

(5) Any and all other indebtedness now owing or which may hereafter be owing by Borrower to Lender, however and whenever incurred or evidenced, whether express or implied, direct or indirect, absolute or contingent, or due or to become due, and all renewals, modifications, amendments, restatements, consolidations, substitutions, replacements and extensions thereof.

(All of the sums referred to in Paragraphs (1) through (5) above are herein sometimes referred to as the "**Indebtedness**").

Capitalized terms used in this Security Instrument and not specifically defined herein shall have the meanings provided in the Note and/or the Loan Agreement.

TO HAVE AND TO HOLD the Property unto Lender, its successors and assigns forever, for the purposes and uses herein set forth.

PROVIDED, HOWEVER, that if the principal and interest and all other sums due or to become due under the Note; including, without limitation, any prepayment fees required pursuant to the terms of the Note, shall have been paid at the time and in the manner stipulated therein and all other sums payable hereunder and all other Indebtedness shall have been paid and all other covenants contained in the Loan Documents shall have been performed, then, in such case, this Security Instrument shall be satisfied and the estate, right, title and interest of Lender in

the Property shall cease, and upon payment to Lender of all costs and expenses incurred for the preparation of the release hereinafter referenced and all recording costs if allowed by law, Lender shall release this Security Instrument and the lien hereof by proper instrument in accordance with Section 4.02 hereof.

ARTICLE 1
BORROWER COVENANTS

1.01 Warranty of Title. Borrower has good, marketable and indefeasible fee simple title to the Property, subject only to those matters expressly set forth on Schedule B of the title insurance policy obtained by Lender insuring the lien of this Security Instrument (the "**Permitted Exceptions**"), and has full power and lawful authority to grant, bargain, sell, convey, assign, transfer and encumber its interest in the Property in the manner and form hereby done or intended. None of the Permitted Exceptions materially interfere with the security intended to be provided by this Security Instrument, the current primary use of the Property or the current ability of the Property to generate income sufficient to service the Loan. Borrower will preserve its interest in and title to the Property and will forever warrant and defend the same to Lender against any and all claims whatsoever and will forever warrant and defend the validity and priority of the lien and security interest created herein against the claims of all persons and parties whomsoever, subject to the Permitted Exceptions. The foregoing warranty of title shall survive the foreclosure, exercise of any power of sale or other enforcement of this Security Instrument and shall inure to the benefit of and be enforceable by Lender in the event Lender acquires title to the Property pursuant to any foreclosure, exercise of any power of sale or otherwise.

1.02 Defense of Title. If, while this Security Instrument is in force, the title to the Property or the interest of Lender therein shall be the subject, directly or indirectly, of any action at law or in equity, or be attached directly or indirectly, or endangered, clouded or adversely affected in any manner, Borrower, at Borrower's expense; shall take all necessary and proper steps for the defense of said title or interest, including the employment of counsel reasonably approved by Lender, the prosecution or defense of litigation, and the compromise or discharge of claims made against said title or interest.

1.03 Performance of Obligations. Borrower shall pay when due the principal of and the interest on the Indebtedness, including all charges, fees and other sums required to be paid by Borrower as provided in the Loan Documents, and shall observe, perform and discharge all obligations, and conditions, and comply with all prohibitions, covenants and agreements to be observed, performed or discharged by Borrower set forth in the Loan Documents in accordance with their terms. In the event that Lender determines that Borrower is not adequately performing any of its obligations under this Security Instrument or under any of the other Loan Documents, Lender may, without limiting or waiving any other rights or remedies of Lender hereunder, take such steps with respect thereto as Lender shall deem necessary or proper, and any and all costs and expenses reasonably incurred by Lender in connection therewith, together with interest thereon at the Default Interest Rate from the date incurred by Lender until actually paid by Borrower, shall be immediately paid by Borrower on demand and shall be secured by this Security Instrument and by all of the other Loan Documents securing all or any part of the Indebtedness.

1.04 Insurance.

(a) Borrower shall, at Borrower's expense, maintain in force and effect on the Property at all times while this Security Instrument continues in effect all insurance with respect to Borrower and the Property as is required in Section 2.02 of the Loan Agreement.

(b) In the event Borrower fails to provide, maintain, keep in force or deliver and furnish to Lender the policies of insurance required by the Loan Agreement or evidence of their renewal as required therein, Lender may, but shall not be obligated to, procure such insurance, in accordance with the terms of Section 2.02 of the Loan Agreement. Any amounts so advanced by Lender, together with interest thereon, shall be secured by this Security Instrument and by all of the other Loan Documents securing all or any part of the Indebtedness.

1.05 Payment of Taxes, Mechanics Liens and Other Lienable Charges. Borrower shall pay all taxes, assessments, mechanic's liens and other charges assessed or imposed upon the Property as and when required by Sections 2.03, 2.08 and 2.11 of the Loan Agreement. If, in accordance with the terms of the Loan Agreement, Lender advances any sums by reason of Borrower's failure to pay or discharge any lienable charge, such sums, together with interest thereon, shall be secured by this Security Instrument and by all of the other Loan Documents securing all of any part of the Indebtedness.

1.06 Casualty and Condemnation. Borrower shall comply with all obligations set forth in Section 2.07 of the Loan Agreement in the event the Property is damaged by a casualty or becomes subject to any condemnation or other taking. All proceeds or awards recovered by, or payable to, Borrower by reason of such event shall be paid and administered in accordance with the terms of the Loan Agreement.

1.07 Assignment Borrower acknowledges and confirms that, as additional collateral security for the payment of the Indebtedness, and cumulative of any and all rights and remedies herein provided, it has executed and delivered to Lender an Assignment of Leases and Rents (the "**Assignment of Rents**") of even date herewith and an Assignment of Contracts, Permits, Licenses Agreement and Other Rights of even date herewith (the "**Assignment of Other Rights**," and together with the Assignment of Rents, the "**Assignment**"), intending such Assignment to create a present, absolute assignment to Lender of the Leases, Rents and other collateral described therein. Upon the occurrence of a default under this Security Instrument, the Loan Agreement or any other Loan Document which has not been cured within any applicable grace or cure period, Lender shall be entitled to exercise any or all of the remedies provided in this Security Instrument and in the Assignment; including, without limitation, the appointment of a receiver. The Assignment shall continue in full force and effect during any period of foreclosure or redemption with respect to the Property.

1.08 Leases. Borrower shall not enter into any Leases or take any action with respect to the same unless such action is in accordance with the terms of Section 2.09 of the Loan Agreement.

1.09 Alienation and Further Encumbrances. Borrower shall not cause or permit any transfer of the Property or any transfer or pledge of ownership interests in Borrower or any

individual or entity holding interests in Borrower, except in accordance with the terms of Section 2.10 of the Loan Agreement.

1.10 Payment of Costs; Advances to Protect Property.

(a) Borrower shall pay all reasonable costs and expenses of every character incurred in connection with the closing of the Loan or otherwise attributable or chargeable to Borrower as the owner of the Property; including, without limitation, appraisal fees, recording fees, documentary, stamp, mortgage or intangible taxes, brokerage fees and commissions, title policy premiums and title search fees, uniform commercial code/tax lien/litigation search fees, escrow fees and reasonable attorneys' fees.

(b) Without limiting or waiving any other rights and remedies of Lender hereunder, if Lender determines that Borrower is not adequately performing or has failed to perform any of its obligations, covenants or agreements contained in this Security Instrument or in any of the other Loan Documents, and such inadequacy or failure is not cured within any applicable grace or cure period, or if any action or proceeding of any kind (including, but not limited to, any bankruptcy, insolvency, arrangement, reorganization or other debtor relief proceeding) is commenced which might affect Lender's interest in the Property or Lender's right to enforce its security, then Lender may, at its option, with or without notice to Borrower, make any appearances, disburse or advance any sums and take any actions as may be necessary or desirable to protect or enforce the security of this Security Instrument or to remedy the failure of Borrower to perform its covenants and agreements (without, however, waiving any default of Borrower). Borrower agrees to pay on demand all expenses of Lender reasonably incurred with respect to the foregoing (including, but not limited to, fees and disbursements of counsel), together with interest thereon at the Default Interest Rate from and after the date on which Lender incurs such expenses until reimbursement thereof by Borrower. Any such expenses so incurred by Lender, together with interest thereon as provided above, shall be additional indebtedness of Borrower secured by this Security Instrument and by all of the other Loan Documents securing all or any part of the Indebtedness. The necessity for any such actions and of the amounts to be paid shall be determined by Lender in its sole and absolute discretion. Lender is hereby empowered to enter and to authorize others to enter upon the Property or any part thereof for the purpose of performing or observing any such defaulted term, covenant or condition without thereby becoming liable to Borrower or any person in possession holding under Borrower. Borrower hereby acknowledges and agrees that the remedies set forth in this Section shall be exercisable by Lender, and any and all payments made or costs or expenses incurred by Lender in connection therewith shall be secured hereby and shall be, without demand, immediately repaid by Borrower with interest thereon at the Default Interest Rate notwithstanding the fact that such remedies were exercised and such payments made and costs incurred by Lender after the filing by Borrower of a voluntary case or the filing against Borrower of an involuntary case pursuant to or within the meaning of the Bankruptcy Reform Act of 1978, as amended (the "**Bankruptcy Act**"), Title 11 U.S.C., or after any similar action pursuant to any other debtor relief law (whether statutory, common law, case law or otherwise) of any jurisdiction whatsoever, now or hereafter in effect, which may be or become applicable to Borrower, Lender, any guarantor or indemnitor, the Indebtedness or any of the Loan Documents. This indemnity shall survive payment in full of the Indebtedness. This Section shall not be construed to require Lender to incur any expenses, make any appearances or take any actions.

1.11 Security Interest. This Security Instrument is also intended to encumber and create a security interest in, and Borrower hereby grants to Lender a security interest in, all Reserves held by Lender pursuant to the terms of the Loan Agreement, all fixtures, chattels, accounts, equipment, inventory, contract rights, general intangibles and other personal property included within the Property, all renewals, replacements of any of the aforementioned items, or articles in substitution therefor or in addition thereto or the proceeds thereof (collectively, the "**Collateral**"), whether or not the same shall be attached to the Property in any manner. It is hereby agreed that, to the extent permitted by law, all of the foregoing property is to be deemed and held to be a part of and affixed to the Real Estate and the Improvements. The foregoing security interest shall also cover Borrower's leasehold interest in any of the foregoing property which is leased by Borrower. Notwithstanding the foregoing, all of the foregoing property shall be owned by Borrower and no leasing or installment sales or other financing or title retention agreement in connection therewith shall be permitted without the prior written approval of Lender. Borrower shall promptly replace all of the Collateral subject to the lien or security interest of this Security Instrument when worn out or obsolete with Collateral comparable to the worn out or obsolete Collateral when new and will not, without the prior written consent of Lender, remove from the Property any of the Collateral subject to the lien or security interest of this Security Instrument except such as is replaced by an article of equal suitability and value as above provided, owned by Borrower free and clear of any lien or security interest except that created by this Security Instrument and the other Loan Documents and except as otherwise expressly permitted by the terms of Section 2.10 of the Loan Agreement. All of the Collateral shall be kept at the location of the Real Estate except as otherwise required by the terms of the Loan Documents. Borrower shall not use any of the Collateral in violation of any applicable statute, ordinance or insurance policy.

1.12 Security Agreement. This Security Instrument constitutes both a real property mortgage, deed of trust or deed to secure debt, as applicable, and a "security agreement" and "fixture filing" between Borrower and Lender with respect to the Collateral in which Lender is granted a security interest hereunder, and, cumulative of all other rights and remedies of Lender hereunder, Lender shall have all of the rights and remedies of a secured party under any applicable Uniform Commercial Code. Borrower hereby agrees to execute and deliver on demand and hereby irrevocably constitutes and appoints Lender the attorney-in-fact of Borrower to execute and deliver and, if appropriate, to file with the appropriate filing officer or office such security agreements, financing statements, continuation statements or other instruments as Lender may request or require in order to impose, perfect or continue the perfection of the lien or security interest created hereby. Borrower agrees to furnish Lender with notice of any change in the name, identity, corporate structure, residence, or principal place of business or mailing address of Borrower within ten (10) days after the effective date of any such change. Expenses of retaking, holding, preparing for sale, selling or the like (including, without limitation, Lender's reasonable attorneys' fees and legal expenses), together with interest thereon at the Default Interest Rate from the date incurred by Lender until actually paid by Borrower, shall be paid by Borrower on demand and shall be secured by this Security Instrument and by all of the other Loan Documents securing all or any part of the Indebtedness. If notice is required by law, Lender shall give Borrower at least ten (10) days' prior written notice of the time and place of any public sale of such property or of the time of or after which any private sale or any other intended disposition thereof is to be made, and if such notice is sent to Borrower, as the same is provided for the mailing of notices in the Loan Agreement, it is hereby deemed that such notice

shall be and is reasonable notice to Borrower. No such notice is necessary for any such property which is perishable, threatens to decline speedily in value or is of a type customarily sold on a recognized market. Any sale made pursuant to the provisions of this Section shall be deemed to have been a public sale conducted in a commercially reasonable manner if held contemporaneously with the foreclosure sale as provided in this Security Instrument upon giving the same notice with respect to the sale of the Property hereunder as is required under said hereunder. Furthermore, to the extent permitted by law, in conjunction with, in addition to or in substitution for the rights and remedies available to Lender pursuant to any applicable Uniform Commercial Code:

(a) In the event of a foreclosure sale, the Property may, at the option of Lender, be sold as a whole;

(b) It shall not be necessary that Lender take possession of the aforementioned Collateral, or any part thereof, prior to the time that any sale pursuant to the provisions of this Section is conducted and it shall not be necessary that said Collateral, or any part thereof, be present at the location of such sale; and

(c) Lender may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by Lender, including the sending of notices and the conduct of the sale, but in the name and on behalf of Lender.

Borrower will not change its principal place of business or chief executive office, or change the State of its organization or registration, or change its name, without in each instance the prior written consent of Lender, which consent shall not be unreasonably withheld, delayed or conditioned. Lender's consent will, however, be conditioned upon, among other things, the execution and delivery of additional financing statements, security agreements and other instruments which may be necessary to effectively evidence or perfect Lender's security interest in the Collateral as a result of such changes.

1.13 Easements and Rights-of-Way. Borrower shall not grant any easement or right-of-way with respect to all or any portion of the Property without the prior written consent of Lender. To the extent allowed by law, the purchaser at any foreclosure sale hereunder may, at its discretion, disaffirm any easement or right-of-way granted in violation of any of the provisions of this Security Instrument and may take immediate possession of the Property free from, and despite the terms of, such grant of easement or right-of-way. If Lender consents to the grant of an easement or right-of-way, Lender agrees to grant such consent without charge to Borrower other than reasonable expenses; including, without limitation, reasonable attorneys' fees, incurred by Lender in the review of Borrower's request and, if applicable, in the preparation of documents relating to the subordination of this Security Instrument to such easement or right-of-way.

1.14 Borrower's Waiver of Rights of Redemption, Marshalling and Other Rights. To the full extent permitted by law, Borrower agrees that Borrower shall not at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisement, valuation, stay, moratorium or extension, or any law now or hereafter in force providing for the reinstatement of the Indebtedness prior to any sale of the Property to be made

pursuant to any provisions contained herein or prior to the entering of any decree, judgment or order of any court of competent jurisdiction, or any right under any statute to redeem all or any part of the Property so sold. To the full extent permitted by law, Borrower shall not have or assert any right under any statute or rule of law pertaining to the exemption of homestead or other exemption under any federal, state or local law now or hereafter in effect, the administration of estates of decedents or any other matters whatsoever to defeat, reduce or affect the right of Lender under the terms of this Security Instrument to a sale of the Property, for the collection of the Indebtedness without any prior or different resort for collection, or the right of Lender under the terms of this Security Instrument to the payment of the Indebtedness out of the proceeds of sale of the Property in preference to every other claimant whatever. Borrower, for Borrower and Borrower's successors and assigns, and for any and all persons ever claiming any interest in the Property, to the full extent permitted by law, hereby knowingly, intentionally and voluntarily with and upon the advice of competent counsel waives, releases, relinquishes and forever forgoes: (a) all rights of valuation, appraisement, stay of execution, reinstatement and notice of election or intention to mature or declare due the Indebtedness (except such notices as are specifically provided for herein); (b) all right to a marshaling of the assets of Borrower, including the Property, to a sale in the inverse order of alienation, or to direct the order in which any of the Property shall be sold in the event of foreclosure of the liens and security interests hereby created and agrees that any court having jurisdiction to foreclose such liens and security interests may order the Property sold as an entirety; (c) all rights and periods of redemption provided under applicable law; (d) all present and future statutes of limitations as a defense to any action to enforce the provisions of this Security Instrument or to collect any of the Indebtedness to the fullest extent permitted by law, and agrees that it shall not solicit or aid the solicitation of the filing of any petition against Borrower, whether acting on its own behalf or on behalf of any other party; (e) the right to assert a counterclaim, other than a mandatory or compulsory counterclaim, in any action or proceeding brought against it by Lender under the Loan Documents; (f) any defense Borrower might have by reason of Lender's failure to make any tenant of the Property a defendant in any foreclosure proceeding instituted by Lender; and (g) any right to notice from Lender, except as expressly provided in this Security Instrument, the Loan Agreement or the other Loan Documents. Without limiting the generality of the foregoing, Borrower shall not (i) provide information regarding the identity of creditors or the nature of creditors' claims to any third party unless compelled to do so by order of a court of competent jurisdiction or by regulation promulgated by a governmental agency; or (ii) pay the legal fees or expenses of any creditor of or interest holder in Borrower with respect to any matter whatsoever.

1.15 Contractual Statute of Limitations. Borrower hereby agrees that any claim or cause of action by Borrower against Lender, or any of Lender's directors, officers, partners, members, employees, agents, accountants or attorneys, based upon, arising from or relating to the Indebtedness, or any other matter, cause or thing whatsoever, whether or not relating thereto, occurred, done, omitted or suffered to be done by Lender or by Lender's directors, officers, partners, members, employees, agents, accountants or attorneys, whether sounding in contract or in tort or otherwise, shall be barred unless asserted by Borrower by the commencement of an action or proceeding in a court of competent jurisdiction by the filing of a complaint within one (1) year after Borrower first acquires or reasonably should have acquired knowledge of the first act, occurrence or omission upon which such claim or cause of action, or any part thereof, is based and service of a summons and complaint on an officer of Lender or any other person authorized to accept service of process on behalf of Lender, within thirty (30) days thereafter.

Borrower agrees that such one (1) year period of time is reasonable and sufficient time for a borrower to investigate and act upon any such claim or cause of action. The one (1) year period provided herein shall not be waived, tolled or extended except by the specific written agreement of Lender. This provision shall survive any termination of this Security Instrument or any of the other Loan Documents.

1.16 Management. Borrower shall provide for management of the Property in accordance with the terms of Section 2.21 of the Loan Agreement.

ARTICLE 2
EVENTS OF DEFAULT

2.01 Events of Default. The occurrence of an Event of Default as defined in Section 3.01 of the Loan Agreement, shall constitute an Event of Default under this Security Instrument.

ARTICLE 3
REMEDIES

3.01 Remedies Available.

(a) If an Event of Default occurs, Lender may exercise, at its option and without prior notice or demand, and is hereby authorized by Borrower to exercise, any and all remedies set forth in the Loan Agreement, this Security Instrument, any other Loan Document or available under applicable law or in equity; including, without limitation, acceleration of the Indebtedness and foreclosure of the Property.

(b) This Security Instrument shall constitute a direction to and full authority to any lessee, or other third party who has heretofore dealt or contracted or may hereafter deal or contract with Borrower or Lender, at the request of Lender, to pay all amounts owing under any Lease, contract, concession, license or other agreement to Lender without proof of the default relied upon. Any such lessee or third party is hereby irrevocably authorized to rely upon and comply with (and shall be fully protected by Borrower in so doing) any request, notice or demand by Lender for the payment to Lender of any Rents or other sums which may be or thereafter become due under its Lease, contract, concession, license or other agreement, or for the performance of any undertakings under any such lease, contract, concession, license or other agreement, and shall have no right or duty to inquire whether any default under this Security Instrument or under any of the other Loan Documents has actually occurred or is then existing. Borrower hereby constitutes and appoints Lender, its assignees, successors, transferees and nominees, as Borrower's true and lawful attorney-in-fact and agent, with full power of substitution in the Property, in Borrower's name, place and stead, to do or permit any one or more of the foregoing described rights, remedies, powers and authorities, successively or concurrently, and said power of attorney shall be deemed a power coupled with an interest and irrevocable so long as any Indebtedness is outstanding. Any money advanced by Lender in connection with any action taken under this Section, together with interest thereon at the Default Interest Rate from the date of making such advancement by Lender until actually paid by Borrower, shall be a demand obligation owing by Borrower to Lender and shall be secured by this Security Instrument and by every other Loan Document securing the Indebtedness.

3.02 Cumulative Remedies. All remedies contained in this Security Instrument, the Loan Agreement and the other Loan Documents are cumulative and Lender shall also have all other remedies provided at law and in equity. Such remedies may be pursued separately, successively or concurrently at the sole subjective direction of Lender and may be exercised in any order and as often as occasion therefor shall arise. No act of Lender shall be construed as an election to proceed under any particular provisions of this Security Instrument, the Loan Agreement or the other Loan Documents to the exclusion of any other provision or as an election of remedies to the exclusion of any other remedy which may then or thereafter be available to Lender. No delay or failure by Lender to exercise any right or remedy under this Security Instrument, the Loan Agreement or the other Loan Documents shall be construed to be a waiver of that right or remedy or of any default hereunder. Lender may exercise any one or more of its rights and remedies at its option without regard to the adequacy of its security.

3.03 Payment of Expenses. Borrower shall pay on demand all of Lender's expenses reasonably incurred in any efforts to enforce any terms of this Security Instrument, the Loan Agreement or the other Loan Documents whether or not any lawsuit is filed and whether or not foreclosure is commenced but not completed, including, but not limited to, reasonable legal fees and disbursements, foreclosure costs and title charges, together with interest thereon from and after the date incurred by Lender until actually paid by Borrower at the Default Interest Rate, as defined in the Note, and the same shall be secured by this Security Instrument and by all of the other Loan Documents securing all or any part of the Indebtedness.

3.04 Application of Proceeds. The proceeds from a foreclosure or other disposition of the Property shall be applied by Lender in accordance with the terms of the Loan Agreement.

ARTICLE 4
MISCELLANEOUS TERMS AND CONDITIONS

4.01 Time of Essence. Time is of the essence with respect to all provisions of this Security Instrument.

4.02 Release of Security Instrument.

(a) If and when Borrower has paid all of the Indebtedness as the same becomes due and payable then, and in such event only, all rights under this Security Instrument shall terminate except for those provisions hereof which by their terms survive, and the Property shall become wholly clear of the liens, security interests, conveyances and assignments evidenced hereby, which shall be released by Lender in due form at Borrower's cost.

(b) If less than all of the Property is at any time sold or transferred due to foreclosure, deed in lieu of foreclosure, condemnation or otherwise, or if Lender releases any portion of the Property from the lien of this Security Instrument, this Security Instrument shall remain as a lien and security interest on the remaining portion of the Property, unimpaired and without loss of priority.

4.03 Notices. Any notice, report, demand or other instrument authorized or required to be given or furnished hereunder or as required by law shall be given in accordance with the terms of the Loan Agreement.

4.04 Successors and Assigns. The terms, provisions, indemnities, covenants and conditions hereof shall be binding upon Borrower and the successors and assigns of Borrower, including all successors in interest in and to all or any part of the Property, and shall inure to the benefit of Lender, and its successors and assigns and shall constitute covenants running with the land. If Borrower consists of more than one person or entity, each will be jointly and severally liable to perform the obligations of Borrower.

4.05 Entire Agreement; Amendment; Severability. This Security Instrument contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior agreements, whether written or oral, between the parties respecting such matters. Any amendments or modifications hereto, in order to be effective, shall be in writing and executed by the parties hereto. A determination that any provision of this Security Instrument is unenforceable or invalid shall not affect the enforceability or validity of any other provisions.

4.06 Captions for Convenience. The captions and headings of the sections and paragraphs of this Security Instrument are for convenience of reference only and shall not be construed in interpreting the provisions hereof.

4.07 GOVERNING LAW. THIS SECURITY INSTRUMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE WHERE THE PROPERTY IS LOCATED, PROVIDED, HOWEVER, THAT TO THE EXTENT THAT ANY OF SUCH LAWS MAY NOW OR HEREAFTER BE PREEMPTED BY FEDERAL LAW, SUCH FEDERAL LAW SHALL SO GOVERN AND BE CONTROLLING.

4.08 Litigation Provisions.

(a) BORROWER CONSENTS AND SUBMITS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED IN BOSTON, MASSACHUSETTS, AND OF ANY STATE OR FEDERAL COURT LOCATED OR HAVING JURISDICTION IN THE COUNTY IN WHICH THE PROPERTY IS LOCATED AND IN WHICH ANY LEGAL PROCEEDING MAY BE COMMENCED OR PENDING RELATING IN ANY MANNER TO THIS SECURITY INSTRUMENT, THE LOAN, OR ANY OF THE OTHER LOAN DOCUMENTS.

(b) TO THE EXTENT ALLOWED BY LAW, BORROWER AGREES THAT PROCESS IN ANY LEGAL PROCEEDING RELATING TO THIS SECURITY INSTRUMENT, THE LOAN OR ANY OF THE OTHER LOAN DOCUMENTS MAY BE SERVED ON BORROWER AT ANY LOCATION.

(c) BORROWER AGREES THAT ANY LEGAL PROCEEDING RELATING TO THIS SECURITY INSTRUMENT, THE LOAN, OR ANY OF THE OTHER LOAN DOCUMENTS MAY BE BROUGHT AGAINST BORROWER IN ANY STATE OR FEDERAL COURT LOCATED IN BOSTON, MASSACHUSETTS, OR ANY STATE OR FEDERAL COURT LOCATED OR HAVING JURISDICTION IN THE COUNTY IN WHICH THE PROPERTY IS LOCATED. BORROWER WAIVES ANY OBJECTION TO VENUE IN ANY SUCH COURT AND WAIVES ANY RIGHT IT MAY HAVE TO TRANSFER OR CHANGE THE VENUE FROM ANY SUCH COURT.

(d) BORROWER AGREES THAT IT WILL NOT COMMENCE ANY LEGAL PROCEEDING AGAINST LENDER RELATING IN ANY MANNER TO THIS SECURITY INSTRUMENT, THE LOAN OR ANY OF THE OTHER LOAN DOCUMENTS IN ANY COURT OTHER THAN A STATE OR FEDERAL COURT LOCATED IN BOSTON, MASSACHUSETTS, OR IF A LEGAL PROCEEDING IS COMMENCED BY LENDER AGAINST BORROWER IN A COURT IN ANOTHER LOCATION, BY WAY OF A COUNTERCLAIM IN SUCH LEGAL PROCEEDING.

(e) BORROWER HEREBY WAIVES TRIAL BY JURY IN ANY LEGAL PROCEEDING RELATING TO THIS SECURITY INSTRUMENT, THE LOAN OR ANY OF THE OTHER LOAN DOCUMENTS.

4.09 Counting of Days. The term "days" when used herein shall mean calendar days. If any time period ends on a Saturday, Sunday or holiday officially recognized by the State within which the Property is located, the period shall be deemed to end on the next succeeding business day. The term "**business day**" or "**Business Day**" when used herein shall mean a weekday, Monday through Friday, except a legal holiday or a day on which banking institutions in New York, New York are authorized by law to be closed.

4.10 Application of the Proceeds of the Note/Subrogation. To the extent that proceeds of the Note are used to pay indebtedness secured by any outstanding lien, security interest, charge or prior encumbrance against the Property, such proceeds have been advanced by Lender at Borrower's request and Lender shall be subrogated to any and all rights, security interests and liens owned by any owner or holder of such outstanding liens, security interests, charges or encumbrances, irrespective of whether said liens, security interests, charges or encumbrances are released.

4.11 Unsecured Portion of Indebtedness. If any part of the Indebtedness cannot be lawfully secured by this Security Instrument or if any part of the Property cannot be lawfully subject to the lien and security interest hereof to the full extent of such Indebtedness, then all payments made shall be applied on said Indebtedness first in discharge of that portion thereof which is unsecured by this Security Instrument.

4.12 Construction of this Document. This document may be construed as a mortgage, security deed, deed of trust, chattel mortgage, conveyance, assignment, security agreement, pledge, financing statement, hypothecation or contract, or any one or more of the foregoing, in order to fully effectuate the liens and security interests created hereby and the purposes and agreements herein set forth.

4.13 No Merger. It is the desire and intention of the parties hereto that this Security Instrument and the lien hereof do not merge in fee simple title to the Property.

4.14 Rights With Respect to Junior Encumbrances. Any person or entity purporting to have or to take a junior mortgage or other lien upon the Property or any interest therein shall be subject to the rights of Lender to amend, modify, increase, vary, alter or supplement this Security Instrument, the Note or any of the other Loan Documents and to extend the maturity date of the Indebtedness and to increase the amount of the Indebtedness and to waive or forebear the

exercise of any of its rights and remedies hereunder or under any of the other Loan Documents and to release any collateral or security for the Indebtedness, in each and every case without obtaining the consent of the holder of such junior lien and without the lien or security interest of this Security Instrument losing its priority over the rights of any such junior lien.

4.15 After-Acquired Property. All property acquired by Borrower after the date of this Security Instrument which by the terms of this Security Instrument shall be subject to the lien and the security interest created hereby, shall immediately upon the acquisition thereof by Borrower and without further deed, conveyance or assignment become subject to the lien and security interest created by this Security Instrument.

4.16 Counterparts. This Security Instrument may be executed in any number of counterparts, each of which shall be effective only upon delivery and thereafter shall be deemed an original, and all of which shall be taken to be one and the same instrument, for the same effect as if all parties hereto had signed the same signature page. Any signature page of this Security Instrument may be detached from any counterpart of this Security Instrument without impairing the legal effect of any signatures thereon and may be attached to another counterpart of this Security Instrument identical in form hereto but having attached to it one or more additional signature pages.

4.17 Personal Liability. Notwithstanding anything to the contrary contained in this Security Instrument, the liability of Borrower for the Indebtedness and for the performance of the other agreements, covenants and obligations contained herein and in the other Loan Documents shall be limited as set forth in Section 7.18 of the Loan Agreement; provided, however, that nothing herein shall be deemed to be a waiver of any right which Lender may have under Sections 506(a), 506(b), 1111(b) or any other provisions of the Bankruptcy Act to file a claim for the full amount of the Indebtedness or to require that all collateral shall continue to secure all indebtedness owing to Lender in accordance with the Note, this Security Instrument and the other Loan Documents.

4.18 Relationship of the Parties; No Third Party Beneficiary. The relationship between Borrower and Lender is that of a debtor and a creditor only and neither of those parties is, nor shall it hold itself out to be, the agent, employee, joint venturer or partner of the other party. Neither the rights granted to Lender hereunder or in the other Loan Documents or the exercise by Lender of any remedies with respect to this Security Instrument or other Loan Documents shall be construed to make Lender a "mortgagee in possession" of the Property absent Lender itself taking actual possession of the Property. This Security Instrument is not intended by Borrower and Lender to confer, and shall not confer, benefits on behalf of any tenant or other occupant of the Property.

4.19 Fixture Filing. This Security Instrument shall be effective from the date of its recording as a financing statement filed as a fixture filing with respect to all goods constituting part of the Property which are or are to become fixtures.

4.20 Local Law Provisions. In the event of any conflict between the provisions of this Section 4.20 and any other provision in this Security Instrument, the provisions of this Section 4.20 shall govern:

(a) For purposes of this Security Instrument, the definition of "Note" shall include any deferred, accrued or capitalized interest (if any) provided for in the Note, and all future advances and readvances that may subsequently be made by Lender to Borrower pursuant to the Loan Documents and which are evidenced by the Note or otherwise, all of which shall be secured hereunder in accordance with Section 29-3-50, Code of Laws of South Carolina 1976, as amended.

(b) This Security Instrument shall secure not only existing indebtedness but all future advances (in accordance with Section 29-3-50, Code of Laws of South Carolina 1976, as amended), readvances, and additional indebtedness hereafter arising or incurred by Borrower to or in favor of Lender, and any notes evidencing the same, whether such advances or indebtedness is obligatory or to be made at the option of the Lender, or otherwise, to the same extent as if such future advance or indebtedness was made on the date of the execution of this Security Instrument, but the indebtedness secured by this Security Instrument shall not exceed at any one time the maximum principal amount of $16,350,000, plus interest thereon, reasonable attorneys' fees and court costs, and plus advancements for taxes, insurance premiums, and repairs made by Lender. All indebtedness incurred after the date hereof by Borrower in favor of Lender shall conclusively be deemed to be a future advance under this Security Instrument and entitled to the protection of this provision and the security of this Security Instrument. Such future indebtedness may bear interest at a rate or rates greater than the rate set forth in the Note, or the other Loan Documents. Interest on the Indebtedness will be deferred, accrued, or capitalized, but Lender shall not be required to defer, accrue, or capitalize any interest except as provided in the Loan Documents.

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The laws of South Carolina provide that in any real estate foreclosure proceeding a defendant against whom a personal judgment is taken or asked may, within thirty (30) days after the sale of the mortgaged property apply to the court for an order of appraisal. The statutory appraisal value as approved by the court would be substituted for the high bid and may decrease the amount of any deficiency owing in connection with the transaction. **THE UNDERSIGNED HEREBY WAIVES AND RELINQUISHES THE STATUTORY APPRAISAL RIGHTS WHICH MEANS THE HIGH BID AT THE JUDICIAL FORECLOSURE SALE WILL BE APPLIED TO THE DEBT REGARDLESS OF ANY APPRAISED VALUE OF THE PROPERTY.**

IN WITNESS WHEREOF, Borrower, intending to be legally bound hereby, has duly executed this Security Instrument under seal as of the day and year first above written.

WITNESSES:

Signature

Brent Wilde
Print Name

Signature

Cassie Wilson
Print Name

BORROWER:

CHICORA LIFE CENTER, LC, a South Carolina limited liability company

By: _____
Douglas M. Durbano, Manager
8/29/14

Address:

476 West Heritage Park Boulevard
Suite 200
Layton, Utah 84041

[signature page to Chicora Life Center Mortgage]

STATE OF Utah)
) ss:
COUNTY OF Davis)

BEFORE ME, the undersigned Notary Public in and for said County and State, this 23rd day of August, 2014, personally appeared the above-named Douglas M. Durbano, known to me individually and as the Manager of Chicora Life Center, LC, a South Carolina limited liability company, who, being duly sworn, acknowledged that the statements therein are true and that he did sign the foregoing instrument as his free act and deed, and that the same is the duly authorized act and deed of such limited liability company.

WITNESS my hand and official seal this 23 day of August, 2014.

Theresa L. Babauta
Notary Public
Name: Theresa L. Babauta
Commission expires: 01-26-2018

[NOTARIAL SEAL]

THERESA L. BABAUTA
Notary Public • State of Utah
Commission # 673697
COMM. EXP. 01-26-2018

[notary page to Chicora Life Center Mortgage]

EXHIBIT A

LEGAL DESCRIPTION

ALL that piece, parcel, or strip of land, situate, lying, and being in the City of North Charleston, County of Charleston, State of South Carolina, measuring and containing 23.25 ACRES, more or less, and being shown and designated on a plat entitled "PLAT SHOWING TMS #469-07-00 001 AND THE COMBINATION OF A PORTION OF COSGROVE AVENUE RIGHT OF WAY A 0.28 ACRE TRACT PROPERTY OF CHARLESTON COUNTY AND A PORTION OF TRACT A (0.12 ACRE) FROM TMS#469-08-00-208 ORIGINALLY A 0.37+/- ACRE TRACT PROPERTY OF TH E CITY OF NORTH CHARLESTON AND SHOWING THE 0.25 ACRE RESIDUAL OF TMS# 469-08-00-208 PROPERTY OF THE CITY OF NORTH CHARLESTON, CHARLESTON COUNTY, SOUTH CAROLINA" prepared by Davis & Floyd, Inc. and being dated June 19, 2013, revised August 28, 2013 and recorded in the RMC Office for Charleston County in Plat Book L13, Page 0319.

Being the same property conveyed to Chicora Life Center, LC by Chicora Gardens Holdings, LLC by deed dated and recorded simultaneously here with in.

RECORDER'S PAGE

NOTE: This page MUST remain with the original document

Filed By:

BROWNYARD LAW FIRM
PALMETTO BUSINESS CENTER
1017 CHUCK DAWLEY BLVD SUITE 200
MT PLEASANT SC 29464 (COURIER)

RECORDED

Date:	August 28, 2014
Time:	4:39:31 PM

Book	Page	DocType
0426	103	Mtg

Charlie Lybrand, Register
Charleston County, SC

Maker: CHICORA LIFE CENTER

Recipient: UCF I TRUST 1

Original Book:

Original Page:

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Note:

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STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	NINTH JUDICIAL DISTRICT
COUNTY OF CHARLESTON	)	CASE NO.: 2014-CP-10-7481
	)	
Lee & Associates Charleston, LLC	)	
	)	
Plaintiff,	)	
	)	
vs.	)	Amended Answer and Counterclaim
	)	
Chicora Gardens Holdings, LLC., Chicora Life Center, LC., and Jeremy Blackburn	)	
	)	
Defendants.	)	
	)	

FILED
2015 FEB 11 PM 3:54
JULIE J. ARMSTRONG
CLERK OF COURT

The Defendants, Chicora Gardens Holdings, LLC, Chicora Life Center, LC, and Jeremy Blackburn, (hereinafter "Defendants") by and through their undersigned attorney hereby Answer the Plaintiff's Complaint as follows:

1. All allegations of the Complaint not specifically admitted or denied are denied, and strict proof is demanded thereof.

2. That these Defendants are without sufficient information with which to either admit or deny the allegations contained in Paragraph 1.

3. That these Defendants deny the allegations of Paragraphs 2 and 3.

4. That there is no Paragraph 4 in this Complaint.

5. That the Defendants admit that Jeremy Blackburn resides in Charleston County and is the project manager for Chicora Gardens Holdings LLC but deny the remaining allegations of Paragraph 5.

6. That these Defendants admit the allegations of Paragraph 6.

7. That these Defendants deny the allegations of Paragraph 7.

8. That these Defendants admit that an agreement was executed between the parties, but deny the remaining allegations of Paragraph 8.

9. That these Defendants deny the allegations of Paragraphs 9 and 10.

10. That these Defendants admit that a lease was signed by the parties, but deny any other allegations of Paragraph 11 and allege that the lease is not yet effective for purposes of the agreement with Lee & Associates.

11. That these Defendants deny the allegations of Paragraphs 12 and 13.

12. That these Defendants are without sufficient information with which to either admit or deny the allegations contained in Paragraphs 14, 15, 16 and 17.

13. That these Defendants admit the allegations of Paragraphs 18 and 19.

14. That these Defendants are without sufficient information with which to either admit or deny the allegations contained in Paragraph 20.

15. That these Defendants deny the allegations of Paragraph 21.

16. Paragraph 22 of the Complaint requires no response from these Defendants.

17. That these Defendants deny the allegations of Paragraphs 23 and 24.

18. That these Defendants are without sufficient information with which to either admit or deny the allegations contained in Paragraphs 25 and 26.

19. That these Defendants deny the allegations of Paragraph 27.

20. Paragraph 28 of the Complaint requires no response from these Defendants.

21. That these Defendants deny the allegations of Paragraphs 29, 30 and 31.

22. Paragraph 32 of the Complaint requires no response from these Defendants.

23. That these Defendants deny the allegations of Paragraphs 33, 34, 36 and 36.

24. Paragraph 37 of the Complaint requires no response from these Defendants.

25. That these Defendants deny the allegations of Paragraph 38.

26. That these Defendants are without sufficient information with which to either admit or deny the allegations contained in Paragraphs 39.

27. That these Defendants deny the allegations of Paragraph 40, 41, 42, 43, 44, 45 and 46.

28. Paragraph 47 of the Complaint requires no response from these Defendants.

29. That these Defendants deny the allegations of Paragraphs 48, 49 and 50.

30. Paragraph 51 of the Complaint requires no response from these Defendants.

31. That these Defendants admit the allegations of Paragraph 52.

32. That these Defendants are without sufficient information with which to either admit or deny the allegations contained in Paragraphs 53.

33. That these Defendants deny the allegations of Paragraph 54, 55, 56 and 57.

FURTHER ANSWERING THE COMPLAINT
AS A FIRST AFFIRMATIVE DEFENSE
(Failure to State Facts Sufficient to State a Claim) 12(b)(6)

34. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

35. The Defendant alleges that this action should be dismissed against it pursuant to Rule 12(b)(6), South Carolina Rules of Civil Procedure, for failure to state facts sufficient to constitute a cause of action.

FURTHER ANSWERING THE COMPLAINT
AS A SECOND AFFIRMATIVE DEFENSE
(Estoppel)

36. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

37. That the Defendants are informed and believe that the Plaintiff is estopped from claiming the relief complained of in the Complaint.

FURTHER ANSWERING THE COMPLAINT
AS A THIRD AFFIRMATIVE DEFENSE
(Statute of Frauds)

38. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

39. That the allegations of Plaintiff, if true, violate the Statute of Frauds, S.C. Code § 32-3-10.

FURTHER ANSWERING THE COMPLAINT
AS A FOURTH AFFIRMATIVE DEFENSE
(Unclean Hands)

40. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

41. That the Defendant is barred from any equitable relief because of the Defendant's own inequitable actions.

FURTHER ANSWERING THE COMPLAINT
AS A FIFTH AFFIRMATIVE DEFENSE
(Failure to Fulfill a Condition Precedent)

42. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

43. That the Defendants assert that Plaintiffs have failed to fulfill a condition precedent to bringing this action.

FURTHER ANSWERING THE COMPLAINT
AS A SIXTH AFFIRMATIVE DEFENSE
(Satisfaction)

44. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

45. That the Defendants assert that Plaintiff's claims are barred under the doctrine of satisfaction, the Defendants having performed, the Plaintiff having accepted substitute performance, or the parties having previously resolved all claims between them by mutual agreement.

FURTHER ANSWERING THE COMPLAINT
AS A SEVENTH AFFIRMATIVE DEFENSE
(Statute of Limitations)

46. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

47. That the Plaintiff failed to commence this action within the time required by the applicable statute of limitations period, and the failure to timely commence the action constitutes a bar and complete defense to all claims.

FURTHER ANSWERING THE COMPLAINT
AS A EIGHTH AFFIRMATIVE DEFENSE
(Breach of Contract)

48. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

49. That the Plaintiff breached the contract of the parties, and therefore, cannot now enforce the terms thereof, and cannot seek the relief requested.

FURTHER ANSWERING THE COMPLAINT
AS A NINTH AFFIRMATIVE DEFENSE
(Intervening & Superseding Cause)

50. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

51. That the injury or damage suffered by the Plaintiff, if any, was due to and caused by and was the direct and proximate result of the intervening and superseding negligence, willfulness, wantonness and recklessness of the Plaintiff or of others over whom the Defendants had no control, resulting directly and proximately in the damage of which Plaintiff complains and such constitutes a complete defense to all claims for negligence.

FURTHER ANSWERING THE COMPLAINT
AS A TENTH AFFIRMATIVE DEFENSE
(Failure to Mitigate)

52. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

53. That the Defendant failed to mitigate her damages by failing to notify the Plaintiff of any problems concerning her property prior to suit being initiated.

FURTHER ANSWERING THE COMPLAINT
AS A ELEVENTH AFFIRMATIVE DEFENSE
(Setoff)

54. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

55. That the Plaintiff's claims are subject to offsets or setoffs claimed by the Defendants.

FURTHER ANSWERING THE COMPLAINT
AS A TWELFTH AFFIRMATIVE DEFENSE
(Failure of Condition &/or Consideration)

56. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

57. That the Plaintiff has no claim or cause of action for a commission on any lease for failure of consideration and specifically the lease with Charleston County because no lease has been consummated between the named parties to the Listing/Agency Agreement, specifically Chicora Gardens Holdings LLC has never entered into a Lease; there is no written Listing / Agency Agreement between Plaintiffs and Chicora Life Center LC; the lease between Chicora Life Center LC and Charleston County has not yet become effective and the County's duty to perform once the lease becomes effective is discretionary and non-binding.

FURTHER ANSWERING THE COMPLAINT
AS A THIRTEENTH AFFIRMATIVE DEFENSE
(Illegality)

58. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

59. That the contract upon which Plaintiff brings this action is illegal

FURTHER ANSWERING THE COMPLAINT
AS A FOURTEENTH AFFIRMATIVE DEFENSE
(Laches)

60. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

61. That the Plaintiff neglected for an unreasonable and unexplained length of time to provide notice of any alleged deficiencies to the Defendants who have been prejudiced by the delay and such unreasonable delay and resulting prejudice constitutes a complete defense to all claims.

FURTHER ANSWERING THE COMPLAINT
AS A FIFTEENTH AFFIRMATIVE DEFENSE
(Waiver)

62. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

63. The Defendant are informed and believe that the Plaintiff has waived its rights under the contract, by its actions and course of conduct.

FURTHER ANSWERING THE COMPLAINT
AS A FIFTEENTH AFFIRMATIVE DEFENSE
(Privilege)

64. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

65. That the information disseminated to any third party about the Plaintiff is protected by privilege.

FURTHER ANSWERING THE COMPLAINT
AND AS A FIRST COUNTERCLAIM
(Breach of Contract)

66. Chicora Gardens Holdings, LLC is a limited liability company formed and existing under the laws of South Carolina ("Chicora Gardens"), Chicora Life Center LC is a limited liability company ("Chicora Life Center") and Jeremy Blackburn is an individual.

67. Upon information and belief, Lee & Associates Charleston, LLC is a limited liability company formed and existing under the laws of South Carolina ("Lee & Associates").

68. That the Defendants hereby incorporate by reference the responses to Lee & Associates' Complaint and the affirmative defenses above.

69. Lee & Associates represented to Chicora Gardens prior to signing a representation agreement that it would take specific steps under a specific timeline pursuant to a Marketing Plan.

70. After signing the representation agreement with Chicora Gardens, Lee & Associates failed to take commercially reasonable measures to market the property as was required by the agreement.

71. After signing the representation agreement with Chicora Gardens, Lee & Associates also failed to take those specific steps contemplated by the Marketing Plan within the timeframe stated in the Marketing Plan.

72. The agreement's Statement of Purpose recites that "Client has requested Agent to find prospective tenants for the Property and to negotiate agreement of lease therefore, and Agent is willing to perform such services."

73. Having the right to find prospective tenants for the Property, Lee & Associates also took upon itself the duty to do so.

74. The agreement states that "Agent shall seek out and cooperate with brokers (and/or salespersons working for them) representing prospective tenants to provide maximum marketing exposure for the Property in the marketplace."

75. The agreement states that "Agent shall market the Property in such manner and in such publications and other media as it deems appropriate for the marketing of the subject Property."

76. The foregoing, along with other provisions and context of the agreement, make clear that Lee & Associates had a duty thereunder to market the Property.

77. But for the promise by Lee & Associates to aggressively market the property as represented in the Marketing Plan, Chicora Gardens would not have entered into the contract.

78. Lee & Associates failed to take commercially reasonable measures to market the property within a reasonable time after the signing of the agreement.

79. Chicora Gardens provided notice to Lee & Associates that its failure to perform under the contract warranted and required termination thereof.

80. Chicora Gardens initially understood that Lee & Associates acquiesced in the termination of the contract.

81. Upon information and belief, at the time the agreement was signed by the parties, Lee & Associates represented other property owners who seek to lease space which would be in competition with the space available at the property.

82. Lee & Associates failed to disclose to Chicora Gardens that it represented other property owners whose space would be in competition with that of Chicora Gardens.

83. Lee & Associates not only failed to reasonably market the property, but also was a detractor in negotiations with a prospective tenant which Chicora Gardens was already negotiating with at the time the agreement was signed.

84. In particular, Charleston County (with whom Chicora Gardens had been negotiating) indicated that it would rather deal directly with Chicora Gardens than through Lee & Associates.

85. As a result, Lee & Associates agreed that it should have no involvement in negotiations with Charleston County.

86. The agreement states in regards to commissions that "In all events, it is understood that no fee shall be deemed earned until and unless the lease or agreement shall have become effective between the tenant and the Client by execution of a contract or other enforceable agreement."

87. The alleged lease with Charleston County upon which Lee & Associates predicates its claim to a commission is not yet effective under the agreement because it is not enforceable against Charleston County, not taking initial effect until occupancy, and thereafter being subject to termination in the discretion of Charleston County.

88. The contract imposes an obligation upon Lee & Associates to market the property.

89. While the contract gives Lee & Associates discretion as to the appropriate *manner* of marketing, it does not allow Lee & Associates to altogether neglect to take reasonable measures to market.

90. Lee & Associates breached the contract by failing to do any material marketing of the property within a reasonable period after the signing of the agreement and by failing to take the specific steps outlined in the Marketing Plan.

91. Lee & Associates has breached its duties, which acts were inconsistent with the common purpose of the parties and Defendants justified expectations.

92. The Defendants are therefore entitled to damages in an amount to be proven at trial and/or after an opportunity to review the relevant records.

93. That the Defendants have suffered damages as a result of Lee & Associates' breach of contract.

94. That the Defendants are therefore entitled to damages for Lee & Associates' breach of contract, in an amount to be determined at trial.

FURTHER ANSWERING THE COMPLAINT
AND AS A THIRDCOUNTERCLAIM
(Breach of Fiduciary Duty)

95. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

96. Under the contract, Lee & Associates agreed to be the agent for Chicora Gardens.

97. Under the laws of the State of South Carolina, any agent by virtue of its relationship with the principal is considered a fiduciary with respect to all matters within the scope of its agency.

98. As a fiduciary, Lee & Associates was required to act with perfect good faith and undivided loyalty in the best interests of Chicora Gardens, and to observe the duties of fairness, honesty, trust, disclosure, confidence and permitting no unfair benefits.

99. Lee & Associates breached these duties by concurrently representing other property owners who seek to lease space in competition with the space offered on the property of Chicora Gardens.

100. Lee & Associates also failed to disclose to Chicora Gardens this concurrent conflict of interest.

101. In one or more of the preceding particulars, Lee & Associates acted with imprudence, negligence, gross negligence, recklessness, willful misconduct, fraudulent intent, and bad faith and thereby breached the fiduciary duties owed to Chicora Gardens, proximately causing Chicora Gardens to suffer damages.

102. The Defendants are therefore informed and believes that it is entitled to actual damages, attorneys, accountants and expert fees, punitive damages for the gross negligence, willful misconduct, recklessness, bad faith, and/or misrepresentations or omissions, in an amount to be determined by the finder of fact, costs, prejudgment interest, and such other relief as is just, equitable, and proper.

FURTHER ANSWERING THE COMPLAINT AND AS A FOURTH COUNTERCLAIM (Declaratory Judgment)

103. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

104. Disputes have arisen between Chicora Gardens and Lee & Associates as to their rights under the contract.

105. Notwithstanding that Lee & Associates breached their agreement with Chicora Gardens by failing to take those actions contemplated by the contract, Lee & Associates continues to claim and seek a commission on a lease allegedly entered into after said breach.

106. Notwithstanding that Lee & Associates entered into the agreement with knowledge of concurrent conflicts of interest, Lee & Associates continues to claim and seek a commission on a lease allegedly entered into.

107. Even the commission sought is not properly before the court as the alleged lease with Charleston County has not yet become effective under the plain language of the agreement.

108. Declaratory judgment is appropriate to determine a question of construction or validity arising under the contract and obtain a declaration of rights, status or other legal relations thereunder, and more particularly, to construe the contract after there has been a breach thereof.

109. Declaratory judgment would terminate the uncertainty or controversy giving rise to the proceeding.

110. Declaratory relief is presently necessary and appropriate so that the Parties may determine their rights.

111. Chicora Gardens is informed and believes that pursuant to South Carolina's Uniform Declaratory Judgments Act and Rule 57, South Carolina Rules of Civil Procedure, that the contract between Chicora Gardens and Lee & Associates is terminated due to the failure of Lee & Associates to perform as required by the contract and their concurrent conflicts of interest, and that the termination should be effective as of the date the agreement was signed by the parties; or in the alternative, that Lee & Associates should not be entitled to a commission under the agreement because the alleged lease with Charleston County is not "effective" as required by the agreement prior to payment of a commission.

FURTHER ANSWERING THE COMPLAINT AND AS A FIFTH COUNTERCLAIM (Dissolution of Lien)

112. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

113. Lee & Associates is not entitled to a mechanic's lien because it does not satisfy the requirement of South Carolina Code Section 29-5-21(B)(2)(b), namely that a real estate licensee claiming a mechanic's lien must provide services that *result in* the procurement of a person who leases an interest in real estate.

114. Lee & Associates does not satisfy this requirement in relation to the alleged lease with Charleston County because, among others, Lee & Associates did not perform any services that furthered the negotiation of a lease with Charleston County.

115. Lee & Associates knew, prior to the filing of its lien, which it had not provided any services that could be construed to have resulted in the consummation of a lease with Charleston County.

116. To the contrary, Lee & Associates knew that Defendants had a relationship and negotiations with Charleston County prior to signing an agreement with Lee & Associates, and also knew that Charleston County preferred to deal directly with Defendants, and Lee & Associates further knew that it had concurred that it should have no involvement in negotiations with Charleston County.

117. Based on the foregoing, Lee & Associates knew or should have known that it was not entitled to file a mechanic's lien against the property.

118. Lee & Associates instead deliberately filed a defective lien against the property for the purpose of leveraging Defendants, knowing that a mechanic's lien would interfere with efforts to obtaining financing on the property.

119. The lien of Lee & Associates is therefore a frivolous lien under South Carolina Code Section 29-5-14(B), subject to a fine of five thousand dollars, the loss of license, or both.

120. That the Defendants are therefore entitled to an order from the court dissolving and vacating the lien of Lee & Associates.

121. That the Defendants are also entitled to damages incurred as a result of the filing of the wrongful and frivolous lien, including actual damages incurred in filing a bond and financing impacts or delays, attorneys, accountants and expert fees, punitive damages for the deliberate and willful filing of a wrongful and frivolous lien, in an amount to be determined by the finder of fact, costs, prejudgment interest, and such other relief as is just, equitable, and proper.

FURTHER ANSWERING THE COMPLAINT
AND AS A SIXTH COUNTERCLAIM
(Tortious Interference with Contract)

122. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

123. Lee & Associates intentionally interfered with the financing which it knew Defendants was seeking when it filed the wrongful and frivolous lien.

124. Lee & Associates so interfered for the improper purpose of creating unfair leverage to extort a payment from Defendants.

125. Any other purpose which Lee & Associates may have had in filing the wrongful and frivolous lien was subordinate to the predominant improper purpose of extorting a payment not due.

126. In addition, Lee & Associates' interference was improper under the circumstances based on the lack of any statutory entitlement to a mechanic's lien.

127. That the Defendants suffered damage as a result of the interference with its prospective contractual relations, and is entitled to damages incurred as a result of the filing of the wrongful and frivolous lien, including actual damages incurred in filing a bond and financing impacts or delays, attorneys, accountants and expert fees, punitive damages for the deliberate and willful filing of a wrongful and frivolous lien, in an amount to be determined by the finder of fact, costs, prejudgment interest, and such other relief as is just, equitable, and proper.

FURTHER ANSWERING THE COMPLAINT AND AS A SEVENTH COUNTERCLAIM (Abuse of Process/Slander of Title)

128. These Defendants re-allege the allegations contained in the preceding paragraphs as if fully restated herein.

129. Lee & Associates filed the mechanic's lien and filed an action to foreclose the lien with the ulterior purpose of leveraging Defendants into paying Lee & Associates amounts which it is not fairly and lawfully due, and to create additional leverage against Defendants in a contractual dispute.

130. While a mechanic's lien and its foreclosure is an appropriate avenue for collecting amounts claimed by a real estate agent when the agent performed services which resulted in a lease, Lee & Associates has not employed the foreclosure claim for that purpose.

131. The purpose for which Lee & Associates has employed the process—to extort and gain leverage in a contractual dispute—is not a legitimate objective in the use of a lien filing and foreclosure action.

132. Lee & Associates' filing of the lien and foreclosure action is also improper because the lien is not authorized by statute.

133. That the Defendants suffered damage as a result of the abuse of process and is entitled to damages, including actual damages, attorneys, accountants and expert fees, punitive damages in an amount to be determined by the finder of fact, costs, prejudgment interest, and such other relief as is just, equitable, and proper.

WHEREFORE, having fully answered the Complaint of the Plaintiff, these Defendants pray as follows

A. On the First Cause of Action, asserting breach of contract, for general, compensatory, and consequential damages resulting from Lee & Associates' breach of contract.

B. On the Second Cause of Action, asserting breach of fiduciary duty, for forfeiture of commission, compensatory, consequential, and punitive damages resulting from Lee & Associates' breach of fiduciary duty.

C. On the Third Cause of Action, requesting declaratory relief, for declaratory judgment ruling that the contract is terminated as of the date it was executed based on Lee & Associates' failure to market the property as required by the contract and for Lee & Associates' concurrent conflict of interest not disclosed to Chicora Gardens; or in the alternative, ruling that the alleged lease upon which Lee & Associates seeks a commission is not effective for purposes of determining whether Lee & Associates is owed a commission.

D. On the Fourth Cause of Action, requesting dissolution of wrongful and frivolous lien, for an order dissolving and vacating the lien of Lee & Associates and awarding damages incurred as a result of the filing of the wrongful and frivolous lien, including actual damages incurred in filing a bond and financing impacts, attorneys, accountants and expert fees, punitive damages for the deliberate and willful filing of a wrongful and frivolous lien, in an amount to be determined by the finder of fact, costs, prejudgment interest, and such other relief as is just, equitable, and proper, including under South Carolina Code 29-5-14(B).

E. On the Fifth Cause of Action, for interference with prospective contract, for damages incurred as a result of the filing of the wrongful and frivolous lien, including actual damages incurred in filing a bond and financing impacts, attorneys, accountants and expert fees, punitive damages for the deliberate and willful filing of a wrongful and frivolous lien, in an amount to be determined by the finder of fact, costs, prejudgment interest, and such other relief as is just, equitable, and proper.

F. On the Sixth Cause of Action, for abuse of process, for damages, including actual damages, attorneys, accountants and expert fees, punitive damages in an amount to be determined by the finder of fact, costs, prejudgment interest, and such other relief as is just, equitable, and proper.

Signature on Following Page

SMITH | CLOSSER, P.A.

Steven L. Smith
Zachary J. Closser
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P.O. Box 40578
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843-760-0220
Attorney for the Defendant

2-10, 2015
Charleston, South Carolina
15-015

STATE OF SOUTH CAROLINA COUNTY OF CHARLESTON LEE & ASSOCIATES CHARLESTON, LLC, Plaintiff, v. CHICORA GARDENS HOLDINGS, LLC, CHICORA LIFE CENTER, LC, and JEREMY BLACKBURN, Defendants.	)	IN THE COURT OF COMMON PLEAS NINTH JUDICIAL CIRCUIT CASE NO.: 2014-CP-10-7481 **PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR SUMMARY JUDGEMENT**

FILED
2015 MAY -2 AM 3:37
JULIE J. ARMSTRONG
CLERK OF COURT

TO: STEVEN L. SMITH, ESQUIRE, ATTORNEY FOR DEFENDANTS

PLEASE TAKE NOTICE THAT Plaintiff Lee & Associates Charleston, LLC ("Lee & Associates"), by and through the undersigned counsel, hereby moves for summary judgment on Plaintiff's foreclosure of bond claim (First Cause of Action) and breach of contract claim (Second Cause of Action) against Defendant Chicora Gardens Holdings, LLC.

This action arises from Plaintiff's efforts to collect amounts due and owing by Defendants pursuant to an Exclusive Agency Agreement to Lease Real Property ("Exclusive Agency Agreement"), attached hereto as Exhibit No. 1, entered on February 21, 2014, between Plaintiff and Defendant Chicora Gardens. The Exclusive Agency Agreement was for a one year term commencing February 21, 2014 and expiring January 31, 2015.

As indicated by the title of the Agreement, Plaintiff and Defendant Chicora Gardens contracted to make Plaintiff the exclusive agent for Chicora Gardens in its efforts to lease space in the former Naval Hospital property located at 3600 Rivers Avenue in North Charleston, South Carolina (hereafter "the Subject Property"). Exclusive Agency Agreement, Section 3, Exhibit No. 1.

On or around June 30, 2014, Charleston County entered into a Lease ("Charleston County Lease"), attached as Exhibit No. 2, with Defendant Chicora Life Center, as landlord, leasing the Subject Property.[1] The twenty-five (25) year lease provided for base rent of $12.00 per square foot and 98,087 square feet of leased space for a rent of $1,177,044.00 per year.

Based on the Exclusive Agency Agreement, Chicora Gardens clearly owes Lee & Associates a commission for the Charleston County Lease. Charleston County is specifically referenced in Exhibit B to the Exclusive Agency Agreement as a potential tenant with whom Chicora Gardens had already had discussions. Pursuant to the Agreement and based on the lease having been entered on June 30, 2014, Lee & Associates' commission is one percent of all fixed base rental. Exclusive Agency Agreement, Section 23 and Exhibit B, Exhibit No. 1. Fifty percent of the commission is due upon execution of the lease and 50% upon occupancy by Charleston County. Exclusive Agency Agreement, Section 4(a), Exhibit No. 1. The commission is owed whether the tenant is found by Lee & Associates, by another broker, by Chicora Gardens, or by any other person. Exclusive Agency Agreement, Section 2(b), Exhibit No. 1.

Based on the foregoing, Chicora Gardens owes Lee & Associates $294,261.00 (25 years x $1,177,044.00 per year x 1% commission) in commissions on the Charleston County Lease, 50% of which is due and owing as of June 30, 2014 and 50% of which is due and owing upon occupancy. To date, Defendants have not revealed whether Charleston County has occupied the premises, so the current amount owed by Chicora Gardens is $147,130.50. Amended Verified Statement, Exhibit No. 3.[2]

---

[1] Defendants Chicora Gardens and Chicora Life Center are affiliates. Chicora Gardens owned the Subject Property at the time the parties entered the Exclusive Agency Agreement and at the time the Charleston County Lease was signed. After the mechanic's lien was filed in this matter, Chicora Gardens transferred the Subject Property to Chicora Life Center. The fact that the lease was signed with Chicora Life Center does not impact Plaintiff's claims herein.

[2] Defendants refused to provide Plaintiff Lee & Associates with a copy of the Charleston County Lease, so Lee &

On or around August 6, 2014, Lee & Associates filed a Mechanic's Lien against the Naval Hospital property pursuant to S.C. Code Ann. §§ 21-5-20 and 21-5-21. On August 22, 2014, Chicora filed a Cash Bond to Release the Mechanic's Lien in the amount of $179,400.00.

In addition, the lien statute provides that the "prevailing party" in a lien foreclosure action is entitled to recover attorney's fees and costs. S.C. Code Ann. § 29-5-10(a). To date, Plaintiff Lee & Associates has incurred $49,815.00 in attorney's fees and $4,503.35 in costs in pursuing this claim. Amended Verified Statement, Exhibit No. 3. Accordingly, Plaintiff Lee & Associates seeks judgment against Chicora Gardens in the amount of $201,448.85 and a decree of foreclosure against the bond on the Subject Property.

LEGAL ARGUMENT

A court shall grant summary judgment "if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and the moving party is entitled to judgment as a matter of law." Rule 56(c), SCRCP. The party seeking judgment has the initial burden of demonstrating the absence of a genuine issue of material fact. Boone v. Sunbelt Newspapers, Inc., 347 S.C. 571, 578-79, 556 S.E.2d 732, 736 (Ct. App. 2001); Regions Bank v. Schumauch, 354 S.C. 648, 582 S.E.2d 432 (Ct. App. 2003). However, when a motion for summary judgment is made and supported as provided by the rule, an adverse party may not rest upon the mere allegations or denials of his pleadings. Rather, the non-moving party must come forward with specific facts showing that there is a genuine issue for trial. Regions Bank, 582 S.E.2d at 438.

Associates had to initially estimate the commission owed. Plaintiff eventually obtained a copy of the Charleston County Lease from Charleston County and is now able to calculate the commission with specificity, along with attorney fees and costs to date, in the attached Amended Verified Statement.

Because "... a complete failure of proof concerning an essential element of a non-moving party's case necessarily renders all other facts immaterial," there can be no genuine issue as to any material fact where, "a party fails to make a showing sufficient to establish the existence of an element essential to the party's case, and on which that party will bear the burden of proof at trial." Baughman v. American Tel. & Tel. Co., 306 S.C. 101, 410 S.E.2d 537, 545 (1991). When plain, palpable and indisputable facts exist on which reasonable minds cannot differ, summary judgment should be granted. Trico Surveying, Inc. v. Godley Auction Co., 314 S.C. 542, 431 S.E.2d 565 (1993).

There is no genuine issue of material fact that Defendant Chicora Gardens owes Plaintiff Lee & Associates a commission for the Charleston County Lease pursuant to the Exclusive Agency Agreement. The Exclusive Agency Agreement contemplates a lease with Charleston County and provides Lee & Associates with a 1% commission for that lease. There are no provisions contained in the Exclusive Agency Agreement allowing Chicora Gardens to terminate the Agreement before the end of the one year term. There are no provisions contained in the Exclusive Agency Agreement that allow Chicora Gardens to escape its obligations to pay Lee & Associates a commission. It was the clear intent of the parties that Lee & Associates was to receive a commission for all leases of the Subject Property.

The primary concern of the court interpreting a contract is to give effect to the intent of the parties. Lee v. Univ. of S.C., 407 S.C. 512, 757 S.E.2d 394, 397 (2014). The best evidence of the parties' intent is the contract's plain language. Id.

The question of whether a contract is ambiguous is a question of law. Id. A contract is ambiguous when it is capable of more than one meaning or when its meaning is unclear. Ellie, Inc. v. Miccichi, 358 S.C. 78, 594 S.E.2d 485, 493 (Ct.App. 2004). If a contract's language is

unambiguous, the plain language will determine the contract's force and effect. Lee, 757 S.E.2d at 397.

A contract must be read as a whole document so that one party may not create ambiguity by pointing out a single sentence or clause. S. Atl. Fin. Servs., Inc. v. Middleton, 356 S.C. 444, 590 S.E.2d 27, 29 (2003). "Interpretation of a contract is governed by the objective manifestation of the parties' assent at the time the contract was made, rather than the subjective, after-the-fact meaning one party assigns to it." Laser Supply & Servs., Inc. v. Orchard Park Assoc., 382 S.C. 326, 676 S.E.2d 139, 143–144 (Ct.App. 2009); N. Am. Rescue Products, Inc. v. Richardson, 411 S.C. 371, 769 S.E.2d 237, 240-41 (2015).

The Exclusive Agency Agreement unambiguously manifests the parties' intent that Lee & Associates was to receive a commission on all leases entered during the term of the agreement, including any leases with Charleston County. In short, it is a clear debt that is due and owing and, pursuant to S.C. Code § 29-5-21(B), Lee & Associates was entitled to a mechanics' lien on the Subject Property to enforce their rights.

Defendant Chicora Gardens has asserted a number of defenses, but all are refuted by the unambiguous language of the contract. Defendant Chicora Gardens has pointed out that Charleston County has not yet occupied the premises. The Exclusive Agency Agreement plainly states that half of the commission, $147,130.50, is due when the lease is signed. Exclusive Agency Agreement, Section 4(a), Exhibit No. 1. Defendant Chicora Gardens has claimed that it attempted to terminate the agency relationship a day before signing the Charleston County Lease, but the Exclusive Agency Agreement is for a one year term, contains no provisions allowing for early termination, and, in any case, grants Plaintiff Lee & Associates, as the exclusive agent, a right to a commission for any and all tenants. Moreover, Defendant Chicora Gardens has failed to identify any reason for terminating

Plaintiff Lee & Associates other than that they changed their mind about having Lee & Associates as an exclusive agent the day before the Charleston County Lease was signed.

Defendant Chicora Gardens has suggested that Plaintiff Lee & Associates undertook no actions with regard to the Charleston County Lease, but again, the Exclusive Agency Agreement contains no such requirement and specifically states that Plaintiff Lee & Associates will receive a 1% commission for any lease with Charleston County. Exclusive Agency Agreement, Section 23 and Exhibit B, Exhibit No. 1.

Defendant Chicora Gardens has asserted that Plaintiff Lee & Associates failed to adhere to timelines in an alleged "Marketing Plan." There are no such timelines in the Exclusive Agency Agreement. Defendant Chicora Gardens has produced a generic timeline from a brochure published by Plaintiffs Lee & Associates with suggested goals for various actions, but this timeline was neither incorporated into the Exclusive Agency Agreement nor adopted by the parties with regards to the leasing of the Subject Property. Indeed, any delays in the marketing of the Subject Property were caused by Defendant Chicora Gardens' inability to decide who the Subject Property would be marketed to and at what rate.

Finally, Defendant Chicora Gardens has inexplicably claimed that Plaintiff Lee & Associates had no role in lining up the Charleston County Lease. As an initial matter, this assertion has no relevance at all as to whether the commission is owed. Again, the Exclusive Agency Agreement makes clear that a commission is owed on all leases entered during the term of the Agreement. Whether or not Plaintiff Lee & Associates contributed to lining up the Charleston County Lease may arguably have some relevance to Plaintiff's right to a lien. South Carolina Code Ann. § 29-5-21(B) grants a lien to commercial release estate agents with a written agreement. However, a lien is granted only if the agent provides "licensed services that result . . . in the procuring of a person or

entity that rents or leases the commercial real estate . . ." S.C. Code Ann. § 29-5-21(B). Attached as Exhibit No. 4 are 16 different emails chains, which represent just a small sampling of the evidence that unequivocally shows that Plaintiff was involved in procuring the Charleston County Lease. Select Charleston County Emails, Exhibit No. 4.

Among other things, these emails show:

1. Defendant Chicora Gardens, acting through Defendant Jeremy Blackburn, included Plaintiff's agents, Milton Thomas and Bob Nuttall, in conference calls to strategize about marketing to Charleston County and setting rental rates, Bates No. MSJ-1 to MSJ-2, MSJ-8 to MSJ-9;

2. At the repeated urging of Defendant Chicora Gardens, Plaintiff Lee & Associates participated in negotiating all aspects of the Charleston County Lease, including the rental rate, Bates No. MSJ-5 to MSJ-7, MSJ-10 to MSJ 13, MSJ-14 to MSJ-18, MSJ-32, MSJ-35;

3. Defendant Chicora Gardens repeatedly stated its desire that Bob Nuttall and Milton Thomas participate in negotiations and attend all meetings with Charleston County, Bates No. MSJ-11, MSJ-14, MSJ-23. MSJ-31, MSJ-46 to MSJ-47;

4. Defendant Chicora Gardens included Plaintiff Lee & Associates on its emails to Charleston County, Bates No. MSJ-16 to MSJ-18;

5. Plaintiff Lee & Associates met with Charleston County to negotiate the lease, Bates No. MSJ-33;

6. Plaintiff Lee & Associates prepared a proposal for lease terms, Bates No. MSJ-42;

7. Defendant Chicora Gardens sought Lee & Associates input on the Lease Proposal being provided to Charleston County, Bates No. MSJ-49 to MSJ-57, and Lee & Associates provided same, Bates No. MSJ-58 to MSJ-59, MSJ-71.

Based on these emails alone, there can be no dispute that Lee & Associates was an active participant in the negotiations with Charleston County leading up to the lease and participated in that negotiation at the request of Chicora Gardens. As such, Lee & Associates participated in procuring the lease with Charleston County, thus satisfying S.C. Code Ann. § 29-5-21(B) and entitling Lee & Associates to a mechanics lien.

CONCLUSION

There is simply no genuine issue of material fact concerning Defendant Chicora Gardens' debt owed to Plaintiff Lee & Associates. The parties entered an unambiguous Exclusive Agency Agreement. That Agreement provides that Plaintiff Lee & Associates will receive a commission for all tenants at the Naval Hospital, half paid upon execution of the lease and half paid upon occupation of the premises. The Agreement has a one year term and had no provisions for early termination.

On June 30, 2014, during the term of the Exclusive Agency Agreement, Defendants executed a Lease Agreement with Charleston County. Based on the terms of that lease, Chicora Gardens owes Lee & Associates $147,130.50, representing the half of the commission owed upon execution of the lease. There is simply no defense to Chicora Gardens' failure to pay this commission.

Based on the foregoing, Plaintiff Lee & Associates would ask for summary judgment and a foreclosure on the bond in the amount of commission owed, $147,130.50, plus attorney's fees of $49,815.00 and costs of $4,503.35 for a total of $201,448.85.

PIERCE, HERNS, SLOAN & WILSON, LLC

Carl E. Pierce, II
Joseph C. Wilson, IV
Kristen B. Fehsenfeld
321 East Bay Street (29401)
PO Box 22437 (29413)
Charleston, South Carolina
843-722-7733/843-722-7732 *fax*
Attorneys for Lee & Associates Charleston, LLC

5/1, 2015
Charleston, South Carolina

CERTIFICATE OF SERVICE

I certify that on this date a copy of the foregoing was served on each party or counsel of record by mail or hand delivered in the manner prescribed by the applicable Rule of Civil Procedure.

This 1 day of May, 2015
Kelly D. Forrester

THIS AGREEMENT IS SUBJECT TO ARBITRATION PURSUANT TO THE SOUTH CAROLINA UNIFORM ARBITRATION ACT, TITLE 15, CHAPTER 48, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

AGREEMENT CREATING AGENCY TO LEASE REAL PROPERTY

THIS AGREEMENT CREATING AGENCY TO LEASE REAL PROPERTY (hereinafter "Agreement") is made and entered into this the 21th day of February, 2014 (hereinafter "Effective Date"), between **Chicora Gardens Holdings, LLC** (hereinafter "Client") and **Lee & Associates Charleston, LLC** (hereinafter "Agent").

STATEMENT OF PURPOSE

Client is the record fee simple owner of **the former US Naval Hospital** located at 3600 Rivers Avenue, North Charleston, South Carolina further identified as TMS # **469-07-00-001**as shown on Exhibit "A" attached hereto and made a part hereof., (hereinafter, "Property"). Client has requested Agent to find prospective tenants for the Property and to negotiate agreement of lease therefore, and Agent is willing to perform such services.

Client and Agent desire to reduce to this written Agreement all of their discussions and negotiations in regard to the grant by Client, and the assumption of Agent, of the offering for lease of said Property upon the terms and conditions set out below.

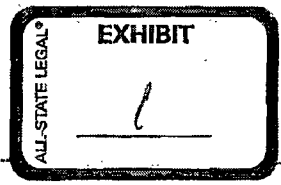
AGREEMENT

1. LEASE RATE. Subject to the limitations hereinafter contained, the Client may grant to the Agent the exclusive right to negotiate for a lease of and to lease any and all space within the Property which is as of the date of this Agreement is vacant and may be available to be leased, during the term of this Agreement. The leasing of the Property shall be at a base rental rate of **TBD on a case-by-case basis Dollars per rentable square foot per year, net of all operating expenses.** All leases shall be paid on a monthly basis, or, in the alternative, for such other rental and on such other terms and conditions as Client may hereafter specifically approve.

2. TERM. Subject to the limitations hereinafter contained, the term of this Agreement shall be for approximately **one (1) year** commencing **on the Effective Date** and expiring at midnight on **January 31, 2015.**

3. EXCLUSIVITY. Subject to the limitations hereinafter contained the Client grants to the Agent the sole and exclusive right for the term as hereinbefore defined or any extension or renewal to market the lease of all or any part of the Property which is as of the date of this Agreement available to be leased.

4. COMMISSION.



a. The Client, upon entering into any lease, agreement, or arrangement granting space to any new tenant during the term of this Agreement, shall pay to Agent a fee calculated at four percent (4.0%) of all fixed base rentals due under the first five (5) years of the initial term plus two percent (2.0%) of all fixed base rentals due under the second five (5) years of the initial term of all such new leases for new tenants based upon the initial term of any such lease, or based upon the initial term of the lease with existing tenants for expansion space, fifty percent (50%) of the above fee to be paid, in cash, at lease or amendment execution, and fifty percent (50%) to be paid in cash upon occupancy by tenant. In all events, it is understood that no fee shall be deemed earned until and unless the lease or other agreement shall have become effective between the tenant and the Client by the execution of a contract or other enforceable instrument. It is agreed that for those existing tenants who during the term of this agreement renew or extend their leases, or who lease additional space, a commission equal to **two and one-half** percent (2.5%) shall be due Agent, payable at the execution of said renewal, extension, or expansion amendment.

b. Said commission shall be paid to Agent whether tenant is found by Agent, by another broker, by the Client, or by any other person during the term of this Agreement or any extension or renewal thereof.

d. Upon the expiration or termination of this Agreement or any extension or renewal thereof, Agent shall furnish to Client the names of prospective tenants to whom the Property was shown by Agent, Client, or any other person during the term of this Agreement (as the same may have been extended or renewed). Said list of names shall be furnished to Client no later than ten (10) days after the expiration or termination of this Agreement. In the event Agent furnishes Client with said list in a timely manner the following shall apply:

i. Agent shall continue to serve as Client's Agent of record for the prospective tenants named in said list for a period of ninety (90) days after the expiration or termination of this Agreement or any extension or renewal thereof.

ii. In the event Client lists the property with another agent, the names of prospective tenants named in said list shall be included in the new agent's listing agreement as excluded parties for the time period set forth in section (i) above.

iii. For a period of six (6) months after the expiration or termination of the Agreement, in the event a lease of the Property or an agreement to lease the Property is made, entered into, or effected with any of the prospective tenants named in said list the Client shall pay Agent upon the closing of any such lease the commission set forth in this Agreement.

In the event Agent shall fail to furnish to Client said names in a timely manner, the provisions of this section shall be null and void and of no further effect and Agent's right to continue to represent Client and to collect any commission from Client shall terminate as of the expiration or termination of the Agreement.

5. CO-BROKERAGE. The Agent agrees that during the term of this Agreement, if other duly licensed real estate sales personnel bring to Agent a prospective tenant who leases the Property, whether a licensee associated with Agent or a third-party broker, then the fees as set forth in Paragraph 4 hereof shall be increased to **five and 50/100** percent (**5.5%**), with **two and 50/100** percent (**2.5%**) paid to said broker and **three** percent (**3.0%**) paid to Agent, and settlement therefore shall be the sole responsibility of the Agent once Client has paid Agent the fees set forth in this Agreement.

6. TENANT REPRESENTATIVE.

a) Agent shall seek out and cooperate with brokers (and/or salespersons working for them) representing prospective tenants ("Tenant Representative") to provide maximum market exposure for the Property in the marketplace. From the commissions stated herein to be paid to Agent, Agent agrees to pay up to fifty percent (50%) of those commissions to any such Tenant Representative with respect to any concluded transaction as an inducement to Tenant Representatives to introduce to Agent the tenants they represent who might have an interest in the Property. Client understands that the Tenant Representative, if any, shall solely represent the tenant and shall have no fiduciary obligation to the Client even though said Tenant Representative will receive a portion of the commission payable by Client. For purposes of identification, a Tenant Representative shall be a licensed real estate agent, so designated in writing by the tenant.

b) Agent may at its option treat another broker as a Tenant Representative, even if said broker is not so designated in writing by the tenant; however, if said tenant designates some other party as its representative then the tenant decision shall be binding on all parties. In the event any tenant should change its designation of Tenant Representative during the course of negotiations and, as a result, a dispute occurs, the resolution of such dispute shall be undertaken solely between the tenant and its various Tenant Representatives. Agent and Client shall therefore have no responsibility except to set aside the portion of the commission payable upon resolution of such dispute. The Tenant Representative's commission so set aside shall be released at such time as written releases are received from all parties making claims, an arbitrator appointed by the disputing parties, or by a court of law.

7. MARKETING. Agent shall market the Property in such manner and in such publications and other media as it deems appropriate for the marketing of the subject Property. All of said marketing expenses shall be promptly paid by the Client provided that said marketing expenses shall have first been approved in advance by the Client. Client agrees to make available to Agent such information as to design and layout possibilities, and other information as will assist Agent in securing leases. In all events, the Agent agrees to advertise and promote the Property in the best interest of the Client.

8. ARCHITECTURAL SERVICES. Intentionally deleted

9. COVENANT. The Client agrees to enter into a lease with, and to lease said Property to, any such ready, willing and able tenant for the rental rate set forth herein or upon such other terms and conditions as Client may hereafter approve, said approval to specifically include Client's review and acceptance of the credit worthiness of any such tenant.

10. INSURANCE. Client shall carry at its own expense necessary public liability insurance in an amount of at least One Million Dollars ($1,000,000.00) to protect the interest of the parties to this Agreement. Client shall direct its insurance carrier to include Agent as an additional insured party on its Fire and Casualty Insurance Policy and its Public Liability Insurance Policy. Client agrees to have included in its public liability insurance policy coverage to include Blanket Contractual Liability. Client agrees to deliver to Agent as soon as possible copies of all insurance policies covered by this paragraph showing the required additions or endorsements, and to give Agent at least ten (10) days' notice of cancellation, non-renewal or any material changes in insurance policies described in this Agreement.

11. INDEMNIFICATION. Client hereby indemnifies Agent against and agrees to hold and save Agent, its directors, officers, partners, members, employees and agents, harmless from and against any loss, damage, or expense (including court costs and reasonable attorneys' fees) resulting from any breach of Client's duties and obligations under this Agreement or the negligence, gross negligence, willful misconduct or fraud of Client or its employees, agents and contractors.

12. EMPLOYEES OF AGENT. Upon the expiration or earlier termination of this Agreement, Client shall not employ any of Agent's employees or independent contractors for the purpose of discharging any of the duties set forth in this Agreement for a period of twelve (12) months from the date of said expiration or earlier termination.

13. NOTICES. All notices provided for in this Agreement shall be in writing and shall be deemed to be given when sent by registered or certified mail, return receipt requested, postage prepaid an addressed as follows:

If to Client: **Chicora Gardens Holdings, LLC**
Attention: Brent Wilde
476 W Heritage Park Blvd., Suite 200
Layton, UT 84041

If to Agent: Lee & Associates Charleston, LLC
Attention: Robert H. Nuttall, Jr.
126 Seven Farms Drive, Suite 110
Charleston, South Carolina 29492

14. ENVIRONMENTAL CONDITIONS. Both the Client and any tenant, their heirs and assigns, shall indemnify, defend, and hold harmless Anchor Commercial, LLC from and against any and all claims or damages of whatever kind or nature with regard to any ground water pollution, chemical hazard, sub-surface soil contamination or any hazardous or potentially

hazardous substance of any kind or nature pre-existing or presently existing as of the date hereof on the Property. The provisions of this Paragraph 14 shall survive the closing date of any agreement of lease and the expiration of this Agreement.

15. ADDITIONAL TERMS AND CONDITIONS. The following terms and conditions are a part of this Agreement.

a. Property shall be sold subject to zoning ordinances, restrictions, easements and conditions of public record, with taxes and rents to be prorated as of the date of closing.

b. Intentionally Deleted.

c. Client shall refer to Agent any inquiries received by the Client and Client shall deal with prospective tenants of the Property during the term of this Agreement only through Agent and shall allow the Agent or any participating broker to show the Property at reasonable times upon reasonable notice and shall commit no act which might tend to obstruct the Agent's performance hereunder.

d. Client shall cooperate with Agent to ascertain the accuracy of all pertinent data concerning the Property so as to avoid error, exaggeration, misrepresentation or concealment of pertinent facts. Client agrees to hold the Agent harmless from any liability or damage arising out of incorrect or undisclosed information provided by the Client. Client agrees to notify the Agent promptly of any changes in said information.

e. Agent shall not be responsible for vandalism, theft, damage or maintenance of the Property unless such is caused by gross negligence of Agent or representatives or customers while in the presence of Agent at the Property.

f. Intentionally Deleted.

g. Commission shall be deemed earned and payable to Agent when a tenant has entered into a ratified lease with Client even if Client refuses to lease once Client has entered into a ratified lease with a tenant.

h. Agent shall place such "for lease" signs on the Property as Agent may deem appropriate.

16. DEFECTS. Client agrees to disclose to the Agent any defects (whether latent or otherwise) of the Property and shall defend and hold Agent harmless from any liability or damages including without limitation attorney's fees arising from any defects. Client represents to the best of its knowledge (i) that Client has not received notice of any claimed environmental hazard or condition in connection with the Property; (ii) that the Property contains no hazardous or toxic wastes, asbestos, or other substance dangerous or harmful to human health or the environment, and has not been used for the manufacture, storage, or transport of any such substance, to the best of Client's information and belief after due inquiry; and (iii) that no part of

the Property consists of federal jurisdictional wetlands.

17. NO AUTHORITY. Agent shall have no authority to obligate Client with regard to any transaction contemplated hereunder without Client's specific authorization to do so.

18. CONFIDENTIALITY. All financial data and other proprietary information with regard to the Property shall be treated as confidential by Agent and shall be disseminated to third parties on a "need to know" basis only.

19. Intentionally Deleted.

20. ALTERNATIVE DISPUTE PROVISIONS. If a dispute, controversy or claim (whether based upon contract, tort, statute common law or otherwise) (collectively a "Dispute") arises from or relates directly or indirectly to the subject matter hereof, and if the Dispute cannot be settled through direct discussions, the parties shall first endeavor to resolve the Dispute by participating in a mediation administered by the American Arbitration Association (the "AAA") under its Commercial Mediation Rules before resorting to arbitration. Thereafter, any unresolved Dispute shall be settled by binding arbitration administered by the AAA in accordance with its Commercial Arbitration Rules and judgment on the award rendered by the arbitrator, after the review rights set forth below have been exhausted, may be entered in any court having jurisdiction. The arbitration proceedings shall be conducted in Charleston, South Carolina on an expedited basis before a neutral arbitrator who is a member of the Bar of the State of South Carolina, and has been actively engaged in the practice of law for at least 15 years, specializing in commercial transactions with substantial experience in the subject matter of this Agreement. Any attorney who serves as an arbitrator shall be compensated at a rate equal to his or her current regular hourly billing rate unless the AAA is able to arrange with the parties and the arbitrator to agree otherwise. Upon the request of either party, the arbitrator's award shall include findings of fact and conclusions of law provided that such findings may be in summary form. Either party may seek review of the arbitrator's award before an arbitration review panel comprised of three arbitrators qualified in the same manner as the initial arbitrator (as set forth above) by submitting a written request to the AAA. The right of review shall be deemed waived unless requested in writing within 10 days of the delivery of the initial arbitrator's award. The arbitration review panel shall be entitled to review all findings of fact and conclusions of law in whatever manner it deems appropriate and may modify the award of the initial arbitrator in its discretion. Unless otherwise deemed appropriate by the arbitrator(s), the prevailing party shall be entitled to an award of all reasonable out-of-pocket costs and expenses (including attorney's and arbitrator's fees) related to the entire arbitration proceedings (including review if applicable.)

21. ENTIRE AGREEMENT. The foregoing constitutes the entire agreement between the parties and shall be binding on each of them and their respective successors in interest. Wherever used herein, words of one gender shall be construed to include all genders; the singular shall include the plural and vice versa, as the sense requires.

22. INTERPRETATION PRESUMPTION. This Agreement has been negotiated by the

parties hereto and by the respective attorneys for each party. The parties represent and warrant to one another that each has, by counsel or otherwise, actively participated in the finalization of this Agreement, and in the event of a dispute concerning the interpretation of this Agreement, each party hereby waives the doctrine that an ambiguity should be interpreted against the party which has drafted the document.

23. EXCLUSIONS. Both Client and Agent hereby acknowledge Client has had discussions with potential tenants ("Excluded Entities") for the Property which are set forth on Exhibit "B" attached hereto and made a part hereof. In the event a lease is fully executed with any Excluded Entity on or before October 31, 2014, Client shall pay Agent a commission in accordance with the following schedule:

a) From the Effective Date to April 30, 2014: 50/100 percent (0.50%)
b) From May 1, 2014 to June 30, 2014: one percent (1.00%)
c) From July 1, 2014 to August 31, 2014: one and 50/100 percent (1.50%)
d) From September 1, 2014 to October 31, 2014: two percent (2.0%)
e) After October 31, 2014: two and 50/100 percent (2.50%)

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

WITNESS:

CLIENT:

Chicora Gardens Holdings, LLC

By:
Name: DEREK M. DUBOIS
Its: MANAGER
Date: 2/21/14

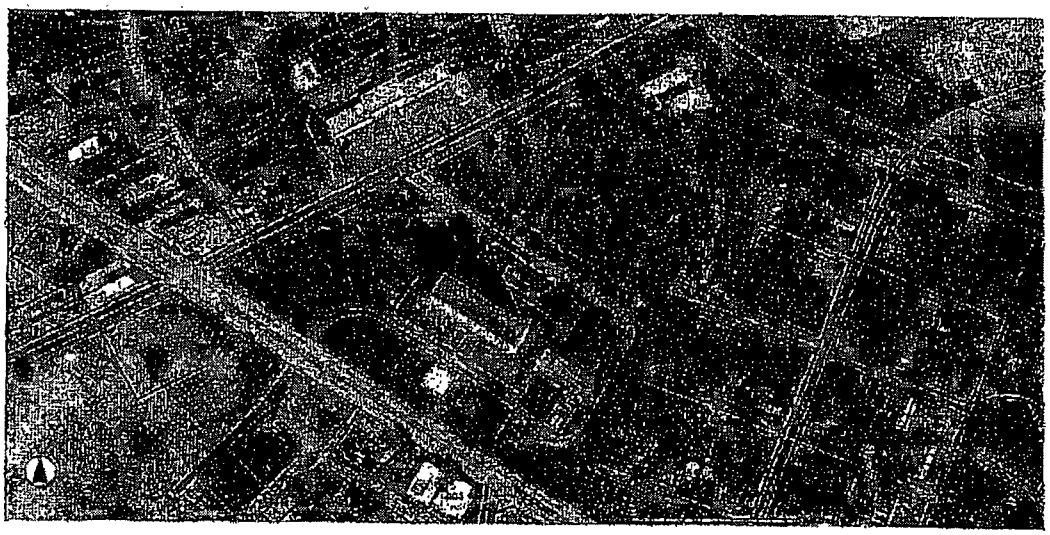
AGENT:

Lee & Associates Charleston, LLC

By:
Name: Robert H. Nuttall, Jr.
Its: Member
Date:

EXHIBIT "A"

The Property is denoted below in the red-outlined area



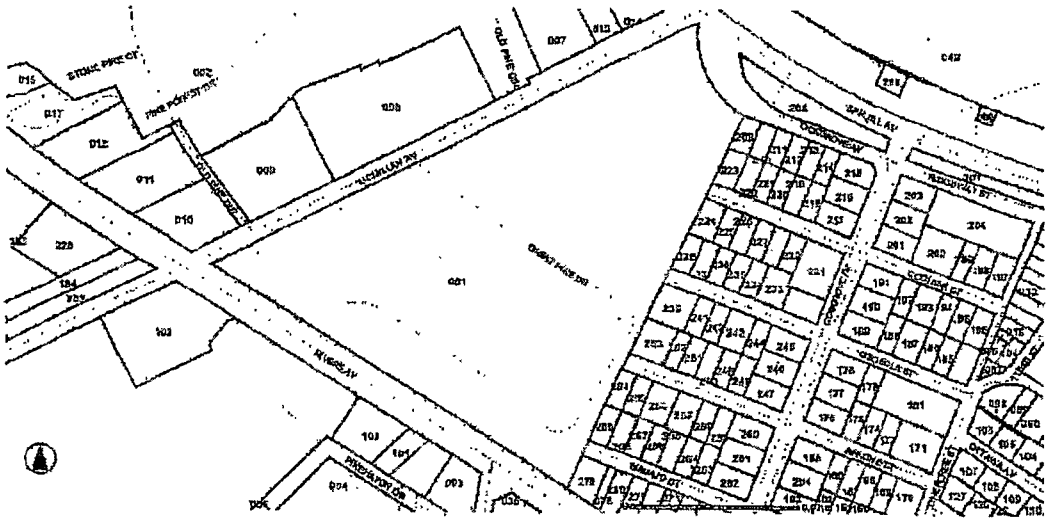


EXHIBIT "B"

Exclusions

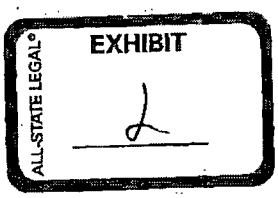
Bain Capital
CBS
Charleston County
Charleston County Coroner
Clemson Extension office
Clemson Research
DAODAS- Lease w/Charleston County
DHEC Environmental
DHEC- Lease w/Charleston County
Fetter Health Care Network Inc
Heroes Haven LLC
Veterans Affar / GSA
Vital Records- Lease w/Charleston County

Final list after negotiations

CHICORA LIFE CENTER, L.C.
3600 Rivers Avenue, North Charleston, SC 29405

BASIC LEASE INFORMATION

	Date:	June 30, 2014
	Landlord:	Chicora Life Center, L.C.
	Tenant:	Charleston County, South Carolina
Article 1	Premises:	Former Charleston Naval Hospital at 3600 Rivers Avenue, North Charleston, SC 29405 of which Approx. 98,087 Net Rentable Sq. Ft. ("RSF") is leased by Tenant. See Exhibit "A"
Article 2	Term Commencement	On the date that tenant takes possession of the Leased Premises per Article 2
Article 2	Term / Expiration	25 years.
Article 4	Monthly Rental:	$12.00 base rent per RSF, with the Monthly Rental amount adjusted annually indexed to the CPI for all Urban Consumers South Region as specified in Article 4
Article 5	Projected Operating Expense	$6.50 per square foot prior to July 1, 2016, per Article 5 calculation thereafter
Article 33	Security Deposit	None
Article 35	Tenants Address for Notices:	County Administrator 4045 Bridge View Drive North Charleston, SC 29405
Article 40	Exhibit and Addenda:	A – Plan Sheets of Leased Premises (A-101, A-102, A-103, A-104, and A-107; All dated 6/23/2014) B – Improvements to Premises/Tenant Improvements C – Landlord Warranties on Major Operating Systems D – Rules and Regulations (TBD) E – Remodel/Finish Schedule F – Cost Estimate Charleston County and Chicora Life Center Charleston County



Renovations (prepared 1/31/2014)

Article 50 Tenant Improvements: See Lease and all Exhibits And Addenda

The provisions of the Lease identified in the margins above are those provisions where reference to particular Basic Lease Information appear and this "Basic Lease Information" sheet is for the ease and convenience of the Parties as a quick point of reference, while the actual controlling terms are contained in the Lease. Each such reference in this sheet shall incorporate the applicable Basic Lease Information as more specifically detailed in the Lease and its Exhibits. In the event of any conflict arising between any Basic Lease Information contained in this sheet and the Lease, including its Exhibits, the Lease shall control.

1. PREMISES ..... - 1 -
2. TERMS, EFFECTIVE DATE AND COMPLETION OF IMPROVEMENTS ..... - 2 -
3. NON-OCCUPANCY OF IMPROVED SPACE ..... - 3 -
4. RENTAL ..... - 3 -
5. PROJECTED OPERATING EXPENSE ..... - 4 -
6. USE ..... - 5 -
7. SERVICES ..... - 6 -
8. ALTERATIONS ..... - 7 -
9. LIENS ..... - 7 -
10. REPAIRS ..... - 8 -
11. DESTRUCTION OR DAMAGE ..... - 8 -
12. SUBROGATION ..... - 9 -
13. INDEMNIFICATION ..... - 9 -
14. COMPLIANCE WITH LEGAL REQUIREMENTS ..... - 10 -
15. INSURANCE ..... - 10 -
16. ASSIGNMENT AND SUBLETTING ..... - 11 -
17. RULES ..... - 11 -
18. ENTRY BY LANDLORD ..... - 11 -
19. EVENTS OF DEFAULT ..... - 12 -
20. TERMINATION UPON DEFAULT ..... - 13 -
21. AFTER DEFAULT ..... - 13 -
22. OTHER RELIEF ..... - 13 -
23. RIGHT TO CURE DEFAULTS ..... - 14 -
24. ATTORNEY'S FEES ..... - 14 -
25. EMINENT DOMAIN ..... - 15 -
26. SUBORDINATION / NON-DISTURBANCE / ATTORNMENT ..... - 15 -
27. NO MERGER ..... - 16 -
28. SALE ..... - 16 -
29. ESTOPPEL CERTIFICATE ..... - 16 -
30. NO LIGHT, AIR OR VIEW EASEMENT ..... - 16 -
31. HOLDING OVER ..... - 16 -
32. ABANDONMENT ..... - 17 -
33. SECURITY DEPOSIT ..... - 17 -
34. WAIVER ..... - 17 -

35. NOTICES ..... - 17 -
36. ENTIRE AGREEMENT ..... - 17 -
37. CORPORATE AUTHORITY ..... - 18 -
38. GUARANTEE OF LEASE ..... - 18 -
39. MISCELLANEOUS ..... - 18 -
40. EXHIBITS ..... - 18 -
41. SEVERABILITY ..... - 19 -
42. BROKERS/DISCLOSURES ..... - 19 -
43. FORCE MAJEURE ..... - 19 -
44. TENANT'S RIGHT TO SELF HELP ..... - 19 -
45. ENVIRONMENTAL DISCLOSURE ..... - 19 -
46. AMERICANS WITH DISABILITIES / DHEC / DAODAS ..... - 20 -
47. NON-DISTURBANCE ..... - 20 -
48. PREPARATION OF LEASE ..... - 20 -
49. FINANCIAL CONDITION ..... - 20 -
50. TENANT IMPROVEMENTS ..... - 20 -
51. SIGNAGE ..... - 20 -
52. OPTION ..... - 20 -
53. CONTROLLING LAW ..... - 21 -
54. TERMINATION FOR NON-APPROPRIATION OF FUNDS ..... - 21 -

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

LEASE FOR
3600 RIVERS AVENUE

THIS Commercial Lease Agreement ("Lease") is made on June 30, 2014 by and between Chicora Life Center, LC, as Landlord and Charleston County, as Tenant, "Party" as to each, collectively the "Parties." Landlord desires to lease the leased premises to Tenant, and Tenant desires to lease the leased premises from Landlord for a term, at the rental and upon the covenants, conditions and provisions herein set forth.

WITNESSETH:

WHEREAS, on January 16, 2014, the City of North Charleston conveyed the property located at 3600 Rivers Avenue in North Charleston, South Carolina, and known as the Old Naval Hospital to Chicora Life Center, LC, by limited warranty deed; and

WHEREAS, said deed has a reverter clause that requires Chicora Life Center, LC, to make a final payment to the City of North Charleston on or before September 30, 2014, or the title to the Old Naval Hospital will revert to the City of North Charleston; and

WHEREAS, Chicora Life Center, LC, has represented to Charleston County that it will satisfy to the extent required any obligation to obtain a release from the City of North Charleston on or before September 30, 2014; and

WHEREAS, Chicora Life Center, LC, intends for Charleston County to be its anchor tenant to encourage further development, facilitate and promote the consolidation of various county-wide medical services, and help in expansion in the area of the Old Naval Hospital and the surrounding areas; and

WHEREAS, Charleston County wishes to rent space in the Old Naval Hospital to relocate certain County offices and programs, thereby assisting in the goals intended by Chicora Life Center, LC,

NOW THEREFORE: in consideration of the above promises and mutual covenants herein contained, to include the above-referenced recitals that are incorporated herein by reference and other good and valuable consideration, the Parties agree as follows:

1. PREMISES

(a) Landlord is the owner of land and improvements commonly known and numbered as 3600 Rivers Avenue, North Charleston, South Carolina (hereinafter the "Premises") consisting of approximately 17 acres and a building consisting of approximately 400,000 square feet of which 365,717 square feet is rentable space (hereinafter "Building"). Landlord makes available for lease a portion of the Building identified in Exhibit "A" Plan Sheets A-101 (dated 6/23/2014), A-102 (dated 6/23/2014), A-103 (dated 6/23/2014), A-104 (dated 6/23/2014), and A-107 (dated 6/23/2014) Chicora Life Center, containing 98,087 of rentable square feet ("RSF") area (hereinafter the "Leased Premises").[1] Exhibit A shall bear the initials of the Parties to confirm dimensions of the Leased Premises.

[1] Exhibit "A" references the Leased Premises space as a total area of 98,087 rentable square feet, which shall apply to Article 2, Rent, and Article 5, Projected Operating Expense. The first month's lease

(b) The Leased Premises shall include the appurtenant right to use, in common with others, the lobbies, entrances, stairs, elevators, restrooms, parking areas, driveways, and other public portions of the Premises. All of the outside walls and windows of the Building and any space in the Building used for shafts, stacks, pipes, conduits, ducts, and electric or other utilities, sinks, or other Building facilities, and the use thereof and access thereto through the Building for the purposes of operation, maintenance and repairs, are reserved to Landlord, subject to the limitations on access as necessary for a confidential medical facility as described in Article 18.

2. TERMS, EFFECTIVE DATE, AND COMPLETION OF IMPROVEMENTS

The Landlord hereby leases the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for a term of twenty-five (25) years, beginning on the Effective Date of this Lease. Wherever in this Lease the word "term" appears, it shall include any extension of the primary term pursuant to the provisions of this Lease as well as any renewal agreement of holdover period. Effective Date shall mean the date Tenant takes possession of the Leased Premises and all of the following events have occurred; (a) the City of North Charleston issues a Certificate of Occupancy for the Leased Premises; (b) the necessary licensing agencies have issued licenses for the Leased Premises; (c) certain improvements to the Leased Premises are completed in accordance with Tenant's specifications and to the Tenant's reasonable satisfaction as provided for in Exhibit A (Plan Sheets of Leased Premises), Exhibit B (Improvements to Premises/Tenant Improvements), Exhibit C (Landlord Warranties on Major Operating Systems, Exhibit D (Rules and Regulations (TBD)), Exhibit E (Remodel/Finish Schedule Documents), and Exhibit F (Cost Estimate Charleston County); (hereinafter collectively referred to as "Tenant Improvements"), (d) Landlord has provided an Irrevocable Letter of Credit to the Tenant in a form acceptable to the Tenant pursuant to the terms outlined in Article 22 and (e) Landlord has satisfied the conditions of the reverter clause.

Upon completion of the Tenant Improvements and satisfying the requirements of the Effective Date, Landlord shall provide written notice to the Tenant that the requirements of the effective date have been met, accompanied by the supporting documentation, and that the Leased Premises is ready for occupancy. The Tenant shall have five business days to confirm the requirements of the Effective Date have been met or it will be deemed to be met. If the Tenant believes that the Leased Premises is not ready for occupancy, it shall within the time specified herein deliver a written objection identifying in reasonable detail those specific items which it believes must be completed before the Leased Premises is ready for occupancy, and upon resolution of those specific items the Leased Premises will be considered completed, except as provided in Article 10, Repairs.

Landlord shall make the Leased Premises available to Tenant on or before January 1, 2015, as provided herein and satisfy the reverter clause with the City of North Charleston on or before

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payment shall be and is hereby established at $11.36 per rentable square foot, or $92,821.00. Prior to the Effective Date, and after the completion of the Tenant Improvements, the Parties shall complete an "As Built" drawing of the Leased Premises and calculate, determine and/or confirm the actual As Built Rentable Square Footage, per BOMA standards, and amend or confirm Exhibit A accordingly, which As Built RSF shall be the basis for the rental calculation of the Lease. This As Built Rentable Square Footage shall be the RSF referenced in the Lease as the Leased Premises on the Effective Date with the initial Rental Rate at the agreed $12.00 per rentable square foot and the Projected Operating Expenses pursuant to Article 5.

September 30, 2014, to prevent title to the Premises from reverting to the City of North Charleston. Landlord agrees to provide written notification from the City of North Charleston to Tenant indicating that Landlord has satisfied the Limited Warranty Deed.

The Parties expressly understand and agree that the Remodel/Finish Schedule Documents have not been completed, are not final, and are not approved. Therefore the Remodel/Finish Schedule Documents must be approved in writing by Tenant prior to any work being performed for Tenant. The Remodel/Finish Schedule Documents (Exhibit E) shall include, but not be limited to, all building plans for the Leased Premises and all specifications and supporting documents used during the design, engineering, construction, and/or completion of the Tenant Improvements. All Tenant Improvements shall be the sole responsibility of the Landlord to include the costs as provided in Exhibit B, Improvements to Premises/Tenant Improvements which the Landlord agrees to pay up to $1,600,000, and Exhibit F, Cost Estimate Charleston County and Chicora Life Center Charleston County Renovations.

3. NON-OCCUPANCY OF IMPROVED SPACE

In the event Tenant fails to occupy the Leased Premises, except due to Landlord's failure to complete Tenant Improvements or to perform any other obligation set forth herein, the Landlord may recover only the actual costs incurred in making the Tenant Improvements, subject to appropriation of funds. Provided, however, the Tenant shall be entitled to a full refund of the actual costs paid by Tenant to Landlord; if the Leased Premises (or greater than sixty-five (65) percent thereof) is leased to a third party within twelve months of the termination of the Lease. Landlord will refund the same within 30 days of the written request for refund. In all cases Tenant shall have the right to audit costs of the Tenant Improvements.

4. RENTAL

Upon completion of the Tenant Improvements as provided herein and possession of the Leased Premises, Tenant shall commence payment to Landlord, as rental for the Leased Premises except as provided in footnote 1, $1,177,044 per year (i.e., $12.00 per sq. ft. x the Leased Premises per year), payable in installments of $98,087 per month (Monthly Rental), until June 30, 2016, subject to adjustment for the period between January 1, 2016 and June 30, 2016, as provided for below. Effective July 1, 2016, the Leased Premises price per square foot for the entire calendar year shall be annually adjusted by the South Region CPI-U with the possibility of either a credit or an additional payment due for the period between January 1 and June 30 of that calendar year, the credit or additional payment to be amortized over the twelve months commencing on July 1, this adjustment process to mirror that described for Operating Expenses in Article 5 below.[2] Tenant shall pay the Monthly Rent in advance and continuing thereafter on the first day of each and every calendar month of the Term of this Lease. In the event the term of this Lease commences on a day other than the first day of a calendar month, then the Monthly Rental for the first and fractional months of the term hereof shall be appropriately prorated. Rent shall be paid to Landlord, without deduction, abatement, counter claim, offset, or demand, in lawful money of the United

[2] Applying the actual South Region CPI-U Percent Dec – Dec 12 month average increase as detailed in the U.S. Department of Labor Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers for the South Region - All Items, See: "http://www.bls.gov/ro3/opisc.htm" or similar type index if the above is no longer published (copy attached), as a reference for determining and calculating the annual CPI-U increase.

States of America, at 476 W. Heritage Park Blvd., Suite 200, Layton, Utah 84041 or to such other person or at such other place as Landlord may from time to time designate in writing, except as expressly authorized in this Lease.

Tenant will, upon the execution of the Lease, pay its first month's Monthly Rental as specified herein and in paragraph 5. If Tenant does not take possession of the Leased Premises as contemplated in paragraph 2, this first month's Monthly Rental payment will be refundable upon written demand by Tenant.

5. PROJECTED OPERATING EXPENSE

In addition to the Monthly Rental payment, the Tenant shall pay monthly its share of the operating expenses (Operating Expenses) of the Premises. The Operating Expenses shall be and are established through December 31, 2015 as $6.50 per rentable square foot of the Leased Premises (i.e., 98,087 x 6.50 = $637,565.50) payable in installments of $53,130.46 per month until June 30, 2016, subject to adjustment for the period between January 1, 2016 and June 30, 2016, as provided for below. The monthly Operating Expense payment shall be paid in addition to and pursuant to the payment provisions of Article 4 and made part of the Monthly Rental.

Effective July 1, 2016, the Tenant's annual Operating Expenses for the entire calendar year shall be determined based on the actual yearly costs of operation and maintenance of the Premises for the previous calendar year divided by the total rentable square feet of the Building multiplied by Leased Premises Square feet, with the possibility of either a credit or an additional payment due for the period between January 1, 2016 and June 30, 2016, the credit or additional payment to be amortized over the twelve months commencing on July 1, 2016. See Example A, Titled "Formula," below and the example following the Formula. The sum of the Annual Operating Expense shall be made payable to the Landlord in 12 equal monthly installments pursuant to the payment provisions of Article 4. Landlord shall provide Tenant with an annual accounting total and if requested by Tenant, a copy of all invoices supporting the previous year's Annual Operating Expenses by February 1, of the following year.

In addition, the Landlord agrees that any nontraditional or heavy users of utilities, including but not limited to a grocery store, a data center, or a 24-hour operation must be separately metered, and will not be included in any costs borne by Tenant.

Example A. Formula

AC (annual costs of operation and maintenance of entire building) / BSF (365,717 Total Square Feet of Building) = N (net operating amount per square foot)

N x LPSF (Leased Premises Square Feet) = Y (Tenant's Yearly Operating Expenses)

Y/12= Monthly Operating Expense Payment by Tenant

By way of example, Landlord will total all costs of operation and maintenance of the Premises for 2015 and send Tenant its Annual Operating Expense as calculated by the Formula above, for year 2016, no later than February 1, 2016. Tenant will begin paying its 2016 Operating Expense at the start of the next fiscal

year, July 1, 2016, and during that twelve-month period Tenant will also on an amortized basis either pay for or receive a credit for any difference between the 2016 Operating Expense and the Operating Expense which was actually paid by Tenant from January 1, 2016 through June 30, 2016. Tenant will continue paying its Monthly Operating Expense Payment (as adjusted by the amortization described above) through June 30, 2017. This process shall repeat annually for the entirety of the Lease Term.

Operation and Maintenance of the Premises as provided in Article 7, Services (as determined by standard accounting practices), shall include the following costs by way of illustration, but will not be limited to: Maintenance, including but not limited to routine (i.e., minor) repairs or maintenance of structural, electrical, plumbing, or HVAC systems; common area janitorial services, security, and dumpster services; pest control, lawn and landscaping services, elevator services, fire protection and sprinkler maintenance services, costs of maintaining parking and common areas, and any other service generally considered maintenance; All Utilities: electricity, gas, water, and sewer service; All Taxes and Fees: real property taxes and assessments, solid waste user fees, etc.; and Administrative Fees: legal and accounting services and Building staff and management fees. In calculating the actual costs of Operation and Maintenance of the Premises, Administrative Fees shall be capped at $00.75 per square foot, subject to annual adjustment based on the CPI for all Urban Consumers South Region.

Landlord and Tenant both agree that the "Net Rentable Area" of the Building is approximately 98,087 RSF or 26.8% of the total (365,717) Building RSF. Notwithstanding, Tenant's Projected Operating Expense will be stated on a per rentable square foot basis and charged and paid monthly in addition to the Monthly Rent as provided in the formula above.

Operating Expenses shall not include those expenses which are paid directly or separately by proceeds of insurance, or Tenant or any third party by way of separate metering or otherwise; and depreciation of the building of which the Premises are a part and the equipment therein, loan payment, or real estate broker's commission.. Operating Expenses shall also not include Landlord's Capital Improvements to the following: structural components of the Premises; HVAC, mechanical, electrical, plumbing (hereinafter "Major Systems"). As used herein, Capital Improvements includes, by way of illustration, costs which replace the Major Systems or restore the Major Systems to "like new" condition or extend their useful life (as opposed to ongoing maintenance to keep the Major Systems in efficient operating condition and realize their useful life), and costs which improve the efficiency or quality of the Major Systems, increase the strength or capacity of the Major Systems, or fix a defect or design flaw in the Major Systems;

6. USE

The Premises may be used by Tenant for any uses permitted by law for a county governmental entity, including, but not limited to: general office space, social services, counseling, medical offices, hospital type services including beds and support facilities, sales, training, staffing, and related uses. Tenant shall not do or permit to be done in or about the Premises, nor bring or keep or permit to be brought or kept therein, anything which is prohibited by or will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Tenant shall not use or allow the Premises to be used for any improper, immoral, unlawful or objectionable purpose, nor shall Tenant cause, maintain or permit any nuisance in, on or about the Premises or commit or suffer to be committed any waste in, on

or about the Premises. Landlord is aware of the Tenant's intended uses for its various spaces and shall not declare a nuisance arising from these operations.

7. SERVICES

(a) Landlord shall maintain the public and common areas of the Premises, to include but not limited to: the lobbies, stairs, elevators, corridors and restrooms in reasonably good order and condition as part of Projected Operating Expenses. In addition, Landlord shall be solely responsible for the Capital Improvements of the Building when necessary at no cost to the Tenant.

(b) Landlord shall furnish the Premises with (i) electricity sufficient to provide power for the uses for which Tenant shall occupy the Premises, but not including special lighting or electrical equipment in excess of building standard improvements. It is not currently anticipated that Tenant's intended uses will necessitate installation of special lighting or electrical equipment, but in the event that installation of special lighting or electrical equipment requires additional air conditioning capacity above that provided by the building standard improvements, then the additional air conditioning installation and operating costs shall be paid by Tenant as may be mutually agreed, (ii) heat and air conditioning to the extent reasonably required for the comfortable occupation of the Premises during reasonable and usual business hours of Tenant's occupancy; (iii) Tenant shall pay any cleaning and janitorial costs attributable to the Leased Premises separate and apart from the Operating Expenses; and (iv) security for the building; Landlord shall not be liable to Tenant for losses due to theft or burglary, or for damages done by unauthorized persons in or about the building, Landlord will be liable for damages caused by Landlord's negligence and the negligence of its employees and representatives.

Some of Tenant's Leased Premises may require 24 hour 7 days per week services and occupancy. Separate metering and billing may be used for such 24/7 utilized Leased Premises and Tenant shall be responsible for such costs.

(c) Landlord shall not be in default hereunder or be liable for any damages directly or indirectly resulting from, (1) failure to furnish or delay in furnishing any such services when such failure or delay is caused by accident or any condition beyond the reasonable control of Landlord or by the making of necessary repairs or improvements to the Premises or to the Building, except Landlord's failure to pay or provide the Services identified in subpart (a) herein or (2) the limitation, curtailment, rationing or restrictions on use of water, electricity, gas or any other form of energy serving the Premises or the Building as required by ordinance or law.

Nevertheless, Landlord shall use all reasonable efforts to remedy any interruption in the furnishing of such services, and in particular to avoid disruption of any 24 hour 7 days per week inpatient services provided by Tenant. If, notwithstanding all reasonable efforts to remedy any interruption in the furnishing of such services, the Premises are not habitable for Tenant's use for a period in excess of 72 hours, the Tenant's Monthly Rent will be abated until the Premises are habitable, and if the Premises are not habitable in excess of 30 days, and it is within the control of Landlord to remedy, then Tenant may elect to avail itself of any of the remedies provided in this Lease. Landlord will notify Tenant immediately of any real or threatened interruption in power or other service to the Premises or Building.

(d) It is understood that Landlord does not warrant that any of the services referred to above, or any other services which Landlord may supply, will be free from commercially

reasonable interruption. Tenant acknowledges that any one or more such services may be suspended or reduced by reason of accident or repairs, alterations or improvements necessary to be made, by strikes or accident or by any cause beyond the reasonable control of Landlord, or by orders or regulations of any federal, state, county or municipal authority, subject to Tenant's remedies of rental abatement and termination stated in the foregoing paragraph and Article 11. Except as otherwise provided in this Lease, any such interruption or suspension of services shall never be deemed an eviction of the Leased Premises or any part thereof, or render Landlord liable to Tenant for damages. Landlord will use its best reasonable efforts in the event of a strike to secure parties not involved in the labor dispute to provide minimum services for cleaning restrooms, waste removal, and janitorial services for the common areas. If such interruption or suspension results in Tenant's inability to conduct business or provide its' usual and customary services for a period exceeding seventy-two (72) hours, then Tenant shall receive an abatement of rent during such interruption or suspension, but Landlord shall not be liable to Tenant for lost profits or loss of business resulting therefrom. In the event of repeated occurrences of the same recurring event of interruption or suspension which would be within the control of Landlord to remedy, then Tenant may elect to terminate this Lease by written notice to Landlord.

(e) Tenant shall notify Landlord of any need for an increase in power usage.

8. ALTERATIONS

(a) Tenant will not make or suffer to be made any alterations, additions or improvements to or of the Leased Premises or any part thereof, or attach any fixtures or equipment thereto, without first obtaining Landlord's approval. Any alterations, additions or improvements (except the initial Tenant Improvements) to the Leased Premises consented to by Landlord shall be made by Tenant at Tenant's sole cost and expense, and any contractor or other person selected by Tenant to make the same shall be subject to Landlord's prior written approval. All alterations, additions, fixtures and improvements, including all improvements made pursuant to the Tenant Improvements, whether temporary or permanent in character, made in or upon the Leased Premises either by Tenant of Landlord, shall immediately become Landlord's property and, at the end of the term hereof, shall remain on the Leased Premises without compensation to Tenant, except for Tenant's trade fixtures, equipment, furniture panels and other items Tenant may provide to Landlord in writing.

(b) Any alteration, addition, or improvement shall, when completed, be of such a character as not to lessen the value of the Premises or such improvements as may be then located thereon. Any alteration, addition or improvement shall be made promptly and in a good workmanlike manner and in compliance with all applicable permits and authorizations and building and zoning laws and with all other laws, ordinances, orders, rules, regulations, and requirements of all federal, state and municipal governments, departments, commissions, boards and offices. The costs of any such alterations, addition or improvement shall be paid by Tenant, except as otherwise provided herein.

9. LIENS

Tenant shall make reasonable efforts to keep the Leased Premises free from any mechanics' and/or materialmen's liens or other lien arising out of any work performed, material furnished or obligations incurred by Tenant. Tenant shall notify Landlord in writing at least seventy-two (72) hours before any work or activity is to commence on the Premises which may give rise to such liens and Landlord shall have the right to post and keep posted on the Premises any notices that

maybe provide by law or which Landlord may deem to be proper for the protection of Landlord, the Premises and the Building from such liens.

10. REPAIRS

Unless Tenant notifies Landlord in writing within 180 days of the Effective Date of the Lease, Tenant accepts the Leased Premises as being in the condition in which Landlord is obligated to deliver the Leased Premises. Landlord will reasonably maintain the Premises for Tenant's quiet enjoyment and habitability such that the Premises may be occupied and utilized for its intended purpose by Tenant, including maintenance of the structural soundness of the Premises and maintenance of the electrical, HVAC, or other systems necessary to furnish the Premises with the services described herein. Tenant shall at the end of the term hereof surrender to Landlord the Leased Premises and all alterations, additions and improvements thereto subject to ordinary wear and tear, excepting any damage by fire, earthquake, act of God or the elements. Landlord has made no promise to alter, remodel, improve, repair, decorate or paint the Premises or any part thereof, except as may be specified in the Tenant Improvements. No representations respecting the condition of the Premises or the Building have been made by Landlord to Tenant, except as specifically herein set forth and specifically for the Premises' habitability and fitness for its intended purpose and the Tenant Improvements. The Premises shall meet and comply with the licensing standards of DHEC, DAODAS, CARF, and any other regulatory agencies having jurisdiction, as detailed in the Tenant Improvements.

11. DESTRUCTION OR DAMAGE

(a) If the Leased Premises shall be damaged or destroyed during the term of this Lease by any casualty insured under Landlord's standard property and casualty insurance, Landlord shall, except as otherwise provided in this Lease and subject to any delay or inability from causes beyond its control, repair and/or rebuild the same substantially to what had been the condition thereof immediately prior to such damage or destruction, it being understood that Landlord is obligated to make a claim against its property and casualty insurance.

(b) If the Premises, Building, or Leased Premises shall be damaged or destroyed to the extent of fifty percent (50%) or more of the insurable value thereof, or if such casualty shall not have been insured against by Landlord's standard property and casualty policies, then Landlord or Tenant may terminate this Lease or Landlord may elect to repair such damage or rebuild the Leased Premises. Within thirty (30) days after any such casualty, Landlord shall notify Tenant whether Landlord intends to repair or rebuild the Leased Premises, and Tenant shall notify Landlord whether Tenant intends to terminate this Lease. If Landlord elects to repair or rebuild the Leased Premises, Landlord shall perform such repair or rebuilding as provided in Subsection 11 (a) above, and rent shall be abated proportionately as provided in Subsection 11 (e) below. If Landlord elects not to repair or rebuild, the Lease shall terminate without further notice and all further obligations of both parties hereunder shall cease (other than those which shall theretofore have accrued), effective as of the date on which Tenant ceases doing business in the Premises.

(c) If Landlord elects to repair the Leased Premises and Tenant does not elect to terminate the Lease, and if Landlord's repairs are not substantially completed within one hundred twenty (120) days following the date of the casualty, then Tenant, upon not less than thirty (30) days written notice to Landlord, may terminate this Lease if Landlord has not substantially completed such repairs within the time period (which shall not be less than 30 days) set forth in such notice. Substantial completion, as used herein, shall mean that the Premises, Building, and

Leased Premises are restored to the condition that they may be occupied and utilized for their intended purpose, notwithstanding that there may be additional "punch list" or other non-essential items to be completed, which neither affect nor impact Tenant's use and enjoyment of the Leased Premises. Nevertheless, Landlord shall diligently pursue the completion of all remaining work in a timely manner.

(d) During any period of reconstruction or repair of the Premises, Building, and/or Leased Premises, provided Tenant has not elected to terminate this Lease, Tenant may at its sole option continue the operation of Tenant's business in the Leased Premises to the extent reasonably practicable from the standpoint of good business practice.

(e) During any period in which, by reason of any damage or destruction not resulting from the negligence of Tenant, Tenant's employees, agents, or invitees, Tenant is unable to occupy all or a portion of the Leased Premises, Tenant's rent shall be appropriately abated for that part of the Leased Premises rendered unusable for the conduct of Tenant's business. Such abatement shall continue for the period commencing with such destruction or damage and ending with the substantial completion by Landlord or Landlord's repairs and/or rebuilding of the Leased Premises, as required by this Lease.

12. SUBROGATION

[Intentionally Omitted]

13. INDEMNIFICATION

No provision of this agreement shall be construed to constitute any waiver of sovereign immunity of Tenant or other constitutional or statutory limitations of liability in existence or arising later.

Except for expenses or liabilities arising from the negligence or intentional acts of the Tenant, the Landlord hereby expressly agrees to indemnify and hold the Tenant harmless against any and all expenses and liabilities arising out of the negligent performance, action or inaction of the Landlord, its members, officers, employees or agents, in conduct of this Lease, as follows:

For matters other than those arising from the rendering or failure to render professional services, the Landlord expressly agrees to the extent that there is a causal relationship between its negligence, action or inaction, or the negligence, action or inaction of any of its employees or any person, firm or corporation directly or indirectly employed by the Landlord and any damage, liability, injury, loss or expense (whether in connection with bodily injury or death or property damage) that is suffered by the Tenant and/or its officers or employees or by any member of the public, to indemnify and save the Tenant and its officers and employees harmless against any and all liabilities, penalties, demands, claims, lawsuits, losses, damages, costs, and expenses arising out of the negligence, action or inaction of the Landlord , regardless of whether such liabilities, penalties, demands, claims, lawsuits, losses, damages, costs and expenses are caused in part by the Tenant. Such costs are to include, without limitation, defense, settlement and reasonable attorney's fees incurred by the Tenant and its employees. This promise to indemnify shall include, without limitation, bodily injuries or death occurring to the Landlord's employees and any person, directly or indirectly employed by the Landlord (including, without limitation, any employee of any subcontractor), the Tenant's officers or employees, the employees of any other independent contractors, or occurring to any member of the public. When the Tenant submits notice, Landlord shall promptly defend any aforementioned action.

The limits of insurance carried by Landlord shall not limit the Landlord's obligations under this Section. The terms and conditions contained in this Section shall survive the termination of this Lease. To the extent that any liabilities, penalties, demands, claims, lawsuits, losses, damages, costs and expenses are caused in part by the acts of the Tenant, the Landlord's obligations shall be reduced in proportion to the Tenant's fault, as determined by a court of competent jurisdiction. The obligations herein shall also extend to any actions by the Tenant to enforce this indemnity obligation. The recovery of costs and fees all extend to those incurred in the enforcement of this indemnity.

14. COMPLIANCE WITH LEGAL REQUIREMENTS

Landlord and, to the extent applicable, Tenant, shall, at each Party's respective cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force, with the requirements of any board of fire underwriters or other similar body now or hereafter constituted, with any direction or occupancy certificate issued pursuant to any law by any public officer or officers, as well as the provisions of all recorded documents affecting the Premises, insofar as any thereof relate to or affect the condition, use or occupancy of the Premises, excluding requirements of structural changes not related to or affected by improvements made by Tenant or Tenant's acts. Landlord represents that at the time of delivery of the Premises, the Premises will be free of hazardous waste, toxic materials, and asbestos, and indemnifies Tenant against all claims, damages, expenses, and fees resulting from the presence or discharge thereof, in accordance with the indemnity provisions of Section 13.

15. INSURANCE

During the Term of the Lease Agreement, Landlord shall take out and maintain all customary insurance on the Premises, the Building, and the Leased Premises, as part of the Operating Expenses, in such form as used by solvent insurance companies in the State of South Carolina. Landlord shall name and maintain Tenant as an additional insured on said policies and shall provide this information in writing to Tenant for the Lease Term. Landlord, as part of the Operating Expenses, shall at all times during the term of the Lease, maintain:

(a) Comprehensive general liability insurance against claims for bodily injury, including death, and property damage or loss arising out of the use or occupation of the Premises, Building or the Leased Premises; such insurance to be in the joint name of the Tenant and the Landlord so as to indemnify and protect both the Tenant and the Landlord and to contain a "cross liability" and "severability of interest" clause so that the Landlord and Tenant may be insured in the same manner and to the same extent as if individual policies had been issued to each, and will be for the amount of not less than $1,000,000.00 combined single limit; such comprehensive general liability insurance will for the Tenant's benefit only include contractual liability insurance in a form and of a nature broad enough to insure the obligations imposed upon the Tenant under the terms of this Lease.

(b) Extended fire and extended coverage insurance on the Premises and Building on a replacement cost basis, subject to such deductions and exceptions as the Landlord may determine; such insurance will be in a form or forms normally in use from time to time for buildings and improvements of a similar nature similarly situate,

- including, should Landlord so elect, insurance to cover any loss of rental income which may be sustained by Landlord.

Tenant may contact Landlord's insurer(s) or insurer(s)' agent(s) directly at any time regarding Landlord's coverage, coverage amounts, or other such relevant and reasonable issues related to this Lease. Landlord shall also require any subsequent purchaser of the Premises to carry the same coverages in the same amounts. Tenant must be advised immediately of any changes in required coverages.

During the Term of the Lease, Tenant shall obtain and maintain customary insurance, as available to Tenant by the South Carolina Insurance Reserve Fund.

16. ASSIGNMENT AND SUBLETTING

In the event Tenant should desire to assign or sublet the Leased Premises, Tenant shall give Landlord written notice of such desire at least thirty (30) days in advance of the date on which Tenant desires to make such assignment or sublease. Landlord shall then have a period of thirty (30) days following receipt of such notice within which to notify Tenant in writing that Landlord elects either (i) to terminate this Lease as to the space so affected as of the date so specified by Tenant, in which event Tenant will be relieved of all further obligations hereunder as to such space, or (ii) to permit Tenant to assign or sublet such space, subject, however, to prior written approval of the proposed assignee or that Tenant is of sound financial condition as determined by Landlord. If Landlord should fail to notify Tenant in writing of such election within said thirty (30) day period, Landlord shall have deemed to have waived option (i) above, but written approval by Landlord of the proposed assignee or Tenant shall be required. Any assignment or subletting which conflicts with the provisions hereof shall be void.

17. RULES

RESERVED

18. ENTRY BY LANDLORD

Landlord acknowledges that certain portions of the Leased Premises may be occupied by confidential medical facilities and may not be accessed without prior permission. Tenant will designate the location of these confidential medical facilities and provide the same to Landlord in writing. Landlord shall not enter such designated locations without prior permission, otherwise Landlord may enter the Leased Premises at reasonable hours, with advance consent of Tenant except in emergencies, to (a) inspect the same, (b) exhibit the same to prospective purchasers, lenders or tenants, (c) determine whether Tenant is complying with all of Tenant's obligations hereunder; (d) supply janitorial service and any other service to be provided by Landlord to Tenant hereunder, (e) post notices of non-responsibility and (f) make repairs required of Landlord under the terms hereof or repairs to any adjoining space or utility service or make repairs, alterations or improvements to any other portion of the Building, but that all such work must be done as promptly as possible and, so as to cause as little interference to Tenant as reasonably possible.

Landlord shall at all times have and retain a key with which to unlock all of the doors in, on or about the Leased Premises (excluding Tenant's furniture and fixtures, vaults, safes and similar areas designated in writing by Tenant in advance); and Landlord shall have the right to use any and all means which Landlord may deem proper to open said doors in an emergency in order to obtain entry to the Premises, and such entry to the Premises obtained by Landlord by any of said means,

or otherwise shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into or a detainer of the Premises or an eviction, actual or constructive, of Tenant from the Premises, or any portion thereof.

19. EVENTS OF DEFAULT

(a) By Tenant: The occurrence of any one or more of the following events ("Events of Tenant Default") shall constitute a breach of this Lease by Tenant: (a) if Tenant shall fail to pay any rental or other sum when and as the same becomes due and payable and such failure shall continue for more than 30 days after written notice of such failure is received by Tenant from Landlord; or (b) if Tenant shall fail to perform or observe any other term hereof or of the rules and regulations described in Paragraph 14, "Compliance with Legal Requirements," to be performed or observed by Tenant, such failure shall continue for more than 30 days after written notice thereof is received by Tenant from Landlord and Tenant shall not within such period commence with due diligence and dispatch the curing of such default, or, having so commenced, shall thereafter fail or neglect to prosecute or complete with due diligence and dispatch the curing of such default; or (c) vacation or abandonment of the Leased Premises for a continuous period in excess of thirty (30) business days unless rent is current; (d) if this Lease or any estate of Tenant hereunder shall be levied upon under any attachment or execution against Tenant and such attachment or execution is not vacated within thirty (30) days; or (e) failure of Tenant to meet any provisions of this Lease.

The non-appropriation of funds or reduction in Leased Premises due to a change in the State DHEC mandate, as such are outlined in Article 54, Termination for Non Appropriation of Funds, shall not be considered Events of Default.

(b) By Landlord: The occurrence of any one or more of the following events ("Events of Landlord Default") shall constitute a breach of this Lease by Landlord: (a) if Landlord shall fail to pay any sum necessary to maintain the habitability of the Premises when and as the same becomes due and payable and such failure shall continue for more than 30 days after written notice of such failure is received by Landlord from Tenant; or (b) if Landlord shall fail to perform or observe any other term hereof or of the rules and regulations described in Paragraph 14, "Compliance with Legal Requirements," to be performed or observed by Landlord, such failure shall continue for more than 30 days after written notice thereof is received by Landlord from Tenant and Landlord shall not within such period commence with due diligence and dispatch the curing of such default, or, having so commenced, shall thereafter fail or neglect to prosecute or complete with due diligence and dispatch the curing of such default; or (c) vacation or abandonment of its obligations as Landlord for a continuous period in excess of thirty (30) business days; (d) if Landlord fails to separately meter the non-traditional heavy users of utilities in the Building prior to said non-traditional users occupation of the Premises, or (e) if Landlord sells the Premises and fails to have new Landlord agree to all terms and conditions outlined herein by signing a new lease with Tenant that has the same terms as outlined in this Lease; or (f) failure of Landlord to remain current with the costs and expenses associated with the Premises, including but not limited to, electricity, water, plumbing, resulting in Tenant's loss of power, water, sewer or the use of any and all electrical systems in Premises, Building, and/or Leased Premises; or (g) failure to indemnify Tenant as outlined in this Lease; or (h) failure to meet any of the provisions of this Lease.

20. TERMINATION UPON DEFAULT

(a) As to Tenant: In the Event of Tenant's Default, Landlord may terminate this Lease at any time after notice has been given to Tenant in writing, and on the date specified in such notice (which shall be not less than thirty (30) days after the giving of such notice), and provided Tenant shall have failed to cure such default. Tenant's right to possession shall terminate and this Lease shall terminate, unless on or before such date all arrears or rental and all other sums payable by tenant under this Lease and all costs and expenses incurred by or on behalf of Landlord hereunder shall have been paid by Tenant and all other breaches of this Lease by Tenant at the time existing shall have been fully remedied to the satisfaction of Landlord.

Upon such termination, and subject to the South Carolina Tort Claims Act, Landlord may recover from Tenant: (a) the unpaid rental which had been earned at the time of termination without acceleration, less any rental received by Landlord for reletting the Leased Premises (subject to the terms hereinabove); (b) and any other amount necessary to compensate Landlord for all the actual damages proximately caused by Tenant's failure to perform its obligations under this Lease excluding any punitive, exemplary, or consequential damages. Landlord shall be obligated to make reasonable and diligent efforts to mitigate its damages by reletting the Leased Premises at reasonable and current market rates in a timely manner.

(b) As to Landlord: In the Event of Landlord's Default, Tenant may terminate this Lease at any time after such notice has been given to Landlord in writing, and on the date specified in such notice (which shall be not less than thirty (30) days after the giving of such notice), and provided Landlord shall have failed to cure such default. This Lease shall terminate, unless on or before such date all items causing Default under this Lease and all costs and expenses incurred by or on behalf of Tenant hereunder shall have been remedied to the satisfaction of Tenant and/or paid by Landlord and all other breaches of this Lease by Landlord at the time existing shall have been fully remedied to the satisfaction of Tenant. Upon such termination, Tenant may recover from Landlord: (a) the paid rental and operating expense amounts which have been paid from the time of notice of termination until Tenant's relocation from the Premises; (b) all moving and relocation expenses incurred and to be incurred by Tenant, along with any other amount necessary to compensate Tenant for all the actual damages proximately caused by Landlord's failure to perform its obligations under this Lease excluding any punitive, exemplary or consequential damages.

21. AFTER DEFAULT

The legal rights and remedies after default available to the Parties shall include any and all that are available at law, equity or statute. If any fixture, equipment, improvement, installation or appurtenance which, as herein provided, shall be required to be removed from the building by Tenant specified therefore, then Landlord may, after fifteen (15) days written notice to such effect to Tenant, deem the same has been abandoned by Tenant to Landlord, or Landlord may remove the same.

22. OTHER RELIEF

The rights and remedies provided for Landlord and Tenant in this Lease are in addition to any other remedies available at law or in equity by statute or otherwise, except as expressly limited or waived under the provisions of this Lease.

Notwithstanding the above, Landlord and Tenant recognize that the Landlord's performance and compliance with the conditions, obligations, and responsibilities of this Lease are of great importance to the Tenant. Landlord's delays and/or failure to perform any of the conditions, obligations, or responsibilities in this Lease will cause damages to the Tenant greater than termination of the Lease can remedy. Therefore, as additional security and as a performance guaranty of Landlord's compliance and performance with the conditions, obligations, and/or responsibilities of this Lease, the Landlord shall provide, annually, an irrevocable letter of credit in the penal sum of $1,300,000. This letter of credit shall act as security for the Landlord's fulfillment of its obligations to pay third parties for the operation and maintenance of the Premises, Major Systems, or any other matter(s) which negatively impact the habitability of the Premises and Tenant's Quiet Enjoyment of same. The Letter of Credit shall be issued by a financial institution authorized to do business in the State of South Carolina. The cost and expense of the letter(s) of credit shall be paid for by the Tenant and Landlord equally, with the Tenant's portion not to exceed 1.25% annually of the penal sum(s).

23. RIGHT TO CURE DEFAULTS

Except as expressly stated in this Lease, all agreements and provisions to be performed by Landlord and Tenant under any of the terms of this Lease shall be at its sole cost and expense. If Tenant shall fail to pay any sum of money, other than rental, required to be paid by it hereunder or shall fail to perform any other act on its part to be performed hereunder and such failure shall continue for 30 days after written notice thereof by Landlord is received by Tenant, Landlord may, but shall not be obligated to do so, and without waiving or releasing Tenant from any obligations of Tenant, make any such payment or perform any such other act on Tenant's part to be made or performed as provided in this Lease.

If Landlord shall fail to pay any sum of money required to be paid by it hereunder or shall fail to perform any other act on its part to be performed hereunder and such failure shall continue for 30 days after written notice thereof by Tenant is received by Landlord, Tenant may, but shall not be obligated to do so, and without waiving or releasing Landlord from any obligations of Landlord, make any such payment or perform any such other act on Landlord's part to be made or performed as provided in this Lease.

All sums reasonably paid by either Party and all necessary incidental costs shall be deemed additional rent hereunder and shall be payable or credited within thirty (30) days of written demand so long as funds are appropriated therefore, and Parties shall have (in addition to any other rights or remedies) the same rights and remedies in the event of the nonpayment thereof by Tenant as in the case of default by Tenant in the payment of rental, or in the event of the nonpayment thereof by Landlord as in the case of default by Landlord in the payment of its obligations under this Lease

24. ATTORNEY'S FEES

Should any party hereto employ an attorney for the purpose of enforcing, constructing, or declaring rights under this Lease, or any amendment thereto, or any judgment based on this Lease, in any legal proceeding whatsoever, including bankruptcy, arbitration, declaratory relief or other litigation, said Party and each other Party shall pay its own attorneys' fees.

25. EMINENT DOMAIN

If the entire Premises shall be taken by reasons of condemnation or under eminent domain proceedings, Tenant may terminate this Lease Agreement as of the date when possession of the Premises is taken. If a portion of the Premises shall be taken under eminent domain or by reason of condemnation if in the opinion of Tenant, reasonably exercised, the remainder of the Leased Premises is no longer suitable for Tenant's business, the Lease, at Tenant's option, to be exercised by notice to Landlord within sixty (60) days of such taking shall terminate, and any unearned rents paid or credited in advance shall be refunded to Tenant.

If this Lease is not so terminated because the entire Premises has not been taken, Landlord forthwith and with due diligence, shall restore the Leased Premises pursuant to plans approved by Tenant, if so damaged. Until so restored, subject to the following sentence, fixed rent shall abate to the extent that Tenant shall not be able to conduct business in accordance with Tenant's customary business practices, and thereafter fixed rent for the remaining portion of the Term shall be proportionately reduced.

In the event any part of the Leased Premises shall be taken by reason of condemnation or under eminent domain and if in the opinion of Tenant, reasonably exercised, the Leased Premises is no longer suitable for Tenant's business, this Lease, at Tenant's option, by notice to Landlord within sixty (60) days of such taking shall terminate. If this Lease is not terminated, Landlord, at Landlord's expense shall restore the Leased Premises to a proper and usable condition pursuant to plans approved by Tenant. Until such time that areas are restored to a proper and usable condition, rent shall be abated and thereafter fixed rent for the remainder of the Term shall be proportionately reduced.

Tenant shall be entitled to the award in connection with any condemnation insofar as the same represents compensation for or damage to Tenant's fixture, equipment, leasehold improvements or other property, moving expenses as well as the loss of leasehold (i.e. the unexpired balance of the Lease Term immediately prior to such taking). Landlord shall be entitled to the award insofar as the same represents compensation for or damage to the fee remainder, such amounts as allowed by law as losses or as damages in condemnation proceedings.

For the purposes of this Article, the term "condemnation of under eminent domain proceedings shall include, without limitation: (1) conveyances and grants made in anticipation of or in lieu of such proceedings and/or (2) loss or impairment of ingress or egress rights to and/or from Premises from adjacent roadways.

26. SUBORDINATION / NON-DISTURBANCE / ATTORNMENT

Landlord shall use its best efforts to ensure that any mortgagee, trustee or ground lessor shall elect to have this Lease prior to the lien of its mortgage, deed of trust or ground lease, and in such event this Lease shall be deemed prior to such mortgage, deed of trust or ground lease, whether this Lease is dated prior or subsequent to the date of said mortgage, deed of trust or ground lease or the date of recording thereof.

Tenant's right to quiet possession of the Leased Premises shall not be disturbed if Tenant is not in default of the Lease, unless this Lease is otherwise terminated pursuant to its terms. So long as Tenant enjoys the right of quiet possession of the Premises, Tenant shall enjoy this same right with any successor in title to the Premises, including any purchaser to whom the mortgagee,

trustee, or ground lessor might sell the Premises to following or as a part of the exercise of enforcement remedies against the Landlord.

The Landlord agrees to use its best efforts to obtain the subordination of any mortgage, deed of trust or ground lease, as the case may be such that this lease may have priority. Notwithstanding, Tenant agrees to execute any documents required or requested by Landlord's lenders that are reasonable and necessary to effectuate the subordination of this lease or to make this Lease subordinate to any mortgage, deed of trust or ground lease, as the case may be.

27. **NO MERGER**

The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of Landlord terminate all or any existing subleases or sub tenancies, or may, at the option of Landlord, operate as an assignment to it of all such subleases or sub tenancies.

28. **SALE**

In the event the Landlord hereunder, or any successor owner of the Premises, shall sell or convey the Premises, all liabilities and obligations on the part of the Landlord, or such successor owner, under this Lease accruing thereafter shall remain, and only terminate to the extent that the purchaser, transferee, tenant or assignee assumes the covenants and obligations of the Landlord under this Lease as new owner(s) and agrees in writing with the Tenant to accept all liabilities and obligations on the part of the Landlord to be binding upon the new owner.

29. **ESTOPPEL CERTIFICATE**

Provided that Tenant receives reasonable written assurances from Landlord and a prospective purchaser, mortgagee or beneficiary under any deed of trust of the Premises that Tenant's right to quiet possession of the Leased Premises shall not be disturbed if Tenant is not in default and so long as Tenant shall pay the rent and observe and perform all of the provisions of the Lease, then Tenant shall, at any time and from time to time but on not less than 10 days prior written request by Landlord, execute, acknowledge and deliver to Landlord, promptly upon request, a certificate certifying (a) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the date and nature of each modification), (b) the date, if any, to which rental and other sums payable hereunder have been paid, (c) that no notice has been received by Tenant of any default which has not been cured, except as to defaults specified in said certificate and (d) such other matters as may be reasonably requested by Landlord. Any such certificate may be relied upon by any prospective purchaser, mortgagee or beneficiary under any deed of trust of the Building or any part thereof, as an estoppel without liability of Tenant.

30. **NO LIGHT, AIR OR VIEW EASEMENT**

Any diminution or shutting off of light, air or view by any structure which may be erected on lands adjacent to the Building shall in no way affect this Lease or impose any liability on Landlord.

31. **HOLDING OVER**

If, without objection by Landlord, Tenant holds possession of the Leased Premises after expiration of the term of this Lease, Tenant shall become a tenant from month to month upon the terms herein specified.

32. ABANDONMENT

Tenant shall not be considered to have abandoned or vacated the Leased Premises as long as Tenant continues to pay rent and fulfill all other obligations of this Lease, regardless of whether Tenant is actually continuously occupying the space or not, unless Tenant gives notice of termination if and as allowed by this Lease.

33. SECURITY DEPOSIT

There is no security deposit for this Lease.

34. WAIVER

The waiver by Landlord or Tenant of any agreement, condition or provision herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other agreement, condition or provision herein contained, nor shall any custom or practice which may grow upon between the Parties in the administration of the terms hereof be construed to waive or to lessen the right of Landlord or Tenant to insist upon the performance by the other in strict accordance with said terms. The subsequent acceptance of rental hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any agreement, condition or provision of this Lease, other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rental.

35. NOTICES

All notices and demands which may or are required to be given by either party to the other hereunder shall be in writing and shall be deemed to have been fully given when deposited in the United States mail, certified or registered, postage prepaid, and addressed as follows: to Tenant at:

Charleston County
Attn: County Administrator
4045 Bridge View Drive
North Charleston, South Carolina 29405

or to such other place as Tenant may from time to time designate in a written notice to Landlord. All notices for Landlord shall go to:

Chicora Life Center, LC
c/o Durbano Properties, L.C.
476 W. Heritage Park Blvd., Suite 200
Layton, Utah 84041

or to such other place as Landlord may from time to time designate in a written notice to Tenant.

36. ENTIRE AGREEMENT

There are no oral agreements between Landlord and Tenant affecting this Lease, and this Lease supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements and understandings, if any, between Landlord and Tenant with respect to the subject

matter of this Lease. This Lease may not be altered, changed or amended, except by an instrument in writing signed by both parties hereto.

37. CORPORATE AUTHORITY

Tenant represents that it is a duly authorized and validly existing local government and political subdivision of the State of South Carolina. Landlord represents that it is a duly authorized and validly existing limited liability company in the State of South Carolina.

38. GUARANTEE OF LEASE

[Intentionally Omitted]

39. MISCELLANEOUS

The words "Landlord" and "Tenant" as used herein shall include the plural as well as the singular. If there be more than one Tenant, the obligations hereunder imposed upon Tenant shall be joint and several. Time is of the essence of this Lease and each and all of its provisions. Submission of this instrument or examination or signature by Tenant does not constitute a reservation of or option for lease, and it is not effective as a lease or otherwise until execution and delivery by both Landlord and Tenant. The agreements, conditions, and provisions herein contained shall, subject to the provisions as to assignment, apply to and bind the heirs, executors, administrators, successors and assigns of the Parties hereto. Landlord shall not use the name of Tenant for any purposes except that Tenant's name may be listed in any directory within the premises. All amounts of money payable by Tenant to Landlord hereunder, if not paid when due, shall bear interest from the due date until paid at the rate of 12% per annum, subject to the appropriation of funds therefor. If any provision of this Lease shall be determined to be illegal or unenforceable, such determination shall not affect any other provision of this Lease and all such other provisions shall remain in full force and effect. This Lease shall be governed by and construed in accordance with the laws of the State of South Carolina.

40. EXHIBITS

The Landlord and Tenant agree that the Lease shall include the following documents: Exhibit A (Plan Sheets of Leased Premises (A-101 (dated 6/23/2014), A-102 (dated 6/23/2014), A-103 (dated 6/23/2014), A-104 (dated 6/23/2014) and, A-107 (dated 6/23/2014))), Exhibit B (Improvements to Premises/Tenant Improvements), Exhibit C (Landlord Warranties on Major Operating Systems), Exhibit D (Rules and Regulations (TBD)), Exhibit E (Remodel/Finish Schedule Documents), Exhibit F (Cost Estimate Charleston County and Chicora Life Center Charleston County Renovations) and Basic Lease Information, which are incorporated herein by reference. In the event of any conflict, discrepancy, or inconsistency among any of the documents which make up this Lease (Lease Documents), the following shall control: As between the Lease and the Lease Documents, the Lease shall govern. In the event of any conflict, discrepancy, or inconsistency among any of the Lease Documents, the Landlord shall notify the Tenant immediately upon discovery and Tenant shall notify the Landlord immediately upon discovery of the same so the Parties can reach a resolution. Any documents not included or expressly contemplated in this Lease do not, and shall not, form a part of this Lease. The Lease Documents are intended to be complementary, and a requirement in one document shall be deemed a requirement in all documents.

41. SEVERABILITY

If any term or provision of this Lease, or the application thereof to any person or circumstance, shall to any extent be held to be invalid or unenforceable by a court of competent jurisdiction, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and shall be enforceable to the extent permitted by law.

42. BROKERS/DISCLOSURES

Tenant and Landlord warrant that it has no dealings with any real estate broker or agents in connection with the negotiation of this Lease and it knows of no other real estate brokers or agents who are entitled to a commission in connection with this lease.

43. FORCE MAJEURE

Landlord shall have no liability whatsoever to Tenant, and Tenant to Landlord, on account of (1) the inability to fulfill, or delay in fulfilling, any obligations under this Lease by reason of strike, other labor trouble, governmental preemption of priorities or other controls in connection with national or other public emergency, or shortages of fuel, supplies or labor resulting there from or any other cause, whether similar or dissimilar to the above, beyond Landlord's or Tenant's reasonable control; or (2) any failure or defect in the supply, quantity or character of electricity or water furnished to the Premises, by reason of any requirement, act or omission of the public utility or others furnishing the building with electricity or water, or for any other reason, whether similar or dissimilar to the above, beyond Landlord's or Tenant's reasonable control. If this Lease specifies a time period for performance of an obligation, that time period shall be extended by the period of any delay in performance caused by any of the events of force majeure described above, but all events not to exceed ninety (90) days.

Landlord and Tenant jointly shall establish and will continue to have in place a disaster recovery plan to reestablish the Premises in working order as soon as practicable.

44. TENANT'S RIGHT TO SELF HELP

Landlord and Tenant acknowledge that Tenant's use of the Leased Premises may involve critical health care operations for which generators, pumps, or other equipment must operate without disruption. Accordingly, if such equipment should malfunction or the Leased Premises should otherwise suffer from a disruption of these critical processes outside of normal business hours or at a time when Tenant cannot reasonably reach Landlord, Tenant is authorized to take such self-help measures as are reasonably necessary to maintain critical processes. The exercise of such self-help measures by Tenant shall not be construed an Event of Default under the Lease.

45. ENVIRONMENTAL DISCLOSURE

Landlord represents and warrants that it has no knowledge of any deposit, asbestos, storage, disposal, removal, burial, discharge, spillage, uncontrolled loss, seepage or filtration of oil, petroleum or chemical liquids or solids, liquid or gaseous products or any hazardous wastes or hazardous substances (collectively, "Hazardous Substances"), as those terms are used in any appropriate and applicable law, code or ordinance including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 at, upon, under or within the Premises as a consequence of ownership or other use thereof prior to the Lease Term

Commencement of this Lease by Landlord, its employees, agents or servants or any party acting pursuant to a right or interest therein from Landlord.

46. AMERICANS WITH DISABILITIES / DHEC / DAODAS

Landlord shall be responsible for compliance with the Americans With Disabilities Act (ADA). In the event it becomes necessary to make modifications to the floor plan as approved by Tenant in order to comply with provisions of ADA or other applicable building codes, such modifications shall not be grounds for termination of this Lease by Tenant, so long as modifications do not substantially impair Tenants intended use of the Leased Premises. Landlord and Tenant will work together to ensure compliance and appropriate licensing according to requirements of the South Carolina Department of Health and Environmental Control and Department of Alcohol and Other Drug Abuse Services.

47. NON-DISTURBANCE

So long as the Tenant is not in default in the payment of rent or in the performance of any of the terms of the Lease, Tenant shall peaceably and quietly hold and enjoy the Leased Premises for the Term provided herein without hindrance or interruption by Landlord or any other person or persons lawfully or equitably claiming by, through or under Landlord, and the Tenant's possession of the Leased Premises and the Tenant's rights and privileges under the Lease or any renewal thereof shall not be diminished or interfered with by the Mortgagee.

48. PREPARATION OF LEASE

It is hereby understood that no representation or recommendations have been made by the Landlord, Durbano Law Firm, real estate brokers involved herein, or their employees or agents, as to the legal sufficiency, legal effect or tax consequences of this Lease or this transaction. Landlord and Tenant should retain legal counsel to advise them on such matters and should rely upon the advice of such legal counsel. Landlord and Tenant have expressly directed its respective legal counsel to fill in this form Lease and to make certain insertions and deletions.

49. FINANCIAL CONDITION

[Intentionally Omitted]

50. TENANT IMPROVEMENTS

The Landlord shall deliver the Leased Premises pursuant to the specifications approved by the Tenant as provided in this Lease. In addition, Landlord shall obtain and grant warranties for the term of this Lease on all Major Systems included in the Tenant Improvements and for the term of this Lease for the Major Systems of the Premises. Landlord will obtain third-party warranties from qualified service providers if such is reasonably and commercially available. Landlord will obtain insurance against equipment breakdown prior to Tenant taking possession of the Leased Premises. See Exhibit C, Landlord Warranties on Major Operating Expenses.

51. SIGNAGE

See Tenant Improvements.

52. OPTION

There is no option associated with this Lease, unless otherwise agreed to in writing by the Parties.

53. CONTROLLING LAW

The laws of South Carolina shall govern this Lease. All litigation arising under this Contract shall be litigated only in a nonjury hearing in the Court of Common Pleas, Ninth Judicial Circuit, Charleston County, South Carolina.

54. TERMINATION FOR NON-APPROPRIATION OF FUNDS

The Tenant, by written advance notice of at least ninety (90) days, may terminate this Lease in whole or in part in the event that sufficient appropriation of funds from any source (whether federal, state, county or other source) are not made or sufficient funds or otherwise unavailable, in either case, to pay the charges under this Lease. If this Lease is so terminated, the Landlord shall be compensated for all necessary and reasonable actual costs of performing the Lease up to the date of such termination. The Landlord will not be compensated for any other costs in connection with a termination for non-appropriation. The Landlord will not be entitled to recover any damages in connection with a termination for non-appropriation, including but not limited to, lost profits.

Pursuant to S.C. Code Ann. § 6-27-55, as amended, Charleston County provides various county offices to state agencies including DHEC. Provided however, if this State mandate should change, Tenant will promptly notify Landlord in writing and provide thirty (30) days notice before reducing the net usable square footage of the Leased Premises for which it is responsible to pay rent at no penalty to the Tenant and the Tenant shall be entitled to a reduction in the Monthly Rent reflecting the change in net usable square feet and prorated accordingly.

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IN WITNESS WHEREOF, the parties have executed this Lease dated the day and year first above written.

WITNESS

LANDLORD

CHICORA LIFE CENTER, LC

By: _____

Its: _____ 6/30/14

WITNESS

TENANT

CHARLESTON COUNTY

By: _____

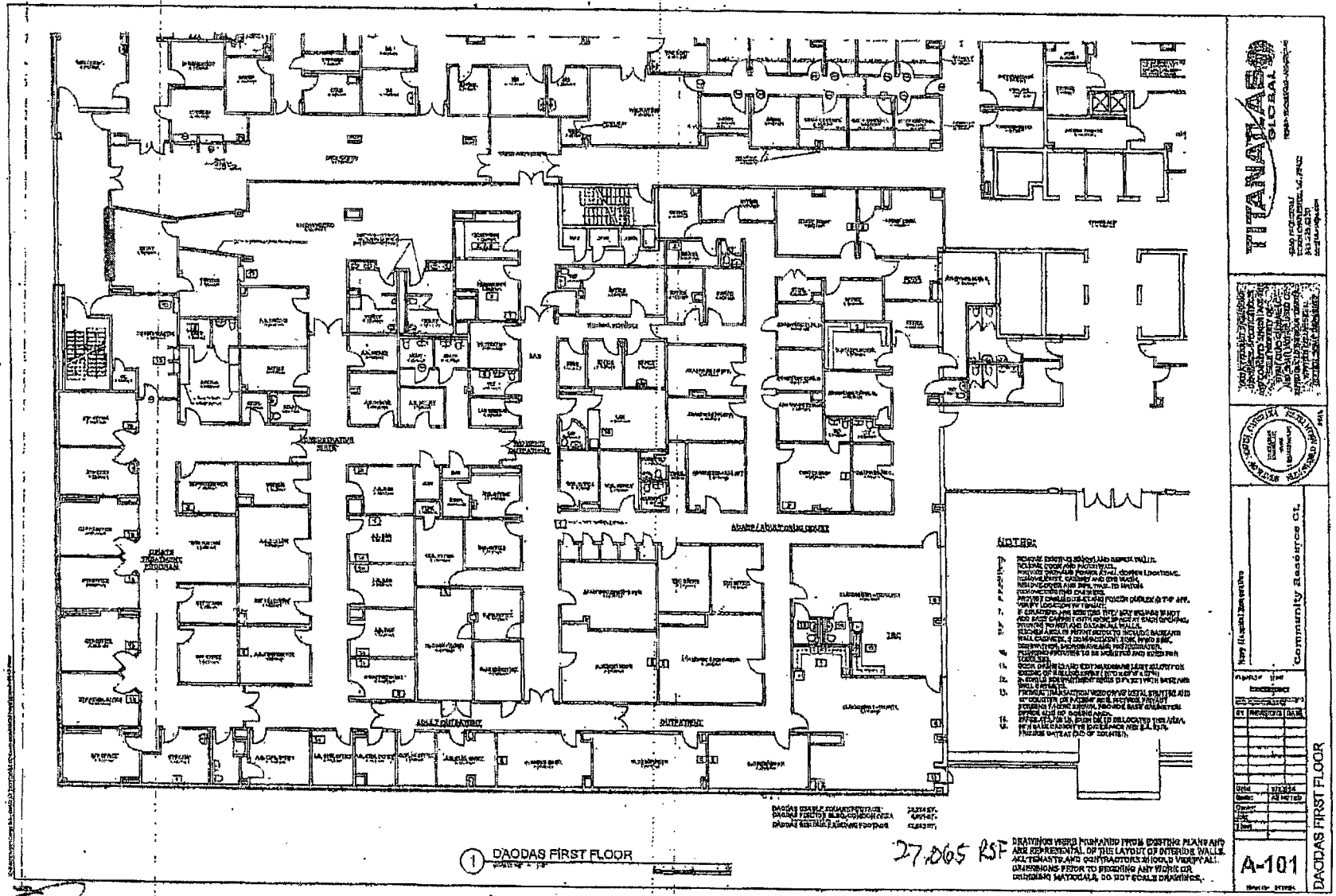
Its: Chairman 6/30/14

EXHIBIT "A"
Plan Sheets of Leased Premises

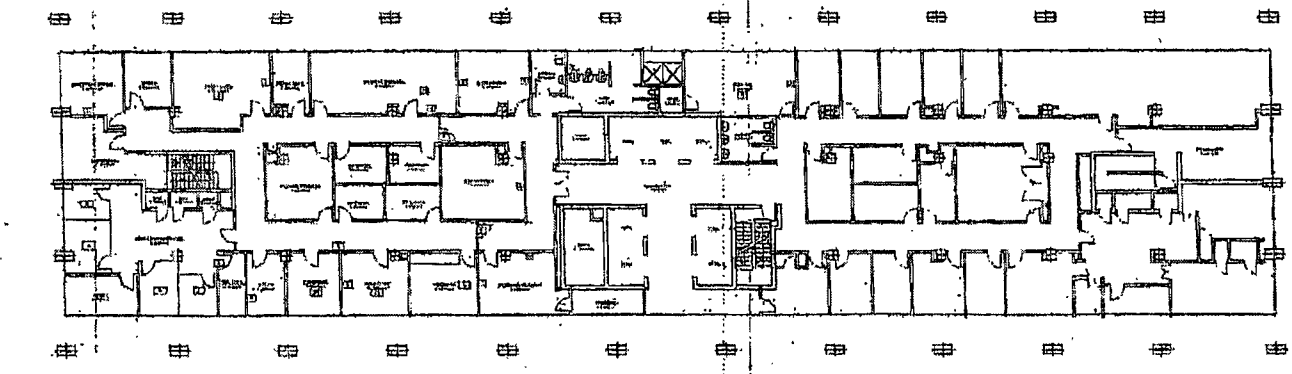
A-101(6/23/14) DAODAS First Floor	27,065 RSF
A-102 (6/23/14) DAODAS Second (23,048 RSF) and Eighth Floor (8,427 RSF)	31,475 RSF
A-103 (6/23/14) Coroner Main and First Floor	8,786 RSF
A-104 (6/23/14) DHEC First Floor	28,360 RSF
A-107 (6/23/14) Vital Records First Floor	2,401 RSF
Lease Premises Total Rentable Square Feet	98,087 RSF

Initials

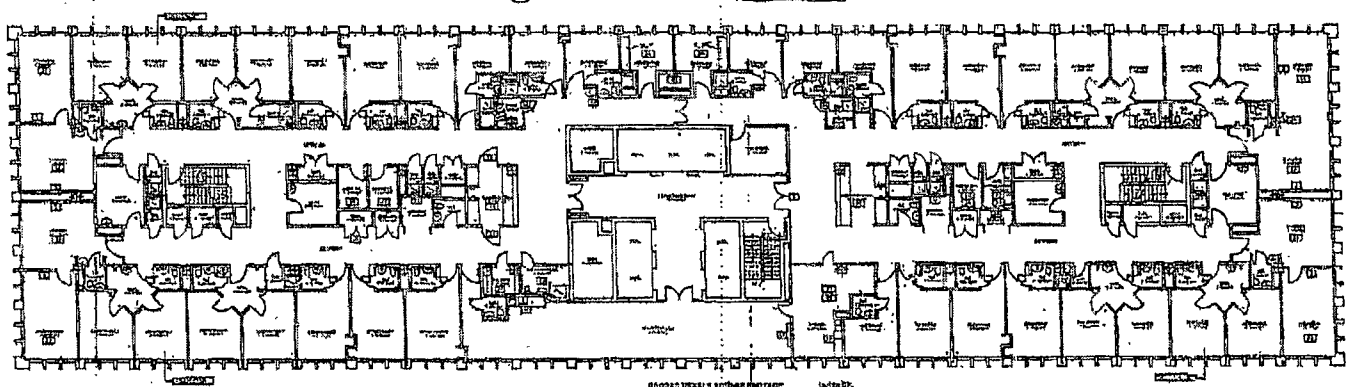
Initials


DAODAS FIRST FLOOR
27,065 RSF
Ex A. cont
A-101
DAODAS FIRST FLOOR
Community Assistance Ctr.

R. Appeal200



1 2nd Floor 8,427 RSF



2 8th Floor Plan 23,048 RSF

NOTES:

1. REMOVE EXIST. DOOR AND INFILL WALL TO MATCH.
2. ADD WALL & DOOR.
3. PROVIDE GFI RECEPTACLE OUTLET @ THE APP
4. PROVIDE POWER & DATA @ 4'-0" ALONG WALL.
5. REMOVE WALL & DOOR.
6. RETAIN EXISTING CUBICLES.
7. MODIFY EXISTING CUBICLE TO PROVIDE ACCESS TO DOOR.
8. RETAIN EXISTING DOOR.
9. ADD NEW PARTITION WALL.
10. RETAIN EXISTING LOCKERS ON 8th FLOOR.
11. PROVIDE DATA AND POWER AT OFFICE LOCATIONS.
12. PROVIDE 42" WALL AND SAFETY NURSE STATION.
13. PROVIDE ADA COMPLIANT SHOWER AND RESTROOM.
14. PROVIDE 8'-0" BASE CABINET AND SINK. POWER @ 42" FOR A MICROWAVE.
15. PROVIDE DATA AND POWER AT FRONT AND REAR CABINETS OF NURSES STATION.
16. REMOVE EXISTING CABINETS.
17. RETAIN EXISTING SINK AND MAKE OF FUNCTIONAL.
18. RENOVATE TO STAFF TOILET.
19. PROVIDE 5'-0" HIGH FABRIC ROLL DOWN SHUTTER AND 14" DEEP SERVICE COUNTER. CENTER IN EXISTING WALL.
20. DEMO CLINICAL SINK, SANITIZER AND CABINET.
21. DEMO EXISTING BASE AND WALL CABINETS. PROVIDE BASE CABINET WITH 3 FRONT BATHERS 3 FT. LONG S.S. SINK. OPTION FOR TROUGH TYPE SINK TO ACCOMODATE > 22"L. x 15"D BATHING TUB RA. TROUGH OPTION IS PREFERED.
22. INSTALL GRAB BAR AND SEAT AS REQUIRED. ALL GRAB BARS MOUNTED 36" HIGH AND CLOSED. PATCHING REQUIRED.
23. PROVIDE WASHABLE WALL MOCK-UP AND BI-FOLD DOORS.
24. DEMO EXISTING WALLS OR SHOWER AND JANITOR CLOSET AND PREPARE SITE INTO KITCHEN AREA.
25. DEMO EXISTING WALL.
26. ROOM DIVIDERS
27. PROVIDE WATER SUPPLY, WASTE AND POWER TO ACCOMODATE COMMERCIAL REFRIGERATOR, FREEZER, ICE MACHINE, STEAM TABLE, MICROWAVE AND DISHWASHER.
28. SHEETROCK OVER EXISTING DOOR/WATER TO PREVENT ACCESS.
29. ADD BASE CABINET WITH DBL SINK AND DISHWASHER CUT-OUT.
30. REMOVE EXISTING BERBARD TILE WALL AND FLOOR FINISHES. REPLACE WITH SHEETROCK ON WALLS, LOOKING TO BE CARPET IN OFFICES AND VCT IN WORK/COPIER ROOM.
31. EXISTING CERAMIC TILE FINISHES CAN REMAIN OR BE REPLACED AS REQUIRED.
32. REMOVE HOPPER, KEEP CLINICAL SINK, MAKE OPERATIONAL. REPAIR OR REPLACE RUSTY BASE AND WALL CABINETS. DEMO WALL AND FLOOR FINISH MAY REMAIN. REPAIR AREA OF HOPPER DEMOLITION.
33. REMOVE EXISTING SITZ BATH AND REPLACE WITH MOP SINK. DEMO SHOWER IN ADJACENT BATH AND CAPTURE SPACE FOR MSR. PREPARATION ROOM. MSR. PREP. ROOM TO HAVE MOP LOCKABLE MASE AND WALL CABINETS W/ S.S. SINK. PROVIDE 6" LIP DEEP SILVER ON WALL WHERE SHOWN.
34. DNQC REQUIRES 1 SH &1 APARTMENT IN SINGLE ROOMS AND 2 SH/APARTMENT IN DOUBLE ROOMS.

DRAWINGS WERE PREPARED FROM EXISTING PLANS AND ARE REPRESENTATIVE OF THE LAYOUT OF INTERIOR WALLS. ALL TENANTS AND CONTRACTORS SHOULD VERIFY ALL CONDITIONS PRIOR TO DESIGNING ANY WORK OR ORDERING MATERIALS. DO NOT SCALE DRAWINGS.

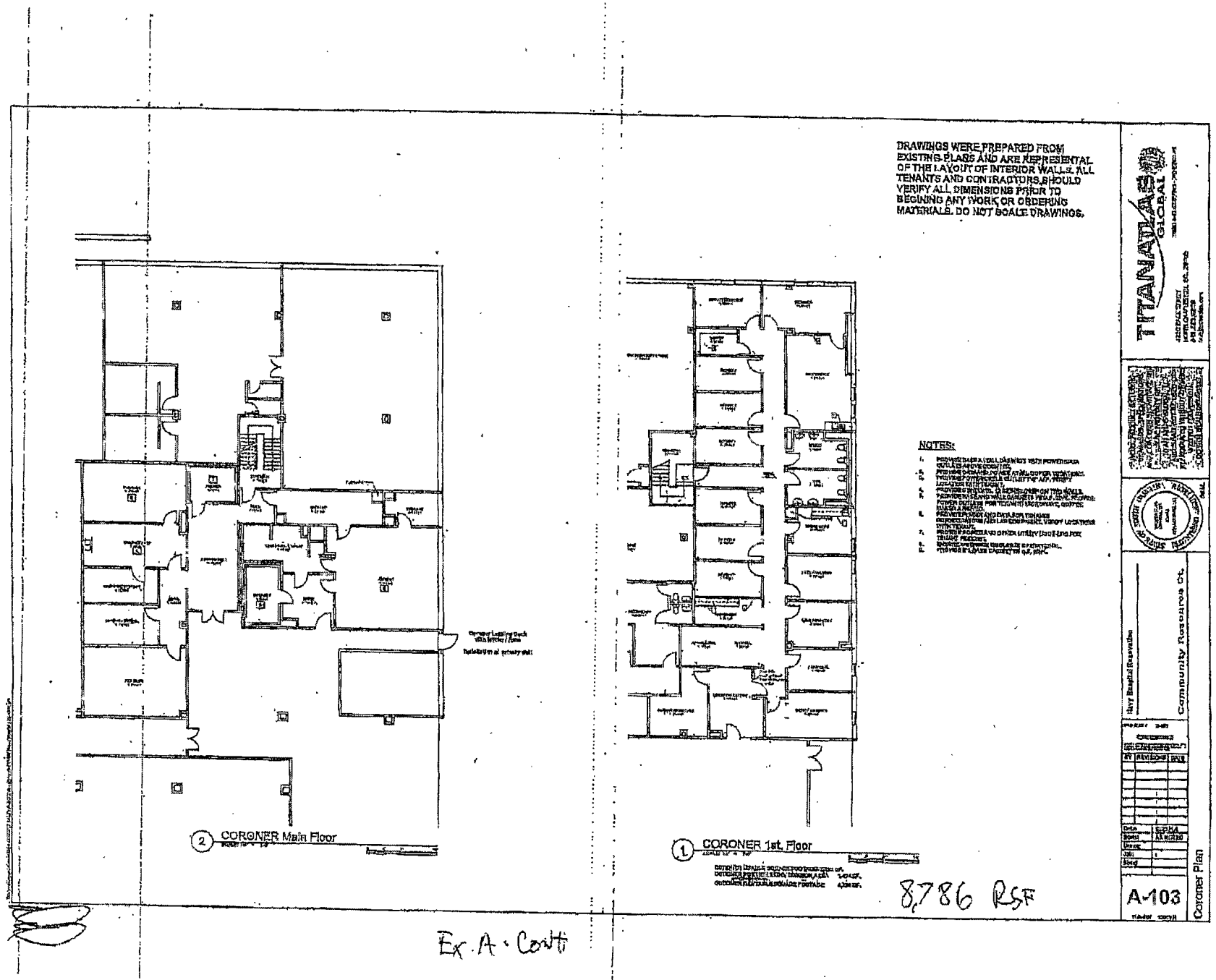
TITAN ATLAS GLOBAL

Community Resource Ct.

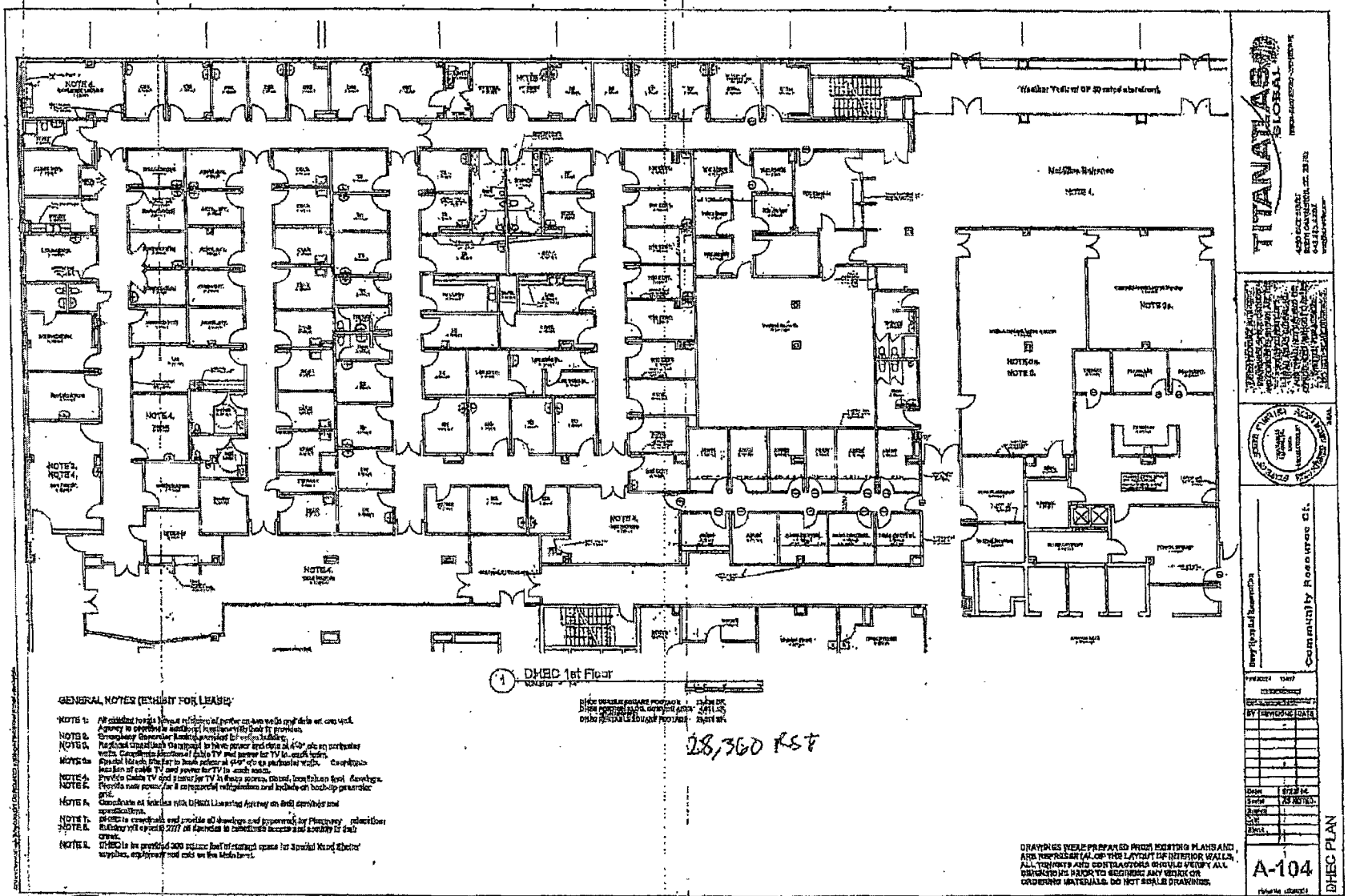
A-102

2nd & 8th FLOOR PLANS

Ex. A - Cont.

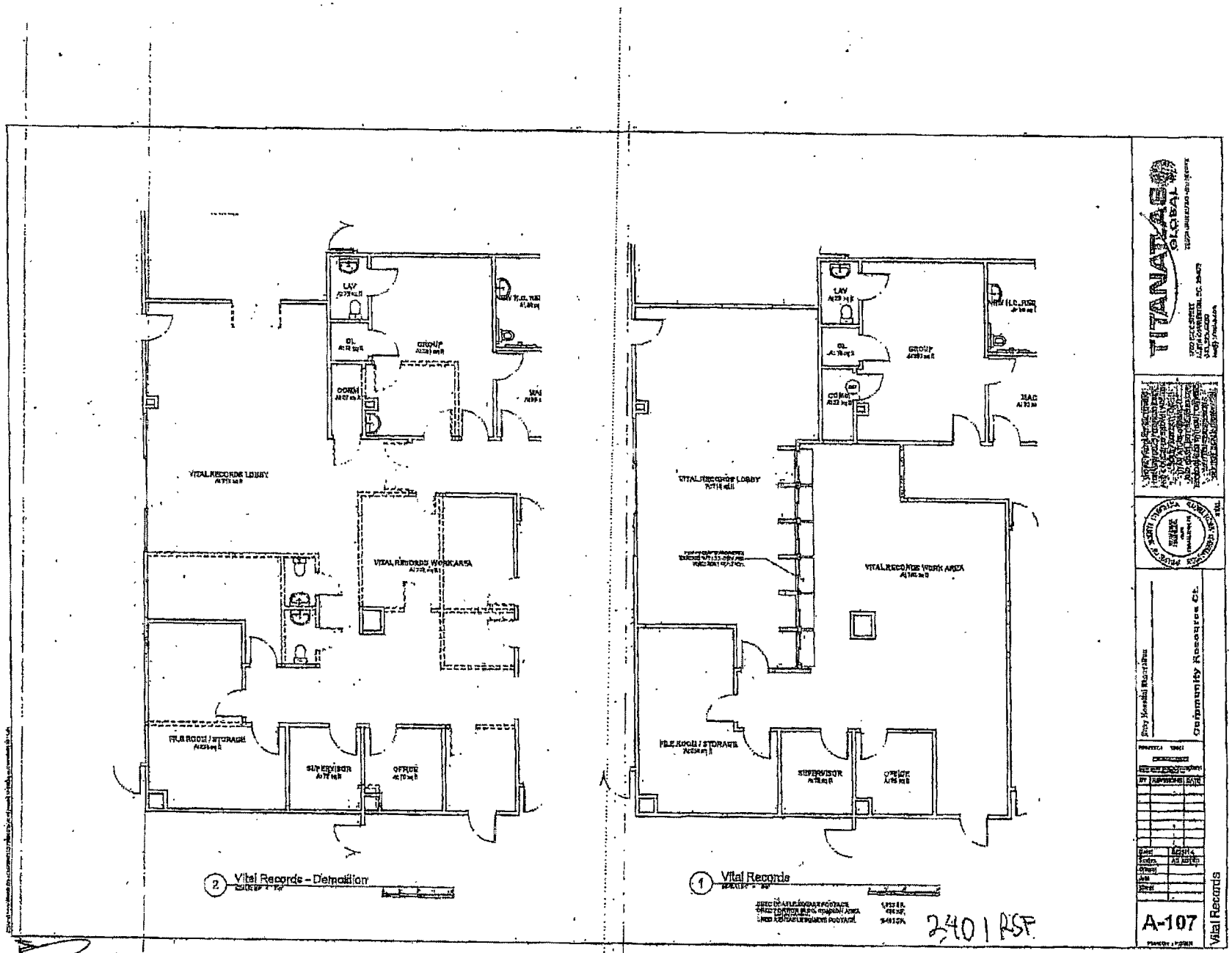

DRAWINGS WERE PREPARED FROM EXISTING PLANS AND ARE REPRESENTAL OF THE LAYOUT OF INTERIOR WALLS. ALL TENANTS AND CONTRACTORS SHOULD VERIFY ALL DIMENSIONS PRIOR TO BEGINNING ANY WORK OR ORDERING MATERIALS. DO NOT SCALE DRAWINGS.
NOTES:
2 CORONER Main Floor
1 CORONER 1st Floor
8,786 RSF
Ex. A - Cont'd
TITAN ATLAS GLOBAL
Community Resource Ct.
Coroner Plan
A-103

R. Appeal201



Ex 1A - Cont.

R. Appeal202



Ex: A-Cont

R. Appeal203

EXHIBIT B
Improvements to Premises / Tenant Improvements

The Parties have identified and drawn up the Tenant Improvements for the Tenant's use of the Premises. When the Tenant Improvements are approved, the Tenant will provide written notice of the same to the Landlord.

Landlord has provided a cost estimate of $1,200,383 ("Cost Estimate"), as provided in Exhibit F (entitled "Cost Estimate Charleston County and Chicora Life Center Charleston county Renovations,") to complete the Tenant Improvements. Landlord has agreed to provide up to $1,600,000.00 for any and all Tenant Improvements (the "Budget Cap"). The Tenant Improvements will be completed to the Tenant's reasonable satisfaction as outlined and detailed in the Exhibits. The Tenant Improvements will include the necessary requirements to be determined by any licensing or regulatory authority of the Tenant, which Tenant must apply for and pursue in a reasonable and timely manner. Landlord will pay the first $1,600,000 of Tenant Improvements with any amount over $1,600,000 to be mutually agreed to in advance by the Parties before such Budget Cap is ever exceeded. The Parties agree to negotiate in good faith to determine a mutually agreed upon amount over the Budget Cap and the respective financial obligations of the Parties for the same.

The expectation and agreement of the Parties, subject to written approval by the Tenant is that any current or existing improvements at the Premises may be utilized to the fullest extent possible so as to reduce the costs of Tenant Improvements which Landlord shall pay and allow for completion of the Tenant Improvements within the parameters of the attached Budget.

The expectation of the Parties is that all built-in furnishings, as are existing or shown on drawings in Exhibit A, will be included in the Tenant Improvements.

GENERAL RENOVATION:

The following general renovation requirements are supplemental to the notes listed on the drawings in Exhibit A, and apply to all suites, all floors, again subject to the Budget Cap:

1. As directed by Tenant, rooms shall have a minimum of two (2) electrical outlets and two (2) communications outlets. Rooms that house multiple staff shall have a minimum of (2) electrical outlets and (1) communications outlet per staff member.
2. Additional electrical and communications outlet requirements noted on the floor plans shall be provided.
3. Where equipment locations are shown on the floor plans, power and data as required by the individual piece of equipment shall be provided.
4. One (1) electrical and one (1) communication outlet shall be provided at locations indicated on floor plans for copiers, fax machines, and television/monitor locations.
5. The existing HVAC system shall be modified to accommodate the approved floor plan layout to provide conditioned air in all spaces. Where modifications are extensive the portion of the HVAC system serving the area shall be rebalanced.

6. The existing sprinkler system shall be modified to accommodate the approved floor plan layout to provide sprinkler coverage in all spaces.

7. Room finishes (ceiling, wall, and floor) shall be provided as requested by the Tenant or as required by the Regulatory and Licensing Agency.

8. Landlord shall provide the following building signage:
   - Exterior signage to identify entry point for Tenant's suite.
   - Directory signage at all Lobbies listing suite numbers and occupants and directional signage throughout the building adequate to direct visitors to a specific suite.
   - Emergency fire evacuation signage and signage as required by the building code or the authority having jurisdiction.
   - Internal signage within Tenant suite(s) to include adequate directional signage and a minimum of one (1) sign per room or space.

9. Parking: Landlord shall provide and maintain common parking areas as per the terms of the Lease.

LICENSING AGENCIES & APPROVING AUTHORITIES:

1. When originally built, the building met all building code requirements in accordance with the then-existing edition of the building code (IBC). The building is to be renovated in a manner that the Landlord shall be able to obtain a certificate of occupancy, which will not require meeting all requirements of the current edition of the IBC provisions for existing and current buildings.

2. Landlord shall participate with Tenant in a combined effort to obtain approvals and licensing from Regulatory and Licensing Agencies, including DHEC and any other regulatory agencies. Landlord, as Architect of Record for the Tenant Improvements, shall provide signed and sealed drawings and specifications, and other documents and information as necessary, to obtain approvals and licensing. Landlord or its agent shall attend meetings with Regulatory and Licensing Agencies that are part of the review and approval process.

3. Landlord shall provide construction administration services during renovations as required in DHEC Regulation 61-93 (section 1804-A-3).

4. Landlord shall provide permanently mounted FF&E items required by Regulatory and Licensing Agencies as required and listed in published guideline, regulations, or requirements. These items may include, for example, fire extinguishers, grab bars, mirrors, and similar items.

IT AND COMMUNICATIONS SYSTEMS:

The structured cable system for telephone and data systems should already be installed at the Premises and may be adequate for Tenant's uses. Tenant may request

additional structured cable (telephone and data) infrastructure where missing or needed to meet Tenant's standards, the costs to be included in the Tenant Improvements, again subject to the Budget Cap. Landlord shall thereafter maintain the structured cable system as one of the building systems. Tenant will be responsible for installing its telephone systems, handsets and any data network switches and routers. The following specifications apply, again subject to the Budget Cap:

At least one wiring closet or IDF (intermediate distribution frame) shall be provided per leased space/office suite/contiguous work area on each floor to allow the mounting of data networking and telephony equipment. The IDF shall also contain all data cabling for the supported area. The IDF shall be equipped with a plywood backboard suitable for securely mounting a minimum 32" tall data rack or sufficient floor space to install a typical 19" wide two post data rack. Sufficient clearances must be provided around the rack to allow for the installation and maintenance of equipment in the rack. The IDF shall be sufficiently ventilated to allow the data networking and telephony equipment to operate within appropriate temperature and humidity specifications. Each IDF shall be equipped with at least one 20 amp 120 volt NEMA outlet on a dedicated circuit.

Station cables (cables from IDF to termination point or jack) shall connect the workers' computer, telephones and other data-com equipment to the IDF. Station cabling shall be Category 5 compliant. Cabling shall be terminated in ANSI/TIA T568B configuration terminated in a jack at the station end and in a corresponding Category 5 compliant patch panel in the IDF. All cables shall be clearly labeled in a logical manner to allow for fast and accurate identification of a cable at both ends. 2 cables shall be supplied for each individual work area. Additional cables shall be provided for common work equipment such as copiers, fax machines, wireless access points, etc. RG6 coaxial cable shall connect from the IDF or to television locations as marked on the drawings. The Tenant will test all provided cable using the appropriate TIA/EIA specification. Landlord shall replace or repair any cables which do not pass testing.

One IDF shall be designated the MDF (main distribution frame). This wiring closet shall connect to all other IDF's in spaces leased by the Tenant with fiber optic cable. Fiber optic cable shall consist of at least 6 strands and shall be capable of supporting 1 gigabit transmission over the length of the installed cable. The MDF shall be equipped with at least two 20 amp 120 volt NEMA outlets on dedicated circuits.

Landlord shall ensure that AT&T, the local cable television provider, and preferably other service providers, have a pathway into the building from the right of way. Landlord shall provide a pathway within the building for AT&T to route their cables to each IDF leased by the Tenant. At a minimum these cables will consist of AT&T fiber optic cable and 12 pair copper cable to the MDF and a minimum of 6 pairs of copper cable to all other IDF's. AT&T typically requires a minimum 2" inner duct to run fiber optic cable within a building. Landlord shall provide a pathway within the building for the local cable television provider to route their cables to each IDF leased by the Tenant.

COUNTY REVIEW AND APPROVAL OF PLANS:

Landlord shall be responsible for providing construction documents—at the level of detail necessary for obtaining a building permit from the City—for the Tenant 's review and approval prior to making the Tenant Improvements. The Tenant shall complete all such reviews within 3 business days of being provided such design documents and Tenant shall be deemed to have approved the provided design documents in the event it has not communicated specific objections to such documents within such period.

DOCUMENTATION:

1. All documents relating in any manner whatsoever to the renovations, or any designated portion thereof, which are in the possession of Landlord, or any subcontractor of Landlord, shall be made available to the Tenant for inspection and copying upon written request by the Tenant. Furthermore, said documents shall be made available, upon request by the Tenant, to any state, federal or other regulatory authority and any such authority may review, inspect and copy such records. Said records include, but are not limited to, all drawings, plans, specifications, submittals, correspondence, minutes, memoranda, tape recordings, videos, or other writings or things which document the project, its design, and its construction. Said records to include those documents reflecting the cost of construction to Landlord, if requested by the Tenant. Landlord shall maintain and protect these documents for no less than three (3) years after completion of the project, or for any longer period of time as may be required by law or good construction practice. Landlord further agrees to include these provisions in any subcontracts issued by it in connection with this lease agreement.

2. Project documentation will be furnished by Landlord to the Tenant upon completion and final acceptance of the Tenant Improvements. Documentation shall include, but not be limited to, electronic computer files of construction documents, including all rights, title and interest to any and all drawings and specifications. The Tenant shall retain possession and (to the extent ownership can be obtained) ownership of all reports, documents, and any other data prepared, furnished, or obtained under the Lease Agreement. All above listed items will become the property of the Tenant without restriction or limitation on their use. No material produced, whole or in part, will be subject to the copyright of the Engineer or his consultants.

INSPECTIONS AND ACCEPTANCE:

Landlord is responsible for required building code inspections and quality assurance testing as is routine and customary during a construction project. All renovations shall be subject to inspection by the Tenant, at all reasonable times and places prior to occupancy. Tenant shall provide Landlord with notice prior to any such inspection and shall conduct all such inspections in a manner which does not interfere or impede the progress of Landlord in completing the renovations.

Initials

Initials

EXHIBIT "C"
Landlord Warranties on Major Operating Systems

Landlord hereby warrants, pursuant to paragraphs 7, 10, and 50 of the Lease, utilizing industry standards, that the mechanical, heating, ventilating, and air conditioning systems, boilers, water handling, piping, and associated major mechanical systems, will be in good working order and that Landlord will either rehabilitate, cause to be remanufactured, or replace such systems as determined by industry standards, for the Term of the Lease.

Additionally, Landlord shall put in place and maintain a separate policy of "Equipment Breakdown Insurance" that is acceptable to Tenant in the amount of $1,000,000.00 if commercially available and will provide similar coverage to that of the CNA Equipment Breakdown Policy at Landlord's expense.

Initials

Initials

EXHIBIT "D"
RULES AND REGULATIONS

(RESERVED)

Initials

Initials

EXHIBIT "E"
REMODEL/FINISH SCHEDULE DOCUMENTS

(TBD)

Initials

Initials

EXHIBIT "F"
COST ESTIMATE CHARLESTON COUNTY AND
CHICORA LIFE CENTER
CHARLESTON COUNTY RENOVATIONS
(prepared 1/31/2014)

Initials

Initials

Exhibit F-Cost Estimate

Charleston County:

Coroner, DAODAS, DHEC, Vital Records

1/31/2014

Tenant Improvements	
Item	*Cost ($)*
Floor Demolition	$84,073.00
Carpet	$94,215.00
Hardscape	$146,144.00
Wall Demolition	$36,741.00
Wall Board	$52,874.00
Wall Studs	$20,321.00
Finishes	$92,874.00
Ceilings	$40,125.00
Lighting	$97,537.00
Electrical	$52,147.00
Plumbing	$25,912.00
Mechanical	$85,827.00
Windows	$12,256.00
Stairs	$14,578.00
Labor	$195,500.00
General Conditions	$65,000.00
Overhead and Profit	$134,224.00
TOTAL	**$1,200,348.00**

Ex F - Cont

Chicora Life Center
Charleston County Renovations

Prepared: 01/31/2014

Description		Unit		Cost Per Unit		Total Cost
Comon Area Renovation						
Common Area Floor Demolition	70,000	SQFT		1	$	70,000
Common Area Floor Renovation	70,000	SQFT		5	$	350,000
Common Area Paint	378	gallons		13	$	4,914
Subtotal:	140,378				$	424,914
Ceilings, lighting, Tile						
Ceiling Tiles	6,866	SQFT		0.6	$	4,120
Lights	38,000	Bulbs		2.05	$	77,900
Tile	41,889	Lin FT		2.5	$	104,723
Subtotal:	86,755				$	186,742
Labor						
Common Area and Hallway Floor Reovation	430,596	SQFT		0	$	-
Carpet	78,660	SQFT		0.33333	$	26,220
Tile	41,889	Lin FT		0	$	-
Paint	377,000	SQFT		0.25	$	94,250
Subtotal:	928,145				$	120,470
				Total Costs	$	1,000,290
Other / Contigency						
Contigency				5%	$	50,014.52
General Conditions				5%	$	50,014.52
Overhead and Profit				10%	$	100,029.04
[Other]					$	-
Subtotal:					$	200,058

Summary

Wall Demolition	$	1,053
Wall Board	$	9,202
Paint	$	12,467
Wall Studs	$	2,114
Floor Demolition	$	84,073
Carpet	$	78,660
Hallways	$	80,596
Comon Area Renovation	$	424,914
Ceilings, lighting, Tile	$	186,742
Labor	$	120,470
Contigency	$	50,015
General Conditions	$	50,015
Overhead and Profit	$	100,029
[Other]	$	-
Total:	$	1,200,348

Ex F - Cont.

Chicora Life Center

Charleston County Renovations

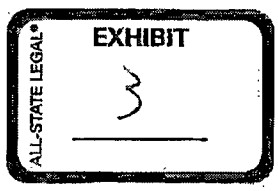
Prepared: 01/31/2014

Description		Unit		Cost Per Unit		Total Cost
Wall Demolition						
DAODAS (1st, 2nd, and 3rd Floor)		589	SQFT	1	$	589
DHEC		182	SQFT	1	$	182
Vital Records		97	SQFT	1	$	97
Coroner		185	SQFT	1	$	185
	Subtotal:	1,053			$	1,053
Wall Board						
DAODAS (1st, 2nd, and 3rd Floor)		344	Sheets	10.65	$	3,664
DHEC		208	Sheets	10.65	$	2,215
Vital Records		34	Sheets	10.65	$	362
Coroner		278	Sheets	10.65	$	2,961
	Subtotal:	864			$	9,202
Paint						
DAODAS (1st, 2nd, and 3rd Floor)		540	Gallons	13	$	7,020
DHEC		294	Gallons	13	$	3,822
Vital Records		28	Gallons	13	$	364
Coroner		97	Gallons	13	$	1,261
	Subtotal:	959			$	12,467
Wall Studs						
DAODAS (1st, 2nd, and 3rd Floor)		1,705	Lin FT	0.65	$	1,108
DHEC		1,033	Lin FT	0.65	$	671
Vital Records		165	Lin FT	0.65	$	107
Coroner		350	Lin FT	0.65	$	228
	Subtotal:	3,253			$	2,114
Floor Demolition						
DAODAS (1st, 2nd, and 3rd Floor)		49,617	SQFT	1	$	49,617
DHEC		25,179	SQFT	1	$	25,179
Vital Records		1,980	SQFT	1	$	1,980
Coroner		7,297	SQFT	1	$	7,297
	Subtotal:	84,073			$	84,073
Carpet						
DAODAS (1st, 2nd, and 3rd Floor)		36,909	SQFT	1.22	$	45,029
DHEC		20,144	SQFT	1.22	$	24,576
Vital Records		1,584	SQFT	1.22	$	1,932
Coroner		5,838	SQFT	1.22	$	7,122
	Subtotal:	64,475			$	78,660
Hallways						
DAODAS (1st, 2nd, and 3rd Floor)		9,227	SQFT	5	$	46,136
DHEC		5,036	SQFT	5	$	25,180
Vital Records		396	SQFT	5	$	1,980
Coroner		1,460	SQFT	5	$	7,300
	Subtotal:	16,119			$	80,596

STATE OF SOUTH CAROLINA COUNTY OF CHARLESTON LEE & ASSOCIATES CHARLESTON, LLC, Plaintiff, vs. CHICORA GARDENS HOLDINGS, LLC, CHICORA LIFE CENTER, LC, and JEREMY BLACKBURN, Defendants.	IN THE COURT OF COMMON PLEAS NINTH JUDICIAL CIRCUIT CASE NO.: 2014-CP-10-7481 **AMENDED VERIFIED STATEMENT OF ACCOUNT**

Personally appeared before me Robert H. Nuttall, Jr., who, being duly sworn, alleges and states as follows:

1. I am over the age of twenty-one (21) years and make this Affidavit upon my own personal knowledge.
2. I am an owner/member and the Broker in Charge of Lee & Associates Charleston, LLC, Real Estate License No. 6568, and am responsible for entering into the Listing Agreement described below and in the Notice of Mechanic's Lien.
3. On February 21, 2014, Lee & Associates Charleston, LLC, entered into an exclusive listing agreement with Chicora Gardens Holdings, LLC, to act as the sole and exclusive agent with the right to market and lease office space at the former U.S. Naval Hospital Building located at 3600 Rivers Avenue, North Charleston, South Carolina, and further identified as TMS # 469-07-00-001 (the "Property"). The Listing Agreement is attached to the Notice of Mechanic's Lien as Exhibit "B."
4. The Property governed by the Listing Agreement is owned by Chicora Gardens Holdings, LLC, and concerns a 22.84 acre tract on which Chicora intends to lease commercial



office space.

5. Pursuant to the Listing Agreement, Chicora agreed to pay Lee & Associates a commission of .5% to 2.5% of all executed leases concerning tenants which Chicora had engaged in discussions prior to the date of the Listing Agreement ("Excluded Entities"). See Exhibit B, Listing Agreement, Section 23, at p. 7. The commission is set at 1% for any lease entered between May 1, 2014 and June 30, 2014.

6. Charleston County is specifically identified as one of these Excluded Entities subject to the .5% to 2.5% commission. See Exhibit B, Listing Agreement at p. 9. Charleston County includes Charleston County Coroner, DAODAS, DHEC and Vital Records, all of which are listed as Excluded Entities on Exhibit B.

7. Upon information and belief, on or about June 30, 2014, Chicora and Charleston County, including Charleston County Coroner, DAODAS, DHEC and Vital Records, entered into a lease agreement subject to a commission as set forth in Section 23 of the Listing Agreement. The twenty-five (25) year lease provided for base rent of $12.00 per square foot and 98,087 square feet of leased space for a rent of $1,177,044.00 per year.

8. Pursuant to the Listing Agreement, Lee & Associates is owed a total commission of $294,261.00 (25 years x $1,177,044.00 per year x 1% commission) as a result of the June 30, 2014 Charleston County lease based on the 1% rate for leases entered with Excluded Entities between May 1, 2014 and June 30, 2014. Half of this commission, or $147,130.50, is due at signing and the other half is due when the premises are occupied. Upon information and belief, the premises have not yet been occupied by Charleston County. Accordingly, Defendant Chicora current owes Lee & Associates $147,130.50, plus attorney's fees and costs. To date, Chicora has failed to pay the commission owed

despite demand by Lee & Associates.

9. In addition, Lee & Associates has paid its counsel, Pierce, Herns, Sloan & McLeod, LLC, $49,815.00 in attorney's fees and $4,503.35 in costs in pursuing this matter. Accordingly, Lee & Associate's total loss to date is $201,448.85.

10. I have reviewed this statement of account and find it to be true and accurate and hereby verify the allegations thereof.

FURTHER AFFIANT SAYETH NOT.

Robert H. Nuttall, Jr.

SWORN to before me this
1st day of May, 2015

NOTARY PUBLIC OF SOUTH CAROLINA
MY COMMISSION EXPIRES: 04-15-25

From:	Douglas M. Durbano
To:	Bob Nuttall Jr.; Jeremy Blackburn; Milton Thomas
Cc:	Donald Trump; Brent Wilde
Subject:	RE: Dictation File #17- Email
Date:	Friday, February 21, 2014 1:29:10 PM
Attachments:	Image001.jpg Image002.jpg Image003.jpg Image004.jpg Image005.jpg Appraisal County Lease 11-13.pdf

Here is the appraisal from Paul Moore

Thanks

Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

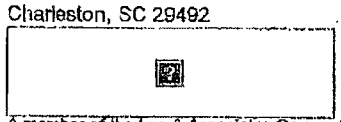
From: Bob Nuttall Jr. [mailto:bnuttall@lee-associates.com]
Sent: Friday, February 21, 2014 10:59 AM
To: Jeremy Blackburn; Milton Thomas
Cc: Donald Trump; Douglas Durbano; Brent Wilde
Subject: RE: Dictation File #17- Email

All,

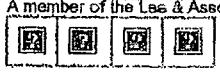
See attached for discussion today.

Thanks!
All His Best,
Bob

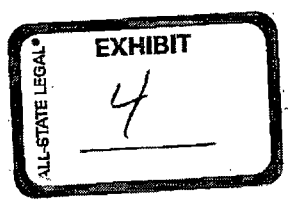
Robert H. Nuttall Jr., SIOR, CPM | Principal
Lee & Associates | Charleston
Direct: 843.747.2333
Cell: 843.367.8255
Main: 843.747.1200
Fax: 843.747.1070
126 Seven Farms Dr., Ste 110
Charleston, SC 29492



A member of the Lee & Associates Group of Companies



From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Friday, February 21, 2014 10:44 AM



To: Milton Thomas; Bob Nuttall Jr.
Cc: Donald Trump; Douglas Durbano; Brent Wilde
Subject: Fwd: Dictation File #17- Email

>
>
> Gentlemen,
>
>
> I wanted to put together a quick outline for today's call.
>
> · - Review and discussion of excluded client list to agree and finalize
>
> · - Discussion and focus of initial clients, specifically community and social service entities
>
> · - Discussion of rental rate in the North Charleston submarket of the Chicora Life Center as well as competitive rates in West Ashley, Downtown Charleston, Leeds Ave submarket and new Medwest Vaco Summerville Development.
>
> · - Clearly identify rates that will be quoted and target audience
>
> · - Market tenant improvement allocations
>
> · - Marketing plan and implementation
>
>
> Gentleman, it is our goal to come away from this call with a clear understanding of the expected lease rates which will be advertised, the target audience and market, as well as a general timeline on when a marketing and other campaign can commence.
>
>
> We look forward to working together and hope that this will be a long and successful relationship for the entire development.
>
>
> Sincerely,
>
> Jeremy
>
>
> Michelle Warren
> Executive Assistant
> Titan Atlas Global, LLC
> 4280 Pace Street
> North Charleston, SC 29405
> Direct: 843-225-6849
> Office: 843-225-6230
> Michelle@titanatlas.com

MARKET RENTAL RATE ANALYSIS

OF

CHICORA GARDENS
MIXED-USE DEVELOPMENT
3600 RIVERS AVENUE
NORTH CHARLESTON, SOUTH CAROLINA 29405

IN THE "AS IF COMPLETE" CONDITION

DATE OF REPORT
NOVEMBER 25, 2013
OUR FILE NO. 13-361C

PREPARED FOR

CHICORA GARDENS HOLDINGS, LLC
C/O MR. JEREMY BLACKBURN
4280 PACE STREET
NORTH CHARLESTON, SC 29405

PREPARED BY

PAUL K. MOORE, MAI, CG #155
JAMES H. MARTIN, MAI, CG#4580

PAUL K. MOORE & ASSOCIATES, INC.
528 JOHNNIE DODDS BLVD., SUITE 202
MT. PLEASANT, SOUTH CAROLINA 29464

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A South Carolina Corporation

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From: Douglas M. Durbano
To: Bob Nuttall Jr.; Milton Thomas
Subject: FW: term sheet
Date: Friday, March 07, 2014 4:33:26 PM
Attachments: image001.jpg
msg

Resending

Thanks
Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
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From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Friday, March 07, 2014 12:16 PM
To: Jeremy Blackburn
Cc: Brent Wilde; Donald Trump Jr; Bob Nuttall Jr.; Milton Thomas
Subject: RE: term sheet

Jeremy:
I believe you should let Kurt know, in a very sensitive way given his current health issues, that the Lease Proposal / Term Sheet has been reviewed by us, our Brokers and our Bank and all have concluded that it is still not financially feasible and must be rejected, for the same reasons as detailed in the email sent 2/17/14, attached and copied below.
Please inquire if the County might be receptive to a counter proposal.
Thanks
Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
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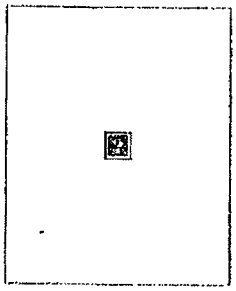
From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Monday, March 03, 2014 3:14 PM
To: Douglas Durbano
Subject: Fwd: term sheet

---------- Forwarded message ----------
From: "Kurt Taylor" <KTaylor@charlestoncounty.org>
Date: Mar 3, 2014 4:39 PM
Subject: term sheet
To: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>
Cc:

See attached. Thanks very much.

(By the way, DHEC did not "add 20 sinks" they repeated the requirement which had been explained to the architect previously, but was omitted.)

W. Kurt Taylor, Esq.
Charleston County Administrator
4045 Bridge View Drive, Suite B-238
North Charleston, SC 29405
843-958-4015
ktaylor@charlestoncounty.org
www.charlestoncounty.org



2/17/2014
Kurt & Walt:
Today we received a Lease Proposal that Jeremy forwarded to us from Walt. We are concerned that we may be too far apart.

The Lease rate is proposed at $14.49 Full Service plus Landlord pays for all Tenant Improvements "to satisfaction of Tenant requirements".

We have no idea how much it would cost to reach the standard of tenant improvements to the "satisfaction of the Tenant requirements". We suspect it would be more than we have budgeted.

We do know that the Full Service will cost approx. $6.50 per year and suspect that the budgeted amortized tenant improvements would run about $3.50 per year, leaving approx. $4.00 as the base rent rate. This would render the development clearly not bankable or financeable plus establish a going forward rate that other tenants may expect to pay causing the project to fail financially. This would not be good for any of us.

Bottom Line:
Chicora cannot rent space for the amounts proposed in the County Lease Proposal.

Chicora has provided an appraisal that shows FMV Lease rates to be $20.50 (attached for your review)

Chicora has offered a discounted lease rate to accommodate the County as the Anchor/Preferred Tenant for $18.50 NNN (not full service) and pay for Tenant Improvements per a budget of $1.2M. Chicora may have a little wiggle room in this number depending on other lease factors such as if the County is willing to put in and pay for some or all of its TI's; length of lease; early escape clauses; commencement date and etc.

Let's get on a phone call to discuss ASAP if we are anywhere close to a financial deal as we are concerned that we may be too far apart too bridge the gap. We will make ourselves available anytime on Tuesday the 18th. Let us know when we could connect.
Thanks

Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
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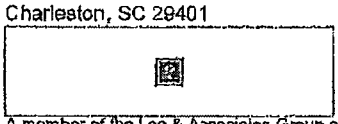
From: Milton Thomas
To: Jeremy Blackburn
Cc: Bob Nuttall Jr.; Brent wilde; Douglas Durbano
Subject: RE: Lease Rate Comparables
Date: Thursday, March 13, 2014 2:15:50 PM
Attachments: image001.jpg
image002.jpg
image003.jpg
image004.jpg
image005.jpg

Got it.....any idea why he canceled?

Milt

Milton Thomas, CCIM, SIOR | Principal
Lee & Associates | Charleston
Direct: 843.747.3999
Cell: 843.367.8249
Main: 843.747.1200
Fax: 843.747.1070
293 East Bay Street
Charleston, SC 29401



A member of the Lee & Associates Group of Companies

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Thursday, March 13, 2014 1:58 PM
To: Milton Thomas
Cc: Bob Nuttall Jr.; Brent wilde; Douglas Durbano
Subject: Re: Lease Rate Comparables

Just left you both a message on your cell phones wanting to confirm you received email and to follow up

Jeremy Blackburn
Chief Executive Officer
Titan Atlas Global LC
4280 Pace Street
North Charleston, SC 29405
Office: (843) 225-6230
Office Direct: (843) 225-6226
www.titanatlas.com

On Tue, Feb 25, 2014 at 8:12 AM, Milton Thomas <mthomas@lee-associates.com> wrote:
Jeremy does 10 work this morning for you?

Milton Thomas, SIOR, CCIM
Lee & Associates Charleston
843.747.3999 office
843.367.8249 mobile
People First, Properties Second

Sent from my iPhone

On Feb 24, 2014, at 6:28 PM, "Jeremy Blackburn" <jblackburn@titanatlas.com> wrote:

> Can we have a follow up call in the morning regarding the rates in the area? I really want to be on solid ground with the County Lease (which will guide all other leases)

Jeremy Blackburn
Chief Executive Officer
Titan Atlas Global LC
4280 Pace Street
North Charleston, SC 29405
Office: (843) 225-6230
Office Direct: (843) 225-6226
www.titanatlas.com

From: Douglas M. Durbano
To: Jeremy Blackburn
Cc: Brent Wilde; Milton Thomas; Bob Nuttall Jr.; Donald Trump Jr
Subject: RE: County Lease Proposal
Date: Friday, March 14, 2014 4:07:37 PM

Is that the one you sent this morning? It still has never come.

Thanks
Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
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From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Friday, March 14, 2014 1:52 PM
To: Douglas Durbano
Cc: Brent Wilde; Milton Thomas; Bob Nuttall Jr.; Donald Trump Jr
Subject: RE: County Lease Proposal

Please see my email to County

On Mar 14, 2014 3:43 PM, "Douglas M. Durbano" <doug@durbanolawfirm.com> wrote:

> We need to put these details in writing and submit to the County, ASAP
>
> Also, I think we need to get leasing signage on the building and Barracks.
>
> Thanks
> *Douglas M. Durbano*
> Attorney at Law
> 801-776-4111
> doug@durbanolawfirm.com email
> 476 Heritage Blvd. #200, Layton Ut. 84041
> This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.
>
> **From:** Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
> **Sent:** Friday, March 14, 2014 1:29 PM
> **To:** 'Jeremy Blackburn'
> **Cc:** 'Bob Nuttall Jr.'; 'Milton Thomas'; 'Donald Trump Jr'; 'Brent Wilde'
> **Subject:** RE: County Lease Proposal
>
> Close enough,
> Let's hit this County deal head on and get it done right or out of the way.
>
> Thanks

Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
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From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Friday, March 14, 2014 1:10 PM
To: Douglas M. Durbano
Cc: Bob Nuttall Jr.; Milton Thomas; Donald Trump Jr; Brent Wilde
Subject: Re: County Lease Proposal

The numbers I quoted them were the following:

$17 Full Service
-$7.00 CAM
-$4.00 TI
-$3.00 for no share of common
=
A Net Rate of $3.00!!!!!

"That is what our consultant is saying". I responded they should be ashamed.

I am going to get Teddie and the Mayor in the middle of this shortly and will need Bob, Milton, or both to attend all meetings. Thx

On Fri, Mar 14, 2014 at 2:59 PM, Douglas M. Durbano <doug@durbanolawfirm.com> wrote:

> All:
>
> Regarding Rates, note the following assumptions that we are working under and questions:
>
> 1. The County wants a lease rate of $17.00 ALL IN and TI's to "their satisfaction".
>
> 2. Assume a budget for TI's at $20 * 82,000 usf = $1,640,000. Or $5.10 annual payment amortized over 5 years at 10%, = $11.90 base rent assuming a $17.00 NNN or $5.40 if its $17.00 ALL IN as proposed (assume a $6.50 Operating Expense).
>
> 3. County is renting its Class 4 licensed building to MUSC for $19.00 NNN with $0 TI's, which is $13.60 higher than the Chicora rate. What could justify this differential?

4. Chicora Building is a 10 story Class 4 licensed building, not downtown but with good access and parking with an appraised lease value of $20.50, including some limited TI and CAM expense.

What are we missing? Why does the County feel they should rent Chicora at $17.00 ALL IN, including TI's ($5.10) and Operating Expenses ($6.50) which equates to an annual base rent of $5.40 NNN but rent out their current building for $19.00 NNN?

Finally, why does the County believe it should only lease and pay for its Usable SF and not Rentable SF including it's percent of Common Area, which would result in another 18% reduction to the rent equaling another $3.10 rent reduction leaving a net base rent of $2.43 NNN? (81,412 sf is the usable area of the County Lease space; 99,283 is rentable sf)

They say that their advisor (Eric) has told them what to do and what is fair. Hard to believe. We doubt the MUSC lease is based on Usable SF and we have no idea what would justify a $13.60 or $16.57 rate differential!

These are the issues that need to be dealt with at the County and brought to a head ASAP via a face to face meeting with County and its Advisor (Eric) and our side, including our Brokers.

Let's get the meeting arranged ASAP and finalize a deal or not. We have no time to waste anymore.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Thursday, March 13, 2014 4:08 PM
To: 'Jeremy Blackburn (jblackburn@titanatlas.com)'; 'Bob Nuttall Jr.'; 'Milton Thomas'
Subject: County Lease Proposal

Attached is the Lease Proposal that I believe captures the recently discussed terms and proposals with the County.

The area that needs focus is the Base Rent amount, paragraph 5. I have left it

blank awaiting a number that the parties can agree on.

Perhaps we can make that item the major focus of the next meeting.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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<< File: COUNTY & CHICORA GARDENS lease proposal March 12- 2014 docx..docx >>

From:	Douglas M. Durbano
To:	Bob Nuttall Jr.; Jeremy Blackburn; Donald Trump
Cc:	Brent wilde; Milton Thomas
Subject:	RE: Please Review- including attachments
Date:	Tuesday, March 18, 2014 9:41:01 AM
Attachments:	image001.jpg image002.jpg image003.jpg image004.jpg image005.jpg

Bob & Jeremy, can we get a meeting set up for today with the County?

Thanks

Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
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From: Bob Nuttall Jr. [mailto:bnuttall@lee-associates.com]
Sent: Monday, March 17, 2014 3:47 PM
To: Douglas M. Durbano; Jeremy Blackburn; Donald Trump
Cc: Brent wilde; Milton Thomas
Subject: RE: Please Review- including attachments

All,

I agree with the main items to discuss with the county are rates and improvement dollars, plus operating expenses. It will all come down to money, and both sides must agree or the deal will not go through.

I also think we may want to look at each entity separately in terms of these three items, especially the DAODAS which will be a 24/7 operation and probably a higher rental rate for the specialized use/nature of this entity. DAODAS is also utilizing exterior areas which should have some cost attached to it. Same goes for the coroner. The other uses are more traditional office space.

Perhaps we can get to a point of quoting an annual/monthly rent for each entity and their respective premises, and a total dollar allowance for each as well to move the discussion off of the ever-changing square footage. Then the county can use whichever figure they prefer if they want to get it down to a rate and TI/SF. This will hopefully stop the tenant from continually try to get more in TI per square foot and less in base rent and operating expenses per square foot.

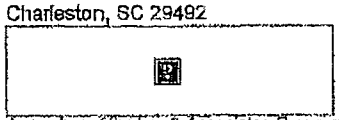
Lastly, I imagine the MUSC lease at $19.00/SF had some amount of TI included in the rental rate. I think the county can reasonably expect some TI to be included, especially if they are signing a 15 year lease, and I'm not so sure the TI should be amortized over the term of the

lease vs. five years.

Milton and I are ready to meet with the county as soon as possible, but he is out till Thursday. I will be in the office tomorrow if you would like to chat, and though I will be out Wednesday and Friday (my oldest daughter is home on spring break), I could be available to meet with the county Friday morning.

Thanks!
All His Best,
Bob

Robert H. Nuttall Jr., SIOR, CPM | Principal
Lee & Associates | Charleston
Direct: 843.747.2333
Cell: 843.367.8255
Main: 843.747.1200
Fax: 843.747.1070
126 Seven Farms Dr., Ste 110
Charleston, SC 29492



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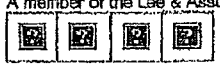

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Monday, March 17, 2014 4:52 PM
To: Jeremy Blackburn; Donald Trump
Cc: Brent Wilde; Milton Thomas; Bob Nuttall Jr.; Thomas Doggett
Subject: RE: Please Review- Including attachments

I changed the font, that's all. Send it ASAP.

Thanks
Douglas M. Durbano

Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
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From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Monday, March 17, 2014 2:46 PM
To: Douglas Durbano; Donald Trump
Cc: Brent Wilde; Milt Thomas; Bob Nuttall Jr.; Thomas Doggett
Subject: Please Review- Including attachment
Walt,
Please find attached hereto floorplans corresponding with the previous email used to calculate the total building square footage or the rentable square footage for the building

that would be used in the lease to calculate the gross amount of the lease, as well as common area, usable square feet, proposed tenant improvement with budget and lease. Please review and then let's meet.

1. Rentable Sq. Ft (RSF): 92,921sf for County Lease. 365,717sf for entire Building.
2. Usable Sq. Ft (USF): 81,412sf for County Lease. 314,014sf for entire Building.
3. Common Area (CA): 11,509sf for County Lease 51,700sf for entire Building
4. Triple Net (NNN): TBD - Annual Rental Rate that covers rent and amortized TI's, but does not include CAM
5. Tenant Improvements (TI's): TBD - as a useable sq. ft. budget amount and amortized into the Base Rent rate.
6. Base Rent (BR): Propose that we discuss and decide this in person. As expressed in earlier correspondence it is our objective to make this work for both parties if possible. We understand it will be below the appraised rate, and also below the rate County is receiving from MUSC.
7. Operating Expenses or Common Area Maintenance (CAM): Est. at $6.50 annually for 2014, we have proposed capping this on a yearly basis.

---------- Forwarded message ----------
From: **Jeremy Blackburn** <jblackburn@titanatlas.com>
Date: Sat, Mar 15, 2014 at 6:33 PM
Subject: Chicora-County Lease Terms Conversations
To: Walter Smalls <WSmalls@charlestoncounty.org>
Cc: Bryan Whitley <BWhitley@charlestoncounty.org>, Daniel Chandler <DChandler@charlestoncounty.org>, "Christine E. DeStefano" <CDestefano@charlestoncounty.org>, Christine Durant <CDurant@charlestoncounty.org>, Kurt Taylor <KTaylor@charlestoncounty.org>, Douglas Durbano <doug@durbanolawfirm.com>, Donald Trump <djtjr@trumporg.com>, "Bob Nuttall Jr." <bnuttall@lee-associates.com>, Milt Thomas <mthomas@lee-associates.com>

It is Chicora's sincere desire to create a social service center conveniently located for the public users of such services. There has been a lot of work by the County and Chicora to get to this point. The parties realize the immense benefit to the community, and the intangible benefits to all parties of this transaction. With that in mind there have been several lease proposals from both Chicora and the County passed back and forth between different parties. It appears that the parties are not referring to the same proposals and thus are not comparing "apples to apples" and that the potential transaction is falling apart.

In recent conversations with more than one County Employee we have heard that consultants have made recommendations to the County. Chicora has obtained a formal FMV lease rate appraisal by a recommended appraiser (Moore). We had hoped that the appraisal would avoid all the back and forth dealing that can wear a relationship down and kill deals. We also wanted a formal reference for public scrutiny and which could be easily referred to as a source of the business terms. We understand that this transaction will need to stand in the full light of day, and have based our proposals on terms with references and

comparables.

We would recommend a meeting with all key consultants, advisors, key personnel etc. where an open conversation can occur regarding this opportunity, ASAP. Our goal is to find a way to make this beneficially work for all Parties and make sure we are all talking the same language, Apples to Apples.

First when we get together we should define the terms:

1. Rentable Sq. Ft (RSF):
2. Usable Sq. Ft (USF):
3. Common Area(CA)
4. Triple Net (NNN):
5. Tenant Improvements (TI's):
6. Base Rent (BR):
7. Operating Expenses or Common Area Maintenance (CAM):

We have previously sent diagrams and floorplans with identified square footages for #1-3 calculated to BOMA Standards, a list with costs for #5 that needs to be updated with phone/data requirements and changes from last week, estimated expenses for #7, and proposals for #6. We have received feedback on #1, and per the email from Mr. Smalls appear to be in agreement.

As we understand it now the current County proposal to Chicora is $17.00 a "Net Usable Square Foot, All In or Full Service, and includes all Tenant Improvement's built to the satisfaction of the County paid by Chicora. This will not work as the Base Rent would be less than $3.00 per RSF. (Compare this to the MUSC lease of Base Rent of $19.00 RSF, NNN.) We are not expecting a lease for $19.00 NNN, we truly want this to work for all parties, but the proposed $3.00 just wont work.

The Base Rent lease rate needs to be discussed with the following items to be considered-

1. The first factor is the cost of County tenant improvements (TI's) to be paid and amortized by the Chicora. Currently estimated to be $1.6M, but could go up significantly pending the cabling and phone requirements just received that are under review. A cost of $1.6M would equate to approximately $5.00 per year in lease rate as the costs are amortized. These numbers have to be finalized before Chicora can agree to a lease. We have also suggested capping these costs at $20 per sq ft. to be able to move forward with finalizing the lease while the various licenses and regulatory approvals are received.

2. The next factor is the Common Area Maintenance (CAM) charge, which is the Operating Expenses of the building. This is a combination of electrical, water, sewer, insurance, security, maintenance and janitorial expenses. In this case, it is difficult to ascertain the exact rate since some of the tenants proposed in this lease would have a 24/7 operation meaning additional electrical and other costs while others would be normal business hours and days. In our proposals we have capped these expenses at $6.50. The

CAM charge to the County for electricity, etc., is essentially a wash. Any funds collected by Chicora for electric etc. are a pass through to the electrical and other utility companies. If the various entities such as DAODAS, DHEC, stay in their current location they would continue to pay electrical, water and sewer in those locations. They are now simply doing it in a new location. In other words these costs are a 'wash' from one location to another and vary by the efficiency and use in the building. CAM or Operating expenses are always in addition to the Base Rent, just like the MUSC lease and current financial obligations for owning or renting a building that the County uses.

3. Rentable vs Usable sq. footage is common in every multi-tenant lease. When leasing 100% of an entire building the tenant pays rent on the entire building, which includes all common area (CA) hallways, entry lobbies, heating and cooling mechanical rooms etc. In a multitenant building these areas are designated as common area and each tenant pays its pro-rata share amount equal to their percentage of the total building. This is standard in commercial leases. We have sent floorplans identifying the common area and these percentages were reflected in the diagrams and proposals sent.

4. The last component of the lease is the Base Rent or Lease Rate for the building. Having researched the market through multiple firms, there are numerable comparables showing that for a Class B office building the rate would be somewhere between $12-15 Base Rent per square foot, Triple Net (NNN). Meaning that the additional cost of common charges for utilities etc. would be added on top of this. However, $12-$15 is for a Class B office building. Chicora Life Center is a 10 story class 4 medical facility. It is very obvious that the intended use and function of this building will be medical. This means additional costs, operation, building functions and even the standards are different. The best comparable for this would be the building that Charleston County is leasing to MUSC, and then making appropriate adjustments for location, parking, location of public transportation, ease of access and other factors. While we are not in any way attempting to tie or peg this lease to the lease between MUSC and the County, it is nevertheless a comparable.

We all realize the great benefits of the project to the community and to each party. We cannot stress enough we are willing to do what we can to make this social service hub a success. The advantage to the County is that the County is getting an improved space, intangible benefits of collocating services, improved location, better functionality, better parking, and better access to public transportation and all the tenant improvements included at a lower price than existing space is being leased to MUSC. There are benefits to the building owner of having an anchor tenant to attract additional tenants to the site and bring life back to this redevelopment area.

We look forward to discussing these items in detail with the decision makers ASAP. Please let us know or your availability to meet.

Sincerely,

Chicora Gardens

From: Bob Nuttall Jr.
To: Milton Thomas
Subject: FW: Chicora County Lease Meeting
Date: Wednesday, March 19, 2014 12:38:00 PM
Attachments: image001.jpg
image002.jpg
image003.jpg
image004.jpg
image005.jpg
image014.jpg
image015.jpg
image016.jpg
image017.jpg

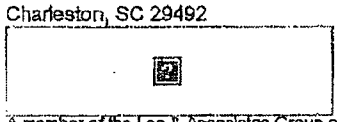
I'll fill you in later.

Thanks!

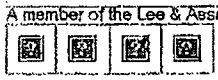
All His Best,

Bob

Robert H. Nuttall Jr., SIOR, CPM | Principal
Lee & Associates | Charleston
Direct: 843.747.2333
Cell: 843.367.8255
Main: 843.747.1200
Fax: 843.747.1070
126 Seven Farms Dr., Ste 110
Charleston, SC 29492



A member of the Lee & Associates Group of Companies



From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Wednesday, March 19, 2014 12:37 PM
To: Bob Nuttall Jr.; Brent wilde; Jeremy Blackburn
Cc: Milton Thomas
Subject: RE: Chicora County Lease Meeting

Bob:
Jeremy is meeting with them this morning, hopefully he can have some success and push this deal over the goal line as well as give us the details soon.

Thanks

Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

From: Bob Nuttall Jr. [mailto:bnuttall@lee-associates.com]

Sent: Wednesday, March 19, 2014 9:52 AM
To: Douglas Durbano; Brent wilde; Jeremy Blackburn
Cc: Milton Thomas
Subject: RE: Chicora County Lease Meeting

Gentlemen,

I'm a bit frustrated by Walt's message below as our main goal is to assist Chicora to secure this tenant as we have been instructed.

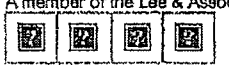
Jeremy,

Is there some reason the county doesn't want to meet with Milton or me? First they cancel the meeting we scheduled with them last week and now they have scheduled one which doesn't include us after we tried to reschedule the one they canceled.

Thanks!
All His Best,
Bob

Robert H. Nuttall Jr., SIOR, CPM | Principal
Lee & Associates | Charleston
Direct: 843.747.2333
Cell: 843.367.8256
Main: 843.747.1200
Fax: 843.747.1070
126 Seven Farms Dr., Ste 110
Charleston, SC 29492

A member of the Lee & Associates Group of Companies



From: Walter Smalls [mailto:WSmalls@charlestoncounty.org]
Sent: Wednesday, March 19, 2014 10:53 AM
To: Bob Nuttall Jr.; Kurt Taylor
Cc: Douglas Durbano; Milton Thomas; Brent wilde; Donald Trump; Jeremy Blackburn
Subject: RE: Chicora County Lease Meeting

Bob,

Kurt and I are meeting with Jeremy today to resolve.

Thanks,

Walt

From: Bob Nuttall Jr. [mailto:bnuttall@lee-associates.com]
Sent: Tuesday, March 18, 2014 4:16 PM
To: Kurt Taylor; Walter Smalls
Cc: Douglas Durbano; Milton Thomas; Brent wilde; Donald Trump; Jeremy Blackburn
Subject: Chicora County Lease Meeting

Kurt & Walt,

As you know, Lee & Associates has been hired to do the leasing on the Navy Hospital property. We would like to set up a meeting with you and anyone you would like involved in the meeting, to discuss the lease proposal that has been going back and forth between the parties. Our goal is to meet in person to bring this deal to a conclusion one way or the other. Please let us know if you have any time this Thursday outside of 10:00-11:00 and 2:00-3:00 that we can meet with you to discuss.

We look forward to meeting with you and hopefully putting a deal together!

Thanks!
All His Best,
Bob

Robert H. Nuttall Jr., SIOR, CPM | Principal
Lee & Associates | Charleston
Direct: 843.747.2333
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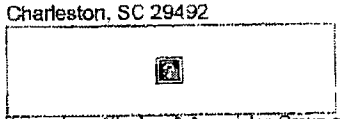
Fax: 843.747.1070
126 Seven Farms Dr., Ste 110
Charleston, SC 29492



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From:	Jeremy Blackburn
To:	Milton Thomas; Donald Trump
Cc:	Douglas M. Durbano; Bob Nuttall Jr.; Brent Wilde
Subject:	Re: Chicora County Lease Meeting
Date:	Wednesday, March 26, 2014 4:58:12 PM
Attachments:	image007.jpg image001.jpg image010.jpg image011.jpg image009.jpg image013.jpg image012.jpg image008.jpg image006.jpg

---

I have details from County. Look forward to discussing with all.

Jeremy Blackburn
Chief Executive Officer
Titan Atlas Global LC
4280 Pace Street
North Charleston, SC 29405
Office: (843) 225-6230
Office Direct: (843) 225-6226
www.titanatlas.com

On Wed, Mar 26, 2014 at 4:54 PM, Milton Thomas <mthomas@lee-associates.com> wrote:

> Everyone use our conference number. 843-793-6952. No passcode required. Talk to you shortly.
>
> Thanks!
>
> Milt
>
> **Milton Thomas, CCIM, SIOR | Principal**
> **Lee & Associates | Charleston**
>
> Direct: 843.747.3999
> Cell: 843.367.8249
> Main: 843.747.1200
> Fax: 843.747.1070
> 293 East Bay Street
> Charleston, SC 29401
>
>
>
> A member of the Lee & Associates Group of Companies

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Wednesday, March 26, 2014 4:51 PM
To: Douglas M. Durbano
Cc: Bob Nuttall Jr.; Brent wilde; Milton Thomas
Subject: Re: Chicora County Lease Meeting

Is there a call in number?

Jeremy Blackburn

Chief Executive Officer

Titan Atlas Global LC

4280 Pace Street

North Charleston, SC 29405

Office: (843) 225-6230

Office Direct: (843) 225-6226

www.titanatlas.com

On Wed, Mar 26, 2014 at 4:48 PM, Douglas M. Durbano <doug@durbanolawfirm.com> wrote:

All:

Another week has come and gone and still no definitive discussion on the NNN rate or the TI$ amounts (the two most important items!)

When we talk at 5 pm today, I would like to discuss what to do with the County.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Wednesday, March 19, 2014 10:37 AM
To: 'Bob Nuttall Jr.'; 'Brent wilde'; 'Jeremy Blackburn'
Cc: 'Milton Thomas'

Subject: RE: Chicora County Lease Meeting

Bob:

Jeremy is meeting with them this morning, hopefully he can have some success and push this deal over the goal line as well as give us the details soon.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

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From: Bob Nuttall Jr. [mailto:bnuttall@lee-associates.com]

Sent: Wednesday, March 19, 2014 9:52 AM
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Cc: Milton Thomas

Subject: RE: Chicora County Lease Meeting

Gentlemen,

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Jeremy,

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Thanks!

All His Best,

Bob

Robert H. Nuttall Jr., SIOR, CPM | Principal
Lee & Associates | Charleston

Direct 843.747.2333
Cell: 843.367.8255
Main: 843.747.1200
Fax: 843.747.1070
126 Seven Farms Dr., Ste 110
Charleston, SC 29492

A member of the Lee & Associates Group of Companies

From: Walter Smalls [mailto:WSmalls@charlestoncounty.org]
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Subject: Chicora County Lease Meeting

Kurt & Walt,

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Main: 843.747.1200
Fax: 843.747.1070
126 Seven Farms Dr., Ste 110
Charleston, SC 29492

A member of the Lee & Associates Group of Companies

From: Douglas M. Durbano
To: Bob Nuttall Jr.; Brent wilde; Jeremy Blackburn
Cc: Milton Thomas
Subject: RE: Chicora County Lease Meeting
Date: Wednesday, March 26, 2014 4:49:34 PM
Attachments: image001.jpg
image002.jpg
image003.jpg
image004.jpg
image005.jpg

All:
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When we talk at 5 pm today, I would like to discuss what to do with the County.
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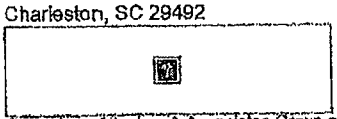

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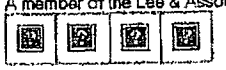

From: Walter Smalls [mailto:WSmalls@charlestoncounty.org]
Sent: Wednesday, March 19, 2014 10:53 AM
To: Bob Nuttall Jr.; Kurt Taylor
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Subject: Chicora County Lease Meeting

Kurt & Walt,

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All His Best,
Bob

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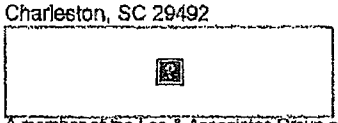
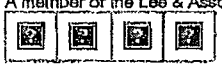


A member of the Lee & Associates Group of Companies



From: Milton Thomas
To: Jeremy Blackburn
Cc: Bob Nuttall Jr.
Subject: Re: Call me please
Date: Friday, March 28, 2014 8:31:19 AM

We emailed Eric last night requesting a meeting this morning. Will let you know.

Milton Thomas, SIOR, CCIM
Lee & Associates Charleston
843.747.3999 office
843.367.8249 mobile
People First, Properties Second

Sent from my iPhone

On Mar 27, 2014, at 8:32 PM, "Jeremy Blackburn" <jblackburn@titanatlas.com> wrote:

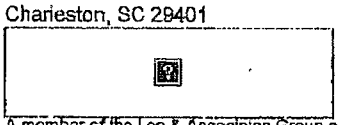
> Really think it is important you meet with Eric asap. Before he meets with Kurt
>
> On Mar 27, 2014 5:55 PM, "Bob Nuttall Jr." <bnuttall@lee-associates.com> wrote:
>
> > Jeremy for some reason I don't have your cell phone and my cell phone. Please call me when you're done meeting with Kurt. My cell phone is 843-367-8255.
> >
> > Thanks!
> >
> > All His best,
> >
> > Bob
> >
> > Robert H. Nuttall, Jr., SIOR, CPM
> > **Lee & Associates Charleston**
> > 843.747.2333 office
> > 843.367.8255 mobile
> > ***People First, Properties Second***
> >
> > Sint while dri---ving; pleeze fergive spellin errers.

From: Milton Thomas
To: Jeremy Blackburn; Bob Nuttall Jr.
Subject: RE: County Term Sheet
Date: Friday, March 28, 2014 1:51:06 PM
Attachments: image001.jpg
image002.jpg
image003.jpg
image004.jpg
image005.jpg

Ok thanks!

Milt

Milton Thomas, CCIM, SIOR | Principal
Lee & Associates | Charleston
Direct: 843.747.3999
Cell: 843.367.8249
Main: 843.747.1200
Fax: 843.747.1070
293 East Bay Street
Charleston, SC 29401



A member of the Lee & Associates Group of Companies

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Friday, March 28, 2014 1:35 PM
To: Bob Nuttall Jr.; Milton Thomas
Subject: County Term Sheet

Bob and Milton,

Just wanted to let you know that the only thing I know of that the parties have agreed to right now is the usable and rentable square footage. The rest of the term sheet items are still being discussed and negotiated.

Jeremy

From:	Jeremy Blackburn
To:	Bob Nuttall Jr.
Cc:	Douglas Durbano; Brent Wilde; Milton Thomas
Subject:	Re: County update
Date:	Monday, March 31, 2014 12:25:04 PM
Attachments:	Image001.jpg Image009.jpg Image005.jpg Image007.jpg Image003.jpg

Any feedback after Eric met with Kurt?

On Mar 28, 2014 11:47 AM, "Bob Nuttall Jr." <bnuttall@lee-associates.com> wrote:

> All,
>
> As a follow-up from our meeting late yesterday with the county, Milton and I met with Eric Meyer, the county's advisor and a real estate veteran whom we have known for 20+ years to discuss the deal. We believe the meeting with Eric was both positive and timely, as evidently he has a meeting with the county later today. He said he would update us by close of business today.
>
> Thanks!
>
> All His Best,
>
> Bob
>
> **Robert H. Nuttall Jr., SIOR, CPM | Principal**
> **Lee & Associates | Charleston**
>
> Direct: 843.747.2333
> Cell: 843.367.8255
> Main: 843.747.1200
> Fax: 843.747.1070
> 126 Seven Farms Dr., Ste 110
> Charleston, SC 29492
>
> A member of the Lee & Associates Group of Companies

From: Douglas M. Durbano
To: Jeremy Blackburn; Donald Trump
Cc: Bob Nuttall Jr.; Milton Thomas; Brent Wilde
Subject: RE:
Date: Monday, March 31, 2014 8:07:35 PM

Any offers come through? I have not seen anything.

Thanks

Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
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From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Monday, March 31, 2014 11:45 AM
To: Douglas Durbano; Donald Trump
Subject:

We will be getting a written offer from the County later today after their management meeting.

Jeremy

From:	Douglas M. Durbano
To:	Bob Nuttall Jr.; Milton Thomas; Jeremy Blackburn; Brent Wilde; Donald Trump Jr
Subject:	FW: Naval Hospital Lease Proposal and Terms
Date:	Tuesday, April 01, 2014 5:05:41 PM
Attachments:	Image001.jpg CHICORA GARDENS -County Summary 4-1-14.docx Memo Chicora Life Center 4-1-14 lease.doc

FYI.
Can we have a conference call to discuss, ASAP. I am available in the morning tomorrow if that works for everyone else or tonight.
Would like to have Bob/Milts input on this.
Thanks

Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
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From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Tuesday, April 01, 2014 2:42 PM
To: Douglas Durbano; Brent Wilde; Donald Trump
Subject: Fwd: Naval Hospital Lease Proposal and Terms

Have not read or reviewed.

--------- Forwarded message ---------
From: **Kurt Taylor** <KTaylor@charlestoncounty.org>
Date: Tue, Apr 1, 2014 at 4:35 PM
Subject: Naval Hospital Lease Proposal and Terms
To: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>

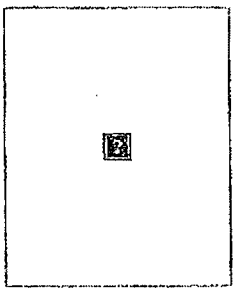
Jeremy, attached are the two referenced documents. The proposal has been amended pursuant to our discussions and other internal discussions. One specific change is to reduce the CAM to $6.25, in acknowledgement of your reduction in the legal, accounting, management and supervision budget estimates.

We also believe that to give you three years to get the building fully renovated and leased will give us both a more reliable average of CAM costs. Thus we suggest a three year cap rather than one.

I look forward to other discussions with you, and I appreciate all the hard work which has gone into this project by all parties.

W. Kurt Taylor, Esq.
Charleston County Administrator
4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405
843-958-4015
ktaylor@charlestoncounty.org
www.charlestoncounty.org



From: Douglas M. Durbano
To: Jeremy Blackburn
Cc: Bob Nuttall Jr.; Milton Thomas; Brent Wilde; Donald Trump Jr
Subject: RE: Naval Hospital Lease Proposal and Terms
Date: Friday, April 04, 2014 10:34:35 AM
Attachments: image001.jpg
CHICORA GARDENS -County Lease Proposal Summary Pre Pay 4-4-14.docx

Jeremy:
Attached is the "Pre Pay Lease for 15 years" Proposal that we discussed Wednesday. Under a Pre Pay, we can accept the Counties proposed $12 rate and most all other terms with some slight modifications, which I have highlighted in Red on the Proposal.

Please review for accuracy and then present this to the County today for their consideration.

A pre pay lease eliminates all Banking issues about Building & upgrade financing, early out for Non Appropriations, and TI financing, etc.
Thanks
Douglas M. Durbano

Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
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From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Thursday, April 03, 2014 12:37 PM
To: Jeremy Blackburn
Cc: bnuttall@lee-associates.com; Milton Thomas; Brent Wilde; Donald Trump Jr
Subject: RE: Naval Hospital Lease Proposal and Terms

Jeremy:
Per our discursions yesterday, we to would love to finalize this Lease and have the County as our anchor tenant and also appreciate everyone's hard work on this project.

We have again confirmed with our Bank that the County Lease has to fit into their "Bankable Parameters"; the new proposal does not and is not financeable. The Bank must rely heavily on the Independent Appraisal per USPAP standards by Paul Moore which it relied on to make the original commitment prior to our purchase of the Building. If there are additional comps that Mr. Moore should take into consideration or errors in the comps he used, he says he is willing to consider all information in order to modify the appraisal.

A second alternative that might work is for the County to pre pay the 15 year lease (as was discussed early on) and then we wouldn't have to fit into Bankable Parameters and could more easily do this deal.

Please feel free to share this email with Kurt and Walt and hopefully you can meet with them today and convey this same information and find alternatives/solutions to this matter.
Thanks
Douglas M. Durbano
Attorney at Law

801-776-4111
doug@durbanolawfirm.com email
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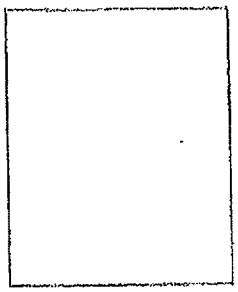
I look forward to other discussions with you, and I appreciate all the hard work which has gone into this project by all parties.

W. Kurt Taylor, Esq.
Charleston County Administrator
4045 Bridge View Drive, Suite B-238
North Charleston, SC 29405
843-958-4015
ktaylor@charlestoncounty.org
www.charlestoncounty.org



CHICORA GARDENS HOLDINGS, LLC.
LEASE PROPOSAL
April 4, 2014

1. Building Rentable Square Footage: 365,717 SF

2. Charleston County Rentable Square Footage: 92,921SF

3. Charleston County Useable Square Footage: 81,412 SF

4. Building Common Area Square Footage: 51,790 SF

5. Charleston County Percentage of Common Area: 11,509 SF ~~(22%)~~

6. Base Lease Rate, Triple Net (NNN): **$12.00RSF, Pre Paid-15 years @ $17M**

7. **One and a Half (1 1/2) Year (2013-2014) CAM Cap** ~~6.50~~ $6.50 (Actual est. = $7.00)

   This includes, but not limited to Any and **All Maintenance**: including but not limited to structural, electrical, plumbing & HVAC repairs; janitorial, security, and dumpster services; pest control, lawn and landscaping services; elevator, fire protection, and sprinkler maintenance; and any other service generally considered maintenance. **All Utilities**: electricity, gas, water, and sewer service. **All Taxes/Fees/Insurance**: property taxes, solid waste user fees, etc.; and the pro-rata share of any CAM expenses, which are water service, sewer service, lawn and landscaping, general maintenance and cleaning, security, insurance, property taxes, electricity and gas services, garbage disposal services, accounting and legal services, and building staff and management fees. This rate is agreed to be capped for the first one and half years (2013 -2014) at $6.50 per sq. ft. in order to establish an average yearly utility cost thereby allowing the County to better project budgetary expenses. Further agreed that legal, accounting, management, and any fees outside of the utilities and general service of the building and facilities shall be capped at 00.85 per sq. ft. (as a portion of CAM), ~~for subsequent years~~ subject to the CPI increase as outlined below. As the County is initially the exclusive tenant to the building, where it can be determined that some Operating Expenses are 100 % exclusive to the benefit of the County, such CAM shall be calculated at 100% attributable to and payable by the County.

8. Annual Base Rent Increase: N/A for 15 Years

9. Commencement Date: TBD by Issuance of C of O, but will vary by use.

10. Term: 15 years

11. Renewal Options: None

12. Tenant Improvements: A not to exceed budget of $20 per usable sq. ft. shall be allocated for tenant improvements. The parties have identified the required improvements for the tenants use and the cost is estimated to be $1,200,000, subject to refinement up to the full amount of $1,600,000. Tenant shall be presented with the detailed construction drawing and exhibits along with sample finishes, prior to lease execution. These shall be approved and a final budget determined. The expectation is that all built-in furnishings and structured cable for the telephone and data systems infrastructure to County standards will be included Tenant Improvements. County will be responsible for installing the telephone handsets

and data network switches and routers. All improvements must meet standard and certification requirements for each Agency.

13. Additional Landlord Improvements: Elevators, entry lobby, common hallways and restrooms, parking, all updated. Additionally, building shall be in good working order with all updates to MEP systems, including emergency generators. Landlord will be responsible for the elevators, roof, chiller systems, major plumbing and electrical components during the term of the lease, and at no time will the County be responsible for capital replacement costs. Outdoor space for the child care center must be designated and to DAODAS licensing standards. (If this is dedicated space for exclusive use of DAODAS, it should be added to the Sq Ft lease amounts and designated as leased space, at a different rate) Parking shall be shared and common parking as currently established at the building. The Coroner shall have secure parking in addition to all other security requirements.

14. Execution of this Lease Agreement is contingent upon:

    a. An acceptable transaction to the county and a third party for the existing County facilities at # 3 and # 5 Charleston Center.

    b. Successful negotiation of terms and conditions of a mutually acceptable Lease Agreement.

    c. County Council Approval.

    d. Chicora Gardens Approval

From:	Antion Capital
To:	Douglas M. Durbano
Cc:	Milton Thomas; Jeremy Blackburn; Bob Nuttall Jr.; Donald Trump Jr
Subject:	Re: Naval Hospital Lease Proposal and Terms
Date:	Friday, April 04, 2014 11:51:08 AM

At this point would we want to also determine when the 17 million prepayment is made. Is it at the time of the lease is signed or at commencement date? I can see the county wanting to wait until commencement date. We of course want it to be on signing of the lease.

Thanks,
Brent Wilde
Sent from my iPhone

On Apr 4, 2014, at 8:58 AM, "Douglas M. Durbano" <doug@durbanolawfirm.com> wrote:

> Save yourself some time, look at the one I just did for any comments or edits.
>
> Thanks
> *Douglas M. Durbano*
> Attorney at Law
> 801-776-4111
> doug@durbanolawfirm.com email
> 476 Heritage Blvd. #200, Layton Ut. 84041
> This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.
>
> ---
>
> **From:** Milton Thomas [mailto:mthomas@lee-associates.com]
> **Sent:** Friday, April 04, 2014 8:52 AM
> **To:** Douglas M. Durbano; Jeremy Blackburn
> **Cc:** Bob Nuttall Jr.; Brent Wilde; Donald Trump Jr
> **Subject:** RE: Naval Hospital Lease Proposal and Terms
>
> Bob and I are finishing up our recommended proposal and will have it to you in an hour for your review.
>
> Thanks!
> Milt
> **Milton Thomas, CCIM, SIOR | Principal**
> **Lee & Associates | Charleston**
> Direct: 843.747.3999
> Cell: 843.367.8248
> Main: 843.747.1200
> Fax: 843.747.1070
> 293 East Bay Street
> Charleston, SC 29401
> <image001.jpg>
> A member of the Lee & Associates Group of Companies
> <image002.jpg><image003.jpg><image004.jpg><image005.jpg>

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Friday, April 04, 2014 10:35 AM
To: Jeremy Blackburn
Cc: Bob Nuttall Jr.; Milton Thomas; Brent Wilde; Donald Trump Jr
Subject: RE: Naval Hospital Lease Proposal and Terms

Jeremy:
Attached is the "Pre Pay Lease for 15 years" Proposal that we discussed Wednesday.
Under a Pre Pay, we can accept the Counties proposed $12 rate and most all other terms with some slight modifications, which I have highlighted in Red on the Proposal.

Please review for accuracy and then present this to the County today for their consideration.

A pre pay lease eliminates all Banking issues about Building & upgrade financing, early out for Non Appropriations, and TI financing, etc.
Thanks

Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Thursday, April 03, 2014 12:37 PM
To: Jeremy Blackburn
Cc: bnuttall@lee-associates.com; Milton Thomas; Brent Wilde; Donald Trump Jr
Subject: RE: Naval Hospital Lease Proposal and Terms

Jeremy:
Per our discursions yesterday, we to would love to finalize this Lease and have the County as our anchor tenant and also appreciate everyone's hard work on this project.

We have again confirmed with our Bank that the County Lease has to fit into their "Bankable Parameters"; the new proposal does not and is not financeable. The Bank must rely heavily on the Independent Appraisal per USPAP standards by Paul Moore which it relied on to make the original commitment prior to our purchase of the Building. If there are additional comps that Mr. Moore should take into consideration or errors in the comps he used, he says he is willing to consider all information in order to modify the appraisal. .

A second alternative that might work is for the County to pre pay the 15 year lease (as was discussed early on) and then we wouldn't have to fit into Bankable Parameters and could more easily do this deal.

Please feel free to share this email with Kurt and Walt and hopefully you can meet with them today and convey this same information and find alternatives/solutions to this matter.
Thanks

Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
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From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Tuesday, April 01, 2014 2:42 PM
To: Douglas Durbano; Brent wilde; Donald Trump
Subject: Fwd: Naval Hospital Lease Proposal and Terms

Have not read or reviewed.

---------- Forwarded message ---------
From: **Kurt Taylor** <KTaylor@charlestoncounty.org>
Date: Tue, Apr 1, 2014 at 4:35 PM
Subject: Naval Hospital Lease Proposal and Terms
To: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>

Jeremy, attached are the two referenced documents. The proposal has been amended pursuant to our discussions and other internal discussions. One specific change is to reduce the CAM to $6.25, in acknowledgement of your reduction in the legal, accounting, management and supervision budget estimates.

We also believe that to give you three years to get the building fully renovated and leased will give us both a more reliable average of CAM costs. Thus we suggest a three year cap rather than one.

I look forward to other discussions with you, and I appreciate all the hard work which has gone into this project by all parties.

W. Kurt Taylor, Esq.
Charleston County Administrator
4045 Bridge View Drive, Suite B-238
North Charleston, SC 29405

843-958-4015
ktaylor@charlestoncounty.org
www.charlestoncounty.org

<image006.jpg>

From: Douglas M. Durbano
To: Bob Nuttall Jr.
Cc: Brent Wilde; Jeremy Blackburn; Milton Thomas
Subject: RE: Call
Date: Friday, April 04, 2014 12:35:22 PM
Attachments: image001.jpg
image002.jpg
image003.jpg
image004.jpg
image005.jpg

Great, I will call your standard conf call number in 25 mins.

Thanks
Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

From: Bob Nuttall Jr. [mailto:bnuttall@lee-associates.com]
Sent: Friday, April 04, 2014 10:34 AM
To: Douglas M. Durbano
Cc: Brent Wilde; Jeremy Blackburn; Milton Thomas
Subject: Call

Can we jump on a call at 1:00 to discuss the response to the county?

Thanks!
All His Best,
Bob
Robert H. Nuttall Jr., SIOR, CPM | Principal
Lee & Associates | Charleston
Direct: 843.747.2333
Cell: 843.367.8255
Main: 843.747.1200
Fax: 843.747.1070
126 Seven Farms Dr., Ste 110
Charleston, SC 29492

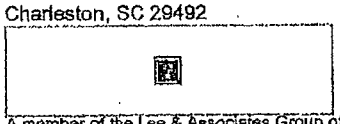
A member of the Lee & Associates Group of Companies

From: Bob Nuttall Jr.
Sent: Friday, April 04, 2014 12:29 PM
To: 'Douglas M. Durbano'
Cc: 'Brent Wilde'; 'Jeremy Blackburn'; Milton Thomas
Subject: RE: Signage on Chicora Building

We will also need to discuss rates when responding to the state RFP's.

Thanks!
All His Best,
Bob

Robert H. Nuttall Jr., SIOR, CPM | Principal
Lee & Associates | Charleston
Direct: 843.747.2333
Cell: 843.367.8255
Main: 843.747.1200
Fax: 843.747.1070
126 Seven Farms Dr., Ste 110
Charleston, SC 29492



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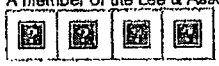


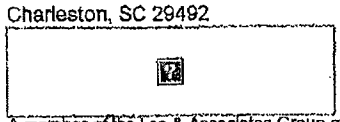
From: Bob Nuttall Jr.
Sent: Friday, April 04, 2014 12:26 PM
To: 'Douglas M. Durbano'
Cc: Brent Wilde; Jeremy Blackburn; Milton Thomas
Subject: RE: Signage on Chicora Building

Doug,

Signs should have gone up this week; I have a call into the sign company to see when they will be installed. The property also isn't listed yet in our commercial MLS since we still don't have a rate to quote. We were waiting to figure out the county deal so we can quote rates for remaining space. As soon as we have that we can get the property live on MLS.

Thanks!
All His Best,
Bob

Robert H. Nuttall Jr., SIOR, CPM | Principal
Lee & Associates | Charleston
Direct: 843.747.2333
Cell: 843.367.8255
Main: 843.747.1200
Fax: 843.747.1070
126 Seven Farms Dr., Ste 110
Charleston, SC 29492



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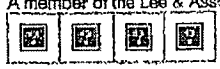

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Friday, April 04, 2014 10:43 AM
To: Bob Nuttall Jr.
Cc: Brent Wilde; Jeremy Blackburn
Subject: Signage on Chicora Building

Bob:
Recently, the Mayor called to give us word that he had received several inquiries about space at our Building. He wondered why we hadn't gotten some signage up on the building for prospective tenants to see and call our Broker.
I wondered the same thing.
Thoughts?
Thanks

Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

From: Bob Nuttall Jr.
To: "Jeremy Blackburn"
Subject: RE: Can you send me your comments? I don"t have them
Date: Friday, April 04, 2014 1:09:03 PM
Attachments: Chas County Landlord response 4.4.14.doc
image001.jpg
image002.jpg
image003.jpg
image004.jpg
image005.jpg

Thanks!
All His Best,
Bob

Robert H. Nuttall Jr., SIOR, CPM | Principal
Lee & Associates | Charleston
Direct: 843.747.2333
Cell: 843.367.8255
Main: 843.747.1200
Fax: 843.747.1070
126 Seven Farms Dr., Ste 110
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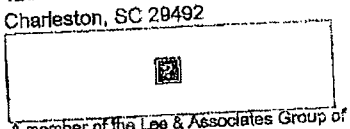
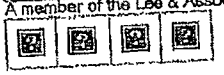


A member of the Lee & Associates Group of Companies



From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Friday, April 04, 2014 1:07 PM
To: Bob Nuttall Jr.
Subject: Can you send me your comments? I don't have them

Jeremy Blackburn

On behalf of Chicora Life center, L.C., we are pleased to submit the following request for proposal for the building located at 3600 Rivers Avenue N. Charleston, SC (the "Building").

Building:	Approximately 365,717 net rentable square feet. Rentable square footage to be calculated and confirmed.
Area and Premises:	The leased Premises shall consist of approximately 92,921 net rentable square feet of the Building, based upon Tenant's space program as attached hereto (the "Premises").
Lease Commencement:	The Lease shall commence upon substantial completion of tenant improvements and issuance of a Certificate of Occupancy by the City of North Charleston. Tenant will be granted access to the space immediately following full Lease execution for the purposes of performing Tenant Improvements and preparing the premises for occupancy.
Lease Term:	Lease Term shall be fifteen (15) years.
Base rental rate:	$12.00 PSF. Annual escalations shall be based on CPI, for all Urban Consumers South Region with a floor of 1.5% and a cap of 3% per year for the term. ALTERNATIVE: Prepaid rent in the amount of $17M for the 15 year term.
Operating Expenses:	Tenant will pay its equitable pro rata share of any increases in actual operating expenses over and above a base year, the base year of **2015.** Controllable operating expenses shall be subject to a cap of Six and 50/100 Dollars ($6.50) per rentable square foot through December 31, 2015. Thereafter, the cap on controllable operating expenses shall increase no more than five percent (5%) per year. Legal, accounting and management will be capped at $0.75 PSF through December 31, 2015, which cap shall be increased annually by CPI thereafter. Landlord has agreed to certain operating expense exclusions (see attached exhibit). A copy of the proposed operating expense budget for the year is attached for your review and comment.
Property Taxes/Insurance:	Tenant will pay its equitable pro rata share of any increase in real estate taxes and insurance.
Expense Audit Rights:	Tenant and/or Tenant's agent shall have the right to audit Landlord's operating expense statements on an annual basis. Lessee shall have the right to request copies of Lessor's invoices related to operating expense reconciliation for Lessee's review. Thereafter, in the event that Lessee is not satisfied, Lessee and/or Lessee's agent shall have the right, at its own cost and expense (except as provided below), to audit or inspect Lessor's records (but not more than once in any Lease Year) with respect to operating expenses and real estate taxes, as well as all other additional

rent payable by Lessee hereunder for any Lease Year. Lessee shall give Lessor not less than thirty (30) days prior written notice of its intention to conduct any such audit. Lessor shall cooperate with Lessee during the course of such audit, which shall be conducted during normal business hours in Lessor's office. Lessor agrees to make such personnel available to Lessee as is reasonably necessary for Lessee, or for Lessee's employees or agents to conduct such audit.

Tenant Improvement Allowance:

A not to exceed budget of $20 per rentable sq. ft. shall be allocated for tenant improvements. The parties have identified the required improvements for the tenants use and the cost is estimated to be $1,200,000, subject to refinement up to the full amount of $1,800,000. Tenant shall be presented with the detailed construction drawing and exhibits along with sample finishes, prior to lease execution. These shall be approved and a final budget determined. The expectation is that all built-in furnishings and structured cable for the telephone and data systems infrastructure to County standards will be included Tenant Improvements. County will be responsible for installing the telephone handsets and data network switches and routers. All improvements must meet standard and certification requirements for each Agency. Landlord shall perform a complete turnkey build-out of the Premises to suit Tenant's requirements.

Landlord's Work / Base Building:

Landlord, at Landlord's sole cost and expense, shall be responsible for the following (collectively, "Landlord's Work"):

- Elevators, entry lobby, common hallways and restrooms, parking, all updated. Additionally, building shall be in good working order with all updates to MEP systems, including emergency generators. Landlord will warrant that elevators, roof, chiller systems, major plumbing and electrical components following Certificate of Occupancy by Tenant and that during the term of the lease, and at no time will the County be responsible for capital replacement costs. Outdoor space for the child care center must be designated (location and size to be mutually agreed upon prior to lease execution) and to DAODAS licensing standards. Parking shall be a as available on site. The Coroner shall have secure parking in addition to all other security requirements (area to be mutually agreed upon prior to lease execution).

- Insuring that the electrical, HVAC, plumbing and other systems serving the Premises are in proper working order and adequate to serve the Premises and accommodate Tenant's use of the same upon completion of the Tenant Improvements, and comply with any and all governmental requirements.

- Bringing the Premises (including, but not limited to, any portion above the ceiling, in the existing walls or in any manner connected to the Premises), and the Building, all common access and use areas thereof (including, but not limited to, rest rooms, elevator lobbies, stairwells and other common areas and

common elements of the Building) into compliance with all applicable law, rule, ordinance, code or other requirements of any and all governing agencies including, but not limited to, compliance with the Americans with Disabilities Act of 1990, as amended, and all regulations issued by the U.S. Attorney General or other governmental agencies (the "ADA").

- Be 100% responsible for repair of any and all structural defects including roof and flooring and/or latent defects in the Building over the primary lease term and any extensions. Further, Landlord's cost for repair of any and all structural and/or latent defects shall be excluded from operating expenses which would otherwise be passed through to Tenant.

Hours of Operation: The Building preferred "standard hours of operation" for HVAC and all other services shall be from 7 a.m. to 7 p.m., Monday to Friday and from 7 a.m. to 2 p.m. on Saturday. DAODAS space will be sub metered and billed at actual cost.

Maintenance & Janitorial: The Lease shall be a full service Lease and as such Landlord shall be responsible for the repair, maintenance and replacement of all structural components of the Building, including but not limited to, the roof, exterior walls, foundation, gutters and sprinkler system (if any). Landlord shall maintain, repair and replace (as necessary or appropriate) the HVAC systems serving the Premises, the plumbing and electrical systems serving the Premises, the Building, the parking areas, driveways, loading docks, sidewalks, curbs and landscaping of the land on which the Building is located. Landlord shall represent and warrant that the maintenance and upkeep of the Building and the common areas shall be consistent with other properties of a comparable classification in the same submarket area.

Parking: Tenant shall have the nonexclusive use of parking as available on site.

No Obligation: This proposal is not intended to be contractual in nature, but is merely a statement of the general terms and conditions upon which the parties are prepared to consider and discuss entering into a lease. Accordingly, it is understood and agreed that numerous material issues have yet to be resolved and that all of the terms of the Lease have yet to be agreed by both parties and in no even whatsoever shall either party have any liability or obligation to the other party by reason of the transaction contemplated by this Letter unless and until a Lease is executed. Nothing in this Letter is intended to preclude either party from negotiating with any other person concerning the subject matter of this Proposal. Furthermore, execution of this Lease Agreement is contingent upon:

Acceptable transaction to the county and a third party for the existing County facilities at # 3 and # 5 Charleston Center.

Successful negotiation of terms and conditions of a mutually acceptable Lease Agreement.

County Council Approval.

Chicora Gardens Approval

Exhibit A
Operating Expense Exclusions

1	Any ground lease rental;
2	Costs of items considered capital repairs, replacements, improvements and equipment under generally accepted accounting principles consistently applied or otherwise ("Capital Items"), except for (A) the annual amortization (amortized over the useful life) of costs, including financing costs, if any, incurred by Lessor after the Commencement Date for any capital improvements installed or paid for by Lessor and required by any new (or change in) laws, rules or regulations of any governmental or quasi-governmental authority which are enacted after the Commencement Date; (B) the annual amortization (amortized over the useful life) of costs, including financing costs, if any, or any equipment, device or capital improvement purchased or incurred as a labor-saving measure or to affect other economics in the operation or maintenance of the Building (provided the annual amortized costs does not exceed the actual cost savings realized and such savings do not redound primarily to the benefit of any particular tenant other than Lessee); or (C) minor capital improvements, tools or expenditures to the extent each such improvement or acquisition costs less than $5,000;
3	Rentals for items (except when needed in connection with normal repairs and maintenance of permanent systems) which if purchased, rather than rented, would constitute a Capital Item which is specifically excluded under Subsection (i) above (excluding, however, equipment not affixed to the Building which is used in providing janitorial or similar services);
4	Costs incurred by Lessor for the repair of damage to the Building, to the extent that Lessor is reimbursed by insurance proceeds, and costs of all capital replacements, regardless of whether such repairs are covered by insurance (except if permitted under subsection (ii) above) and cost of earthquake repairs in excess of twenty-five thousand dollars ($25,000) per earthquake (which for this purpose, an earthquake is defined collectively as the initial earthquake and the aftershocks that relate to such initial earthquake);
5	Costs, including permit, license and inspection costs, incurred with respect to the installation of tenants' or other occupants' improvements in the Building or incurred in renovating or otherwise improving, decorating, painting or redecorating vacant space for tenants or other occupants of the Building;
6	Depreciation, amortization and interest payments, except as provided herein and except on materials, tools, supplies and vendor-type equipment purchased by Lessor to enable Lessor to supply services Lessor might otherwise contract for with a third party where such depreciation, amortization and interest payments would otherwise have been included in the charge for such third party's services' all as determined in accordance with generally accepted accounting principles, consistently applied, and when depreciation or amortization is permitted or required, the item shall be amortized over its reasonably anticipated useful life;
7	Marketing costs including without limitation leasing commissions, attorneys' fees in connection with the negotiation and preparation of letters, deal memos, letters of intent, leases, subleases and/or assignments, space planning costs and other costs and expenses incurred in connection with lease, sublease and/or assignment negotiations and transactions with present or prospective tenants or other occupants of the Building;
8	Expenses in connection with services or other benefits which are not offered to Lessee or for which Lessee is charged for directly but which are provided to another Lessee or occupant of the Building;
9	Overhead and profit increment paid to Lessor or to subsidiaries or affiliates of Lessor for goods and/or services in the Building to the extent the same exceeds the costs of such goods and/or services rendered by unaffiliated third parties on a competitive basis for comparable buildings;

10	Interest, principal, points and fees on debts or amortization on any mortgage or mortgages or any other debt instrument encumbering the Building or the Land (except as permitted in subsection (ii) above);
11	Lessor's general corporate overhead and general and administrative expenses;
12	Any compensation paid to clerks, attendants or other persons in commercial concessions operated by Lessor and/or all fees paid to any parking facility operator (on or off site);
13	Rentals and other related expenses incurred in leasing HVAC systems, elevators or other equipment ordinarily considered to be Capital Items, except for: (A) expenses in connection with making repairs on or keeping Buildings Systems in operation while repairs are being made and (B) costs of equipment not affixed to the Building which is used in providing janitorial or similar services;
14	Advertising and promotional expenditures and costs of signs in or on the Building identifying the owner of the Building or other tenant's signs;
15	The cost of any electric power used by any tenant in the Building in excess of the Building-standard amount, or electric power costs for which any tenant directly contracts with the local public service company or of which any tenant is separately metered or sub-metered and pays Lessor directly; provided, however, that if any tenant in the Building contracts directly for electric power service or is separately metered or sub-metered during any portion of the relevant period, the total electric power costs for the building shall be "grossed up" to reflect what those costs would have been had each tenant in the Building used the Building-standard amount of electric power;
16	Services and utilities provided, taxes attributable to, and costs incurred in connection with the operation of the retail, parking (to the extent same services the retail operations of the Project), and restaurant operations in the Building, except to the extent the square footage of such operations are included in the rentable square feet of the Building and do not exceed the services, utility and tax costs which would have been incurred had the retail and/or restaurant space been used for general office purposes;
17	Costs incurred in connection with upgrading the Building to comply with the current interpretation of disability, life, fire and safety codes, ordinances, statutes, or other laws in effect prior to the Commencement Date, including, without limitation, the ADA, including penalties or damages incurred due to such non-compliance;
18	Tax penalties incurred as a result of Lessor's negligence, inability or unwillingness to make payments and/or to file any tax or informational returns when due;
19	Costs for which Lessor has been compensated by a management fee, and any management fees in excess of those management fees which are normally and customarily charged by comparable Lessor's of comparable buildings;
20	Costs arising from the negligence or fault of other tenants or Lessor;
21	Notwithstanding any contrary provision of the Lease, including, without limitation, any provision relating to capital expenditures, other than normal and customary office building maintenance materials and office supplies, any and all costs arising from the release of hazardous materials or substances (as defined by Applicable Laws in effect on the date the Lease is executed) in or about the Premises, the Building or the Land in violation of applicable law including, without limitation, hazardous substances in the ground water or soil, not placed in the Premises, the Building or the Land

	by Lessee;
22	Costs arising from Lessor's charitable or political contributions;
23	Costs arising during the contractual warranty period from construction defects in the base, shell or core of the Building or improvements installed by Lessor;
24	Costs arising from any mandatory or voluntary special assessment on the Building or the Land by any transit district authority or any other governmental entity having the authority to impose such assessment in connection with the initial construction of the Building;
25	Costs for sculpture, paintings or other objects of art;
26	Costs (including in connection therewith all attorneys' fees and costs of settlement judgments and payments in lieu thereof) arising from claims, disputes or potential disputes in connection with potential or actual claims, litigation or arbitration pertaining to the Lessor and/or the Building and/or the Land;
27	Costs associated with the operation of the business of the partnership or entity which constitutes Lessor as the same are distinguished from the costs of operation of the Building, including partnership accounting and legal matters, costs of defending any lawsuits with any mortgagee (except as the actions of Lessee may be in issue), costs of selling, syndicating, financing, mortgaging or hypothecating any of Lessor's interest in the Building, costs of any disputes between Lessor and its employees (if any) not engaged in Building operation, disputes of Lessor with Building management, or outside fees paid in connection with disputes with other tenants;
28	Any increases of, or reassessment in, Real Property Taxes and assessments in excess of two percent (2%) of the taxes for the previous year, and any increase in Real Property Tax resulting from a change in ownership of the Lessor or from major alterations, improvements, modifications or renovations to the Building or the Land (collectively, "Transfers") except that Operating Expenses shall include the portion of Real Property taxes resulting from or attributable to an assessed value of the Building and Land greater than the market value per rentable square foot at the inception of the lease resulting from a change in ownership, or;
29	Costs of any "tap fees" or any sewer or water connection fees for the benefit of any particular tenant in the Building;
30	Any expenses incurred by Lessor for use of any portions of the Building to accommodate events including, but not limited to shows, promotions, kiosks, displays, filming, photography, private events or parties, ceremonies and advertising beyond the normal expenses otherwise attributable to providing Building services, such as lighting and HVAC to such public portions of the Building in normal operations during standard Building hours of operation;
31	Any entertainment, dining or travel expenses of Lessor for any purpose;
32	Any flowers, gifts, balloons, etc. provided to any entity whatsoever, including, but not limited to, Lessee, other tenants, employees, vendors, contractors, prospective tenants and agents;
33	Any "validated" parking for any entity;
34	Any "finders fees," brokerage commissions, job placement costs or job advertising cost, other than with respect to a receptionist or secretary in the Building office, once per year;
35	Any "above-standard" cleaning, including, but not limited to construction cleanup or special cleanings associated with parties/events and specific Tenant requirements in excess of service provided to

	Lessee, including related trash collection, removal, hauling and dumping;
36	The cost of any "tenant relations" parties, events or promotion not consented to by an authorized representative of Lessee in writing;
37	"In-house" legal and/or accounting fees;
38	Any other expenses which, in accordance with generally accepted accounting principles, consistently applied, would not normally be treated as Operating Expenses by comparable lessors of comparable buildings.
39	To the extent that an expense included in Operating Expenses includes an expense related to the Project and not the Building, then the word "Building" utilized in these exclusions shall mean, and be extended to include, the Project.

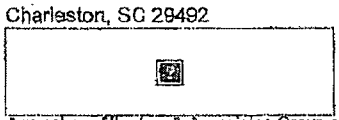
From: Bob Nuttall Jr.
To: "Douglas M. Durbano"; "Jeremy Blackburn"
Cc: Milton Thomas; "Brent Wilde"; "Donald Trump Jr"
Subject: Revised Naval Hospital Lease Proposal and Terms
Date: Friday, April 04, 2014 1:51:00 PM
Attachments: image002.jpg
image015.jpg
image016.jpg
image017.jpg
image018.jpg
image019.jpg
Chas County Landlord response 4 4 14.doc
image001.jpg
image011.jpg
image012.jpg
image013.jpg

All,

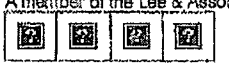
Per our conversation, please review attached and respond with approval or any comments you deem necessary.

Thanks!
All His Best,
Bob

Robert H. Nuttall Jr., SIOR, CPM | Principal
Lee & Associates | Charleston
Direct: 843.747.2333
Cell: 843.367.8255
Main: 843.747.1200
Fax: 843.747.1070
126 Seven Farms Dr., Ste 110
Charleston, SC 29492



A member of the Lee & Associates Group of Companies



From: Bob Nuttall Jr.
Sent: Friday, April 04, 2014 12:20 PM
To: 'Douglas M. Durbano'; Jeremy Blackburn
Cc: Milton Thomas; Brent Wilde; Donald Trump Jr
Subject: RE: Naval Hospital Lease Proposal and Terms

All,

Attached is what Milton and I recommend we send to the county. Please review and let's set up a time to discuss.

Thanks!

All His Best,

Bob

Robert H. Nuttall Jr., SIOR, CPM | Principal
Lee & Associates | Charleston
Direct: 843.747.2333
Cell: 843.367.8255
Main: 843.747.1200
Fax: 843.747.1070
126 Seven Farms Dr., Ste 110
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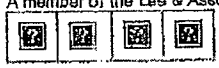


From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Friday, April 04, 2014 10:35 AM
To: Jeremy Blackburn
Cc: Bob Nuttall Jr.; Milton Thomas; Brent Wilde; Donald Trump Jr
Subject: RE: Naval Hospital Lease Proposal and Terms

Jeremy:
Attached is the "Pre Pay Lease for 15 years" Proposal that we discussed Wednesday. Under a Pre Pay, we can accept the Counties proposed $12 rate and most all other terms with some slight modifications, which I have highlighted in Red on the Proposal.

Please review for accuracy and then present this to the County today for their consideration.

A pre pay lease eliminates all Banking issues about Building & upgrade financing, early out for Non Appropriations, and TI financing, etc.
Thanks

Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Thursday, April 03, 2014 12:37 PM
To: Jeremy Blackburn
Cc: bnuttall@lee-associates.com; Milton Thomas; Brent Wilde; Donald Trump Jr
Subject: RE: Naval Hospital Lease Proposal and Terms

Jeremy:
Per our discursions yesterday, we to would love to finalize this Lease and have the County as our anchor tenant and also appreciate everyone's hard work on this project.

We have again confirmed with our Bank that the County Lease has to fit into their

"Bankable Parameters"; the new proposal does not and is not financeable. The Bank must rely heavily on the independent Appraisal per USPAP standards by Paul Moore which it relied on to make the original commitment prior to our purchase of the Building. If there are additional comps that Mr. Moore should take into consideration or errors in the comps he used, he says he is willing to consider all information in order to modify the appraisal. .

A second alternative that might work is for the County to pre pay the 15 year lease (as was discussed early on) and then we wouldn't have to fit into Bankable Parameters and could more easily do this deal.

Please feel free to share this email with Kurt and Walt and hopefully you can meet with them today and convey this same information and find alternatives/solutions to this matter. Thanks

Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Tuesday, April 01, 2014 2:42 PM
To: Douglas Durbano; Brent Wilde; Donald Trump
Subject: Fwd: Naval Hospital Lease Proposal and Terms

Have not read or reviewed.

---------- Forwarded message ----------
From: **Kurt Taylor** <KTaylor@charlestoncounty.org>
Date: Tue, Apr 1, 2014 at 4:35 PM
Subject: Naval Hospital Lease Proposal and Terms
To: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>

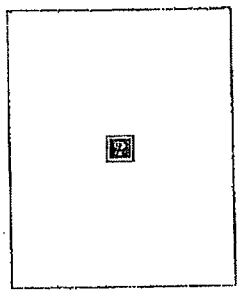
Jeremy, attached are the two referenced documents. The proposal has been amended pursuant to our discussions and other internal discussions. One specific change is to reduce the CAM to $6.25, in acknowledgement of your reduction in the legal, accounting, management and supervision budget estimates.

We also believe that to give you three years to get the building fully renovated and leased will give us both a more reliable average of CAM costs. Thus we suggest a three year cap rather than one.

I look forward to other discussions with you, and I appreciate all the hard work which has gone into this project by all parties.

W. Kurt Taylor, Esq.
Charleston County Administrator
4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405
843-958-4015
ktaylor@charlestoncounty.org
www.charlestoncounty.org



CHICORA GARDENS HOLDINGS, LLC.

LEASE PROPOSAL

April 4, 2014

On behalf of Chicora Life center, L.C., we are pleased to submit the following request for proposal for the building located at 3600 Rivers Avenue North Charleston, South Carolina (the "Building").

Building:	Approximately 365,717 net rentable square feet.
Area and Premises:	The leased Premises shall consist of approximately 92,921 net rentable square feet of the Building, based upon Tenant's space program as attached hereto (the "Premises").
Lease Commencement:	The Lease shall commence upon substantial completion of tenant improvements and issuance of a Certificate of Occupancy by the City of North Charleston. Tenant will be granted access to the space immediately following full Lease execution for the purposes of performing Tenant improvements and preparing the premises for occupancy.
Lease Term:	Lease Term shall be Fifteen (15) years.
Base rental rate:	Fourteen Dollars ($14.00) per rentable square foot. Annual escalations shall be based on CPI, for all Urban Consumers South Region with a floor of 1.5% and a cap of 3% per year for the term. ALTERNATIVE: Prepaid rent in the amount of Seventeen Million Dollars ($17,000,000.00), in which case there is no base rent for the initial 15 year term.
Operating Expenses:	Tenant will pay its pro rata share of any increases in actual operating expenses over and above a base year, the base year of 2015. Controllable operating expenses shall be subject to a cap of Six and 50/100 Dollars ($6.50) per rentable square foot through December 31, 2015. Thereafter, the cap on controllable operating expenses shall increase no more than five percent (5%) per year. Legal, accounting and management will be capped at 75/100 Dollars ($0.75) per rentable square foot through December 31, 2015, which cap shall be increased annually by CPI thereafter. Landlord has agreed to certain operating expense exclusions (see attached Exhibit A).
Property Taxes/Insurance:	Tenant will pay its pro rata share of any increase in real estate taxes and insurance over the base year.
Expense Audit Rights:	Tenant and/or Tenant's agent shall have the right to audit Landlord's operating expense statements on an annual basis. Tenant shall have the right to request copies of Landlord's invoices related to operating expense reconciliation for Tenant's review. Thereafter, in the event that Tenant is

not satisfied, Tenant and/or Tenant's agent shall have the right, at its own cost and expense (except as provided below), to audit or inspect Landlord's records (but not more than once in any Lease Year) with respect to operating expenses and real estate taxes, as well as all other additional rent payable by Tenant hereunder for any Lease Year. Tenant shall give Landlord not less than thirty (30) days prior written notice of its intention to conduct any such audit. Landlord shall cooperate with Tenant during the course of such audit, which shall be conducted during normal business hours in Landlord's office. Landlord agrees to make such personnel available to Tenant as is reasonably necessary for Tenant, or for Tenant's employees or agents to conduct such audit.

Tenant Improvement Allowance: The parties have identified the required improvements for the Tenant's use and the cost is estimated to be $1,200,000, subject to refinement up to $1,600,000. Tenant shall be presented with the detailed construction drawing and exhibits along with sample finishes, prior to lease execution. These shall be approved and a final budget determined. The expectation is that all built-in furnishings and structured cable for the telephone and data systems infrastructure to County standards will be included Tenant improvements. County will be responsible for installing the telephone handsets and data network switches and routers. All improvements must meet standard and certification requirements for each Agency. Landlord shall perform a complete turnkey build-out of the Premises to suit Tenant's requirements.

Landlord's Work / Base Building: Landlord, at Landlord's sole cost and expense, shall be responsible for the following (collectively, "Landlord's Work"):

- Elevators, entry lobby, common hallways and restrooms, parking, all updated. Additionally, building shall be in good working order with all updates to MEP systems, including emergency generators. Landlord will warrant that elevators, roof, chiller systems, major plumbing and electrical components following Certificate of Occupancy by Tenant and that during the term of the lease, and at no time will the County be responsible for capital replacement costs. Outdoor space for the child care center must be designated (location and size to be mutually agreed upon prior to lease execution) and to DAODAS licensing standards. Parking shall be a as available on site. The Coroner shall have secure parking in addition to all other security requirements (area to be mutually agreed upon prior to lease execution).

- Insuring that the electrical, HVAC, plumbing and other systems serving the Premises are in proper working order and adequate to serve the Premises and accommodate Tenant's use of the same upon completion of the Tenant Improvements, and comply with any and all governmental requirements.

- Be 100% responsible for repair of any and all structural defects including roof and flooring and/or latent defects in the Building over the primary lease term and any extensions. Further, Landlord's cost for repair of any and all structural and/or latent

defects shall be excluded from operating expenses which would otherwise be passed through to Tenant.

Hours of Operation: The Building preferred "standard hours of operation" for HVAC and all other services shall be from 7 a.m. to 7 p.m., Monday to Friday and from 7 a.m. to 2 p.m. on Saturday. The DAODAS space which operates 24 hours/day will be sub metered for electricity and billed at actual cost.

Parking: Tenant shall have the nonexclusive use of parking as available on site.

No Obligation: This proposal is not intended to be contractual in nature, but is merely a statement of the general terms and conditions upon which the parties are prepared to consider and discuss entering into a lease. Accordingly, it is understood and agreed that numerous material issues have yet to be resolved and that all of the terms of the Lease have yet to be agreed by both parties and in no even whatsoever shall either party have any liability or obligation to the other party by reason of the transaction contemplated by this Letter unless and until a Lease is executed. Nothing in this Letter is intended to preclude either party from negotiating with any other person concerning the subject matter of this Proposal. Furthermore, execution of this Lease Agreement is contingent upon:

Acceptable transaction to the county and a third party for the existing County facilities at # 3 and # 5 Charleston Center.

Successful negotiation of terms and conditions of a mutually acceptable Lease Agreement.

County Council Approval.

Chicora Gardens Approval.

Exhibit A
Operating Expense Exclusions

1	Any ground lease rental;
2	Costs of items considered capital repairs, replacements, improvements and equipment under generally accepted accounting principles consistently applied or otherwise ("Capital Items"), except for (A) the annual amortization (amortized over the useful life) of costs, including financing costs, if any, incurred by Landlord after the Commencement Date for any capital improvements installed or paid for by Landlord and required by any new (or change in) laws, rules or regulations of any governmental or quasi-governmental authority which are enacted after the Commencement Date; (B) the annual amortization (amortized over the useful life) of costs, including financing costs, if any, or any equipment, device or capital improvement purchased or incurred as a labor-saving measure or to affect other economics in the operation or maintenance of the Building (provided the annual amortized costs does not exceed the actual cost savings realized and such savings do not redound primarily to the benefit of any particular tenant other than Tenant); or (C) minor capital improvements, tools or expenditures to the extent each such improvement or acquisition costs less than $5,000;
3	Rentals for items (except when needed in connection with normal repairs and maintenance of permanent systems) which if purchased, rather than rented, would constitute a Capital Item which is specifically excluded under Subsection (ii) above (excluding, however, equipment not affixed to the Building which is used in providing janitorial or similar services);
4	Costs incurred by Landlord for the repair of damage to the Building, to the extent that Landlord is reimbursed by insurance proceeds, and costs of all capital replacements, regardless of whether such repairs are covered by insurance (except if permitted under subsection (ii) above) and cost of earthquake repairs in excess of twenty-five thousand dollars ($25,000) per earthquake (which for this purpose, an earthquake is defined collectively as the initial earthquake and the aftershocks that relate to such initial earthquake);
5	Costs, including permit, license and inspection costs, incurred with respect to the installation of tenants' or other occupants' improvements in the Building or incurred in renovating or otherwise improving, decorating, painting or redecorating vacant space for tenants or other occupants of the Building;
6	Depreciation, amortization and interest payments, except as provided herein and except on materials, tools, supplies and vendor-type equipment purchased by Landlord to enable Landlord to supply services Landlord might otherwise contract for with a third party where such depreciation, amortization and interest payments would otherwise have been included in the charge for such third party's services' all as determined in accordance with generally accepted accounting principles, consistently applied, and when depreciation or amortization is permitted or required, the item shall be amortized over its reasonably anticipated useful life;
7	Marketing costs including without limitation leasing commissions, attorneys' fees in connection with the negotiation and preparation of letters, deal memos, letters of intent, leases, subleases and/or assignments, space planning costs and other costs and expenses incurred in connection with lease, sublease and/or assignment negotiations and transactions with present or prospective tenants or other occupants of the Building;
8	Expenses in connection with services or other benefits which are not offered to Tenant or for which Tenant is charged for directly but which are provided to another Tenant or occupant of the Building;
9	Overhead and profit increment paid to Landlord or to subsidiaries or affiliates of Landlord for goods and/or services in the Building to the extent the same exceeds the costs of such goods and/or services rendered by unaffiliated third parties on a competitive basis for comparable buildings;

10	Interest, principal, points and fees on debts or amortization on any mortgage or mortgages or any other debt instrument encumbering the Building or the Land (except as permitted in subsection (ll) above);
11	Landlord's general corporate overhead and general and administrative expenses;
12	Any compensation paid to clerks, attendants or other persons in commercial concessions operated by Landlord and/or all fees paid to any parking facility operator (on or off site);
13	Rentals and other related expenses incurred in leasing HVAC systems, elevators or other equipment ordinarily considered to be Capital Items, except for: (A) expenses in connection with making repairs on or keeping Buildings Systems in operation while repairs are being made and (B) costs of equipment not affixed to the Building which is used in providing janitorial or similar services;
14	Advertising and promotional expenditures and costs of signs in or on the Building identifying the owner of the Building or other tenant's signs;
15	The cost of any electric power used by any tenant in the Building in excess of the Building-standard amount, or electric power costs for which any tenant directly contracts with the local public service company or of which any tenant is separately metered or sub-metered and pays Landlord directly; provided, however, that if any tenant in the Building contracts directly for electric power service or is separately metered or sub-metered during any portion of the relevant period, the total electric power costs for the building shall be "grossed up" to reflect what those costs would have been had each tenant in the Building used the Building-standard amount of electric power;
16	Services and utilities provided, taxes attributable to, and costs incurred in connection with the operation of the retail, parking (to the extent same services the retail operations of the Project), and restaurant operations in the Building, except to the extent the square footage of such operations are included in the rentable square feet of the Building and do not exceed the services, utility and tax costs which would have been incurred had the retail and/or restaurant space been used for general office purposes;
17	Costs incurred in connection with upgrading the Building to comply with the current interpretation of disability, life, fire and safety codes, ordinances, statutes, or other laws in effect prior to the Commencement Date, including, without limitation, the ADA, including penalties or damages incurred due to such non-compliance;
18	Tax penalties incurred as a result of Landlord's negligence, inability or unwillingness to make payments and/or to file any tax or informational returns when due;
19	Costs for which Landlord has been compensated by a management fee, and any management fees in excess of those management fees which are normally and customarily charged by comparable Landlord's of comparable buildings;
20	Costs arising from the negligence or fault of other tenants or Landlord;
21	Notwithstanding any contrary provision of the Lease, including, without limitation, any provision relating to capital expenditures, other than normal and customary office building maintenance materials and office supplies, any and all costs arising from the release of hazardous materials or substances (as defined by Applicable Laws in effect on the date the Lease is executed) in or about the Premises, the Building or the Land in violation of applicable law including, without limitation, hazardous substances in the ground water or soil, not placed in the Premises, the Building or the Land

	by Tenant;
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23	Costs arising during the contractual warranty period from construction defects in the base, shell or core of the Building or improvements installed by Landlord;
24	Costs arising from any mandatory or voluntary special assessment on the Building or the Land by any transit district authority or any other governmental entity having the authority to impose such assessment in connection with the initial construction of the Building;
25	Costs for sculpture, paintings or other objects of art;
26	Costs (including in connection therewith all attorneys' fees and costs of settlement judgments and payments in lieu thereof) arising from claims, disputes or potential disputes in connection with potential or actual claims, litigation or arbitration pertaining to the Landlord and/or the Building and/or the Land;
27	Costs associated with the operation of the business of the partnership or entity which constitutes Landlord as the same are distinguished from the costs of operation of the Building, including partnership accounting and legal matters, costs of defending any lawsuits with any mortgagee (except as the actions of Tenant may be in issue), costs of selling, syndicating, financing, mortgaging or hypothecating any of Landlord's interest in the Building, costs of any disputes between Landlord and its employees (if any) not engaged in Building operation, disputes of Landlord with Building management, or outside fees paid in connection with disputes with other tenants;
28	Any increases of, or reassessment in, Real Property Taxes and assessments in excess of two percent (2%) of the taxes for the previous year, and any increase in Real Property Tax resulting from a change in ownership of the Landlord or from major alterations, improvements, modifications or renovations to the Building or the Land (collectively, "Transfers") except that Operating Expenses shall include the portion of Real Property taxes resulting from or attributable to an assessed value of the Building and Land greater than the market value per rentable square foot at the inception of the lease resulting from a change in ownership, or;
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32	Any flowers, gifts, balloons, etc. provided to any entity whatsoever, including, but not limited to, Tenant, other tenants, employees, vendors, contractors, prospective tenants and agents;
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	Tenant, including related trash collection, removal, hauling and dumping;
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38	Any other expenses which, in accordance with generally accepted accounting principles, consistently applied, would not normally be treated as Operating Expenses by comparable Landlords of comparable buildings.
39	To the extent that an expense included in Operating Expenses includes an expense related to the Project and not the Building, then the word "Building" utilized in these exclusions shall mean, and be extended to include, the Project.

From: Douglas M. Durbano
To: Bob Nuttall Jr.; Jeremy Blackburn
Cc: Milton Thomas; Brent Wilde; Donald Trump Jr
Subject: RE: Revised Naval Hospital Lease Proposal and Terms
Date: Friday, April 04, 2014 3:10:30 PM
Attachments: image001.jpg
image002.jpg
image003.jpg
image004.jpg
image005.jpg
image006.jpg

I eilminated the last sentence in "Operating Expenses" that referred to the Exhibit A

Thanks

Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

From: Bob Nuttall Jr. [mailto:bnuttall@lee-associates.com]
Sent: Friday, April 04, 2014 1:08 PM
To: Douglas M. Durbano; Jeremy Blackburn
Cc: Milton Thomas; Brent Wilde; Donald Trump Jr
Subject: RE: Revised Naval Hospital Lease Proposal and Terms

Did you make any other changes other than deleting the exhibit?

Thanks!

All His Best,

Bob

Robert H. Nuttall Jr., SIOR, CPM | Principal
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Direct: 843.747.2333
Cell: 843.367.8255
Main: 843.747.1200
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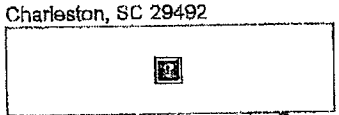

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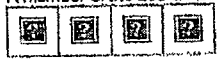

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Friday, April 04, 2014 3:00 PM
To: Bob Nuttall Jr.; Jeremy Blackburn
Cc: Milton Thomas; Brent Wilde; Donald Trump Jr
Subject: RE: Revised Naval Hospital Lease Proposal and Terms

Attached is the one I would use, I eliminated the Exhibit A. It was too long on details. Jeremy, If you are on your way, just tear off Exhibit A.
Thanks

Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
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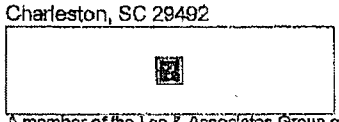
From: Bob Nuttall Jr. [mailto:bnuttall@lee-associates.com]
Sent: Friday, April 04, 2014 12:54 PM
To: Jeremy Blackburn
Cc: Douglas M. Durbano; Milton Thomas; Brent Wilde; Donald Trump Jr
Subject: RE: Revised Naval Hospital Lease Proposal and Terms

I have heard from no one other than you.

Thanks!
All His Best,
Bob

Robert H. Nuttall Jr., SIOR, CPM | Principal
Lee & Associates | Charleston
Direct: 843.747.2333
Cell: 843.367.8255
Main: 843.747.1200
Fax: 843.747.1070
126 Seven Farms Dr., Ste 110
Charleston, SC 29492



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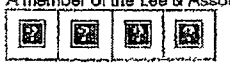


From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Friday, April 04, 2014 2:52 PM
To: Bob Nuttall Jr.
Cc: Douglas M. Durbano; Milton Thomas; Brent Wilde; Donald Trump Jr
Subject: Re: Revised Naval Hospital Lease Proposal and Terms

I am on my way with this. Are there any changes? Need asap. (like now_)

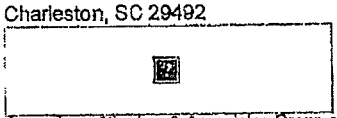
Jeremy Blackburn
Chief Executive Officer
Titan Atlas Global LC
4280 Pace Street
North Charleston, SC 29405
Office: (843) 225-6230
Office Direct: (843) 225-6226
www.titanatlas.com

On Fri, Apr 4, 2014 at 1:51 PM, Bob Nuttall Jr. <bnuttall@lee-associates.com> wrote:
All,

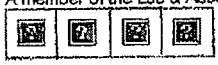
Per our conversation, please review attached and respond with approval or any comments you deem necessary.

Thanks!
All His Best,
Bob

Robert H. Nuttall Jr., SIOR, CPM | Principal
Lee & Associates | Charleston
Direct: 843.747.2333
Cell: 843.367.8255
Main: 843.747.1200
Fax: 843.747.1070
126 Seven Farms Dr., Ste 110
Charleston, SC 29492



A member of the Lee & Associates Group of Companies



From: Bob Nuttall Jr.
Sent: Friday, April 04, 2014 12:20 PM
To: 'Douglas M. Durbano'; Jeremy Blackburn
Cc: Milton Thomas; Brent Wilde; Donald Trump Jr
Subject: RE: Naval Hospital Lease Proposal and Terms

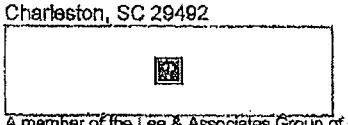
All,

Attached is what Milton and I recommend we send to the county. Please review and let's set up a time to discuss.

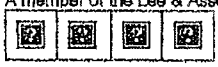
Thanks!
All His Best,
Bob

Robert H. Nuttall Jr., SIOR, CPM | Principal
Lee & Associates | Charleston
Direct: 843.747.2333
Cell: 843.367.8255
Main: 843.747.1200
Fax: 843.747.1070
126 Seven Farms Dr., Ste 110

Charleston, SC 29492



A member of the Lee & Associates Group of Companies



From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Friday, April 04, 2014 10:35 AM
To: Jeremy Blackburn
Cc: Bob Nuttall Jr.; Milton Thomas; Brent Wilde; Donald Trump Jr
Subject: RE: Naval Hospital Lease Proposal and Terms

Jeremy:
Attached is the "Pre Pay Lease for 15 years" Proposal that we discussed Wednesday. Under a Pre Pay, we can accept the Counties proposed $12 rate and most all other terms with some slight modifications, which I have highlighted in Red on the Proposal.

Please review for accuracy and then present this to the County today for their consideration.

A pre pay lease eliminates all Banking issues about Building & upgrade financing, early out for Non Appropriations, and TI financing, etc.
Thanks

Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
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From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Thursday, April 03, 2014 12:37 PM
To: Jeremy Blackburn
Cc: bnuttall@lee-associates.com; Milton Thomas; Brent Wilde; Donald Trump Jr
Subject: RE: Naval Hospital Lease Proposal and Terms

Jeremy:
Per our discursions yesterday, we to would love to finalize this Lease and have the County as our anchor tenant and also appreciate everyone's hard work on this project.

We have again confirmed with our Bank that the County Lease has to fit into their "Bankable Parameters"; the new proposal does not and is not financeable. The Bank must rely heavily on the independent Appraisal per USPAP standards by Paul Moore which it relied on to make the original commitment prior to our purchase of the Building. If there are additional comps that Mr. Moore should take into consideration or errors in the comps he used, he says he is willing to consider all information in order to modify the appraisal. .

A second alternative that might work is for the County to pre pay the 15 year lease (as was discussed early on) and then we wouldn't have to fit into Bankable Parameters and could

more easily do this deal.

Please feel free to share this email with Kurt and Walt and hopefully you can meet with them today and convey this same information and find alternatives/solutions to this matter.
Thanks

Douglas M. Durbano
Attorney at Law
801-776-4111
doug@durbanolawfirm.com email
476 Heritage Blvd. #200, Layton Ut. 84041
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From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Tuesday, April 01, 2014 2:42 PM
To: Douglas Durbano; Brent wilde; Donald Trump
Subject: Fwd: Naval Hospital Lease Proposal and Terms

Have not read or reviewed.

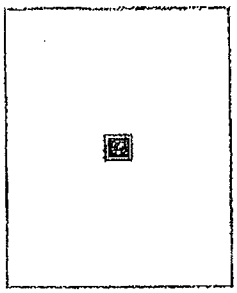
---------- Forwarded message ----------
From: **Kurt Taylor** <KTaylor@charlestoncounty.org>
Date: Tue, Apr 1, 2014 at 4:35 PM
Subject: Naval Hospital Lease Proposal and Terms
To: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>

Jeremy, attached are the two referenced documents. The proposal has been amended pursuant to our discussions and other internal discussions. One specific change is to reduce the CAM to $6.25, in acknowledgement of your reduction in the legal, accounting, management and supervision budget estimates.

We also believe that to give you three years to get the building fully renovated and leased will give us both a more reliable average of CAM costs. Thus we suggest a three year cap rather than one.

I look forward to other discussions with you, and I appreciate all the hard work which has gone into this project by all parties.

W. Kurt Taylor, Esq.
Charleston County Administrator
4045 Bridge View Drive, Suite B-238
North Charleston, SC 29405
843-958-4015
ktaylor@charlestoncounty.org
www.charlestoncounty.org



From: Brent Wilde
To: Jeremy Blackburn; Bob Nuttall Jr.; doug@durhanolawfirm.com
Subject: FW: North Charleston Navy Hospital Appraisal
Date: Thursday, April 17, 2014 2:04:24 PM
Attachments: image002.png
image001.jpg

Jeremy, Below is the appraiser that will be coming out to inspect the building. I gave him your number to set a time.

Bob, I also gave him your number as our agent. He said he may have some questions for you.

He included a request list. Please send what you have to me and I will try and put together a package for him by tomorrow.
Thanks,
BRENT WILDE
Chief Financial Officer

www.antioncapital.com
476 W Heritage Parkway Blvd.
Layton, Utah 84041
Office: 801-776-1111
Cell: 801-388-2670

From: Steve Dubois [mailto:steve.dubois@cushwake.com]
Sent: Thursday, April 17, 2014 11:32 AM
To: bw@chicoragarden.com
Subject: North Charleston Navy Hospital Appraisal

Brent-

Thanks for talking with me today about your project in North Charleston. I will coordinate the inspection with Jeremy Blackburn later today. The following information would be helpful in completing our appraisal for Park Sterling Bank:

-Most recent tax bill;
-Renovation cost estimates, or contractors' estimates for renovations;
-Copy of purchase agreement and any amendments related to your purchase of the property earlier this year;
-Any documentation related to preleasing, LOIs, or any other discussions with prospective tenants;
-Phase I environmental survey, if prepared;
-Building plans, drawings or renderings, if any;
-Marketing package or literature, if any;
-Site plan;
-LOI for Certificate of Occupancy (I think you indicated you had a letter from the city.)

Thanks for your help,

Steven Dubois
Director – Raleigh/Durham
Valuation & Advisory

T +1 (919) 840-3006
M +1 (919) 602-1995
F +1 (919) 840-2619
Steve.dubois@cushwake.com

Cushman & Wakefield of North Carolina, Inc.
2301 Sugar Bush Road, Suite 520, Raleigh, NC 27612 USA

Perspective: C&W's 2012/2013 Annual Review now available online

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This email is free from viruses and malware because avast! Antivirus protection is active.

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	NINTH JUDICIAL DISTRICT
COUNTY OF CHARLESTON	)	CASE NO.: 2014-CP-10-7481
	)	
Lee & Associates Charleston, LLC	)	
	)	
Plaintiff,	)	
	)	
vs.	)	RESPONSE TO PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT
	)	
Chicora Gardens Holdings, LLC., Chicora Life Center, LC., and Jeremy Blackburn	)	
	)	
Defendants.	)	
	)	

2015 SEP -3 PM 1:10
CHARLESTON COUNTY, SC
FILED

TO: JOSEPH C. WILSON, IV, ATTORNEY FOR THE PLAINTIFF

The Defendants, Chicora Gardens Holdings, LLC, Chicora Life Center, LC ("Chicora") and Jeremy Blackburn ("Blackburn"), by and through their undersigned attorney, hereby respond to the Motion for Summary Judgment ("Plaintiff's Motion") filed by the Plaintiff, Lee & Associates Charleston, LLC ("Lee").

Brief History

Chicora is the owner of the Old Navy Hospital, located at 3600 Rivers Avenue, in North Charleston ("Hospital"). Chicora and Lee ("Parties") entered into an agency agreement on February 21, 2014 ("Agreement"). Under the terms of the Agreement, the meaning of which are in dispute, Lee was to market and help secure a tenant for the Hospital. On or around June 30, 2014, Chicora agreed to the terms of a contract ("Lease") under which it would rent the Hospital to the County of Charleston ("County"). The facts regarding what occurred in between February 21st and June 30th are also in dispute. On August 6, 2014, prior to the County taking occupancy, Lee filed a mechanic's lien on the Hospital pursuant to § 29-5-21 of the South Carolina Code of Laws, forcing Chicora to post a significant bond. Lee then filed suit on December 8, 2104,

claiming that it was entitled to foreclose on this bond in addition to breach-of-contract damages. Lee's complaint asserted other causes of action, but these are the only two claims on which Lee has moved for summary judgment.

Legal Analysis

The Plaintiff's Motion effectively outlines the legal mechanics of South Carolina's summary judgment statute and what is required of both parties. This Court is very familiar with summary judgment, and, thus, no further discussion is needed.

The Plaintiff's Motion, however, was far less successful in its analysis of the two claims on which Lee has moved for summary judgment. Lee essentially makes one legal argument that combines, and significantly muddles, these two different and very distinct doctrines. This response will address the mechanic's lien and Lee's breach of contract claim separately.

The Mechanic's Lien

If this Court is searching for a genuine issue as to the material facts surrounding Lee's entitlement to file a mechanic's lien in the first place, then it does not need to look any further than the Plaintiff's very own Summary Judgment Motion. It states, "[d]efendant Chicora Gardens has inexplicably claimed that Plaintiff Lee & Associates had no role in lining up the Charleston County Lease. As an initial matter, this assertion has no relevance at all as to whether the commission is owed. Again, the Exclusive Agency Agreement makes clear that a commission is owed on all leases entered during the term of the Agreement." *Plaintiff's Motion at 6.* Lee's use of "again" makes reference to a similar argument on Page 5 of the Plaintiff's Motion. At both Pages 5 and 6, Lee is arguing that because it believes it was owed a commission under the terms of the Agreement it was also entitled to file a mechanic's lien. This logic represents Lee's clear misunderstanding of the mechanic's lien it filed. What Lee may or may not be entitled to under the terms of the

Agreement and what the relevant mechanic's lien statute requires are two significantly different issues. The Plaintiff's Motion finally circles around to this problem when it states, "[w]hether or not Plaintiff Lee & Associates contributed to lining up the Charleston County Lease *may arguably* (emphasis added) have some relevance to Plaintiff's right to a lien." *Plaintiff's Motion at 6.* Lee admits that it "may arguably" have not had the right to file a lien. Chicora agrees with Lee's admission, and it alone is dispositive of this issue.

However, for the sake of clarity (and considering that Chicora intends to move for summary judgment on this issue), this response will provide further analysis of the relevant mechanic's lien statute.

Section 29-5-21 of the South Carolina Code of Laws, states in relevant part:

> (B)(1) A real estate licensee who, by virtue of a written agreement with the owner, performs professional services for which he is licensed under Title 40 incident to marketing, developing, or improving commercial real estate preparatory to or as a part of a commercial real estate lease or rental transaction involving the commercial real estate, has furnished labor or material for the improvement of commercial real estate within the meaning of Section 29-5-20.
>
> (2) A real estate licensee shall not acquire a lien under this subsection unless:
>
> (b) the real estate licensee or the real estate licensee's affiliated licensees provide licensed services that result, during the term of a written agreement described in item (1) of this subsection, in the procuring of a person or entity that rents or leases the commercial real estate or rents or leases an interest in the commercial real estate upon terms contained in a written agreement described in item (1) of this subsection.

S.C. Code Ann. § 29-5-21

The Supreme Court of South Carolina has ruled time and time again that mechanics' liens are "purely statutory and may be acquired and enforced only in accordance with the terms and conditions set forth in the statutes creating them." *Ferguson Fire and Fabrications, Inc. v. Preferred Fire Protection, L.L.C., et. al.* 409 S.C. 331, 762 S.E.2d 561 (S.C. 2014). More

importantly, the Court has made it abundantly clear that mechanics' liens "must be strictly followed." *Butler Contracting, Inc. v Court St., L.L.C.* 369 S.C. 121, 631 S.E.2d 252 (2006). The Plaintiff's Motion points to e-mails sent from Lee to Chicora as "evidence that unequivocally shows that Plaintiff was *involved in* (emphasis added) procuring the Charleston County Lease." *Plaintiff's Motion at 7.* Lee being "involved in" the process, however, does not meet the strict requirements of § 29-5-21, which specifically requires a real estate licensee to "provide services that *result ... in* (emphasis added) the procuring of a person or entity that rents or leases the commercial real estate..." *SC Code of Laws § 29-5-21 B(2)(b).* Furthermore, any "involvement" on the part of Lee was indirect, very limited and over a short period of time. It was insufficient to "result in" procuring the Lease and, therefore, did not meet the requirements of § 29-5-21.

First, Lee's "involvement" was indirect because the County conveyed early in negotiations that it would prefer to communicate solely with Chicora. This is evidenced by a string of e-mails between Lee and the County as well as between Lee and Chicora. On March 18, a representative from Lee, Bob Nuttall ("Nuttall"), sent an e-mail to the County requesting a meeting to discuss a potential lease. *Defendants' Exhibit A.* The County refused, causing Nuttall to send several Chircora representatives an e-mail expressing his frustration. His e-mail stated, "Is there some reason the county doesn't want to meet with Milton [another Lee representative] or me? First, they cancel the meeting we scheduled with them last week and now they have scheduled one which doesn't include us after we tried to reschedule the one they canceled." *Id.* This is clear evidence that the County did not want to conduct discussions with Lee and that Lee wasn't involved in direct negotiations with the County.

Second, Lee's "involvement was extremely limited in time and scope. As mentioned above, the Plaintiff's Motion offers e-mail exchanges between Lee and Chicora to prove it was

"involved" in procuring the Lease. The Plaintiff's Motion, however, did not include any e-mails beyond April 4, 2014, indicating that Lee's "involvement" in procuring the Lease ended on or around that date. *Plaintiff's Exhibit 4.* The Lease was signed on June 30, 2014, leaving a nearly three month gap of time in which Lee was not "involved" in procuring the Lease. During this timeframe, it was the extensive efforts of Chicora that "resulted in" it procuring the Lease with the County. From April 5, 2014 to June 30, 2014, Chicora exchanged dozens, if not hundreds, of e-mails with the County in its efforts to secure a lease. *Defendants' Exhibit B.* The majority of the negotiations to secure the Lease was conducted in this timeframe. *Id.* Chicora and the County exchanged numerous drafts of and revisions to the Lease. They went back and forth over the language and small details of the Lease. Absent from these discussions were all Lee representatives, who weren't even included indirectly by virtue of being copied on these e-mail exchanges. *Id.* In the end, Lee wasn't even aware that Chicora had reached an agreement with the County, as evidenced by an e-mail from Nuttall on July 3, 2014, in which he requests a copy of the Lease. *Defendants' Exhibit C.* It stands to reason that if Lee had provided services that "resulted in" procuring the Lease, then it would have actually had a copy of the Lease, or at least one of the many drafts that had been exchanged. The reality is that Lee's involvement was not directly with the County, and, furthermore, it was limited to ancillary contributions that ended on or about April 4, 2014. If Lee wasn't at the table for three months, then its services in no way "resulted in" the procuring of the Lease.

The clear and unambiguous language of § 29-5-21 of the South Carolina Code of Laws combined with the South Carolina Supreme Court's requirement that all mechanics' lien statutes must by strictly followed leave no debate as to whether Lee was entitled to file a lien on the Hospital. Lee's limited involvement in procuring the Lease did meet these strict standards and,

therefore, it was not entitled to even file a mechanic's lien in the first place. Moreover, by its own admission, Lee may not have had the right to file a mechanic's lien on the Hospital, making the argument that there exists genuine issues of material facts. For these and the other aforementioned reasons, Lee is not entitled to summary judgment on this issue.

Breach of Contract

In regard to Lee's motion for summary judgment on its breach of contract claim, there exists numerous genuine issues as to several material facts. Specifically, many factual questions need to be answered by this Court, such as: What was the Parties intent? What is the meaning of the language in the Agreement? Did Chicora effectively terminate the Agreement? Did Lee breach the Agreement prior to Chicora and the County signing the Lease?

The Parties' Intent and the Agreement's Language

The Plaintiff's Motion cites a string of cases that represent established contract laws, specifically, when interpreting a contract, courts should look to the parties' intent or mutual assent at the time a contract was made. *Plaintiff's Motion at 4 and 5.* At the time the Parties entered into the Agreement, their intent was clear: Each intended to enter into a contract whereby Lee was to help secure a tenant for the Hospital, which would result in Chicora earning rent and Lee earning a commission. As Plaintiff's Motion suggests, intent can be garnered from the language of a contract. *Id.*

On Page 5 of the Plaintiff's Motion, Lee cites Section 4(a) of the Agreement to argue that the mere signing of the Lease by Chicora and the County earned Lee a commission. *Plaintiff's Motion at 5.* In the same section, however, there is qualifying language that speaks clearly to the intent of the Parties. It states, "In all events, it is understood that no fee shall be deemed earned until and unless the lease or other agreement shall have become effective between the tenant and

the Client [i.e., Chicora] by the execution of a contract or other enforceable instrument." *Section 4.a., Plaintiff's Exhibit 1.* To determine whether the Lease was "effective" and an "enforceable instrument," it is necessary to look to the language of the Lease, something that Lee failed to do in the Plaintiff's Motion. Unfortunately, the Lease was not a contract under which the only remaining step was for the County to pay Chicora. At best, the Lease was an agreement to agree, because it had an undetermined start date and numerous prerequisites to the triggering of that start date. In Section 2, the Lease states that the twenty-five year lease will not begin until the "Effective Date." *Section 2, Plaintiff's Exhibit 2.* The "Effective Date" was to be "the date Tenant takes possession of [the Hospital] and all of the following events have occurred..." *Id.* Section 2 then lists no less than five events that would have had to occur before the County would have agreed to take possession. If Chicora was unable to meet the County's requirements, then the County could walk away from the Lease without paying Chicora damages. *Section 3, Plaintiff's Exhibit 2.* Under Lee's interpretation of the Agreement, the following hypothetical scenario could take place: Chicora and the County sign a lease identical to the Lease; Lee is entitled to a commission; Chicora pays said commission; Chicora is unable to meet the prerequisites to the County taking possession; the County does not take possession; and Chicora never makes a penny on rent from the County. The actual sequence of events leading up to this litigation is not dissimilar from the above hypothetical scenario. Lee filed a lien, forcing Chicora to engage in a lengthy and costly law suit. As a result, Chicora was unable to get the Hospital ready for the County. To date, The Hospital remains unoccupied. Chicora has yet to earn rent on the property. And Lee has its hand out.

It is implausible to think that it was either Lee or Chicora's intent for Lee to earn a commission on an unoccupied building. Such an interpretation would result in a gross inequity. However, this is precisely what Lee is claiming, an unearned financial windfall that was neither

intended nor considered by the Parties. An "effective" lease between Chicora and the County never existed because the County never took possession. As a result, Lee is not entitled to a commission, nor is it entitled to summary judgment on this issue.

Chicora's Termination of the Lease

In the Plaintiff's Motion, Lee argues that Chicora was unable to terminate the Agreement because it does not contain a formal termination clause. *Plaintiff's Motion at 4 and 8.* However, it is clear from Section 4(d) of the Agreement that termination was available to either Lee or Chicora. The word "termination" or some variation is mentioned no less than six times throughout this section. *Section 4(d), Plaintiff's Exhibit 1.* The section states, "Upon the expiration of termination of this Agreement..., [Lee] shall furnish to [Chicora] the names of prospective tenants to whom [the Hospital] was shown by [Lee]..." *Id.* The word "termination" was not intended to mean "expiration" because both words are included in the section and mentioned together at every instance. *Id.* The section goes on to state that the names shall be furnished within ten days of termination, and, in the event that Lee fails to do so, its "right to collect any commission from [Chicora] shall terminate." *Id.* Chicora did in fact terminate the Agreement. *Defendants' Exhibit D.* Lee admitted this fact in the Plaintiff's Complaint. *Defendants' Exhibit F.* Lee failed to produce the above-mentioned list. *Defendants' Exhibits D and E.*

There is only one way to interpret the language in Section 4(d) of the Agreement. It grants either party the ability to terminate the Agreement before its expiration. The lack of a formal termination clause has no effect on the rights and obligations created in Section 4(d).

Lee's Prior Material Breach

Chicora's selection of Lee was based, in large part, on a Marketing Plan in which Lee asserted that it would aggressively market the Property. *Defendants Exhibit D and E.* The

Marketing Plan included certain timelines for achieving various marketing goals. Both Blackburn and other representatives from Chicora expressed frustration for Lee's failure to adhere to the plan. *Id.* The Marketing Plan formed Chicora's expectation of Lee's performance of the Agreement, and Lee failed to meet that expectation, which amounted to a breach of the Agreement. Lee also failed to perform in accordance with the terms of the Agreement, starting with "The Statement of Purpose." It states that "[Chicora] has requested [Lee] to find prospective tenants and to negotiate agreement of lease therefore..." *Plaintiff's Exhibit 1 at 1.* Lee was also bound by provisions in the Agreement to take certain measures to market and lease the Hospital. The Agreement required Lee to "seek out and cooperate with brokers (and/or salespersons working for them) representing prospective tenants to provide maximum marketing exposure for the [Hospital] in the marketplace." *Plaintiff's Exhibit 1, Section 6(a).* In addition, it states that Lee was to "market [the Hospital] in such manner and in such publications and other media as it deem[ed] appropriate for the marketing of [the Hospital]." Lee did not market the Hospital, resulting in its failure to secure a tenant. *Defendants' Exhibits D and E.* Lastly, but not least significantly, Lee failed to convey to Chicora at any point that it was responsible for several buildings, the marketing and leasing of which directly conflicted with Lee's obligation to lease the Hospital. This amounted to a significant conflict of interest and, thus, a breach of the Agreement. *Defendants' Exhibit D.*

A common thread throughout Plaintiff's Motion is the argument that Lee is entitled to a commission pursuant to Section 4(b) of the Agreement, which states that Lee shall earn a commission regardless of which party finds a tenant. This section, however, did not dispel Lee's obligations under the Agreement to effectively market the Hospital. Lee failed to adhere to any these provisions, which amounted to a material breach of the Agreement. And Lee's breach occurred prior to Chicora agreeing to the terms of a lease with the County. Moreover, Lee had

multiple undisclosed conflicts of interest.

Conclusion

Lee is not entitled to summary judgment on its foreclosure or its breach of contract claim. Lee attempted to combine the two claims into one argument, which, in effect, made the case that there exists genuine issues of material fact. Lee, by its own admission, may not have met the statutory requirements necessary to file its mechanic's lien. In addition, there exists several issues of fact material as to Lee's breach of contract claim, specifically, this Court needs to identify the intent of the parties, assign meaning to certain language in the Agreement, determine who breached the Agreement first, and give effect to Chicora's termination of the Agreement.

For all of the aforementioned reasons, Chicora requests that this Court deny Lee's entire motion for summary judgment.

SMITH | CLOSSER, P.A.

Steven L. Smith – ssmith@scnlaw.com
(SC Bar No.: 05173)
Zachary J. Closser – zclosser@scnlaw.com
(SC Bar No.: 74005)
Samuel M. Wheeler – swheeler@scnlaw.com
(SC Bar No.: 101008)
7455 Cross County Road, Suite 1
P.O. Box 40578
Charleston, SC 29423-0578
843-760-0220
Attorneys for the Defendants

September 3, 2015
Charleston, South Carolina

15-015

DEFENDANTS' EXHIBIT A

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

From: Bob Nuttall Jr. [mailto:bnuttall@lee-associates.com]

Sent: Wednesday, March 19, 2014 9:52 AM
To: Douglas Durbano; Brent wilde; Jeremy Blackburn
Cc: Milton Thomas
Subject: RE: Chicora County Lease Meeting

Gentlemen,

I'm a bit frustrated by Walt's message below as our main goal is to assist Chicora to secure this tenant as we have been instructed.

Jeremy,

Is there some reason the county doesn't want to meet with Milton or me? First they cancel the meeting we scheduled with them last week and now they have scheduled one which doesn't include us after we tried to reschedule the one they canceled.

Thanks!

All His Best,

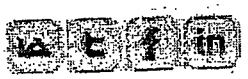
Bob

Robert H. Nuttall Jr., SIOR, CPM | Principal
Lee & Associates | Charleston

Direct: 843.747.2333
Cell: 843.367.8255
Main: 843.747.1200
Fax: 843.747.1070
126 Seven Farms Dr., Ste 110
Charleston, SC 29492

LEE & ASSOCIATES®
COMMERCIAL REAL ESTATE SERVICES

A member of the Lee & Associates Group of Companies



From: Walter Smalls [mailto:WSmalls@charlestoncounty.org]
Sent: Wednesday, March 19, 2014 10:53 AM
To: Bob Nuttall Jr.; Kurt Taylor
Cc: Douglas Durbano; Milton Thomas; Brent wilde; Donald Trump; Jeremy Blackburn
Subject: RE: Chicora County Lease Meeting

Bob,

Kurt and I are meeting with Jeremy today to resolve.

Thanks,

Walt

From: Bob Nuttall Jr. [mailto:bnuttall@lee-associates.com]
Sent: Tuesday, March 18, 2014 4:16 PM
To: Kurt Taylor; Walter Smalls
Cc: Douglas Durbano; Milton Thomas; Brent wilde; Donald Trump; Jeremy Blackburn
Subject: Chicora County Lease Meeting

Kurt & Walt,

As you know, Lee & Associates has been hired to do the leasing on the Navy Hospital property. We would like to set up a meeting with you and anyone you would like involved in the meeting, to discuss the lease proposal that has been going back and forth between the parties. Our goal is to meet in person to bring this deal to a conclusion one way or the other. Please let us know if you have any time this Thursday outside of 10:00-11:00 and 2:00-3:00 that we can meet with you to discuss.

We look forward to meeting with you and hopefully putting a deal together!

Thanks!

All His Best,

Bob

Robert H. Nuttall Jr., SIOR, CPM | Principal
Lee & Associates | Charleston

Direct: 843.747.2333
Cell: 843.367.8255
Main: 843.747.1200
Fax: 843.747.1070
126 Seven Farms Dr., Ste 110
Charleston, SC 29492

LEE & ASSOCIATES®
COMMERCIAL REAL ESTATE SERVICES

A member of the Lee & Associates Group of Companies

DEFENDANTS' EXHIBIT B

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

Final - Signed Lease by Chicora!

Douglas M. Durbano <doug@durbanolawfirm.com> Mon, Jun 30, 2014 at 6:44 PM
To: jdawson@charlestoncounty.org
Cc: ABruner@charlestoncounty.org, Bernard Ferrara <BFerrara@charlestoncounty.org>, jake@durbanolawfirm.com, Teddie Pryor <pryorteddie@yahoo.com>, Jeremy Blackburn <jblackburn@titanatlas.com>, Kurt Taylor <KTaylor@charlestoncounty.org>, Donald Trump Jr <djtjr@trumporg.com>

Joe et al:

Attached is a Word and PDF of the Final Lease with all Exhibits, signed by Chicora.

Two original executed Leases, along with two full size Exhibit A Plans have been sent Fed Ex for early morning delivery on Tuesday to the County, via Joe Dawson at the County Attorney's office.

We will look forward to getting a signed original back from the County tomorrow. We would appreciate overnight delivery.

Congratulations to all, there has been a lot of work go into this project and I think a job "well done" in getting this complex but very beneficial Lease accomplished! (Now the fun starts in its implementation☺)

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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<<...>> <<...>>

2 attachments

Chicora-Charleston Co Lease Final 6-30-14.pdf
1817K

Chicora Life Center LC Lease June 30 2014 Final.docx
105K

00534

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

Lease Language Compromise

4 messages

Douglas M. Durbano <doug@durbanolawfirm.com> Sun, Jun 29, 2014 at 11:49 AM
To: Joe Dawson <JDawson@charlestoncounty.org>
Cc: ABruner@charlestoncounty.org, Teddie Pryor <pryorteddie@yahoo.com>, jake@durbanolawfirm.com
Bcc: jblackburn@titanatlas.com

Joe: (I apologize for the Sunday communication)

Good news, I am informed by Jeremy that the below compromise Lease language has been discussed and agreed to in concept by Chairman Pryor and Kurt Taylor. We think that an early morning Monday meeting with all the decision makers would be appropriate to confirm this or an email or phone call or two could also confirm it.

Either way, our office will quickly insert this language into the Lease if it is acceptable and have it ready for signing Monday morning once you confirm and give us the go ahead.

BTW, we still feel that the Bond/LOC requirement is unnecessary, burdensome and expensive and therefore if insisted on by Tenant, it should be at Tenants expense. In our experience, no other Tenant (including the Federal Government or State of SC) has ever asked for such. It seems odd that while Chicora has currently paid for the Building and all of its expenses without any Tenants and rent/cash flow that it would fail to do so when it has Tenants and rent/cash flow. Nevertheless, Chicora is willing to provide the LOCs as detailed in the language below.

We will look forward to your response and direction ASAP.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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00535

1- <u>Letter of Credit</u>: At the Tenants request and direction, the Landlord shall provide, annually, an irrevocable letter of credit to the Tenant or multiple letters of credit directly to service providers and vendors of Landlord, with the Tenant named as an additional beneficiary, in a total penal sum(s) of

$667,000.00 (the first years Annual Operating expenses) adjusted annually to match or not exceed the actual annual Operating Expenses. The letter(s) of credit shall act as security for the Landlord's fulfillment of its obligations to pay third parties for the operation and maintenance of the Major Operating Systems, Utilities, or any other matter(s) which could negatively impact the habitability of the Premises and Tenant's Quiet Enjoyment of the same if not paid for by the Landlord. The cost and expense of the letter(s) of credit shall be paid for by the Tenant, not to exceed 2.5% annually of the penal sum(s).

*2- **Tenant Improvements Budget Cap.** T.I.s will be completed to the Tenants' reasonable satisfaction as outlined and detailed in the Exhibits. The T.I.s will include the necessary requirements to be determined by any licensing or regulatory authority of the Tenant which Tenant must apply for and pursue in a reasonable and timely manner. A budget cap of $1.6M has been established for completion of the T.I.s. and Landlord will pay the first $1.6M of T.I.s with any amount over $1.6M mutually agreed to in advance by the Parties before such budget cap is ever exceeded as it is anticipated that any excess would be paid for by the Tenant and therefore must have Tenants pre approval. However, the Parties agree to cooperate in good faith when dealing with a mutually agreed upon amount over the Budget Cap by potentially having Landlord advance the same and adjusting the Rental amount upward to reimburse the Landlord for such amounts or other fair and equitable financial arrangements that the Parties may agree to in this event, given that the Landlord is not obligated under the Lease to pay more than the budget cap.*

*3- **Square Footage and lease rate**. The attached Exhibit A references the anticipated Tenant Leased Premises space as a total area of 98,087 rentable square feet but the initial first months lease payment being made in the form of a deposit on execution of the Lease, which is refundable, shall be and is hereby established at $11.36 per rentable square foot, or $92,821.00. Prior to the Effective Date, and after the completion of the Tenant Improvements, the Parties shall complete an "As Built" drawing of the Tenants Leased Premises and calculate, determine and or confirm the actual As Built Rentable Square Footage, per BOMA standards, and amend or confirm Exhibit A accordingly which As Built RSF shall be the basis for the rental calculation of the Lease. This As Built Rentable Square Footage shall be the RSF referenced in the Lease as the Leased Premises on the Effective Date with the initial Rental Rate at the agreed $12.00 per rentable square foot. (As directed by Tenant, Exhibit A shall separate out, total up and detail the RSF of each separate sub tenant or departmental agency of the Tenant)*

Jeremy Blackburn <jblackburn@titanatlas.com> Sun, Jun 29, 2014 at 12:04 PM
To: Kurt Taylor <ktaylor@charlestoncounty.org>
Bcc: Douglas Durbano <doug@durbanolawfirm.com>

FYI

[Quoted text hidden]

Jeremy Blackburn <jblackburn@titanatlas.com> Mon, Jun 30, 2014 at 9:48 AM
To: Teddy Pryor <pryorteddie@yahoo.com>

---------- Forwarded message ----------
From: "Douglas M. Durbano" <doug@durbanolawfirm.com>
Date: Jun 29, 2014 11:49 AM
Subject: Lease Language Compromise
To: "Joe Dawson" <JDawson@charlestoncounty.org>
Cc: <ABruner@charlestoncounty.org>, "Teddie Pryor" <pryorteddie@yahoo.com>, <jake@durbanolawfirm.com>

00536

[Quoted text hidden]

Jeremy Blackburn <jblackburn@titanatlas.com> Mon, Jun 30, 2014 at 9:48 AM
To: Joe Dawson <jdawson@charlestoncounty.org>

-------- Forwarded message --------
From: "Douglas M. Durbano" <doug@durbanolawfirm.com>
Date: Jun 29, 2014 11:49 AM
Subject: Lease Language Compromise
To: "Joe Dawson" <JDawson@charlestoncounty.org>
Cc: <ABruner@charlestoncounty.org>, "Teddie Pryor" <pryorteddie@yahoo.com>, <jake@durbanolawfirm.com>

[Quoted text hidden]

00537

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

FW: Letter of Credit

Kurt Taylor <KTaylor@charlestoncounty.org> Fri, Jun 27, 2014 at 5:30 PM
To: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>

Consider the below:

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY SOUTH CAROLINA

From: Kurt Taylor
Sent: Friday, June 27, 2014 5:29 PM
To: Austin A. Bruner; Joe Dawson
Subject: Letter of Credit
Importance: High

00538

The Landlord shall provide, annually, an irrevocable letter of credit in the penal sum

of $637,565.50 (the first years' Annual Operating expenses) adjusted annually to match the actual Operating Expenses. This letter of credit shall act as security for the Landlord's fulfillment of its obligations to pay third parties for the operation and maintenance of the Major Operating Systems, or any other matter(s) which negatively impact the habitability of the Premises and Tenant's Quiet Enjoyment of same.

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY
SOUTH CAROLINA

00539

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

Have called Teddie twice since 11:00. Will let you know if I hear back from him.

2 messages

Jeremy Blackburn <jblackburn@titanatlas.com> Fri, Jun 27, 2014 at 11:45 AM
To: Kurt Taylor <ktaylor@charlestoncounty.org>, Douglas Durbano <doug@durbanolawfirm.com>

Kurt Taylor <KTaylor@charlestoncounty.org> Fri, Jun 27, 2014 at 12:07 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>

Sure.

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY SOUTH CAROLINA

00540

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Friday, June 27, 2014 11:45 AM

To: Kurt Taylor; Douglas Durbano
Subject: Have called Teddie twice since 11:00. Will let you know if I hear back from him.

00541

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

Have called Teddie twice since 11:00. Will let you know if I hear back from him.

2 messages

Jeremy Blackburn <jblackburn@titanatlas.com> Fri, Jun 27, 2014 at 11:45 AM
To: Kurt Taylor <ktaylor@charlestoncounty.org>, Douglas Durbano <doug@durbanolawfirm.com>

Kurt Taylor <KTaylor@charlestoncounty.org> Fri, Jun 27, 2014 at 12:07 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>

Sure.

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY SOUTH CAROLINA

00542

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Friday, June 27, 2014 11:45 AM

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

Revisions to County / Chicora Lease

8 messages

Douglas M. Durbano <doug@durbanolawfirm.com> Tue, Jun 24, 2014 at 3:49 PM
To: pryorteddie@yahoo.com, Kurt Taylor <KTaylor@charlestoncounty.org>, jdawson@charlestoncounty.org, ABruner@charlestoncounty.org, Walter Smalls <WSmalls@charlestoncounty.org>
Cc: Donald Trump Jr <djtjr@trumporg.com>, Jeremy Blackburn <jblackburn@titanatlas.com>, jake@durbanolawfirm.com

All:

I hope I have picked up everyone's correct email who wanted copies of the latest revisions to the lease. If I have missed someone, please advise and/or forward as is appropriate.

Attached are the revisions, showing a comparison with the last document we received from the County, which was on 6/23 in the morning and titled "Chicora Lease Final Clean 6-20-14." All of our proposed edits are "Redlined" in the attached Word document dated 6-24-14.

We believe we have captured the essence of our productive discussions this morning, but will await the Counties close scrutiny and input and will appreciate any suggestions that you may have.

We contacted our Bond Agent (Jace) and discussed the Assurance Bond concept for the Landlord obligations. He confirmed that he has an interested Bonding Company, but that it has never been done before and may yet be problematic, if even possible. He noted that not even the Federal Government has ever required a Landlord Assurance Bond.

He suggested that a Bank assurance that a construction loan was in place and confirmation that the Landlord is credit worthy might be just as or more effective than a traditional Assurance Bond and much less expensive. An interesting comment from one who earns a commission writing Assurance Bonds for government transactions. I sense that his hope of actually getting the Bond is not high while the work of attempting this new issuance may be substantial.

Finally, I have also attached the latest drawings from 6-23-14 (Proposed Exhibit A) showing the space layout for all four tenants and their respective Usable and Rentable Square Footage. The building has a 17% load factor. In order to confirm the accuracy of the numbers, simply subtract 17% from the RSF number to get the USF number. These are the drawings that we are referring to that show an increased RSF number. If there are different drawings that show a lesser RSF and should be Exhibit A, please let us know.

We believe this lease would be ready for signing now and still be subject to certain contingencies being completed prior to occupancy. This transaction is very similar to a construction build job that requires some commitment and a deposit from the ultimate tenant in advance to allow the owner to get bids, financing and construction completed prior to the payment of any lease amounts. One month's rent (refundable) will act as a sufficient deposit on this transaction.

We look forward to hearing back from you.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

00544

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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<<...>> <<...>> <<...>> <<...>> <<...>> <<...>>

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6 attachments

A-101 DAODAS FIRST FLOOR.PDF
786K

A-102 2nd & 8th FLOOR PLANS.PDF
1074K

A-103 Coroner Plan.pdf
358K

A-104 DHEC PLAN.PDF
773K

A-107 Vital Records.pdf
242K

CHICORA LIFE CENTER 6-24-2014 COMPARE.DOCX
132K

Jeremy Blackburn <jblackburn@titanatlas.com> Tue, Jun 24, 2014 at 3:55 PM
To: "Douglas M. Durbano" <doug@durbanolawfirm.com>
Cc: Teddy Pryor <pryorteddie@yahoo.com>, Kurt Taylor <KTaylor@charlestoncounty.org>, Joe Dawson <jdawson@charlestoncounty.org>, "Austin A. Bruner" <ABruner@charlestoncounty.org>, Walter Smalls <WSmalls@charlestoncounty.org>, Donald Trump Jr <djtjr@trumporg.com>, Jacob Briggs <jake@durbanolawfirm.com>

In order to avoid confusion, Kurt and I will run through this document and then let him distribute to his appropriate associates with his comments.

Jeremy Blackburn

[Quoted text hidden]

Kurt Taylor <KTaylor@charlestoncounty.org> Tue, Jun 24, 2014 at 3:59 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>

Jeremy, I received your email but not Doug's. Can you forward the attachment?

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

00545

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY SOUTH CAROLINA

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Tuesday, June 24, 2014 3:55 PM
To: Douglas M. Durbano
Cc: Teddy Pryor; Kurt Taylor; Joe Dawson; Austin A. Bruner; Walter Smalls; Donald Trump Jr; Jacob Briggs
Subject: Re: Revisions to County / Chicora Lease

[Quoted text hidden]

Jeremy Blackburn <jblackburn@titanatlas.com> Tue, Jun 24, 2014 at 4:03 PM
To: Kurt Taylor <ktaylor@charlestoncounty.org>

---

6 attachments

- **A-101 DAODAS FIRST FLOOR.PDF**
  786K
- **A-102 2nd & 8th FLOOR PLANS.PDF**
  1074K
- **A-103 Coroner Plan.pdf**
  358K
- **A-104 DHEC PLAN.PDF**
  773K
- **A-107 Vital Records.pdf**
  242K
- CHICORA LIFE CENTER 6-24-2014 COMPARE.DOCX
  132K

00546

Teddie Pryor <pryorteddie@yahoo.com> Tue, Jun 24, 2014 at 4:46 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>
Cc: "Douglas M. Durbano" <doug@durbanolawfirm.com>, Kurt Taylor <KTaylor@charlestoncounty.org>, Joe Dawson <jdawson@charlestoncounty.org>, "Austin A. Bruner" <ABruner@charlestoncounty.org>, Walter Smalls <WSmalls@charlestoncounty.org>, Donald Trump Jr <djtjr@trumporg.com>, Jacob Briggs <jake@durbanolawfirm.com>

My instruction when we met were to have Doug and Joe work out the legal wordings in the contract and then send a copy to Kurt and Jeremy for review . That's what I expect to happen and nothing less. This will cut out the confusion and allow this process to move quickly. I hope I made myself clear. If anyone has a problem with this they can call me.

Sent from my iPhone
[Quoted text hidden]

Douglas M. Durbano <doug@durbanolawfirm.com> Tue, Jun 24, 2014 at 5:00 PM
To: Teddie Pryor <pryorteddie@yahoo.com>, Jeremy Blackburn <jblackburn@titanatlas.com>
Cc: Kurt Taylor <KTaylor@charlestoncounty.org>, Joe Dawson <jdawson@charlestoncounty.org>, "Austin A. Bruner" <ABruner@charlestoncounty.org>, Walter Smalls <WSmalls@charlestoncounty.org>, Donald Trump Jr <djtjr@trumporg.com>, Jacob Briggs <Jake@durbanolawfirm.com>

I have the message, loud and clear, and will do.

I understand that the County email filter may not have allowed my previous email and attachments to go through as being too large, so I have reattached just the Lease (Word Doc) without the PDF attachments.

Looking forward to discussing with Joe ASAP.

Please feel free to use my office # 801-776-4111 or Cell # 801-725-7503.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

From: Teddie Pryor [mailto:pryorteddie@yahoo.com]
Sent: Tuesday, June 24, 2014 2:46 PM
To: Jeremy Blackburn
Cc: Douglas M. Durbano; Kurt Taylor; Joe Dawson; Austin A. Bruner; Walter Smalls; Donald Trump Jr; Jacob

00547

Briggs
Subject: Re: Revisions to County / Chicora Lease

My instruction when we met were to have Doug and Joe work out the legal wordings in the contract and then send a copy to Kurt and Jeremy for review . That's what I expect to happen and nothing less. This will cut out the confusion and allow this process to move quickly. I hope I made myself clear. If anyone has a problem with this they can call me.

Sent from my iPhone

[Quoted text hidden]

CHICORA LIFE CENTER 6-24-2014 COMPARE.DOCX
132K

Kurt Taylor <KTaylor@charlestoncounty.org> Tue, Jun 24, 2014 at 5:03 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>

Got them. It was in email purgatory again.

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY
SOUTH CAROLINA

00548

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Tuesday, June 24, 2014 4:04 PM
To: Kurt Taylor
Subject: Fwd: Revisions to County / Chicora Lease

Douglas M. Durbano <doug@durbanolawfirm.com> Wed, Jun 25, 2014 at 11:21 AM
To: jdawson@charlestoncounty.org, Teddie Pryor <pryorteddie@yahoo.com>
Cc: Kurt Taylor <KTaylor@charlestoncounty.org>, "Austin A. Bruner" <ABruner@charlestoncounty.org>, Walter Smalls <WSmalls@charlestoncounty.org>, Donald Trump Jr <djtjr@trumporg.com>, Jacob Briggs <Jake@durbanolawfirm.com>, Jeremy Blackburn <jblackburn@titanatlas.com>

For everyone's reference, we have attached the latest Exhibit A that incorporates the Plan Sheets dated 6/23/14 and totals up the RSF of 98,087.

If these Plan Sheets change effecting the RSF please advise.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Tuesday, June 24, 2014 3:01 PM
To: 'Teddie Pryor'; 'Jeremy Blackburn'
Cc: 'Kurt Taylor'; 'Joe Dawson'; 'Austin A. Bruner'; 'Walter Smalls'; 'Donald Trump Jr'; Jacob Briggs
Subject: RE: Revisions to County / Chicora Lease

I have the message, loud and clear, and will do.

00549

I understand that the County email filter may not have allowed my previous email and attachments to go through as being too large, so I have reattached just the Lease (Word Doc) without the PDF

attachments.

Looking forward to discussing with Joe ASAP.

Please feel free to use my office # 801-776-4111 or Cell # 801-725-7503.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Teddie Pryor [mailto:pryorteddie@yahoo.com]
Sent: Tuesday, June 24, 2014 2:46 PM
To: Jeremy Blackburn
Cc: Douglas M. Durbano; Kurt Taylor; Joe Dawson; Austin A. Bruner; Walter Smalls; Donald Trump Jr; Jacob Briggs
Subject: Re: Revisions to County / Chicora Lease

[Quoted text hidden]

Exhibit A Plan Sheets of Leased Premises.pdf
259K

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

(no subject)

1 message

Jeremy Blackburn <jblackburn@titanatlas.com> Tue, Jun 24, 2014 at 6:54 AM
To: Kurt Taylor <ktaylor@charlestoncounty.org>

Have not sent to anyone but you. You may want to send to Walt so he can review the Exhibits and references to building codes, standards, Construction Documents, etc.

Jeremy Blackburn
Chief Executive Officer
Titan Atlas Global LC
4280 Pace Street
North Charleston, SC 29405
Office: (843) 225-6230
Office Direct: (843) 225-6226
www.titanatlas.com

CHICORA LIFE CENTER 6-24 COMPARE.doc
261K

00551

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

Revisions to County / Chicora Lease

8 messages

Douglas M. Durbano <doug@durbanolawfirm.com> Tue, Jun 24, 2014 at 3:49 PM
To: pryorteddie@yahoo.com, Kurt Taylor <KTaylor@charlestoncounty.org>, jdawson@charlestoncounty.org, ABruner@charlestoncounty.org, Walter Smalls <WSmalls@charlestoncounty.org>
Cc: Donald Trump Jr <djtjr@trumporg.com>, Jeremy Blackburn <jblackburn@titanatlas.com>, jake@durbanolawfirm.com

All:

I hope I have picked up everyone's correct email who wanted copies of the latest revisions to the lease. If I have missed someone, please advise and/or forward as is appropriate.

Attached are the revisions, showing a comparison with the last document we received from the County, which was on 6/23 in the morning and titled "Chicora Lease Final Clean 6-20-14." All of our proposed edits are "Redlined" in the attached Word document dated 6-24-14.

We believe we have captured the essence of our productive discussions this morning, but will await the Counties close scrutiny and input and will appreciate any suggestions that you may have.

We contacted our Bond Agent (Jace) and discussed the Assurance Bond concept for the Landlord obligations. He confirmed that he has an interested Bonding Company, but that it has never been done before and may yet be problematic, if even possible. He noted that not even the Federal Government has ever required a Landlord Assurance Bond.

He suggested that a Bank assurance that a construction loan was in place and confirmation that the Landlord is credit worthy might be just as or more effective than a traditional Assurance Bond and much less expensive. An interesting comment from one who earns a commission writing Assurance Bonds for government transactions. I sense that his hope of actually getting the Bond is not high while the work of attempting this new issuance may be substantial.

Finally, I have also attached the latest drawings from 6-23-14 (Proposed Exhibit A) showing the space layout for all four tenants and their respective Usable and Rentable Square Footage. The building has a 17% load factor. In order to confirm the accuracy of the numbers, simply subtract 17% from the RSF number to get the USF number. These are the drawings that we are referring to that show an increased RSF number. If there are different drawings that show a lesser RSF and should be Exhibit A, please let us know.

We believe this lease would be ready for signing now and still be subject to certain contingencies being completed prior to occupancy. This transaction is very similar to a construction build job that requires some commitment and a deposit from the ultimate tenant in advance to allow the owner to get bids, financing and construction completed prior to the payment of any lease amounts. One month's rent (refundable) will act as a sufficient deposit on this transaction.

We look forward to hearing back from you.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

00552

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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<<...>> <<...>> <<...>> <<...>> <<...>> <<...>>

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6 attachments

A-101 DAODAS FIRST FLOOR.PDF
786K

A-102 2nd & 8th FLOOR PLANS.PDF
1074K

A-103 Coroner Plan.pdf
358K

A-104 DHEC PLAN.PDF
773K

A-107 Vital Records.pdf
242K

CHICORA LIFE CENTER 6-24-2014 COMPARE.DOCX
132K

Jeremy Blackburn <jblackburn@titanatlas.com> Tue, Jun 24, 2014 at 3:55 PM
To: "Douglas M. Durbano" <doug@durbanolawfirm.com>
Cc: Teddy Pryor <pryorteddie@yahoo.com>, Kurt Taylor <KTaylor@charlestoncounty.org>, Joe Dawson <jdawson@charlestoncounty.org>, "Austin A. Bruner" <ABruner@charlestoncounty.org>, Walter Smalls <WSmalls@charlestoncounty.org>, Donald Trump Jr <djtjr@trumporg.com>, Jacob Briggs <jake@durbanolawfirm.com>

In order to avoid confusion, Kurt and I will run through this document and then let him distribute to his appropriate associates with his comments.

Jeremy Blackburn

[Quoted text hidden]

Kurt Taylor <KTaylor@charlestoncounty.org> Tue, Jun 24, 2014 at 3:59 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>

Jeremy, I received your email but not Doug's. Can you forward the attachment?

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

00553

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY
SOUTH CAROLINA

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Tuesday, June 24, 2014 3:55 PM
To: Douglas M. Durbano
Cc: Teddy Pryor; Kurt Taylor; Joe Dawson; Austin A. Bruner; Walter Smalls; Donald Trump Jr; Jacob Briggs
Subject: Re: Revisions to County / Chicora Lease

[Quoted text hidden]

Jeremy Blackburn <jblackburn@titanatlas.com> Tue, Jun 24, 2014 at 4:03 PM
To: Kurt Taylor <ktaylor@charlestoncounty.org>

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00554

Teddie Pryor <pryorteddie@yahoo.com> Tue, Jun 24, 2014 at 4:46 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>
Cc: "Douglas M. Durbano" <doug@durbanolawfirm.com>, Kurt Taylor <KTaylor@charlestoncounty.org>, Joe Dawson <jdawson@charlestoncounty.org>, "Austin A. Bruner" <ABruner@charlestoncounty.org>, Walter Smalls <WSmalls@charlestoncounty.org>, Donald Trump Jr <djtjr@trumporg.com>, Jacob Briggs <jake@durbanolawfirm.com>

My instruction when we met were to have Doug and Joe work out the legal wordings in the contract and then send a copy to Kurt and Jeremy for review . That's what I expect to happen and nothing less. This will cut out the confusion and allow this process to move quickly. I hope I made myself clear. If anyone has a problem with this they can call me.

Sent from my iPhone
[Quoted text hidden]

Douglas M. Durbano <doug@durbanolawfirm.com> Tue, Jun 24, 2014 at 5:00 PM
To: Teddie Pryor <pryorteddie@yahoo.com>, Jeremy Blackburn <jblackburn@titanatlas.com>
Cc: Kurt Taylor <KTaylor@charlestoncounty.org>, Joe Dawson <jdawson@charlestoncounty.org>, "Austin A. Bruner" <ABruner@charlestoncounty.org>, Walter Smalls <WSmalls@charlestoncounty.org>, Donald Trump Jr <djtjr@trumporg.com>, Jacob Briggs <Jake@durbanolawfirm.com>

I have the message, loud and clear, and will do.

I understand that the County email filter may not have allowed my previous email and attachments to go through as being too large, so I have reattached just the Lease (Word Doc) without the PDF attachments.

Looking forward to discussing with Joe ASAP.

Please feel free to use my office # 801-776-4111 or Cell # 801-725-7503.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Teddie Pryor [mailto:pryorteddie@yahoo.com]
Sent: Tuesday, June 24, 2014 2:46 PM
To: Jeremy Blackburn
Cc: Douglas M. Durbano; Kurt Taylor; Joe Dawson; Austin A. Bruner; Walter Smalls; Donald Trump Jr; Jacob

00555

Briggs
Subject: Re: Revisions to County / Chicora Lease

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Sent from my iPhone

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132K

Kurt Taylor <KTaylor@charlestoncounty.org> Tue, Jun 24, 2014 at 5:03 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>

Got them. It was in email purgatory again.

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY
SOUTH CAROLINA

00556

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Tuesday, June 24, 2014 4:04 PM
To: Kurt Taylor
Subject: Fwd: Revisions to County / Chicora Lease

Douglas M. Durbano <doug@durbanolawfirm.com> Wed, Jun 25, 2014 at 11:21 AM
To: jdawson@charlestoncounty.org, Teddie Pryor <pryorteddie@yahoo.com>
Cc: Kurt Taylor <KTaylor@charlestoncounty.org>, "Austin A. Bruner" <ABruner@charlestoncounty.org>, Walter Smalls <WSmalls@charlestoncounty.org>, Donald Trump Jr <djtjr@trumporg.com>, Jacob Briggs <Jake@durbanolawfirm.com>, Jeremy Blackburn <jblackburn@titanatlas.com>

For everyone's reference, we have attached the latest Exhibit A that incorporates the Plan Sheets dated 6/23/14 and totals up the RSF of 98,087.

If these Plan Sheets change effecting the RSF please advise.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Tuesday, June 24, 2014 3:01 PM
To: 'Teddie Pryor'; 'Jeremy Blackburn'
Cc: 'Kurt Taylor'; 'Joe Dawson'; 'Austin A. Bruner'; 'Walter Smalls'; 'Donald Trump Jr'; Jacob Briggs
Subject: RE: Revisions to County / Chicora Lease

I have the message, loud and clear, and will do.

00557

I understand that the County email filter may not have allowed my previous email and attachments to go through as being too large, so I have reattached just the Lease (Word Doc) without the PDF

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Please feel free to use my office # 801-776-4111 or Cell # 801-725-7503.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

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To: Jeremy Blackburn
Cc: Douglas M. Durbano; Kurt Taylor; Joe Dawson; Austin A. Bruner; Walter Smalls; Donald Trump Jr; Jacob Briggs
Subject: Re: Revisions to County / Chicora Lease

[Quoted text hidden]

Exhibit A Plan Sheets of Leased Premises.pdf
259K

TITAN ATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

(no subject)

1 message

Jeremy Blackburn <jblackburn@titanatlas.com> Tue, Jun 24, 2014 at 6:54 AM
To: Kurt Taylor <ktaylor@charlestoncounty.org>

Have not sent to anyone but you. You may want to send to Walt so he can review the Exhibits and references to building codes, standards, Construction Documents, etc.

Jeremy Blackburn
Chief Executive Officer
Titan Atlas Global LC
4280 Pace Street
North Charleston, SC 29405
Office: (843) 225-6230
Office Direct: (843) 225-6226
www.titanatlas.com

CHICORA LIFE CENTER 6-24 COMPARE.doc
261K

00559

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

Chicora Lease Final Clean 6-20-14

6 messages

Kurt Taylor <KTaylor@charlestoncounty.org> Fri, Jun 20, 2014 at 5:57 PM
To: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>
Cc: Walter Smalls <WSmalls@charlestoncounty.org>, Kurt Taylor <KTaylor@charlestoncounty.org>

See attached for review and comment.

Kurt

Chicora Lease Final Clean 6-20-14.docx
119K

Jeremy Blackburn <jblackburn@titanatlas.com> Mon, Jun 23, 2014 at 11:37 AM
To: Jacob Briggs <jake@durbanolawfirm.com>

[Quoted text hidden]

Chicora Lease Final Clean 6-20-14.docx
119K

Jacob Briggs <jake@durbanolawfirm.com> Mon, Jun 23, 2014 at 12:04 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>
Cc: "Douglas M. Durbano" <doug@durbanolawfirm.com>

This compares to the document we were discussing late last week.

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Monday, June 23, 2014 9:37 AM
To: Jacob Briggs
Subject: Fwd: Chicora Lease Final Clean 6-20-14

See attached for review and comment.

00560

Kurt

CHICORA LIFE CENTER 6-23- Compare.docx
131K

Douglas M. Durbano <doug@durbanolawfirm.com> Mon, Jun 23, 2014 at 6:27 PM
To: jake@durbanolawfirm.com
Cc: Jeremy Blackburn <jblackburn@titanatlas.com>, "Douglas M. Durbano" <doug@durbanolawfirm.com>

Jake, attached is the scan of my notes to the Lease and I have corrected the Square Footage based on our call with T. Also attached to the Lease are T's drawings with Sq Ft noted.

Also, the compare Word doc lease you sent this morning is attached.

Do your magic and send back to us ASAP.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Jacob Briggs [mailto:jake@durbanolawfirm.com]
Sent: Monday, June 23, 2014 10:04 AM
To: Jeremy Blackburn
Cc: Douglas M. Durbano
Subject: RE: Chicora Lease Final Clean 6-20-14

[Quoted text hidden]

---

2 attachments

CHICORA LIFE CENTER 6-23- Compare.docx
131K

AR-M450_20140623_154031.pdf
1812K

00561

Jacob Briggs <jake@durbanolawfirm.com> Mon, Jun 23, 2014 at 8:00 PM

To: "Douglas M. Durbano" <doug@durbanolawfirm.com>
Cc: Jeremy Blackburn <jblackburn@titanatlas.com>

See attached. I didn't take time to fix the table of contents yet.
[Quoted text hidden]

---

2 attachments

CHICORA LIFE CENTER 6-23-2014.docx
100K

CHICORA LIFE CENTER 6-23 COMPARE.doc
304K

Douglas M. Durbano <doug@durbanolawfirm.com> Mon, Jun 23, 2014 at 8:37 PM
To: Jacob Briggs <Jake@durbanolawfirm.com>
Cc: Jeremy Blackburn <jblackburn@titanatlas.com>

Jeremy:

Jake appears to have captured the changes that we discussed and approved. Please forward to Kurt, Walt and whoever else you deem appropriate.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Jacob Briggs [mailto:jake@durbanolawfirm.com]
Sent: Monday, June 23, 2014 6:01 PM

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

final docs

6 messages

Kurt Taylor <KTaylor@charlestoncounty.org> Wed, Jun 18, 2014 at 1:19 PM
To: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>
Cc: Walter Smalls <WSmalls@charlestoncounty.org>, Kurt Taylor <KTaylor@charlestoncounty.org>

See attached clean and redline complete lease, and redline Exhibit B.

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY SOUTH CAROLINA

3 attachments

CHICORA LIFE CENTER COUNTY 6-18-14 REVISED FINAL CLEAN.docx
102K

CHICORA LIFE CENTER COUNTY 6-16-14 REVISED FINAL.docx
106K

00563

EXHIBIT B 6-18-14.docx
51K

Jeremy Blackburn <jblackburn@titanatlas.com> Wed, Jun 18, 2014 at 1:23 PM
To: Jacob Briggs <jake@durbanolawfirm.com>, Brent Wilde <bwilde@antioncapital.com>

[Quoted text hidden]

---

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CHICORA LIFE CENTER COUNTY 6-16-14 REVISED FINAL.docx
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EXHIBIT B 6-18-14.docx
51K

Jacob Briggs <jake@durbanolawfirm.com> Wed, Jun 18, 2014 at 1:52 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>, Brent Wilde <bwilde@antioncapital.com>

This shows the changes he made to Exhibit B

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Wednesday, June 18, 2014 11:24 AM
To: Jacob Briggs; Brent Wilde
Subject: Fwd: final docs

[Quoted text hidden]

EXHIBIT B 6-18-14 COMPARE.docx
32K

Jacob Briggs <jake@durbanolawfirm.com> Wed, Jun 18, 2014 at 2:07 PM
To: "Douglas M. Durbano" <doug@durbanolawfirm.com>, Jeremy Blackburn <jblackburn@titanatlas.com>, Brent Wilde <bwilde@antioncapital.com>

Items I think Doug would find troubling below, with those most troubling in bold:

-deletion of signatures on Basic Lease Information

-paragraph 4 delay of CPI adjustment to July 1, 2016 instead of Jan. 1, 2016

-paragraph 5 addition of "reconditioning"

-paragraph 7 should be "in addition to Operating Expenses"

-the addition at the end of paragraph 20

00564

-the addition to paragraph 54

-the addition of "if additional improvements are requested" at the end of the second paragraph in Exhibit

B

I've copied Doug in case he happens upon data service.

Jacob D. Briggs

Attorney at Law

801-776-4111 Office

jake@durbanolawfirm.com

476 Heritage Blvd.#200, Layton, Ut. 84041

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---------- Forwarded message ----------

[Quoted text hidden]

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Cc: "Douglas M. Durbano" <doug@durbanolawfirm.com>, Brent Wilde <bwilde@antioncapital.com>

MY COMMENTS IN CAPS

00565

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-the addition to paragraph 54- PROPOSED TO DELETE THEIR ADDITIONS. THE PARAGRAPH REFERENCING THE COURT CASE MAY OR MAY NOT APPLY TO ANY ACTION THEY TAKE BUT CITING IT HERE IS NOT APPROPRIATE.

-the addition of "if additional improvements are requested" at the end of the second paragraph in Exhibit B- WALT AGREED TO REMOVE

I ASKED WALT TO SET UP A MEETING WITH HIMSELF, JOE AND I FIRST THING IN THE MORNING. MY BELIEF IS THAT THIS WILL ALLEVIATE ANY KURT/JOE ISSUES AND LET IT BE FINALIZED. I WILL CONFERENCE JAKE ON HIS CELL PHONE DURING THIS MEETING. WALT INDICATED THAT CHAIRMAN PRYOR IS READY TO SIGN AS SOON AS JOE TELLS HIM IT IS OK.

Jacob Briggs <jake@durbanolawfirm.com> Wed, Jun 18, 2014 at 6:45 PM
To: jblackburn@titanatlas.com
Cc: doug@durbanolawfirm.com, bwilde@antioncapital.com

Sounds good. My cell is 8017263549.

From my Android phone on T-Mobile. The first nationwide 4G network.
[Quoted text hidden]

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

final docs

6 messages

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W. Kurt Taylor, Esq.

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CHARLESTON COUNTY SOUTH CAROLINA

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00567

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00563

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B

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Jacob D. Briggs

Attorney at Law

801-776-4111 Office

jake@durbanolawfirm.com

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[Quoted text hidden]

[Quoted text hidden]

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00569

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[Quoted text hidden]

00570

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

Financial Grntee & Eqpt. Break Down Ins.

11 messages

Douglas M. Durbano <doug@durbanolawfirm.com> Thu, Jun 5, 2014 at 12:19 PM
To: jpearson@beehiveinsurance.com
Cc: Brent Wilde <bwilde@antioncapital.com>, Jeremy Blackburn <jblackburn@titanatlas.com>

Jace:

We are trying to get the Bank letter of credit posted with the Electric Company that guarantees our ability to pay the utilities. Apparently it was sent directly from Cache Valley Bank to the SCE&G in SC.

As soon as we get a copy I will forward it on to you.

Brent Wilde of my office is handling the matter so keep him in the loop.

Please let us know ASAP if a Financial Guarantee Bond & Equipment Break Down Ins is available and the approx. cost.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

Brent Wilde <bwilde@antioncapital.com> Thu, Jun 5, 2014 at 12:32 PM
To: "Douglas M. Durbano" <doug@durbanolawfirm.com>, jpearson@beehiveinsurance.com
Cc: Jeremy Blackburn <jblackburn@titanatlas.com>

Here is a copy of the letter of credit.

Thanks,

BRENT WILDE

Chief Financial Officer

00571

www.antioncapital.com

476 W Heritage Parkway Blvd.

Layton, Utah 84041

Office: 801-776-1111

Cell: 801-388-2670

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Thursday, June 05, 2014 10:19 AM
To: jpearson@beehiveinsurance.com
Cc: Brent Wilde; Jeremy Blackburn
Subject: Financial Grntee & Eqpt. Break Down Ins.

[Quoted text hidden]

avast! be free This email is free from viruses and malware because avast! Antivirus protection is active.

14CFB84D-04F1-41B7-A119-B95E1E54F99B.pdf.pdf
77K

Douglas M. Durbano <doug@durbanolawfirm.com> Thu, Jun 5, 2014 at 2:29 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>
Cc: Brent Wilde <bwilde@antioncapital.com>

fyi

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

00572

This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

From: Jace D. Pearson [mailto:jpearson@beehiveinsurance.com]
Sent: Thursday, June 05, 2014 12:15 PM
To: doug@durbanolawfirm.com
Cc: bwilde@antioncapital.com
Subject: RE: Financial Grntee & Eqpt. Break Down Ins.

Doug:

I'll bottom-line it first: I can produce the bond prototype, and if it is approved by your lessee, issue it today. I can also bind today coverage for Equipment Breakdown insurance, once everyone's satisfied with premiums, coverage terms, etc. Now, here's the rest of the story.

I've looked into several bond forms that could be modified to your present situation. I've attached a sample Financial Guarantee bond, but I'm making some changes to it to more fit the situation. However, I wanted to run an idea past you that could potentially save you time and money.

We frequently add an additional protected party to our Performance and Payment bonds, with that additional party being the lender involved in the construction loan. We call it a "dual-obligee". There is no additional charge when we add this item. I'm wondering if your letter of credit could be modified to do the same thing. Possibly your bank could add the governmental entity as an additional "beneficiary" on the ILOC. The ILOC is already guaranteeing to the utility company that you'll pay the utility bill, so there's no additional exposure, as I see it, to add the governmental entity since they're the source of the funds anyway.

With the bonding option, there are some basic obligations you'll need to be aware of:

1) The company, (presumably Durbano Properties), will be required to guarantee the obligation, and

2) Any individual owning more than 10% of the company will be required to *individually* guarantee the obligation

3) I'll need a balance sheet on the company (presumably Durbano Properties)

I'm still, of course, pursuing the bond, and I'll need some basic information:

1) I'm assuming Durbano Properties, L.C. will be the "principal" (guaranteeing party) shown on the bond

00573

2) II need the name of the governmental entity (the "oblige, or protected party)

3) I need the "penalty" (the dollar amount of the bond). I'm using the $121,000 in my discussions with underwriters; if it's different, let me know.

I've attached a 3-page brochure from C N A Insurance outlining the coverage for Equipment Breakdown insurance. It essentially covers loss or damage *to* specified machinery and/or equipment caused by an accident and can include non-direct expenses such as loss of rents, loss of profits, loss of income to dependent properties. The limits of insurance can range significantly depending on what types of equipment are included. I think air conditioning equipment is the one you'd focus on. I can address this in much more detail later if there's a continued interest.

Costs:

The Standard rate for financial guarantee bonds is 2.5% of the bond penalty. So, if the governmental entity wants a $121,000 bond, the annual cost is $3,025. However, I'm looking to negotiate the "collateralized" rate, since you already have a guarantee in place for the utility. That rate is 1% of the penalty, or $1,210 in this case.

The cost for Equipment Breakdown coverage is around .10 cents per $100,000 of limits. So, a $100,000 limit would cost $100; a $1,000,000 limit would be $1,000 annually.

As I mentioned, I'll work on the forms and discuss with underwriters. Let me know if you can work something out with your bank on the ILOC option.

I'll be in touch....

Jace Pearson

Beehive Insurance Agency

302 West 5400 South Suite 101

Murray, UT 84107

Office Direct: 801-685-6857

Fax: 801-685-2899

Cell: 801-231-4526

jpearson@beehiveinsurance.com

00574

Enrolling Utah

Questions about healthcare? Visit EnrollingUtah.com for answers!

From: Brent Wilde [mailto:bwilde@antioncapital.com]
Sent: Thursday, June 05, 2014 10:32 AM
To: 'Douglas M. Durbano'; Jace D. Pearson
Cc: 'Jeremy Blackburn'
Subject: RE: Financial Grntee & Eqpt. Break Down Ins.

[Quoted text hidden]

This email is free from viruses and malware because avast! Antivirus protection is active.

---

2 attachments

PropKitEquipBrkdn_CNA.pdf
424K

Financial Guarantee Bond.pdf
21K

Brent Wilde <bwilde@antioncapital.com> Tue, Jun 17, 2014 at 12:03 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>

Thanks,

BRENT WILDE

Chief Financial Officer

00575

AntionCapital

www.antioncapital.com

476 W Heritage Parkway Blvd.

Layton, Utah 84041

Office: 801-776-1111

Cell: 801-388-2670

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Thursday, June 05, 2014 12:29 PM
To: Jeremy Blackburn
Cc: Brent Wilde
Subject: FW: Financial Grntee & Eqpt. Break Down Ins.

[Quoted text hidden]

avast! be free This email is free from viruses and malware because avast! Antivirus protection is active.

---

2 attachments

PropKitEquipBrkdn_CNA.pdf
424K

Financial Guarantee Bond.pdf
21K

Brent Wilde <bwilde@antioncapital.com> Wed, Jun 18, 2014 at 12:59 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>
Cc: doug@durbanolawfirm.com

Jeremy here is a sample copy of the policy.

Thanks,

BRENT WILDE

00576

www.antioncapital.com

476 W Heritage Parkway Blvd.

Layton, Utah 84041

Office: 801-776-1111

Cell: 801-388-2670

From: Jace D. Pearson [mailto:jpearson@beehiveinsurance.com]
Sent: Wednesday, June 18, 2014 10:37 AM
To: Brent Wilde
Subject: RE: Financial Grntee & Eqpt. Break Down Ins.

Brent:

I've attached a sample policy form from Hartford Steam Boiler, one of several available markets. I'm sorry for the delay; I take responsibility for not impressing upon

my assistant the urgency of the matter. I was in a seminar all day.

Please call me with any questions.

Thanks.

Jace Pearson

Beehive Insurance Agency

302 West 5400 South Suite 101

Murray, UT 84107

00577

Office Direct: 801-685-6857

Fax: 801-685-2899

Cell: 801-231-4526

jpearson@beehiveinsurance.com

Enrolling Utah

Questions about healthcare? Visit ***EnrollingUtah.com*** *for answers!*

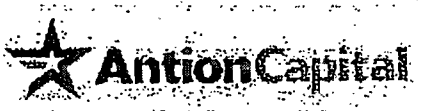
From: Brent Wilde [mailto:bwilde@antioncapital.com]
Sent: Tuesday, June 17, 2014 12:38 PM
To: Jace D. Pearson; doug@durbanolawfirm.com
Subject: RE: Financial Grntee & Eqpt. Break Down Ins.

Jace, I left you a voice message and though I make sure you have my email address. we trying to get a copy of the policy for our perspective tenant to review ASAP. Any help would be greatly appreciated.

Thanks,

BRENT WILDE

Chief Financial Officer



www.antioncapital.com

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Layton, Utah 84041

Office: 801-776-1111

Cell: 801-388-2670

From: Jace D. Pearson [mailto:jpearson@beehiveinsurance.com]

[Quoted text hidden]

[Quoted text hidden]

From: Brent Wilde [mailto:bwilde@antioncapital.com]

[Quoted text hidden]

Subject: RE: Financial Grntee & Eqpt. Break Down Ins.

[Quoted text hidden]

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This email is free from viruses and malware because avast! Antivirus protection is active.

avast! Be free This email is free from viruses and malware because avast! Antivirus protection is active.

EquipmentBreakdownCoverageForm-HSB.pdf
129K

Brent Wilde <bwilde@antioncapital.com> Wed, Jun 18, 2014 at 1:08 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>

00579

Jeremy, Jace confirmed the rate see below.

Thanks,

BRENT WILDE

Chief Financial Officer

AntionCapital

www.antioncapital.com

476 W Heritage Parkway Blvd.

Layton, Utah 84041

Office: 801-776-1111

Cell: 801-388-2670

From: Jace D. Pearson [mailto:jpearson@beehiveinsurance.com]
Sent: Wednesday, June 18, 2014 11:04 AM
To: Brent Wilde
Subject: RE: Financial Grntee & Eqpt. Break Down Ins.

Yes.

Jace Pearson

Beehive Insurance Agency

302 West 5400 South Suite 101

Murray, UT 84107

Office Direct: 801-685-6857

Fax: 801-685-2899

Cell: 801-231-4526

jpearson@beehiveinsurance.com

00580

Enrolling Utah

Questions about healthcare? Visit EnrollingUtah.com for answers!

From: Brent Wilde [mailto:bwilde@antioncapital.com]
Sent: Wednesday, June 18, 2014 11:00 AM
To: Jace D. Pearson
Subject: RE: Financial Grntee & Eqpt. Break Down Ins.

Jace just to confirm on the equipment break down Ins. The cost of the coverage was approximately $1,000 per $1,000,000 in coverage annually.

Thanks,

BRENT WILDE

Chief Financial Officer

AntionCapital

www.antioncapital.com

476 W Heritage Parkway Blvd.

Layton, Utah 84041

Office: 801-776-1111

Cell: 801-388-2670

From: Jace D. Pearson [mailto:jpearson@beehiveinsurance.com]
Sent: Wednesday, June 18, 2014 10:37 AM
To: Brent Wilde

00581

Subject: RE: Financial Grntee & Eqpt. Break Down Ins.

Brent:

I've attached a sample policy form from Hartford Steam Boiler, one of several available markets. I'm sorry for the delay; I take responsibility for not impressing upon

my assistant the urgency of the matter. I was in a seminar all day.

Please call me with any questions.

—

Thanks.

Jace Pearson

Beehive Insurance Agency

302 West 5400 South Suite 101

Murray, UT 84107

Office Direct: 801-685-6857

Fax: 801-685-2899

Cell: 801-231-4526

jpearson@beehiveinsurance.com

Enrolling Utah

Questions about healthcare? Visit EnrollingUtah.com for answers!

00582

From: Brent Wilde [mailto:bwilde@antioncapital.com]

Sent: Tuesday, June 17, 2014 12:38 PM
To: Jace D. Pearson; doug@durbanolawfirm.com
Subject: RE: Financial Grntee & Eqpt. Break Down Ins.

Jace, I left you a voice message and though I make sure you have my email address. we trying to get a copy of the policy for our perspective tenant to review ASAP. Any help would be greatly appreciated.

Thanks,

BRENT WILDE

Chief Financial Officer

www.antioncapital.com

476 W Heritage Parkway Blvd.

Layton, Utah 84041

Office: 801-776-1111

Cell: 801-388-2670

From: Jace D. Pearson [mailto:jpearson@beehiveinsurance.com]

[Quoted text hidden]

[Quoted text hidden]

From: Brent Wilde [mailto:bwilde@antioncapital.com]

[Quoted text hidden]
Subject: RE: Financial Grntee & Eqpt. Break Down Ins.

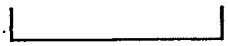
[Quoted text hidden]

This email is free from viruses and malware because avast! Antivirus protection is active.

00593

This email is free from viruses and malware because avast! Antivirus protection is active.

This email is free from viruses and malware because avast! Antivirus protection is active.



This email is free from viruses and malware because avast! Antivirus protection is active.

Jeremy Blackburn <jblackburn@titanatlas.com> Wed, Jun 18, 2014 at 1:08 PM
To: Kurt Taylor <ktaylor@charlestoncounty.org>, "Walter L. Smalls" <wsmalls@charlestoncounty.org>

Equipment Breakdown Policy

Jeremy Blackburn
Chief Executive Officer
Titan Atlas Global LC
4280 Pace Street
North Charleston, SC 29405
Office: (843) 225-6230
Office Direct: (843) 225-6226
www.titanatlas.com

--------- Forwarded message ---------
From: **Brent Wilde** <bwilde@antioncapital.com>
Date: Wed, Jun 18, 2014 at 12:59 PM

00584

Subject: FW: Financial Grntee & Eqpt. Break Down Ins.
To: Jeremy Blackburn <jblackburn@titanatlas.com>
Cc: doug@durbanolawfirm.com

Jeremy here is a sample copy of the policy.

Thanks,

BRENT WILDE

Chief Financial Officer

EquipmentBreakdownCoverageForm-HSB.pdf
129K

Jeremy Blackburn <jblackburn@titanatlas.com> Wed, Jun 18, 2014 at 1:11 PM
To: Kurt Taylor <ktaylor@charlestoncounty.org>, "Walter L. Smalls" <wsmalls@charlestoncounty.org>

Rate Confirmed for Equipment Coverage

Jeremy Blackburn
Chief Executive Officer
Titan Atlas Global LC
4280 Pace Street
North Charleston, SC 29405
Office: (843) 225-6230
Office Direct: (843) 225-6226
www.titanatlas.com

---------- Forwarded message ----------
From: **Brent Wilde** <bwilde@antioncapital.com>
Date: Wed, Jun 18, 2014 at 1:08 PM
Subject: FW: Financial Grntee & Eqpt. Break Down Ins.
To: Jeremy Blackburn <jblackburn@titanatlas.com>

Jeremy, Jace confirmed the rate see below.

Thanks,

BRENT WILDE

Chief Financial Officer

00585

476 W Heritage Parkway Blvd.

Layton, Utah 84041

Office: 801-776-1111

Cell: 801-388-2670

From: Jace D. Pearson [mailto:jpearson@beehiveinsurance.com]
Sent: Wednesday, June 18, 2014 11:04 AM
To: Brent Wilde
Subject: RE: Financial Grntee & Eqpt. Break Down Ins.

Yes.

Jace Pearson

Beehive Insurance Agency

302 West 5400 South Suite 101

Murray, UT 84107

Office Direct: 801-685-6857

Fax: 801-685-2899

Cell: 801-231-4526

jpearson@beehiveinsurance.com

From: Brent Wilde [mailto:bwilde@antioncapital.com]
Sent: Wednesday, June 18, 2014 11:00 AM
To: Jace D. Pearson
Subject: RE: Financial Grntee & Eqpt. Break Down Ins.

Jace just to confirm on the equipment break down Ins. The cost of the coverage was approximately $1,000 per $1,000,000 in coverage annually.

00586

Thanks,

BRENT WILDE -

Chief Financial Officer

Cell: 801-388-2670

Douglas M. Durbano <doug@durbanolawfirm.com> Thu, Jul 3, 2014 at 5:59 PM
To: Brent Wilde <bwilde@antioncapital.com>, Jeremy Blackburn <jblackburn@titanatlas.com>

FYI

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Jace D. Pearson [mailto:jpearson@beehiveinsurance.com]
Sent: Thursday, July 03, 2014 2:44 PM
To: Douglas M. Durbano
Subject: RE: Financial Grntee & Eqpt. Break Down Ins.

Doug:

OK, great.

00587

The rate is .10 per $100 of insured values. I suggest we move forward on a formal quote with the premium based on a $1,000,000 limit and request the following coverages:

- Direct Damage to
    - Electrical Devices
    - Air Conditioning & Refrigeration Equipment
    - Computers and Communications
    - Mechanical
- Indirect Expenses, Including:
    - Lost Business Income
    - Contingent Business Income
    - Extra Expense
    - Service Interruption

Please provide me with:

1. The proposed Named Insured on the policy, including the mailing address.
2. The location address of the Subject Property

I've attached some additional information on Equipment Breakdown, if you didn't already have enough.

Thanks, and please call me with questions.

Jace Pearson

Beehive Insurance Agency

302 West 5400 South Suite 101

Murray, UT 84107

Office Direct: 801-685-6857

Fax: 801-685-2899

Cell: 801-231-4526

jpearson@beehiveinsurance.com

Enrolling Utah

Questions about healthcare? Visit ***EnrollingUtah.com*** *for answers!*

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Thursday, July 03, 2014 12:53 PM
To: Jace D. Pearson
Cc: bwilde@antioncapital.com; Jeremy Blackburn
Subject: RE: Financial Grntee & Eqpt. Break Down Ins.

Jace:

We have finalized a lease with the County and they have abandoned the Bond idea.

But, they really want us to get the Equipment Breakdown insurance you referenced below. Can you stir this up and let's make it a real quote, we of course are planning on seeing .10 per $100K or $1,000 per $1M but wanted to firm it up so they can get it into their budget.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

00589

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Jace D. Pearson [mailto:jpearson@beehiveinsurance.com]
Sent: Thursday, June 05, 2014 12:15 PM
To: doug@durbanolawfirm.com
Cc: bwilde@antioncapital.com
Subject: RE: Financial Grntee & Eqpt. Break Down Ins.

Doug:

I'll bottom-line it first: I can produce the bond prototype, and if it is approved by your lessee, issue it today. I can also bind today coverage for Equipment Breakdown insurance, once everyone's satisfied with premiums, coverage terms, etc. Now, here's the rest of the story.

I've looked into several bond forms that could be modified to your present situation. I've attached a sample Financial Guarantee bond, but I'm making some changes to it to more fit the situation. However, I wanted to run an idea past you that could potentially save you time and money.

We frequently add an additional protected party to our Performance and Payment bonds, with that additional party being the lender involved in the construction loan. We call it a "dual-obligee". There is no additional charge when we add this item. I'm wondering if your letter of credit could be modified to do the same thing. Possibly your bank could add the governmental entity as an additional "beneficiary" on the ILOC. The ILOC is already guaranteeing to the utility company that you'll pay the utility bill, so there's no additional exposure, as I see it, to add the governmental entity since they're the source of the funds anyway.

With the bonding option, there are some basic obligations you'll need to be aware of:

1) The company, (presumably Durbano Properties), will be required to guarantee the obligation, and

2) Any individual owning more than 10% of the company will be required to *individually* guarantee the obligation

3) I'll need a balance sheet on the company (presumably Durbano Properties)

I'm still, of course, pursuing the bond, and I'll need some basic information:

00590

1) I'm assuming Durbano Properties, L.C. will be the "principal" (guaranteeing party) shown on the bond

2) Il need the name of the governmental entity (the "oblige, or protected party)

3) I need the "penalty" (the dollar amount of the bond). I'm using the $121,000 in my discussions with underwriters; if it's different, let me know.

I've attached a 3-page brochure from C N A Insurance outlining the coverage for Equipment Breakdown insurance. It essentially covers loss or damage *to* specified machinery and/or equipment caused by an accident and can include non-direct expenses such as loss of rents, loss of profits, loss of income to dependent properties. The limits of insurance can range significantly depending on what types of equipment are included. I think air conditioning equipment is the one you'd focus on. I can address this in much more detail later if there's a continued interest.

Costs:

The Standard rate for financial guarantee bonds is 2.5% of the bond penalty. So, if the governmental entity wants a $121,000 bond, the annual cost is $3,025. However, I'm looking to negotiate the "collateralized" rate, since you already have a guarantee in place for the utility. That rate is 1% of the penalty, or $1,210 in this case.

The cost for Equipment Breakdown coverage is around .10 cents per $100,000 of limits. So, a $100,000 limit would cost $100; a $1,000,000 limit would be $1,000 annually.

As I mentioned, I'll work on the forms and discuss with underwriters. Let me know if you can work something out with your bank on the ILOC option.

I'll be in touch....

Jace Pearson

Beehive Insurance Agency

302 West 5400 South Suite 101

Murray, UT 84107

Office Direct: 801-685-6857

Fax: 801-685-2899

Cell: 801-231-4526

0059

jpearson@beehiveinsurance.com

Enrolling Utah

Questions about healthcare? Visit EnrollingUtah.com for answers!

From: Brent Wilde [mailto:bwilde@antioncapital.com]
Sent: Thursday, June 05, 2014 10:32 AM
To: 'Douglas M. Durbano'; Jace D. Pearson
Cc: 'Jeremy Blackburn'
Subject: RE: Financial Grntee & Eqpt. Break Down Ins.

[Quoted text hidden]

This email is free from viruses and malware because avast! Antivirus protection is active.

Equipment Breakdown Insurance.docx
51K

Jeremy Blackburn <jblackburn@titanatlas.com> Thu, Jul 3, 2014 at 6:49 PM
To: "Douglas M. Durbano" <doug@durbanolawfirm.com>
Cc: Brent Wilde <bwilde@antioncapital.com>

So it is $1000.....

Jeremy Blackburn
Chief Executive Officer
Titan Atlas Global LC
4280 Pace Street
North Charleston, SC 29405
Office: (843) 225-6230
Office Direct: (843) 225-6226

00592

[Quoted text hidden]

Douglas M. Durbano <doug@durbanolawfirm.com> Thu, Jul 3, 2014 at 6:53 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>
Cc: Brent Wilde <bwilde@antioncapital.com>

Yes.
We had it right.

Thanks Doug D.
801-776-4111
Sent via iPhone; excuse typo's.
[Quoted text hidden]

So it is $1000.....
[Quoted text hidden]
[Quoted text hidden]
[Quoted text hidden]
[Quoted text hidden]

<image001.gif> <image002.png>

[Quoted text hidden]
[Quoted text hidden]
[Quoted text hidden]

<image001.gif> <image002.png>

Questions about healthcare? Visit ***EnrollingUtah.com*** *for answers!*

From: Brent Wilde [mailto:bwilde@antioncapital.com]

Sent: Thursday, June 05, 2014 10:32 AM
To: 'Douglas M. Durbano'; Jace D. Pearson
Cc: 'Jeremy Blackburn'
Subject: RE: Financial Grntee & Eqpt. Break Down Ins.

Here is a copy of the letter of credit.

Thanks,

BRENT WILDE

00593

Chief Financial Officer

<image003.jpg>

www.antioncapital.com

476 W Heritage Parkway Blvd.

Layton, Utah 84041

Office: 801-776-1111

Cell: 801-388-2670

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Thursday, June 05, 2014 10:19 AM
To: jpearson@beehiveinsurance.com
Cc: Brent Wilde; Jeremy Blackburn
Subject: Financial Grntee & Eqpt. Break Down Ins.

Jace:

We are trying to get the Bank letter of credit posted with the Electric Company that guarantees our ability to pay the utilities. Apparently it was sent directly from Cache Valley Bank to the SCE&G in SC.

As soon as we get a copy I will forward it on to you.

Brent Wilde of my office is handling the matter so keep him in the loop.

Please let us know ASAP if a Financial Guarantee Bond & Equipment Break Down Ins is available and the approx. cost.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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<image004.jpg>

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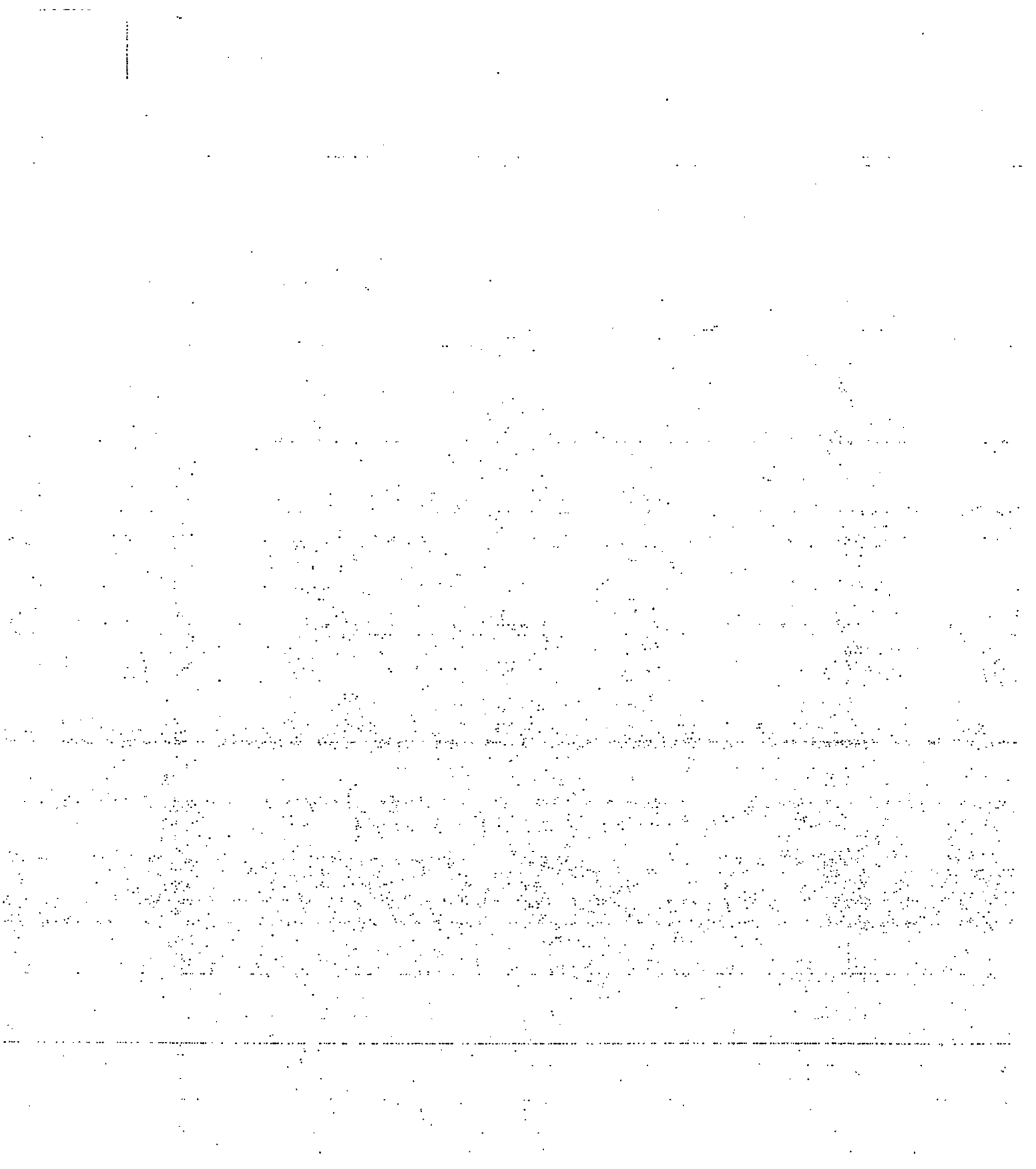
0059



00595

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

EXHIBIT B 6-18-14

1 message

Walter Smalls <WSmalls@charlestoncounty.org> Wed, Jun 18, 2014 at 12:53 PM
To: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>, Kurt Taylor <KTaylor@charlestoncounty.org>

Attached are Exhibit "B" with the changes.

EXHIBIT B 6-18-14.docx
56K

00596

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

(no subject)

3 messages

Jeremy Blackburn <jblackburn@titanatlas.com> Fri, Jun 13, 2014 at 11:27 AM
To: Kurt Taylor <ktaylor@charlestoncounty.org>, "Walter L. Smalls" <wsmalls@charlestoncounty.org>

Here are the word versions of the final documents.

As Walt likes to say "Ball is in your court"

Jeremy

2 attachments

- CHICORA LIFE CENTER COUNTY 6-11-14 FINAL (2).docx 97K
- EXHIBIT B 6-12-14 Walts edits.docx 83K

Kurt Taylor <KTaylor@charlestoncounty.org> Fri, Jun 13, 2014 at 11:45 AM
To: Jeremy Blackburn <jblackburn@titanatlas.com>, Walter Smalls <WSmalls@charlestoncounty.org>

Thanks.

W. Kurt Taylor, Esq.
Charleston County Administrator
4045 Bridge View Drive, Suite B-238
North Charleston, SC 29405
843-958-4015
ktaylor@charlestoncounty.org
www.charlestoncounty.org

00597

CHARLESTON COUNTY
SOUTH CAROLINA

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Friday, June 13, 2014 11:27 AM
To: Kurt Taylor; Walter Smalls
Subject:

Here are the word versions of the final documents.

As Walt likes to say "Ball is in your court"

Jeremy

Jeremy Blackburn <jblackburn@titanatlas.com> Wed, Jun 18, 2014 at 12:15 PM
To: Jacob Briggs <jake@durbanolawfirm.com>, Brent wilde <bwilde@antioncapital.com>

Jeremy Blackburn
Chief Executive Officer
Titan Atlas Global LC
4280 Pace Street
North Charleston, SC 29405
Office: (843) 225-6230
Office Direct: (843) 225-6226
www.titanatlas.com

[Quoted text hidden]

---

2 attachments

CHICORA LIFE CENTER COUNTY 6-11-14 FINAL (2).docx
97K

EXHIBIT B 6-12-14 Walts edits.docx
83K

00598

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

Equipment

2 messages

Jeremy Blackburn <jblackburn@titanatlas.com> Tue, Jun 17, 2014 at 12:13 PM
To: Kurt Taylor <ktaylor@charlestoncounty.org>, "Walter L. Smalls" <wsmalls@charlestoncounty.org>

Will send the policy on the equipment as soon as I receive it

---

Kurt Taylor <KTaylor@charlestoncounty.org> Tue, Jun 17, 2014 at 3:24 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>

The breakdown policy info was in what you sent. Do you mean the actual policy, or is it another policy?

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY
SOUTH CAROLINA

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Tuesday, June 17, 2014 12:13 PM

00599

To: Kurt Taylor; Walter Smalls
Subject: Equipment

Will send the policy on the equipment as soon as I receive it

00600

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

(no subject)

1 message

Mon, Jun 16, 2014 at 2:47 PM

Jeremy Blackburn <jblackburn@titanatlas.com>
To: Kurt Taylor <ktaylor@charlestoncounty.org>

Any update on lease?

Jeremy Blackburn

00601

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

CHICORA LIFE CENTER COUNTY 6-11-14 FINAL

5 messages

Kurt Taylor <KTaylor@charlestoncounty.org> Thu, Jun 12, 2014 at 2:58 PM
To: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>, Walter Smalls <WSmalls@charlestoncounty.org>

Needs to have Exhibit B completed.

CHICORA LIFE CENTER COUNTY 6-11-14 FINAL.docx
97K

Jeremy Blackburn <jblackburn@titanatlas.com> Thu, Jun 12, 2014 at 3:08 PM
To: Kurt Taylor <KTaylor@charlestoncounty.org>
Cc: Walter Smalls <WSmalls@charlestoncounty.org>

Thx

[Quoted text hidden]

Jeremy Blackburn <jblackburn@titanatlas.com> Thu, Jun 12, 2014 at 4:03 PM
To: Jacob Briggs <jake@durbanolawfirm.com>
Cc: Douglas Durbano <doug@durbanolawfirm.com>

[Quoted text hidden]

CHICORA LIFE CENTER COUNTY 6-11-14 FINAL.docx
97K

Douglas M. Durbano <doug@durbanolawfirm.com> Thu, Jun 12, 2014 at 5:13 PM
To: Walter Smalls <WSmalls@charlestoncounty.org>
Cc: Jeremy Blackburn <jblackburn@titanatlas.com>, Kurt Taylor <KTaylor@charlestoncounty.org>, jake@durbanolawfirm.com

Walt:

Per our most recent discussions just a few minutes ago, Jake and I have modified the Exhibit B in accord with your requests. It would need you or Jeremy to attach the Projected Estimates of $1.2M to the Exhibit B and then we think it would be in final form and ready for signing.

We also took a look at Kurt's recent edits and they are fine and have been included in the attached documents, which are both PDF and Word.

I think we may be ready to sign, once the Projected Budget is attached to Exhibit B. We would

recommend two originals be executed.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

From: Jacob Briggs [mailto:jake@durbanolawfirm.com]
Sent: Thursday, June 12, 2014 3:05 PM
To: Douglas M. Durbano
Subject: Re: CHICORA LIFE CENTER COUNTY 6-11-14 FINAL

On Thu, Jun 12, 2014 at 3:01 PM, Jacob Briggs <jake@durbanolawfirm.com> wrote:

Attached lease in word with Exhibit B, in pdf, and just Exhibit B in word.

[Quoted text hidden]

---

3 attachments

CHICORA LIFE CENTER COUNTY 6-11-14 FINAL.docx
103K

CHICORA LIFE CENTER COUNTY 6-11-14 FINAL.pdf
262K

EXHIBIT B 6-12-14.docx
46K

Jeremy Blackburn <jblackburn@titanatlas.com> Thu, Jun 12, 2014 at 6:34 PM
To: "Walter L. Smalls" <wsmalls@charlestoncounty.org>

[Quoted text hidden]

---

3 attachments

CHICORA LIFE CENTER COUNTY 6-11-14 FINAL.docx
103K

00603

CHICORA LIFE CENTER COUNTY 6-11-14 FINAL.pdf
262K

EXHIBIT B 6-12-14.docx
46K

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

FW: Exhibit B

3 messages

Douglas M. Durbano <doug@durbanolawfirm.com> Wed, Jun 11, 2014 at 5:32 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>

Exhibit B, revised with redlined edits in word and as a ready to sign and attach PDF for attaching to the lease.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

From: Jacob Briggs [mailto:jake@durbanolawfirm.com]
Sent: Wednesday, June 11, 2014 3:24 PM
To: Douglas M. Durbano
Subject: Exhibit B

attached

2 attachments

Exhibit B 6-11-14.pdf
271K

EXHIBIT B Compare.docx
57K

Jeremy Blackburn <jblackburn@titanatlas.com> Thu, Jun 12, 2014 at 9:23 AM
To: "Walter L. Smalls" <wsmalls@charlestoncounty.org>

Jeremy Blackburn
Chief Executive Officer

00605

Titan Atlas Global LC
4280 Pace Street
North Charleston, SC 29405
Office: (843) 225-6230
Office Direct: (843) 225-6226
www.titanatlas.com

[Quoted text hidden]

---

2 attachments

Exhibit B 6-11-14.pdf
271K

EXHIBIT B Compare.docx
57K

Walter Smalls <WSmalls@charlestoncounty.org> Thu, Jun 12, 2014 at 9:53 AM
To: Daniel Chandler <DChandler@charlestoncounty.org>, Bryan Whitley <BWhitley@charlestoncounty.org>, Donald Giacomo <DGiacomo@charlestoncounty.org>
Cc: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>, Kurt Taylor <KTaylor@charlestoncounty.org>

Dan/Bryan/Donnie,

Let's get together today to review. One of the things I am very concerned about is the proposed changes to the voice and data wording. I want to ensure the county can occupy and operate properly.

Walt

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Thursday, June 12, 2014 9:23 AM
To: Walter Smalls
Subject: Fwd: FW: Exhibit B

[Quoted text hidden]

---

2 attachments

Exhibit B 6-11-14.pdf
271K

EXHIBIT B Compare.docx
57K

00606

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

Attached Image

6 messages

Titan Atlas Scanner <jblackburn@titanatlas.com> Tue, Jun 10, 2014 at 10:33 AM
To: Jeremy <jblackburn@titanatlas.com>, Douglas Durbano <doug@durbanolawfirm.com>, Brent Wilde <bwilde@antioncapital.com>

0691_001.pdf
121K

Titan Atlas Scanner <jblackburn@titanatlas.com> Tue, Jun 10, 2014 at 3:39 PM
To: Jeremy <jblackburn@titanatlas.com>, Douglas Durbano <doug@durbanolawfirm.com>

0692_001.pdf
280K

Titan Atlas Scanner <jblackburn@titanatlas.com> Tue, Jun 10, 2014 at 3:42 PM
To: Jeremy <jblackburn@titanatlas.com>, Douglas Durbano <doug@durbanolawfirm.com>

0693_001.pdf
611K

Douglas M. Durbano <doug@durbanolawfirm.com> Tue, Jun 10, 2014 at 3:45 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>
Cc: office@durbanolawfirm.com, Brent Wilde <bwilde@antioncapital.com>, jake@durbanolawfirm.com

Jeremy, here you go, the final lease without Walt's Exhibit B language. I suspect we need to rework some of that language and then attach it to the Lease.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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00607

From: Jacob Briggs [mailto:jake@durbanolawfirm.com]
Sent: Tuesday, June 10, 2014 1:27 PM
To: Douglas M. Durbano
Subject: RE: Attached Image

Attached. The cleared version should have a correct table of contents.

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Tuesday, June 10, 2014 12:55 PM
To: jake@durbanolawfirm.com
Subject: FW: Attached Image

Here are the lease changes. They are OK with me. Go ahead and make them.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Titan Atlas Scanner [mailto:jblackburn@titanatlas.com]
Sent: Tuesday, June 10, 2014 1:42 PM
To: Jeremy; Douglas Durbano
Subject: Attached Image

<<...>>

---

2 attachments

CHICORA LIFE CENTER COUNTY 6-10-14 v.2.docx
102K

CHICORA LIFE CENTER COUNTY 6-10-14 v.2 clear.docx
96K

Jeremy Blackburn <jblackburn@titanatlas.com> Tue, Jun 10, 2014 at 4:34 PM
To: Kurt Taylor <ktaylor@charlestoncounty.org>
Cc: "Walter L. Smalls" <wsmalls@charlestoncounty.org>

00608

Here is a clean and redline version of the lease. We have a couple of comments to Walt on Exhibit B that we will send shortly.

If the remainder of the lease is agreed we will produce two copies for signature and include the exhibits.

Jeremy Blackburn
Chief Executive Officer
Titan Atlas Global LC
4280 Pace Street
North Charleston, SC 29405
Office: (843) 225-6230
Office Direct: (843) 225-6226
www.titanatlas.com

[Quoted text hidden]

---

2 attachments

CHICORA LIFE CENTER COUNTY 6-10-14 v.2.docx
102K

CHICORA LIFE CENTER COUNTY 6-10-14 v.2 clear.docx
96K

Walter Smalls <WSmalls@charlestoncounty.org> Thu, Jun 12, 2014 at 8:49 AM
To: Jeremy Blackburn <jblackburn@titanatlas.com>
Cc: Daniel Chandler <DChandler@charlestoncounty.org>, Bryan Whitley <BWhitley@charlestoncounty.org>

Jeremy,

Please send your comments on Exhibit B. Bryan is scheduling the finishes meetings with your folks!

Walt

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Tuesday, June 10, 2014 4:34 PM
To: Kurt Taylor
Cc: Walter Smalls
Subject: Fwd: FW: Attached Image

[Quoted text hidden]

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

Lease w/ Modifications from June 9th

2 messages

Douglas M. Durbano <doug@durbanolawfirm.com> Tue, Jun 10, 2014 at 1:17 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>
Cc: jake@durbanolawfirm.com

Jeremy:

Attached is the modified lease language that came from your discussions yesterday. We hope that we have captured the concepts that you noted in the margins and explained to us. If not, please let us know.

We simply noted that Walt is finalizing the DEHC language on Exhibit B.

We did include the Equipment Breakdown Insurance coverage in the Lease and Exhibit C.

Take a look and let us know.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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<<...>>

CHICORA LIFE CENTER COUNTY 6-10-14.docx
101K

Jeremy Blackburn <jblackburn@titanatlas.com> Tue, Jun 10, 2014 at 1:20 PM
To: Kurt Taylor <ktaylor@charlestoncounty.org>, "Walter L. Smalls" <wsmalls@charlestoncounty.org>
Bcc: Douglas Durbano <doug@durbanolawfirm.com>

I have printed 3 copies and I am on my way over.

Jeremy Blackburn
Chief Executive Officer
Titan Atlas Global LC
4280 Pace Street
North Charleston, SC 29405
Office: (843) 225-6230
Office Direct: (843) 225-6226
www.titanatlas.com

00610

[Quoted text hidden]

CHICORA LIFE CENTER COUNTY 6-10-14.docx
101K

00611

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

Equipment Breakdown Insurance - Exhibit C

1 message

Douglas M. Durbano <doug@durbanolawfirm.com> Tue, Jun 10, 2014 at 12:36 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>
Cc: Kurt Taylor <KTaylor@charlestoncounty.org>, Walter Smalls <WSmalls@charlestoncounty.org>, jake@durbanolawfirm.com

Jeremy: <<...>>

I have attached the CNA Equipment Breakdown Insurance that we have discussed.

Also, below you can read the pricing details from the Agent.

The Coverage is for all stated equipment but limited to the policy amounts. Pricing seems reasonable so I suggest that we increase the Coverage to capture the level of comfort that the County wants.

We would propose that Exhibit C include reference to this type insurance and that Landlord put such in place prior to Tenants occupancy.

Your further direction on this, after discussing with the County, would be appreciated.

I have copied Kurt and Walt.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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Doug:

I've attached a 3-page brochure from C N A Insurance outlining the coverage for Equipment Breakdown insurance. It essentially covers loss or damage *to* specified machinery and/or equipment caused by an accident and can include non-direct expenses such as loss of rents, loss of profits, loss of income to dependent properties. The limits of insurance can range significantly depending on what types of equipment are included. I think air conditioning equipment is the one you'd focus on. I can address this in much more detail later if there's a continued interest.

Costs:

The cost for Equipment Breakdown coverage is around .10 cents per $100,000 of limits. So, a $100,000 limit would cost $100; a $1,000,000 limit would be $1,000 annually.

I'll be in touch....

Jace Pearson

00612

Beehive Insurance Agency

302 West 5400 South Suite 101

Murray, UT 84107

Office Direct: 801-685-6857

Fax: 801-685-2899

Cell: 801-231-4526

jpearson@beehiveinsurance.com

PropKitEquipBrkdn_CNA.PDF
424K

00613

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

Schedule

1 message

Douglas M. Durbano <doug@durbanolawfirm.com> Sun, Jun 8, 2014 at 9:16 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>
Cc: Taylor Kurt <KTaylor@charlestoncounty.org>

Jeremy:
Just a reminder, I will be departing on a family vacation Wednesday after work to Lake Powell. As you know, there is no cell service Wi-Fi or other common electronic comforts there. I will be out of pocket for 10 days.

If we could finalize and sign the lease with the county prior to my departure I believe that would be beneficial for all so that we could keep on schedule for the tenant improvements and projected move-in dates.

I have obtained the information on bonds and warranties and forwarded them onto you.

Let me know what I can do to help.

I have copied Kurt.

Thanks Doug D.
801-776-4111
Sent via iPhone; excuse typo's.

00614

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

lease comments

12 messages

Kurt Taylor <KTaylor@charlestoncounty.org> Fri, Apr 25, 2014 at 5:03 PM
To: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>

Jeremy, here are my comments from the last round of lease edits. Thanks very much to Doug for accommodating most of my requests. As we have discussed, I will now meet with my lawyers and there may be more edits. I hope not.

"Basic Lease Information" change the lease term to one 25 year term.

Remove the cap and floor on the CPI changes

We will not pay a deposit

We still need a clear order of precedence listing for all the documents.

"Lease"

Section 2, change the lease term to one 25 year term.

Near the end of section 4 delete the reference to 5%

At the end of Section 5, add a sentence saying "The Operating Expense shall be a fixed monthly amount for each lease year. The Amount for each following year will be sent in writing to the County no later than the end of January each year. Any nontraditional or heavy users of utilities, including but not limited to the grocery store, a data center, or a 24-hour operation must be separately metered, and will not be included in any costs borne by Tenant.

00615

At the end of Section 6, change the newly added sentence to read "Landlord is aware of the Tenant's intended uses for its various spaces, and shall not declare a nuisance arising from these operations.

Section 7(b) line seven, just before "ii", after the word "Tenant" add "as may be mutually agreed."

Delete the added language in Section 53. That is not correct, and I will not make those representations.

Exhibit B – end of second paragraph add "unless otherwise mutually agreed"

Fourth paragraph should read "The expectation of the parties is that all built-in furnishings and structured cable for the telephone and data infrastructure meeting Tenant's standards will be included in the Tenant Improvements. Tenant will be responsible for installing the telephone handsets and data network switches and routers."

Either delete the last sentence or add "If Landlord is unable to gain bank financing and does not complete the Tenant Improvements, All of Tenant's obligations under this lease will be immediately void. If Landlord fails to gain bank financing after Tenant has closed on the sale of its buildings which house most of the departments intended to relocate to the Premises, Landlord will be responsible for finding, equipping and paying for, at its sole expense, alternate space suitable to Tenant for all Tenant's uses. The parties recognize that it is a critical need to house these functions so that they continue to operate, and Landlord's failure to complete the Tenant Improvements will require the immediate location and completion of alternate location suitable to Tenant.

Exhibit C, remove the cap and floor in reference to the CPI.

Also, in fifth line form the top, change the word "Building" to "RSF"

I still think a set of rules and regulations that fit this type of building and the tenants which will be there would be better to draw up than the boilerplate in Exhibit D.

Thanks for your consideration.

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY SOUTH CAROLINA

Jeremy Blackburn <jblackburn@titanatlas.com> Fri, Apr 25, 2014 at 5:06 PM
To: Jacob Briggs <jake@durbanolawfirm.com>, Douglas Durbano <doug@durbanolawfirm.com>, Donald Trump <djtjr@trumporg.com>

------- Forwarded message -------
From: "Kurt Taylor" <KTaylor@charlestoncounty.org>
Date: Apr 25, 2014 5:03 PM
Subject: lease comments
To: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>
Cc:

Jeremy, here are my comments from the last round of lease edits. Thanks very much to Doug for accommodating most of my requests. As we have discussed, I will now meet with my lawyers and there may be more edits. I hope not.

"**Basic Lease Information**" change the lease term to one 25 year term.

00617

Remove the cap and floor on the CPI changes

We will not pay a deposit

We still need a clear order of precedence listing for all the documents.

"Lease"

Section 2, change the lease term to one 25 year term.

Near the end of section 4 delete the reference to 5%

At the end of Section 5, add a sentence saying "The Operating Expense shall be a fixed monthly amount for each lease year. The Amount for each following year will be sent in writing to the County no later than the end of January each year. Any nontraditional or heavy users of utilities, including but not limited to the grocery store, a data center, or a 24-hour operation must be separately metered, and will not be included in any costs borne by Tenant.

At the end of Section 6, change the newly added sentence to read "Landlord is aware of the Tenant's intended uses for its various spaces, and shall not declare a nuisance arising from these operations.

Section 7(b) line seven, just before "ii", after the word "Tenant" add "as may be mutually agreed."

Delete the added language in Section 53. That is not correct, and I will not make those representations.

Exhibit B – end of second paragraph add "unless otherwise mutually agreed"

Fourth paragraph should read "The expectation of the parties is that all built-in furnishings and structured cable for the telephone and data infrastructure meeting Tenant's standards will be included in the Tenant Improvements. Tenant will be responsible for installing the telephone handsets and data network switches and routers."

Either delete the last sentence or add "If Landlord is unable to gain bank financing and does not complete the Tenant Improvements, All of Tenant's obligations under this lease will be immediately void. If Landlord fails to gain bank financing after Tenant has closed on the sale of its buildings which house most of the departments intended to relocate to the Premises, Landlord will be responsible for finding, equipping and paying for, at its sole expense, alternate space suitable to Tenant for all Tenant's uses. The parties recognize that it is a critical need to house these functions so that they continue to operate, and Landlord's failure to complete the Tenant Improvements will require the immediate location and completion of alternate location suitable to Tenant.

Exhibit C, remove the cap and floor in reference to the CPI.

Also, in fifth line form the top, change the word "Building" to "RSF"

I still think a set of rules and regulations that fit this type of building and the tenants which will be there would be better to draw up than the boilerplate in Exhibit D.

Thanks for your consideration.

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY
SOUTH CAROLINA

Jeremy Blackburn <jblackburn@titanatlas.com> Fri, Apr 25, 2014 at 8:26 PM
To: Kurt Taylor <KTaylor@charlestoncounty.org>

Thank you.

On Apr 25, 2014 5:03 PM, "Kurt Taylor" <KTaylor@charlestoncounty.org> wrote:

> Jeremy, here are my comments from the last round of lease edits. Thanks very much to Doug for accommodating most of my requests. As we have discussed, I will now meet with my lawyers and there may be more edits. I hope not.
>
> **"Basic Lease Information"** change the lease term to one 25 year term.
>
> Remove the cap and floor on the CPI changes
>
> We will not pay a deposit
>
> We still need a clear order of precedence listing for all the documents.
>
> **"Lease"**
>
> Section 2, change the lease term to one 25 year term.
>
> Near the end of section 4 delete the reference to 5%

00620

At the end of Section 5, add a sentence saying "The Operating Expense shall be a fixed monthly amount for each lease year. The Amount for each following year will be sent in writing to the County no later than the end of January each year. Any nontraditional or heavy users of utilities, including but not limited to the grocery store, a data center, or a 24-hour operation must be separately metered, and will not be included in any costs borne by Tenant.

At the end of Section 6, change the newly added sentence to read "Landlord is aware of the Tenant's intended uses for its various spaces, and shall not declare a nuisance arising from these operations.

Section 7(b) line seven, just before "ii", after the word "Tenant" add "as may be mutually agreed."

Delete the added language in Section 53. That is not correct, and I will not make those representations.

Exhibit B – end of second paragraph add "unless otherwise mutually agreed"

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Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY SOUTH CAROLINA

Douglas M. Durbano <doug@durbanolawfirm.com> Sat, Apr 26, 2014 at 2:55 PM
To: Kurt Taylor <KTaylor@charlestoncounty.org>, Walter Smalls <WSmalls@charlestoncounty.org>
Cc: Jeremy Blackburn <jblackburn@titanatlas.com>, jake@durbanolawfirm.com, Donald Trump Jr <djtjr@trumporg.com>

All:

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Date: Apr 25, 2014 5:03 PM
Subject: lease comments
To: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>
Cc:

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CHARLESTON COUNTY
SOUTH CAROLINA

00625

Kurt Taylor <KTaylor@charlestoncounty.org> Sun, Apr 27, 2014 at 11:53 PM
To: "Douglas M. Durbano" <doug@durbanolawfirm.com>, Walter Smalls <WSmalls@charlestoncounty.org>
Cc: Jeremy Blackburn <jblackburn@titanatlas.com>, "jake@durbanolawfirm.com" <jake@durbanolawfirm.com>, Donald Trump Jr <djtjr@trumporg.com>

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Date:04/26/2014 2:55 PM (GMT-05:00)
To: Kurt Taylor ,Walter Smalls
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Subject: RE: lease comments

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CHARLESTON COUNTY SOUTH CAROLINA

Douglas M. Durbano <doug@durbanolawfirm.com> Mon, Apr 28, 2014 at 5:34 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>
Cc: jeremy@jeremyblackburn.com

Attached is the final lease ready for signing. Use the PDF version.

Thanks

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00629

From: Jacob Briggs [mailto:jake@durbanolawfirm.com]
Sent: Monday, April 28, 2014 3:33 PM
To: Douglas M. Durbano
Subject: FW: lease comments

Attached are the word and pdf versions of the same document as previously sent but with references to a security deposit removed and some formatting changes.

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Jacob D. Briggs

Attorney at Law

801-776-4111 Office

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00633

CHARLESTON COUNTY
SOUTH CAROLINA

2 attachments

Chicora Life Center lease with Charleston County Edits 4-26-14 and removal of deposit.docx
97K

Chicora Life Center lease with Charleston County Final.pdf
193K

jeremy@jeremyblackburn.com <jeremy@jeremyblackburn.com> Tue, Apr 29, 2014 at 4:20 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>

Jeremy

From: jeremy@jeremyblackburn.com
Sent: Tuesday, April 29, 2014 4:19 PM
To: Kurt Taylor

Jeremy

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Sent: Monday, April 28, 2014 5:34 PM
To: Jeremy Blackburn
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Chicora is under some time deadlines that make it necessary that we get this done no later than April 30th. Of course on execution of the Lease we can then get started on the TI's to accommodate a quicker move in for the County.

The two suggestions that we could not accept:

1st. Deposit. Everyone is very comfortable that the County is AAA rated but the bank is requiring it for Chicora to get bank financing for the TI's . If we could either shift the cost of TI's to the County or eliminate the Non Appropriations clause, we could also eliminate the Deposit. We understand that neither of those can be done, so we must comply with the bank requirement of a deposit for TI's. Can't get out of it according to the bank, who blames it on the Regulators. Sorry.

2nd. Late Fee of 5%. Every lease has one and every financial contract that Chicora is obligated on has a one. This is standard operating procedure. We assume it will never be an issue.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

00643

476 Heritage Blvd. #200, Layton Ut. 84041

This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

---------- Forwarded message ----------
From: "Kurt Taylor" <KTaylor@charlestoncounty.org>
Date: Apr 25, 2014 5:03 PM
Subject: lease comments
To: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>
Cc:

Jeremy, here are my comments from the last round of lease edits. Thanks very much to Doug for accommodating most of my requests. As we have discussed, I will now meet with my lawyers and there may be more edits. I hope not.

"Basic Lease Information" change the lease term to one 25 year term.

Remove the cap and floor on the CPI changes

We will not pay a deposit

We still need a clear order of precedence listing for all the documents.

"Lease"

Section 2, change the lease term to one 25 year term.

Near the end of section 4 delete the reference to 5%

00644

At the end of Section 5, add a sentence saying "The Operating Expense shall be a fixed

monthly amount for each lease year. The Amount for each following year will be sent in writing to the County no later than the end of January each year. Any nontraditional or heavy users of utilities, including but not limited to the grocery store, a data center, or a 24-hour operation must be separately metered, and will not be included in any costs borne by Tenant.

At the end of Section 6, change the newly added sentence to read "Landlord is aware of the Tenant's intended uses for its various spaces, and shall not declare a nuisance arising from these operations.

Section 7(b) line seven, just before "ii", after the word "Tenant" add "as may be mutually agreed."

Delete the added language in Section 53. That is not correct, and I will not make those representations.

Exhibit B – end of second paragraph add "unless otherwise mutually agreed"

Fourth paragraph should read "The expectation of the parties is that all built-in furnishings and structured cable for the telephone and data infrastructure meeting Tenant's standards will be included in the Tenant Improvements. Tenant will be responsible for installing the telephone handsets and data network switches and routers."

Either delete the last sentence or add "If Landlord is unable to gain bank financing and does not complete the Tenant Improvements, All of Tenant's obligations under this lease will be immediately void. If Landlord fails to gain bank financing after Tenant has closed on the sale of its buildings which house most of the departments intended to relocate to the Premises, Landlord will be responsible for finding, equipping and paying for, at its sole expense, alternate space suitable to Tenant for all Tenant's uses. The parties recognize that it is a critical need to house these functions so that they continue to operate, and Landlord's failure to complete the Tenant Improvements will require the immediate location and completion of alternate location suitable to Tenant.

Exhibit C, remove the cap and floor in reference to the CPI.

Also, in fifth line form the top, change the word "Building" to "RSF"

00645

I still think a set of rules and regulations that fit this type of building and the tenants which will be there would be better to draw up than the boilerplate in Exhibit D.

Thanks for your consideration.

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY SOUTH CAROLINA

2 attachments

Chicora Life Center lease with Charleston County Edits 4-26-14 and removal of deposit.docx
97K

Chicora Life Center lease with Charleston County Final.pdf
193K

00646

Kurt Taylor <KTaylor@charlestoncounty.org>
To: Jeremy Blackburn <jblackburn@titanatlas.com>

Got it. Thanks.

From: Jeremy Blackburn [jblackburn@titanatlas.com]
Sent: Tuesday, April 29, 2014 4:21 PM
To: Kurt Taylor
Subject: Fwd: Fw: lease comments

Jeremy Blackburn

-------- Forwarded message --------
From: <jeremy@jeremyblackburn.com<mailto:jeremy@jeremyblackburn.com>>
Date: Tue, Apr 29, 2014 at 4:20 PM
Subject: Fw: lease comments
To: Jeremy Blackburn <jblackburn@titanatlas.com<mailto:jblackburn@titanatlas.com>>

Jeremy

From: jeremy@jeremyblackburn.com<mailto:jeremy@jeremyblackburn.com>
Sent: Tuesday, April 29, 2014 4:19 PM
To: Kurt Taylor<mailto:ktaylor@charlestoncounty.org>

Jeremy

From: doug@durbanolawfirm.com<mailto:doug@durbanolawfirm.com>
Sent: Monday, April 28, 2014 5:34 PM
To: Jeremy Blackburn<mailto:jblackburn@titanatlas.com>
Cc: jeremy@jeremyblackburn.com<mailto:jeremy@jeremyblackburn.com>

Attached is the final lease ready for signing. Use the PDF version.

Thanks
Douglas M. Durbano
Attorney at Law
801-776-4111<tel:801-776-4111>
doug@durbanolawfirm.com<mailto:doug@durbanolawfirm.com> email
476 Heritage Blvd. #200, Layton Ut. 84041
This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

From: Jacob Briggs [mailto:jake@durbanolawfirm.com<mailto:jake@durbanolawfirm.com>]
Sent: Monday, April 28, 2014 3:33 PM
To: Douglas M. Durbano
Subject: FW: lease comments

Attached are the word and pdf versions of the same document as previously sent but with references to a security deposit removed and some formatting changes.
Thanks,

00647

Jacob D. Briggs

Attorney at Law
801-776-4111<tel:801-776-4111> Office
jake@durbanolawfirm.com<mailto:jake@durbanolawfirm.com>
476 Heritage Blvd.#200, Layton, Ut. 84041
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From: Kurt Taylor [mailto:KTaylor@charlestoncounty.org<mailto:KTaylor@charlestoncounty.org>]
Sent: Sunday, April 27, 2014 9:54 PM
To: Douglas M. Durbano; Walter Smalls
Cc: Jeremy Blackburn; jake@durbanolawfirm.com<mailto:jake@durbanolawfirm.com>; Donald Trump Jr
Subject: RE: lease comments

Thanks. Understood on #2. Should have had a better lawyer on Chicora's contracts.

I don 't see the deposit, help for 25 years, unless earlier terminated, on an obligation of the LL. LL ought to make the deposit if it some reg. The Charleston Regional Development Alliance' of which I am on the Finance and Executive Committees, just moved to class A lease space, and paid no deposit.

WKT

Sent from my Verizon Wireless 4G LTE smartphone

——— Original message ———
From: "Douglas M. Durbano"
Date:04/26/2014 2:55 PM (GMT-05:00)
To: Kurt Taylor ,Walter Smalls
Cc: Jeremy Blackburn ,jake@durbanolawfirm.com<mailto:jake@durbanolawfirm.com>,Donald Trump Jr
Subject: RE: lease comments
All:
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Thanks
Douglas M. Durbano
Attorney at Law
801-776-4111<tel:801-776-4111>
doug@durbanolawfirm.com<mailto:doug@durbanolawfirm.com> email
476 Heritage Blvd. #200, Layton Ut. 84041
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00648

intended recipient, destroy the email and notify the sender.

-------- Forwarded message --------
From: "Kurt Taylor" <KTaylor@charlestoncounty.org<mailto:KTaylor@charlestoncounty.org>>
Date: Apr 25, 2014 5:03 PM
Subject: lease comments
To: "Jeremy Blackburn (jblackburn@titanatlas.com<mailto:jblackburn@titanatlas.com>)"
<jblackburn@titanatlas.com<mailto:jblackburn@titanatlas.com>>
Cc:
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Delete the added language in Section 53. That is not correct, and I will not make those representations.

Exhibit B – end of second paragraph add "unless otherwise mutually agreed"

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Exhibit C, remove the cap and floor in reference to the CPI.
Also, in fifth line form the top, change the word "Building" to "RSF"

00649

I still think a set of rules and regulations that fit this type of building and the tenants which will be there would be

better to draw up than the boilerplate in Exhibit D.

Thanks for your consideration.

W. Kurt Taylor, Esq.
Charleston County Administrator
4045 Bridge View Drive, Suite B-238
North Charleston, SC 29405
843-958-4015<tel:843-958-4015>
ktaylor@charlestoncounty.org<mailto:ktaylor@charlestoncounty.org>
www.charlestoncounty.org<http://www.charlestoncounty.org/>

[Description: ccblack]

---

image001.jpg
6K

Douglas M. Durbano <doug@durbanolawfirm.com> Mon, Jun 2, 2014 at 5:24 PM
To: Kurt Taylor <KTaylor@charlestoncounty.org>
Bcc: jblackburn@titanatlas.com

Kurt:

Just a personal FYI;

I hope someday you and I can visit "off line" and see if there is some way or anyway I can get off the "hated lawyer" list.

I do apologize for any offense I have caused and hope not to repeat such behavior. For whatever its worth, it pains me to be hated.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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00650

From: Kurt Taylor [mailto:KTaylor@charlestoncounty.org]
Sent: Monday, June 02, 2014 10:03 AM
To: 'Douglas M. Durbano'
Subject: RE: lease comments

Thank you.

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY
SOUTH CAROLINA

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Monday, June 02, 2014 11:59 AM
To: Kurt Taylor; Walter Smalls; Joe Dawson; Austin A. Bruner
Cc: jeremy@jeremyblackburn.com; Jacob Briggs
Subject: RE: lease comments

00651

Sounds good;

Over the last few days, we got through all the County edits along with Jeremy's input from his recent meetings and will get back with you shortly with our input in hopes of finalizing the Lease.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Kurt Taylor [mailto:KTaylor@charlestoncounty.org]
Sent: Monday, June 02, 2014 9:00 AM
To: 'Douglas M. Durbano'; Walter Smalls; Joe Dawson; Austin A. Bruner
Cc: jeremy@jeremyblackburn.com; jake@durbanolawfirm.com
Subject: RE: lease comments

It is the same lease we have been working from, with edits from the legal department. I had explained clearly to Jeremy that the County Attorney's Office would have to review and may have additional comments.

Communicate directly with me.

W. Kurt Taylor, Esq.

Charleston County Administrator

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North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

00652

CHARLESTON COUNTY
SOUTH CAROLINA

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Friday, May 30, 2014 11:27 AM
To: Kurt Taylor; Walter Smalls; Joe Dawson; Austin A. Bruner
Cc: jeremy@jeremyblackburn.com; jake@durbanolawfirm.com
Subject: RE: lease comments

All:

Yesterday at 4:30 we received the attached email from Jeremy which had a new lease provided to him by the County which we had never seen before nor had any input into the edits and changes.

As you can see from the email below, we had thought that the "final" version of the lease for Chicora and the County was completed on April 28th.

We will start the process of comparing documents and reviewing the new proposed lease to the April 28th version and get back with you relative to any comments, suggestions or changes.

Who shall we communicate with regarding these lease provisions and changes?

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

00653

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notify the sender.

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Monday, April 28, 2014 3:35 PM
To: 'Jeremy Blackburn (jblackburn@titanatlas.com)'
Cc: 'jeremy@jeremyblackburn.com'
Subject: FW: lease comments

Attached is the final lease ready for signing. Use the PDF version.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Jacob Briggs [mailto:jake@durbanolawfirm.com]
Sent: Monday, April 28, 2014 3:33 PM
To: Douglas M. Durbano
Subject: FW: lease comments

Attached are the word and pdf versions of the same document as previously sent but with references to a security deposit removed and some formatting changes.

Thanks,

Jacob D. Briggs

Attorney at Law

801-776-4111 Office

jake@durbanolawfirm.com

00654

476 Heritage Blvd.#200, Layton, Ut. 84041

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From: Kurt Taylor [mailto:KTaylor@charlestoncounty.org]
Sent: Sunday, April 27, 2014 9:54 PM
To: Douglas M. Durbano; Walter Smalls
Cc: Jeremy Blackburn; jake@durbanolawfirm.com; Donald Trump Jr
Subject: RE: lease comments

Thanks. Understood on #2. Should have had a better lawyer on Chicora's contracts.

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WKT

Sent from my Verizon Wireless 4G LTE smartphone

------ Original message ------
From: "Douglas M. Durbano"
Date:04/26/2014 2:55 PM (GMT-05:00)
To: Kurt Taylor ,Walter Smalls
Cc: Jeremy Blackburn ,jake@durbanolawfirm.com,Donald Trump Jr
Subject: RE: lease comments

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00655

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Thanks

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Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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-------- Forwarded message --------
From: "Kurt Taylor" <KTaylor@charlestoncounty.org>
Date: Apr 25, 2014 5:03 PM
Subject: lease comments
To: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>
Cc:

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00657

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W. Kurt Taylor, Esq.

Charleston County Administrator

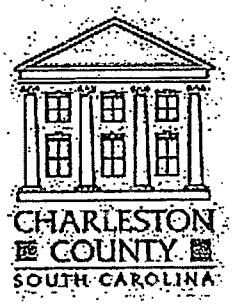
4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org



Douglas M. Durbano <doug@durbanolawfirm.com> Tue, Jun 3, 2014 at 12:23 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>

fyi

00658

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Kurt Taylor [mailtc:KTaylor@charlestoncounty.org]
Sent: Tuesday, June 03, 2014 10:22 AM
To: 'Douglas M. Durbano'
Subject: RE: lease comments

It is merely frustrating to spend hours working with Jeremy, only to be blasted by an indignant email from you concerning the same subject.

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

00659

CHARLESTON COUNTY
SOUTH CAROLINA

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Monday, June 02, 2014 5:25 PM
To: Kurt Taylor
Subject: RE: lease comments

Kurt:

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Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

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From: Kurt Taylor [mailto:KTaylor@charlestoncounty.org]
Sent: Monday, June 02, 2014 10:03 AM
To: 'Douglas M. Durbano'
Subject: RE: lease comments

00559

Thank you.

W. Kurt Taylor, Esq.

Charleston County Administrator

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North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY
SOUTH CAROLINA

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
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Cc: jeremy@jeremyblackburn.com; Jacob Briggs
Subject: RE: lease comments

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Attorney at Law

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doug@durbanolawfirm.com email

00661

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Cc: jeremy@jeremyblackburn.com; jake@durbanolawfirm.com
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Charleston County Administrator

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North Charleston, SC 29405

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ktaylor@charlestoncounty.org

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CHARLESTON COUNTY
SOUTH CAROLINA

00662

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Sent: Friday, May 30, 2014 11:27 AM
To: Kurt Taylor; Walter Smalls; Joe Dawson; Austin A. Bruner
Cc: jeremy@jeremyblackburn.com; jake@durbanolawfirm.com
Subject: RE: lease comments

All:

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As you can see from the email below, we had thought that the "final" version of the lease for Chicora and the County was completed on April 28th.

We will start the process of comparing documents and reviewing the new proposed lease to the April 28th version and get back with you relative to any comments, suggestions or changes.

Who shall we communicate with regarding these lease provisions and changes?

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Monday, April 28, 2014 3:35 PM
To: 'Jeremy Blackburn (jblackburn@titanatlas.com)'
Cc: 'jeremy@jeremyblackburn.com'
Subject: FW: lease comments

Attached is the final lease ready for signing. Use the PDF version.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Jacob Briggs [mailto:jake@durbanolawfirm.com]
Sent: Monday, April 28, 2014 3:33 PM
To: Douglas M. Durbano
Subject: FW: lease comments

Attached are the word and pdf versions of the same document as previously sent but with references to a security deposit removed and some formatting changes.

Thanks,

Jacob D. Briggs

Attorney at Law

801-776-4111 Office

jake@durbanolawfirm.com

476 Heritage Blvd.#200, Layton, Ut. 84041

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00664

From: Kurt Taylor [mailto:KTaylor@charlestoncounty.org]
Sent: Sunday, April 27, 2014 9:54 PM

To: Douglas M. Durbano; Walter Smalls
Cc: Jeremy Blackburn; jake@durbanolawfirm.com; Donald Trump Jr
Subject: RE: lease comments

Thanks. Understood on #2. Should have had a better lawyer on Chicora's contracts.

I don 't see the deposit, help for 25 years, unless earlier terminated, on an obligation of the LL. LL ought to make the deposit if it some reg. The Charleston Regional Development Alliance' of which I am on the Finance and Executive Committees, just moved to class A lease space, and paid no deposit.

WKT

Sent from my Verizon Wireless 4G LTE smartphone

——— Original message ———
From: "Douglas M. Durbano"
Date:04/26/2014 2:55 PM (GMT-05:00)
To: Kurt Taylor ,Walter Smalls
Cc: Jeremy Blackburn ,jake@durbanolawfirm.com,Donald Trump Jr
Subject: RE: lease comments

All:

Kurt's suggestions were fine, except two (see below).

We took all of Kurt's other suggestions/wording and incorporated them into the attached Lease and tracked all changes for easy review. We believe this should be the final document, ready for Council approval and signing.

Would it be OK to ask that we get this Lease and deal approved and executed no later than April 30th?

Chicora is under some time deadlines that make it necessary that we get this done no later than April 30th. Of course on execution of the Lease we can then get started on the TI's to accommodate a quicker move in for the County.

The two suggestions that we could not accept:

1st. Deposit. Everyone is very comfortable that the County is AAA rated but the bank is requiring it for Chicora to get bank financing for the TI's . If we could either shift the cost of TI's to the County or eliminate the Non Appropriations clause, we could also eliminate the

00665

Deposit. We understand that neither of those can be done, so we must comply with the bank requirement of a deposit for TI's. Can't get out of it according to the bank, who blames it on the Regulators. Sorry.

2nd. Late Fee of 5%. Every lease has one and every financial contract that Chicora is obligated on has a one. This is standard operating procedure. We assume it will never be an issue.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

——— Forwarded message ———
From: "Kurt Taylor" <KTaylor@charlestoncounty.org>
Date: Apr 25, 2014 5:03 PM
Subject: lease comments
To: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>
Cc:

Jeremy, here are my comments from the last round of lease edits. Thanks very much to Doug for accommodating most of my requests. As we have discussed, I will now meet with my lawyers and there may be more edits. I hope not.

"Basic Lease Information" change the lease term to one 25 year term.

Remove the cap and floor on the CPI changes

We will not pay a deposit

We still need a clear order of precedence listing for all the documents.

"Lease"

Section 2, change the lease term to one 25 year term.

Near the end of section 4 delete the reference to 5%

At the end of Section 5, add a sentence saying "The Operating Expense shall be a fixed monthly amount for each lease year. The Amount for each following year will be sent in writing to the County no later than the end of January each year. Any nontraditional or heavy users of utilities, including but not limited to the grocery store, a data center, or a 24-hour operation must be separately metered, and will not be included in any costs borne by Tenant.

At the end of Section 6, change the newly added sentence to read "Landlord is aware of the Tenant's intended uses for its various spaces, and shall not declare a nuisance arising from these operations.

Section 7(b) line seven, just before "ii", after the word "Tenant" add "as may be mutually agreed."

Delete the added language in Section 53. That is not correct, and I will not make those representations.

Exhibit B – end of second paragraph add "unless otherwise mutually agreed"

Fourth paragraph should read "The expectation of the parties is that all built-in furnishings and structured cable for the telephone and data infrastructure meeting Tenant's standards will be included in the Tenant Improvements. Tenant will be responsible for installing the telephone handsets and data network switches and routers."

Either delete the last sentence or add "If Landlord is unable to gain bank financing and does not complete the Tenant Improvements, All of Tenant's obligations under this lease will be immediately void. If Landlord fails to gain bank financing after Tenant has closed on the sale of its buildings which house most of the departments intended to relocate to the Premises, Landlord will be responsible for finding, equipping and paying for, at its sole expense, alternate space suitable to Tenant for all Tenant's uses. The parties recognize that it is a critical need to house these functions so that they continue to operate, and Landlord's failure to complete the Tenant Improvements will require the immediate location and completion of alternate location suitable to Tenant.

Exhibit C, remove the cap and floor in reference to the CPI.

Also, in fifth line form the top, change the word "Building" to "RSF"

I still think a set of rules and regulations that fit this type of building and the tenants which will be there would be better to draw up than the boilerplate in Exhibit D.

Thanks for your consideration.

00667

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY
SOUTH CAROLINA

Douglas M. Durbano <doug@durbanolawfirm.com> Fri, Jun 6, 2014 at 5:40 PM
To: Kurt Taylor <KTaylor@charlestoncounty.org>
Bcc: jblackburn@titanatlas.com

Understood, if there is there anything I can do to help, please let me know.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

00668

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notify the sender.

From: Kurt Taylor [mailto:KTaylor@charlestoncounty.org]
Sent: Tuesday, June 03, 2014 10:22 AM
To: 'Douglas M. Durbano'
Subject: RE: lease comments

It is merely frustrating to spend hours working with Jeremy, only to be blasted by an indignant email from you concerning the same subject.

W. Kurt Taylor, Esq.

Charleston County Administrator

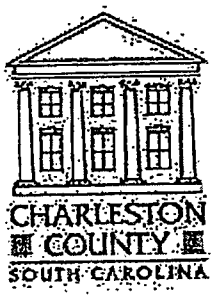
4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org



From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Monday, June 02, 2014 5:25 PM
To: Kurt Taylor
Subject: RE: lease comments

00669

Kurt:

Just a personal FYI;

I hope someday you and I can visit "off line" and see if there is some way or anyway I can get off the "hated lawyer" list.

I do apologize for any offense I have caused and hope not to repeat such behavior. For whatever its worth, it pains me to be hated.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Kurt Taylor [mailto:KTaylor@charlestoncounty.org]
Sent: Monday, June 02, 2014 10:03 AM
To: 'Douglas M. Durbano'
Subject: RE: lease comments

Thank you.

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

00670

CHARLESTON COUNTY
SOUTH CAROLINA

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Monday, June 02, 2014 11:59 AM
To: Kurt Taylor; Walter Smalls; Joe Dawson; Austin A. Bruner
Cc: jeremy@jeremyblackburn.com; Jacob Briggs
Subject: RE: lease comments

Sounds good;

Over the last few days, we got through all the County edits along with Jeremy's input from his recent meetings and will get back with you shortly with our input in hopes of finalizing the Lease.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Kurt Taylor [mailto:KTaylor@charlestoncounty.org]
Sent: Monday, June 02, 2014 9:00 AM
To: 'Douglas M. Durbano'; Walter Smalls; Joe Dawson; Austin A. Bruner
Cc: jeremy@jeremyblackburn.com; jake@durbanolawfirm.com
Subject: RE: lease comments

It is the same lease we have been working from, with edits from the legal department. I had explained clearly to Jeremy that the County Attorney's Office would have to review and may have additional comments.

Communicate directly with me.

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY
SOUTH CAROLINA

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Friday, May 30, 2014 11:27 AM
To: Kurt Taylor; Walter Smalls; Joe Dawson; Austin A. Bruner
Cc: jeremy@jeremyblackburn.com; jake@durbanolawfirm.com
Subject: RE: lease comments

All:

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As you can see from the email below, we had thought that the "final" version of the lease for Chicora and the County was completed on April 28th.

We will start the process of comparing documents and reviewing the new proposed lease to the April 28th version and get back with you relative to any comments, suggestions or changes.

Who shall we communicate with regarding these lease provisions and changes?

Thanks

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Attorney at Law

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Attached is the final lease ready for signing. Use the PDF version.

Thanks

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00673

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Sent: Monday, April 28, 2014 3:33 PM
To: Douglas M. Durbano
Subject: FW: lease comments

Attached are the word and pdf versions of the same document as previously sent but with references to a security deposit removed and some formatting changes.

Thanks,

Jacob D. Briggs

Attorney at Law

801-776-4111 Office

jake@durbanolawfirm.com

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From: Kurt Taylor [mailto:KTaylor@charlestoncounty.org]
Sent: Sunday, April 27, 2014 9:54 PM
To: Douglas M. Durbano; Walter Smalls
Cc: Jeremy Blackburn; jake@durbanolawfirm.com; Donald Trump Jr
Subject: RE: lease comments

Thanks. Understood on #2. Should have had a better lawyer on Chicora's contracts.

I don 't see the deposit, help for 25 years, unless earlier terminated, on an obligation of the LL. LL ought to make the deposit if it some reg. The Charleston Regional Development Alliance' of which I am on the Finance and Executive Committees, just moved to class A lease space, and paid no deposit.

WKT

00674

Sent from my Verizon Wireless 4G LTE smartphone

-------- Original message --------
From: "Douglas M. Durbano"
Date:04/26/2014 2:55 PM (GMT-05:00)
To: Kurt Taylor ,Walter Smalls
Cc: Jeremy Blackburn ,jake@durbanolawfirm.com,Donald Trump Jr
Subject: RE: lease comments

All:

Kurt's suggestions were fine, except two (see below).

We took all of Kurt's other suggestions/wording and incorporated them into the attached Lease and tracked all changes for easy review. We believe this should be the final document, ready for Council approval and signing.

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Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

00675

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---------- Forwarded message ----------
From: "Kurt Taylor" <KTaylor@charlestoncounty.org>
Date: Apr 25, 2014 5:03 PM
Subject: lease comments
To: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>
Cc:

Jeremy, here are my comments from the last round of lease edits. Thanks very much to Doug for accommodating most of my requests. As we have discussed, I will now meet with my lawyers and there may be more edits. I hope not.

"Basic Lease Information" change the lease term to one 25 year term.

Remove the cap and floor on the CPI changes

We will not pay a deposit

We still need a clear order of precedence listing for all the documents.

"Lease"

Section 2, change the lease term to one 25 year term.

Near the end of section 4 delete the reference to 5%

At the end of Section 5, add a sentence saying "The Operating Expense shall be a fixed monthly amount for each lease year. The Amount for each following year will be sent in writing to the County no later than the end of January each year. Any nontraditional or heavy users of utilities, including but not limited to the grocery store, a data center, or a 24-hour operation must be separately metered, and will not be included in any costs borne by Tenant.

At the end of Section 6, change the newly added sentence to read "Landlord is aware of the Tenant's intended uses for its various spaces, and shall not declare a nuisance arising from these operations.

Section 7(b) line seven, just before "if", after the word "Tenant" add "as may be mutually agreed." 00675

Delete the added language in Section 53. That is not correct, and I will not make those representations.

~~Exhibit B – end of second paragraph add "unless otherwise mutually agreed"~~

Fourth paragraph should read "The expectation of the parties is that all built-in furnishings and structured cable for the telephone and data infrastructure meeting Tenant's standards will be included in the Tenant Improvements. Tenant will be responsible for installing the telephone handsets and data network switches and routers."

Either delete the last sentence or add "If Landlord is unable to gain bank financing and does not complete the Tenant Improvements, All of Tenant's obligations under this lease will be immediately void. If Landlord fails to gain bank financing after Tenant has closed on the sale of its buildings which house most of the departments intended to relocate to the Premises, Landlord will be responsible for finding, equipping and paying for, at its sole expense, alternate space suitable to Tenant for all Tenant's uses. The parties recognize that it is a critical need to house these functions so that they continue to operate, and Landlord's failure to complete the Tenant Improvements will require the immediate location and completion of alternate location suitable to Tenant.

Exhibit C, remove the cap and floor in reference to the CPI.

Also, in fifth line form the top, change the word "Building" to "RSF"

I still think a set of rules and regulations that fit this type of building and the tenants which will be there would be better to draw up than the boilerplate in Exhibit D.

Thanks for your consideration.

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

00677

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

FW: Bond for SC Property

2 messages

Douglas M. Durbano <doug@durbanolawfirm.com> Thu, Jun 5, 2014 at 2:02 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>

Just got this from our Insurance/Bond Agent.

Perhaps we could discuss this in more detail with the County.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Aubrey Lomax [mailto:aubrey.lomax@sigutah.com]
Sent: Thursday, June 05, 2014 11:56 AM
To: doug@durbanolawfirm.com
Subject: Bond for SC Property

Hi Doug,

I have been making calls all morning discussing the requested bond with several underwriters. This type of bond is not something that any of the underwriters have heard of.

If the government entity is requiring the bond then they need to have a bond form available. Also does the government entity understand that the Bank letter is virtually securing the same thing a bond would? Trying to obtain a bond would be very time consuming and costly.

If they are still insisting on obtaining a bond there are several things we need for underwriting purposes. First off, we will need to obtain the contract or lease agreement between Durbano Properties and the government entity to see if there is any wording about the bonding terms for underwriting purposes. If there is no wording in the lease agreement about obtaining a bond then you would most likely need to add an addendum to the contract stating

00679

the purpose and specifics of the bond along with a bond form.

Secondly, we would require 2 years worth of financials and the name of the government entity and the specifics on the location in South Carolina for underwriting purposes.

The underwriting process will take several days to complete once all the required information has been received.

The rate of the bond will vary depending on the financials and the bond limit. I would plan on a rate of at least 2.5 % of the bond limit plus any fees that the carrier applies.

As I previously stated, this bond is not necessary as you already have obtained a Bank letter which is on file with the utility company.

If you have any questions or concerns, please let me know.

Aubrey Lomax

Stratford Insurance Group

2307 North Hill Field Road Suite 103

Layton, UT 84041

801-784-4975 (direct)

801-784-4938 (main)

801-337-2280 (fax)

aubrey@sigutah.com

www.sigutah.com

Jeremy Blackburn <jblackburn@titanatlas.com> Thu, Jun 5, 2014 at 2:05 PM
To: Kurt Taylor <ktaylor@charlestoncounty.org>

See attached and email below. If we do get a bond it is 2.5%. The attached shows that there is already a letter of credit in place for utility payments.

Jeremy Blackburn

00680

---------- Forwarded message ----------
From: **Douglas M. Durbano** <doug@durbanolawfirm.com>
Date: Thu, Jun 5, 2014 at 2:02 PM
Subject: FW: Bond for SC Property
To: Jeremy Blackburn <jblackburn@titanatlas.com>

Just got this from our Insurance/Bond Agent.

Perhaps we could discuss this in more detail with the County.

Thanks

Douglas

From: Aubrey Lomax [mailto:aubrey.lomax@sigutah.com]
Sent: Thursday, June 05, 2014 11:56 AM
To: doug@durbanolawfirm.com
Subject: Bond for SC Property

Hi Doug,

I have been making calls all morning discussing the requested bond with several underwriters. This type of bond is not something that any of the underwriters have heard of.

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If they are still insisting on obtaining a bond there are several things we need for underwriting purposes. First off, we will need to obtain the contract or lease agreement between Durbano Properties and the government entity to see if there is any wording about the bonding terms for underwriting purposes. If there is no wording in the lease agreement about obtaining a bond then you would most likely need to add an addendum to the contract stating the purpose and specifics of the bond along with a bond form.

Secondly, we would require 2 years worth of financials and the name of the government entity and the specifics on the location in South Carolina for underwriting purposes.

The underwriting process will take several days to complete once all the required information has been received.

00681

The rate of the bond will vary depending on the financials and the bond limit. I would plan on a rate of at least 2.5

% of the bond limit plus any fees that the carrier applies.

As I previously stated, this bond is not necessary as you already have obtained a Bank letter which is on file with the utility company.

If you have any questions or concerns, please let me know.

Aubrey Lomax

Stratford Insurance Group

2307 North Hill Field Road Suite 103

Layton, UT 84041

801-784-4975 (direct)

801-784-4938 (main)

801-337-2280 (fax)

aubrey@sigutah.com

www.sigutah.com

14CFB84D-04F1-41B7-A119-B95E1E54F99B.pdf.pdf
77K

00692

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

FW: Chicora / County Lease

4 messages

Douglas M. Durbano <doug@durbanolawfirm.com> Tue, Jun 3, 2014 at 10:59 AM
To: Jeremy Blackburn <jblackburn@titanatlas.com>

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Jacob Briggs [mailto:jake@durbanolawfirm.com]
Sent: Tuesday, June 03, 2014 8:48 AM
To: Douglas M. Durbano; jeremy@jeremyblackburn.com
Subject: Chicora / County Lease

Attached, in word and a pdf redline.

Thanks,

Jacob D. Briggs

Attorney at Law

801-776-4111 Office

jake@durbanolawfirm.com

476 Heritage Blvd.#200, Layton, Ut. 84041

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00683

2 attachments

CHICORA LIFE CENTER COUNTY 6-3-14.docx
96K

CHICORA LIFE CENTER.pdf
658K

Jeremy Blackburn <jblackburn@titanatlas.com> Tue, Jun 3, 2014 at 11:40 AM
To: Kurt Taylor <ktaylor@charlestoncounty.org>

Talk at 3:30

Jeremy Blackburn

2 attachments

CHICORA LIFE CENTER COUNTY 6-3-14.docx
96K

CHICORA LIFE CENTER.pdf
658K

Jeremy Blackburn <jblackburn@titanatlas.com> Tue, Jun 3, 2014 at 12:56 PM
To: Kurt Taylor <ktaylor@charlestoncounty.org>

[Quoted text hidden]

2 attachments

CHICORA LIFE CENTER COUNTY 6-3-14.docx
96K

CHICORA LIFE CENTER.pdf
658K

Jeremy Blackburn <jblackburn@titanatlas.com> Tue, Jun 3, 2014 at 3:38 PM
To: Matt Moore <mmoore@titanatlas.com>

---------- Forwarded message ---------
From: "Jeremy Blackburn" <jblackburn@titanatlas.com>
Date: Jun 3, 2014 12:56 PM

00684

Subject: Fwd: FW: Chicora / County Lease
To: "Kurt Taylor" <ktaylor@charlestoncounty.org>
Cc:

---------- Forwarded message ----------
From: "Jeremy Blackburn" <jblackburn@titanatlas.com>
Date: Jun 3, 2014 11:40 AM
Subject: Fwd: FW: Chicora / County Lease
To: "Kurt Taylor" <ktaylor@charlestoncounty.org>
Cc:

Talk at 3:30

Jeremy Blackburn

2 attachments

CHICORA LIFE CENTER COUNTY 6-3-14.docx
96K

CHICORA LIFE CENTER.pdf
658K

00685

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

FW: Chicora / County Lease

4 messages

Douglas M. Durbano <doug@durbanolawfirm.com>
To: Jeremy Blackburn <jblackburn@titanatlas.com>

Tue, Jun 3, 2014 at 10:59 AM

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Jacob Briggs [mailto:jake@durbanolawfirm.com]
Sent: Tuesday, June 03, 2014 8:48 AM
To: Douglas M. Durbano; jeremy@jeremyblackburn.com
Subject: Chicora / County Lease

Attached, in word and a pdf redline.

Thanks,

Jacob D. Briggs

Attorney at Law

801-776-4111 Office

jake@durbanolawfirm.com

476 Heritage Blvd.#200, Layton, Ut. 84041

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00685

2 attachments

CHICORA LIFE CENTER COUNTY 6-3-14.docx
96K

CHICORA LIFE CENTER.pdf
658K

Jeremy Blackburn <jblackburn@titanatlas.com> Tue, Jun 3, 2014 at 11:40 AM
To: Kurt Taylor <ktaylor@charlestoncounty.org>

Talk at 3:30

Jeremy Blackburn

---

2 attachments

CHICORA LIFE CENTER COUNTY 6-3-14.docx
96K

CHICORA LIFE CENTER.pdf
658K

Jeremy Blackburn <jblackburn@titanatlas.com> Tue, Jun 3, 2014 at 12:56 PM
To: Kurt Taylor <ktaylor@charlestoncounty.org>

[Quoted text hidden]

---

2 attachments

CHICORA LIFE CENTER COUNTY 6-3-14.docx
96K

CHICORA LIFE CENTER.pdf
658K

Jeremy Blackburn <jblackburn@titanatlas.com> Tue, Jun 3, 2014 at 3:38 PM
To: Matt Moore <mmoore@titanatlas.com>

---------- Forwarded message ---------
From: "Jeremy Blackburn" <jblackburn@titanatlas.com>
Date: Jun 3, 2014 12:56 PM

00687

Subject: Fwd: FW: Chicora / County Lease
To: "Kurt Taylor" <ktaylor@charlestoncounty.org>
Cc:

---------- Forwarded message ----------
From: "Jeremy Blackburn" <jblackburn@titanatlas.com>
Date: Jun 3, 2014 11:40 AM
Subject: Fwd: FW: Chicora / County Lease
To: "Kurt Taylor" <ktaylor@charlestoncounty.org>
Cc:

Talk at 3:30

Jeremy Blackburn

---

2 attachments

CHICORA LIFE CENTER COUNTY 6-3-14.docx
96K

CHICORA LIFE CENTER.pdf
658K

nn693

TITAN ATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

James Armstrong

3 messages

Jeremy Blackburn <jblackburn@titanatlas.com> Wed, May 28, 2014 at 3:09 PM
To: "Walter L. Smalls" <wsmalls@charlestoncounty.org>, Kurt Taylor <ktaylor@charlestoncounty.org>

Do you have a email for Jim?

Jeremy Blackburn
Chief Executive Officer
Titan Atlas Global LC
4280 Pace Street
North Charleston, SC 29405
Office: (843) 225-6230
Office Direct: (843) 225-6226
www.titanatlas.com

Walter Smalls <WSmalls@charlestoncounty.org> Wed, May 28, 2014 at 3:38 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>
Cc: "James D. Armstrong" <JDArmstrong@charlestoncounty.org>

JDArmstrong@charlestoncounty.org

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Wednesday, May 28, 2014 3:10 PM
To: Walter Smalls; Kurt Taylor
Subject: James Armstrong

[Quoted text hidden]

Kurt Taylor <KTaylor@charlestoncounty.org> Wed, May 28, 2014 at 3:40 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>

Jdarmstrong@charlestoncounty.org

W. Kurt Taylor, Esq.

Charleston County Administrator

00699

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY
SOUTH CAROLINA

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Wednesday, May 28, 2014 3:10 PM
To: Walter Smalls; Kurt Taylor
Subject: James Armstrong

Do you have a email for Jim?

[Quoted text hidden]

00690

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

FW: Chicora Lease

1 message

Tue, May 27, 2014 at 5:55 PM

Kurt Taylor <KTaylor@charlestoncounty.org>
To: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>

As promised.

W. Kurt Taylor, Esq.
Charleston County Administrator
4045 Bridge View Drive, Suite B-238
North Charleston, SC 29405
843-958-4015
ktaylor@charlestoncounty.org
www.charlestoncounty.org

CHARLESTON COUNTY
SOUTH CAROLINA

From: Austin A. Bruner
Sent: Friday, May 23, 2014 1:38 PM
To: Kurt Taylor; Walter Smalls
Cc: Joe Dawson; Jacinta M. DeJesus
Subject: Chicora Lease

00691

Gentlemen,

Attached for your review are a clean version of the draft lease with our changes and a merged document showing our modifications to your previous draft.

Joe and I are available to meet next week to discuss.

Have a nice weekend.

Sincerely,

Austin

Austin A. Bruner

Assistant County Attorney

Charleston County Attorney's Office

Lonnie Hamilton, III Public Services Building

4045 Bridge View Drive

North Charleston, SC 29405-7464

Main Telephone: (843) 958-4010

Direct Telephone: (843) 958-4045

Fax: (843) 958-4017

abruner@charlestoncounty.org

---

2 attachments

Chicora Lease LGL final draft of 5-23-14.docx
75K

Chicora Center Lease -- merged lgl wkt 5-23-14.pdf
624K

00692

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

Lease

3 messages

Jeremy Blackburn <jblackburn@titanatlas.com> Thu, May 22, 2014 at 4:56 PM
To: Kurt Taylor <ktaylor@charlestoncounty.org>, "Walter L. Smalls" <wsmalls@charlestoncounty.org>
Bcc: Douglas Durbano <doug@durbanolawfirm.com>

Haven't seen anything from Joe's office. Should I reach out to him?

Jeremy Blackburn

Kurt Taylor <KTaylor@charlestoncounty.org> Thu, May 22, 2014 at 6:10 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>, Walter Smalls <WSmalls@charlestoncounty.org>

No. It will come from me. Don't bother. They say they'll have comments to me tomorrow.

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

00693

CHARLESTON COUNTY
SOUTH CAROLINA

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Thursday, May 22, 2014 4:56 PM
To: Kurt Taylor; Walter Smalls
Subject: Lease

Haven't seen anything from Joe's office. Should I reach out to him?

Jeremy Blackburn

Jeremy Blackburn <jblackburn@titanatlas.com> Fri, May 23, 2014 at 1:06 AM
To: Kurt Taylor <KTaylor@charlestoncounty.org>

OK. Let's grab lunch Friday if you have time.

[Quoted text hidden]

00604

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

FW: WIC Voucher Values

2 messages

Walter Smalls <WSmalls@charlestoncounty.org> Fri, May 9, 2014 at 12:09 PM
To: "Jeremy Blackburn (jblackburn@titanatlas.com)" <jblackburn@titanatlas.com>
Cc: Kurt Taylor <KTaylor@charlestoncounty.org>, Christine Durant <CDurant@charlestoncounty.org>

Jeremy,

Attached is the requested information on WIC values.

Walt

-----Original Message-----
From: support@charlestoncounty.org [mailto:support@charlestoncounty.org]
Sent: Friday, May 09, 2014 12:05 PM
To: Walter Smalls
Subject: Message from "RNP00267364064E"

This E-mail was sent from "RNP00267364064E" (Aficio MP C3502).

Scan Date: 05.09.2014 12:04:42 (-0400)
Queries to: support@charlestoncounty.org

201405091204.pdf
326K

Jeremy Blackburn <jblackburn@titanatlas.com> Fri, May 9, 2014 at 1:44 PM
To: Walter Smalls <WSmalls@charlestoncounty.org>
Cc: Christine Durant <CDurant@charlestoncounty.org>, Kurt Taylor <ktaylor@charlestoncounty.org>

Thx. Less than expected but should be enough.

[Quoted text hidden]

00695

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

Council Meeting 5-15

3 messages

Jeremy Blackburn <jblackburn@titanatlas.com> Thu, May 8, 2014 at 1:07 PM
To: Kurt Taylor <ktaylor@charlestoncounty.org>

Who do you want me to have attend? Summey? Fetter? Church leaders? Call MUSC

Kurt Taylor <KTaylor@charlestoncounty.org> Thu, May 8, 2014 at 3:38 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>

We have MUSC and DHEC covered. Any other tenants plus yourself is fine. Don woul be great, even if he just wants to meet councilmembers in privAte.

Sent from my Verizon Wireless 4G LTE smartphone
[Quoted text hidden]

Jeremy Blackburn <jblackburn@titanatlas.com> Thu, May 8, 2014 at 3:59 PM
To: Douglas Durbano <doug@durbanolawfirm.com>

fyi

Jeremy Blackburn
Chief Executive Officer
Titan Atlas Global LC
4280 Pace Street
North Charleston, SC 29405
Office: (843) 225-6230
Office Direct: (843) 225-6226
www.titanatlas.com

[Quoted text hidden]

00695

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

Grocery Store - DHEC

1 message

Jeremy Blackburn <jblackburn@titanatlas.com> Tue, May 6, 2014 at 6:52 PM
To: Kurt Taylor <ktaylor@charlestoncounty.org>, Christine Durant <CDurant@charlestoncounty.org>, "Walter L. Smalls" <wsmalls@charlestoncounty.org>

Have been asked if it is possible to get a confirmation on the amount of WIC vouchers that are anticipated to be distributed. Is this something DHEC could reference in a brief short letter?

Jeremy Blackburn
Chief Executive Officer
Titan Atlas Global LC
4280 Pace Street
North Charleston, SC 29405
Office: (843) 225-6230
Office Direct: (843) 225-6226
www.titanatlas.com

00697

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

(no subject)

5 messages

Jeremy Blackburn <jblackburn@titanatlas.com> Fri, Apr 25, 2014 at 4:31 PM
To: Kurt Taylor <ktaylor@charlestoncounty.org>

Everything ok?

Jeremy

Jeremy Blackburn <jblackburn@titanatlas.com> Fri, Apr 25, 2014 at 4:31 PM
To: Douglas Durbano <doug@durbanolawfirm.com>

---------- Forwarded message ----------
From: **Jeremy Blackburn** <jblackburn@titanatlas.com>
Date: Fri, Apr 25, 2014 at 4:31 PM
Subject:
To: Kurt Taylor <ktaylor@charlestoncounty.org>

Everything ok?

Jeremy

Kurt Taylor <KTaylor@charlestoncounty.org> Fri, Apr 25, 2014 at 4:32 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>

Got held up on something last night and most of today. I am in the middle of typing the email to you.

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

00693

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Friday, April 25, 2014 4:32 PM
To: Kurt Taylor
Subject:

Everything ok?

Jeremy

Jeremy Blackburn <jblackburn@titanatlas.com> Fri, Apr 25, 2014 at 4:33 PM
To: Kurt Taylor <ktaylor@charlestoncounty.org>

Ok. Was just checking.

[Quoted text hidden]

Jeremy Blackburn <jblackburn@titanatlas.com> Fri, Apr 25, 2014 at 4:34 PM
To: Douglas Durbano <doug@durbanolawfirm.com>

[Quoted text hidden]

00899

TITANATLAS GLOBAL

Jeremy Blackburn <jblackburn@titanatlas.com>

Charleston County Lease

7 messages

Douglas M. Durbano <doug@durbanolawfirm.com> Wed, Apr 9, 2014 at 4:08 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>, Kurt Taylor <ktaylor@charlestoncounty.org>, "Walter L. Smalls" <wsmalls@charlestoncounty.org>
Cc: Donald Trump <djtjr@trumporg.com>, jake@durbanolawfirm.com

All:

Attached is our recently edited Lease, which started from the edited version done by Kurt Taylor and sent to Jeremy on Feb. 21st.

We have included the comments and suggestions from Kurt's' April 1st memo (also attached) as well as attempted to incorporate the recent discussions and agreements as to Rate, CAM/Operating Expenses, TI's and other terms. All changes have been tracked and referenced by color and name of the person editing. (Jake Briggs is from our office.)

Please don't be surprised or offended that we have left in a TI deposit amount, which is important to the Building Owner on several levels. Please plan on discussing this item and why it is important.

We still need the final drawings of the space for Exhibit A and any updated cost estimates for TI's, which we understand are about done.

Please let us know of any other comments or concerns with the edits. We may have unintentionally gotten some things wrong in the process. Our apologies in advance.

We appreciate everyone's hard work on getting this done.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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00700

From: Jeremy Blackburn [mailto:jblackburn@titanatlas.com]
Sent: Wednesday, April 09, 2014 8:11 AM
To: Kurt Taylor; Walter L. Smalls
Cc: Douglas Durbano; Donald Trump
Subject:

Got your voicemail. Lease will be sent to you this morning for review.

Jeremy

---

2 attachments

Memo Chicora Life Center 4-1-14 lease.doc
102K

Chicora Life Center lease with Charleston County 04092014.docx
110K

Douglas M. Durbano <doug@durbanolawfirm.com> Thu, Apr 17, 2014 at 11:25 AM
To: Jeremy Blackburn <jblackburn@titanatlas.com>, Kurt Taylor <ktaylor@charlestoncounty.org>, "Walter L. Smalls" <wsmalls@charlestoncounty.org>
Cc: Donald Trump <djtjr@trumporg.com>, jake@durbanolawfirm.com

All:

Any comments on the lease or other items that we need to be addressing?

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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00701

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Wednesday, April 09, 2014 2:09 PM
To: 'Jeremy Blackburn'; 'Kurt Taylor'; 'Walter L. Smalls'
Cc: 'Donald Trump'; 'jake@durbanolawfirm.com'
Subject: Charleston County Lease

[Quoted text hidden]

Jeremy Blackburn <jblackburn@titanatlas.com> Thu, Apr 17, 2014 at 11:32 AM
To: "Douglas M. Durbano" <doug@durbanolawfirm.com>
Cc: Kurt Taylor <ktaylor@charlestoncounty.org>, "Walter L. Smalls" <wsmalls@charlestoncounty.org>, Donald Trump <djtjr@trumporg.com>, Jacob Briggs <jake@durbanolawfirm.com>

Kurt will be meeting with County legal staff to finalize and then send comments.

Timing is expected early next week.

Jeremy

[Quoted text hidden]

Douglas M. Durbano <doug@durbanolawfirm.com> Tue, Apr 22, 2014 at 12:51 PM
To: Jeremy Blackburn <jblackburn@titanatlas.com>, Kurt Taylor <ktaylor@charlestoncounty.org>, "Walter L. Smalls" <wsmalls@charlestoncounty.org>
Cc: Donald Trump <djtjr@trumporg.com>, Jacob Briggs <Jake@durbanolawfirm.com>

Any follow up on the Lease that we need to be dealing with?

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

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From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Thursday, April 17, 2014 9:26 AM
To: Jeremy Blackburn; Kurt Taylor; Walter L. Smalls

00702

Cc: Donald Trump; jake@durbanolawfirm.com
Subject: RE: Charleston County Lease

[Quoted text hidden]

Kurt Taylor <KTaylor@charlestoncounty.org> Tue, Apr 22, 2014 at 3:39 PM
To: "Douglas M. Durbano" <doug@durbanolawfirm.com>, Jeremy Blackburn <jblackburn@titanatlas.com>, Walter Smalls <WSmalls@charlestoncounty.org>
Cc: Donald Trump <djtjr@trumporg.com>

Working on it now.

W. Kurt Taylor, Esq.

Charleston County Administrator

4045 Bridge View Drive, Suite B-238

North Charleston, SC 29405

843-958-4015

ktaylor@charlestoncounty.org

www.charlestoncounty.org

CHARLESTON COUNTY
SOUTH CAROLINA

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Tuesday, April 22, 2014 12:51 PM
To: Jeremy Blackburn; Kurt Taylor; Walter Smalls
Cc: Donald Trump; Jacob Briggs

[Quoted text hidden]

[Quoted text hidden]

00703

Douglas M. Durbano <doug@durbanolawfirm.com> Thu, Apr 24, 2014 at 5:35 PM
To: Kurt Taylor <KTaylor@charlestoncounty.org>, Jeremy Blackburn <jblackburn@titanatlas.com>, Walter Smalls <WSmalls@charlestoncounty.org>
Cc: Donald Trump <djtjr@trumporg.com>, jake@durbanolawfirm.com

Would it be helpful to just get Jake, of my office, on the phone with Kurt?

Jake can make the edits that Kurt would like very easily. He's good at it.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

doug@durbanolawfirm.com email

476 Heritage Blvd. #200, Layton Ut. 84041

This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

From: Kurt Taylor [mailto:KTaylor@charlestoncounty.org]
Sent: Tuesday, April 22, 2014 1:40 PM
To: 'Douglas M. Durbano'; Jeremy Blackburn; Walter Smalls
Cc: Donald Trump

[Quoted text hidden]

[Quoted text hidden]

Douglas M. Durbano <doug@durbanolawfirm.com> Fri, Apr 25, 2014 at 10:29 AM
To: Kurt Taylor <KTaylor@charlestoncounty.org>, Jeremy Blackburn <jblackburn@titanatlas.com>, Walter Smalls <WSmalls@charlestoncounty.org>
Cc: Donald Trump <djtjr@trumporg.com>, Jacob Briggs <Jake@durbanolawfirm.com>

Could we have Jake just call Kurt or maybe just send Kurt's hand written changes to Jake? Either way works for us.

Time is of the essence here.

Thanks

Douglas M. Durbano

Attorney at Law

801-776-4111

00704

doug@durbanolawfirm.com email

This email, including attachments, is confidential, proprietary, and Attorney/Client Privileged. If you are not the intended recipient, destroy the email and notify the sender.

From: Douglas M. Durbano [mailto:doug@durbanolawfirm.com]
Sent: Thursday, April 24, 2014 3:35 PM
To: Kurt Taylor; Jeremy Blackburn; Walter Smalls

[Quoted text hidden]

[Quoted text hidden]

DEFENDANTS' EXHIBIT C

Brent Wilde

From: Brent Wilde <bwilde@antioncapital.com>
Sent: Thursday, July 03, 2014 9:56 AM
To: 'Bob Nuttall Jr.'
Cc: 'Douglas Durbano'; 'Milton Thomas'
Subject: RE: Navy Hospital building

Bob, Per our conversation we desire that we remove the exclusivity of the agreement otherwise we would have to end the agreement. With that said I agree that we should get on a call on Tuesday to discuss the best course to move forward . Have a great holiday weekend .

Thanks,

BRENT WILDE
Chief Financial Officer

AntionCapital

www.antioncapital.com
476 W Heritage Parkway Blvd.
Layton, Utah 84041
Office: 801-776-1111
Cell: 801-388-2670

From: Bob Nuttall Jr. [mailto:bnuttall@lee-associates.com]
Sent: Thursday, July 03, 2014 9:42 AM
To: Brent Wilde
Cc: Douglas Durbano; Milton Thomas
Subject: Navy Hospital building

Brent,

Thanks for your time the last couple of days regarding the ownership's requested changes to our exclusive listing agreement for the Navy Hospital property. As we continue to think through how removing the exclusivity would work from a practical standpoint, we see potential problems both short and long term as we have relayed to both you and Doug. We believe a phone call next Tuesday with y'all is the best course to further those discussions, giving everyone a chance to catch up from the long holiday weekend.

On a more positive note, congratulations are in order on finally securing the lease with Charleston County. We all put significant time and effort into finalizing this transaction and it is exciting that we finally pulled that one off. We also believe commencing the improvements to the common areas will be a game changer with future showings at the property since prospects will see the progress being made and the common areas will be much improved over their current state.

Lastly, please email me a fully executed copy of the Charleston County lease for our files.

Enjoy the long holiday weekend and we look forward to catching up next week.

Thanks!

All His Best,

Bob

Robert H. Nuttall Jr., SIOR, CPM | Principal
Lee & Associates | Charleston

Direct: 843.747.2333
Cell: 843.367.8255
Main: 843.747.1200
Fax: 843.747.1070
126 Seven Farms Dr., Ste 110
Charleston, SC 29492

LEE & ASSOCIATES®
COMMERCIAL REAL ESTATE SERVICES

A member of the Lee & Associates Group of Companies

DEFENDANTS' EXHIBIT D

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	NINTH JUDICIAL DISTRICT
COUNTY OF CHARLESTON	)	CASE NO.: 2014-CP-10-7481
	)	
Lee & Associates Charleston, LLC	)	
	)	
Plaintiff,	)	
	)	
vs.	)	Affidavit of Douglas Durbano
	)	
Chicora Gardens Holdings, LLC., Chicora Life Center, LC., and Jeremy Blackburn	)	
	)	
Defendants.	)	
	)	

Personally appeared before me, Douglas Durbano, who, having been duly sworn, does hereby state the following:

1. I am over the age of eighteen (18).
2. I am the manager of Chicora Gardens Holdings, LLC, which is the manager of Chicora Life Center, LC ("Chicora"), and have personal knowledge of the matters of which I state below.
3. Chicora is the owner of certain commercial real property located at 3600 Rivers Avenue, Charleston, South Carolina 29405 ("Property").
4. Before signing the listing agreement with Lee & Associates Charleston, LLC ("Lee & Assoc."), I was presented with an attractive and aggressive "Marketing Plan," with the representation from Lee & Assoc. that the Marketing Plan would be followed
5. The Marketing Plan and accompanying representation gave me a sense of assurance that Lee & Assoc. could and would vigorously represent Chicora in

seeking tenants for the Property, and this was a material factor that induced me to execute the listing agreement.

6. I am not aware of any of the specific representations of the Marketing Plan which was actually or timely completed and/or implemented by Lee & Assoc.

7. After the signing of the listing agreement, Jeremy Blackburn began to express to me his dissatisfaction with Lee & Assoc.'s failure to visibly market the Property in addition to other failures of Lee & Assoc. to live up to its representations regarding the Marketing Plan.

8. At no time, before or after execution of the listing agreement, did Lee & Assoc. disclose to me that it represents other clients with space that would directly compete with the Property which created a potential conflict of interest.

9. Lee & Assoc. did not provide services that resulted in the procuring of any tenant for the Property or even an offer from a potential tenant, as provided by the listing agreement and understanding between Chicora and Lee & Assoc.

10. Lee & Assoc.'s involvement in any discussions with Charleston County (the "County") terminated by mutual agreement when it was learned that the County refused to have any dealings whatsoever with Bob Nuttall of Lee & Assoc., this based on a personal conflict between the County administrator and Bob Nuttall.

11. Based on this personal conflict, Lee & Assoc. agreed that it would provide no services in relation to the County negotiations as to do so would materially hinder the procuring of the County as a tenant.

12. Several months after Lee & Assoc. removed itself from any involvement with the County, and after detailed and exhaustive negotiations, an agreement was signed with the County.

13. Prior to signing a lease with the County, but after Lee & Assoc. had removed itself from any involvement in negotiations with the County, I terminated the listing agreement, based on my frustrations with Lee & Assoc.'s lack of performance, and then began negotiating with Lee & Assoc. other options for their involvement in marketing the property.

14. Chicora's lease with the County contains at least five such contingencies, and, as of the current date, the County asserts that the contingencies are not all satisfied and, thus, there is not yet an effective date of the agreement between the County and Chicora.

15. The County has yet to take occupancy and has denied any obligation to pay rent.

16. After the listing agreement was terminated, Lee & Assoc. never provided to me a list of names of prospective tenants to whom the Property was shown by Lee & Assoc. Not one offer for lease was ever generated by Lee & Assoc.

FURTHER AFFIANT SAYETH NAUGHT!

Douglas Durbano

SWORN to before me this 31st
day of August, 2015

Theresa L. Babauta
Notary Public for Utah
My Commission expires: 01-26-2018

THERESA L. BABAUTA
Notary Public • State of Utah
Commission # 673697
COMM. EXP. 01-26-2018

DEFENDANTS' EXHIBIT E

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	NINTH JUDICIAL DISTRICT
COUNTY OF CHARLESTON	)	CASE NO.: 2014-CP-10-7481
	)	
Lee & Associates Charleston, LLC	)	
	)	
Plaintiff,	)	
	)	
vs.	)	Affidavit of Jeremy Blackburn
	)	
Chicora Gardens Holdings, LLC., Chicora Life Center, LC., and Jeremy Blackburn	)	
	)	
Defendants.	)	
	)	

Personally appeared before me, Jeremy Blackburn, who, having been duly sworn, does hereby state the following:

1. I am more than eighteen (18) years old.
2. I have been associated with Chicora Gardens Holdings, LLC, and/or Chicora Life Center, LC ("Chicora") at relevant times herein, and have personal knowledge of the matters of which I state below.
3. Chicora is the owner of certain commercial real property located at 3600 Rivers Avenue, Charleston, South Carolina 29405 ("Property").
4. In early 2014, I was involved in the process of soliciting proposals from potential brokers for marketing of the property. When Lee & Associates Charleston, LLC ("Lee & Assoc.") presented its proposal, it was in the form of a Marketing Plan with several pages highlighting the abilities of Lee & Assoc. The Plan included a marketing action item list and timeline to complete that list.

5. After the listing agreement was signed, I repeatedly inquired as to the status of the action items timeline and the progress of marketing the Property. After the signing of the listing agreement I am not aware of any action item that was completed per the timeline and most were not completed at all.

6. This caused significant frustration to me which I expressed at various times to Lee & Assoc. All that I received in response were verbal assurances that Lee & Assoc. was working hard for Chicora.

7. In contrast to the representation that they were working hard, as of April 4, 2014, Lee & Assoc. acknowledged that it did not yet have signage up at the property. Also, on the same date, Lee & Assoc. acknowledged that it did not yet have the property listed on the MLS. These were both items that Lee & Assoc. represented in the Marketing Plan would be completed in the first week. By this time, it had been over two months.

8. I likewise expressed my frustration to Douglas Durbano and pointed to the lack of any visible marketing by Lee & Assoc. as well as other failures of Lee & Assoc. to live up to its representations regarding the Marketing Plan. More importantly, not even one lease had been secured or even presented by Lee & Assoc.

9. Lee & Assoc. did not provide services that resulted in the procuring of any tenant for the Property or even an offer from a potential tenant.

10. I attended a meeting with the County at which representatives from Lee & Assoc. attempted to attend; however, certain County representatives refused to participate in any personal discussion with Lee & Assoc. representatives, based on a dispute between the two.

11. Several months after Lee & Assoc. removed itself from any involvement with the County, and after detailed and exhaustive negotiations, an agreement was signed with the County.
12. Chicora's lease with the County contains at least five contingencies, and, as of the current date, the County asserts that the contingencies are not all satisfied and, thus, there is not yet an effective date of the agreement between the County and Chicora.
13. The County has yet to take occupancy and has denied any obligation to pay rent.
14. After the listing agreement was terminated, and at no point to date, Lee & Assoc. never provided to me a list of names of prospective tenants to whom the Property was shown by Lee & Assoc. as required in the listing agreement.

FURTHER AFFIANT SAYETH NAUGHT!

SWORN to before me this 2ND
day of ~~August~~ September, 2015

Notary Public for South Carolina
My Commission expires: 2-26-17

Jeremy Blackburn