TENNESSEE COMPTROLLER OF THE TREASURY

JASON E. MUMPOWER
Comptroller

TENNESSEE STATE SCHOOL BOND AUTHORITY

May 20, 2026

AGENDA

1. Call meeting to order, establish that there is a quorum, and receive public comment on actionable items in accordance with Tenn. Code Ann. §8-44-112 and Authority guidelines

2. Approval of the Minutes from the TSSBA meeting of March 23, 2026

3. Consideration and approval of the Resolution to Approve the Borrowing of Money by Another Method by the University of Tennessee, Health Science Center – Lease for 1589 Highway 128 with Bill and Carol Latimer Charitable Foundation

4. Consideration and approval of the Resolution to Approve the Borrowing of Money by Another Method by the University of Tennessee, Knoxville – Lease for Oak Ridge Enhanced Technology and Training Center with Roane County NSPC, LLC

5. Consideration and approval of the Resolution to Approve the Borrowing of Money by Another Method by the University of Tennessee, Knoxville – Loan for the purchase of 2200 Southerland Avenue with Regions Bank

6. Approval of Projects for:

   The University of Tennessee

   - University of Tennessee, Knoxville – UTK Neyland Entertainment District Parking Garage (A103); Cost: $83,000,000 of which $83,000,000 will be funded by TSSBA; Term of Financing: 30 years at an assumed taxable rate.

7. RCF Increase

8. Adjourn

The Board meeting will be held in the Volunteer Conference Center, 2nd Floor, Cordell Hull Building, 425 Rep. John Lewis Way N., Nashville, TN. Board members are allowed to participate by electronic means. The public may attend in person or virtually by using the following link: https://www.comptroller.tn.gov/office-functions/sgf/sgf-calendar/2026/5/20/tennessee-state-school-bond-authority-meeting.html

TENNESSEE STATE SCHOOL BOND AUTHORITY

March 23, 2026

The Tennessee State School Bond Authority (the "TSSBA", or the "Authority") met on March 23, 2026, at 2:15 p.m., CT, in the Volunteer Conference Center on the 2nd floor of the Cordell Hull Building, Nashville, Tennessee. The Honorable Jason Mumpower, Comptroller of the Treasury, was present and presided over the meeting.

The following members were physically present:

The Honorable Tre Hargett, Secretary of State
The Honorable David H. Lillard, Jr., State Treasurer
Commissioner Jim Bryson, Department of Finance and Administration
Dr. Mariah Perry, proxy for Dr. Flora W. Tydings, Chancellor, Tennessee Board of Regents

The following member attended virtually:

Andrea Addis, proxy for Randy Boyd, President, University of Tennessee

The following member was absent:

The Honorable Bill Lee, Governor

Comptroller Mumpower recognized a physical quorum present with Ms. Addis participating electronically, and asked Ms. Kayla Carr, Director of the Division of State Government Finance (SGF) and TSSBA Assistant Secretary, to call the roll:

Ms. Addis – Present
Secretary Hargett – Present
Treasurer Lillard – Present
Comptroller Mumpower – Present
Commissioner Bryson – Present
Dr. Perry – Present

Comptroller called the meeting to order. In accordance with Tenn. Code Ann. § 8-44-112 and Board Guidelines, Comptroller Mumpower asked Ms. Carr if any requests for public comment had been received. Ms. Carr responded that no requests for public comment had been received.

Comptroller Mumpower stated that the first item on the agenda was the consideration for approval of the minutes from February 23, 2026, meeting of the Authority. Comptroller Mumpower asked if there were any questions or discussion regarding the minutes. Hearing none, Comptroller Mumpower moved approval of the minutes, Secretary Hargett seconded the motion, and Ms. Carr took the roll:

Ms. Addis – Aye
Secretary Hargett – Aye
Treasurer Lillard – Aye
Comptroller Mumpower – Aye
Commissioner Bryson – Aye
Dr. Perry – Aye

The minutes were unanimously approved.

Comptroller Mumpower stated that the next item on the agenda was the consideration of proposals received and approval of the selection of bond counsel. Comptroller Mumpower stated that staff had worked very hard and made a recommendation and hoped that all members have taken time to meet with

their staff beforehand. Comptroller Mumpower made a motion to select Hawkins Delafield and Wood LLP be awarded a 5-year contract to commence May 1, 2026, and delegate the Comptroller the responsibility to fix and finalize the details of the contract. Secretary Hargett seconded the motion, and Ms. Carr took the roll:

Ms. Addis – Aye
Secretary Hargett – Aye
Treasurer Lillard – Aye
Comptroller Mumpower – Aye
Commissioner Bryson – Aye
Dr. Perry – Aye

The proposal was unanimously approved.

Comptroller Mumpower moved to adjourn, Commissioner Boyd seconded the motion, and Ms. Carr took the roll:

Ms. Addis – Aye
Secretary Hargett – Aye
Treasurer Lillard – Aye
Comptroller Mumpower – Aye
Commissioner Bryson – Aye
Dr. Perry – Aye

The meeting was adjourned.

Approved on this _____ day of _____, 2026.

Respectfully submitted,

Kayla Carr
Assistant Secretary

RESOLUTION TO APPROVE THE BORROWING OF MONEY BY ANOTHER METHOD BY THE UNIVERSITY OF TENNESSEE

Recitals

Whereas, the University of Tennessee ("UT"), on behalf of its Health Science Center ("UTHSC"), proposes to lease an approximately six thousand five hundred (6500) square foot dental clinic (the "Clinic") located at 1589 Highway 128, Savannah, Tennessee for use by dental students doing clinical rotations with UTHSC's College of Dentistry (the "Lease"); and

Whereas, the Lessor, the Bill and Carol Latimer Charitable Foundation, will fund the cost of property improvements including design and construction of the Clinic; and

Whereas, UTHSC will assign a project manager to work with the designer and contractor; and

Whereas, UTHSC and the Lessor will mutually approve designs and the project schedule with the Lessor being the sole signatory for all required design and construction contracts; and

Whereas, UTHSC will use the Clinic to expand access to oral healthcare in rural communities in the region and support the clinical education of its students who will receive training and provide supervised healthcare services at the Clinic; and

Whereas, the term of the Lease will be thirty (30) years and UT will pay rent of one dollar ($1.00) per year and be directly responsible for all operating expenses of the Clinic; and

Whereas, estimated annual operating costs are eighty-one thousand seven hundred dollars ($81,700) which includes maintenance, utilities, property taxes, and insurance; and

Whereas, UTHSC will also be responsible for procuring furniture and equipment for the Clinic; and

Whereas, the Clinic may be donated to UTHSC in the future at the Lessor's discretion; and

Whereas, costs of the Lease will be funded by UT Plant Funds (Non-Aux) (A).

BE IT RESOLVED BY THE TENNESSEE STATE SCHOOL BOND AUTHORITY:

1. In accordance with the authority provided by Tennessee Code Annotated Section 49-3-1205(11), the Tennessee State School Bond Authority (the "Authority") gives its approval for UT to enter into the Lease.

BE IT FURTHER RESOLVED that all resolutions or parts of resolutions in conflict are repealed, and the resolution shall be effective as of May 20, 2026.

Adopted by the Authority at its meeting on May 20, 2026.

_____

JASON E. MUMPOWER, SECRETARY
TENNESSEE STATE SCHOOL BOND AUTHORITY

UNIVERSITY OF TENNESSEE

Acquisition – Lease (Space)

Requested Action: **Approval of a lease with waiver of advertisement**

Transaction Description: Transaction No. 26-003-001

- **Proposed Lease:**
  - **Location:** University of Tennessee – Health Science Center (UTHSC) Hardin County – 1589 Highway 128, Savannah, TN
  - **Landlord:** The Bill and Carol Latimer Charitable Foundation
  - **Term:** 30 years
  - **Area:** 6,500 square feet
  - **Costs:**

Expense Category	Cost/sf	Annual Cost
First Year Contract Rent	$ NA/sf	$ 1.00
Estimated Annual Operating Cost	12.57/sf	81,700.00
Total Annual Effective Cost	$12.57/sf	$81,701.00

- **Source of Funding:** Plant Funds (Non-Aux) (A)
- **Procurement Method:** Negotiated
- **FRF Rate:** $18.00

Comment: This lease will provide clinical and residential space for UTHSC's College of Dentistry (COD). The Bill and Carol Latimer Charitable Foundation (Landlord) will fund the cost of the property improvements including design and construction. UTHSC will assign a project manager to work with the architect/contractor. UTHSC and the Landlord will mutually approve designs and the project schedule with the Landlord being the signatory for all required design and construction contracts. The lease term will be 30 years with rent of $1.00 per year. UTHSC will be responsible for all operating expenses including all maintenance needs, utilities, property taxes, and insurance. UTHSC will also be responsible for furniture and equipment. The property may be donated to UTHSC in the future at Landlord's discretion.

The dental clinic will expand access to oral healthcare in rural communities and support the clinical education of students in the COD who will receive training and provide supervised healthcare services at the clinic. The facility will contain residential space that will serve those students on rotation.

Waiver of advertisement is requested due to the special and unique circumstances of the lease of the property being a gift.

EXECUTIVE SUMMARY

BACKGROUND:

The University of Tennessee Health Science Center (UTHSC) proposes to lease a +/- 6,500 SF dental clinic (the "Clinic") located at 1589 Highway 128, Savannah, Tennessee from the Bill and Carol Latimer Charitable Foundation (the "Foundation"). The lease will provide clinical and residential space for College of Dentistry (COD) students on rotation. The Foundation will fund the cost of the property improvements including design and construction. UTHSC will assign a project manager to work with the architect/contractor. UTHSC and the Lessor will mutually approve designs and the project schedule with the Foundation being the signatory for all required design and construction contracts.

COD will use the Clinic to expand access to oral healthcare in rural communities in the region and support the clinical education of its students who will receive training and provide supervised healthcare services at the Clinic. The Clinic is expected to serve approximately 2,500 to 3,000 patient visits annually. Four (4) DDS students and two (2) dental hygiene students are planned to be used in the initial operation though this could be expanded over time. The housing component will be driven by clinical rotations with initial plans to house approximately six (6) students. There will be no additional program costs to the students as the rotations are part of the course of study. Security will be provided by local authorities as there are no specific concerns for the Savannah site. It is expected that should additional security be needed, a contract will be put into place for security services and the operating costs would include such needs.

TERMS:

The proposed lease term will be thirty (30) years. The University will pay rent of $1.00 per year and be directly responsible for all operating expenses. Estimated operating costs are $81,700.00 annually which includes maintenance, utilities, property taxes, and insurance. UTHSC will also be responsible for procuring furniture and equipment. The Clinic may be donated to UTHSC in the future at the Foundation's discretion.

FUNDING:

Plant Funds – Non-Auxiliary Sources (A).

REQUEST:

Request for approval of a lease with waiver of advertisement.

CERTIFICATION OF FUNDS

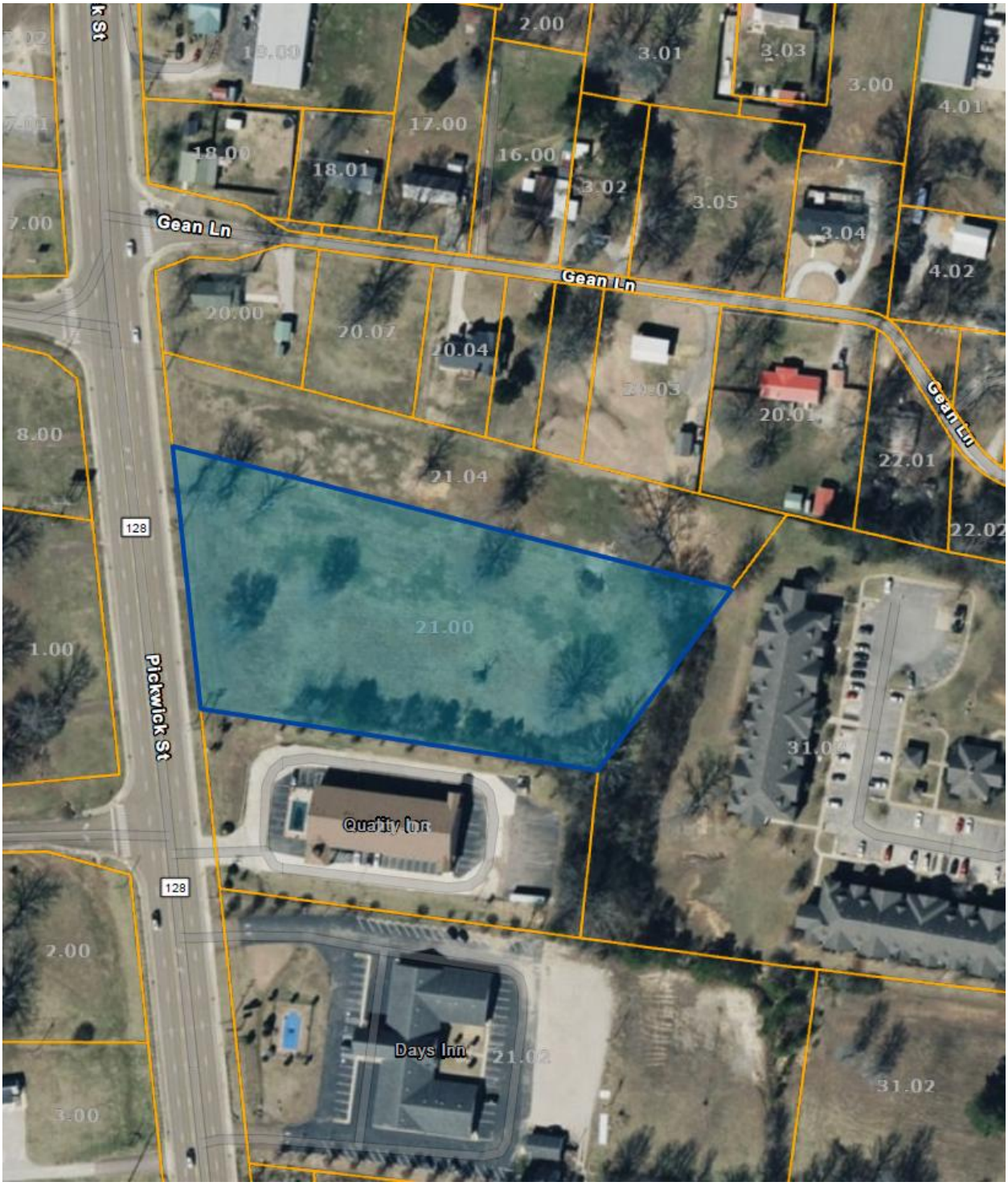
Please be advised that The University of Tennessee Health Science Center has adequate resources, Plant Funds (Non-Aux) in hand that are not encumbered, or otherwise obligated, from which to make related payments of **Eighty-one thousand seven hundred one dollar and 00/100 ($81,701.00) per year** associated with the real property lease at **1589 Highway 128, Savannah, Tennessee.**

David L. Miller

_____ Date: April 1, 2026

David L. Miller
Sr. Vice President and Chief Financial Officer
The University of Tennessee System




Gean Ln
Gean Ln
Gean Ln
Pickwick St
128
128
Quality Inn
Days Inn
21.00
21.04
20.00
20.02
20.04
20.03
20.01
18.00
18.01
17.00
16.00
3.02
3.05
3.04
3.03
3.01
2.00
3.00
4.01
4.02
7.00
8.00
1.00
2.00
3.00
22.01
22.02
31.02
21.02


UTHSC
Clinic
Paragould
Dyersburg
Dyer
Bradford
Bruceton
Camden
Huntingdon
Trenton
Milan
Holladay
Lobelville
Brookland
Leachville
Gosnell
Blytheville
Monette
Manila
Lake City
Caraway
Bay
Trumann
Osceola
Ripley
Humboldt
Medina
Bells
Oakfield
Lexington
Parsons
Linden
Jackson
Beech Bluff
Decaturville
Henning
Lepanto
Covington
Brownsville
Marked Tree
Brighton
Atoka
Stanton
Mason
Scotts Hill
Henderson
Bath Springs
Saltillo
Clifton
Finger
Millington
Whiteville
Arlington
Parkin
Earle
Bolivar
Bethel Springs
Savannah
Selmer
Bartlett
Germantown
Collierville
Rossville
Moscow
Grand Junction
Middleton
Michie
Counce
Southaven
Horn Lake
Michigan City
Corinth
Brickeys
Hernando
Ashland
Falkner
Burnsville
Iuka
Florence
Muscle Shoals
Holly Springs
Ripley
Tunica
Coldwater
Blue Mountain
Potts Camp
Booneville
Tishomingo
Senatobia
Littleville
Sarah
Myrtle
Helena-West Helena
Crenshaw
Como
New Albany
Baldwyn
Belmont
Russellville
Sledge
Sardis
Sardis Lake
Guntown
Red Bay
Oxford
Saltillo

TAGENCY:	
ALLOTMENT CODE:	COST CENTER:

This Instrument Prepared By:
State of Tennessee
Real Estate Asset Management
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, Suite 2200
Nashville, TN 37243-1102

LE NO.

NOTE: No hand written or interlineated changes to this Lease will override the printed text of this Lease.

State is Tenant

This lease document is not effective or binding unless approved in accordance with all applicable laws.

LEASE

1. Date of this Lease: _____**, 2026**

Name and Address of Leased Premises:
Savannah Dental Clinic
1589 Highway 128
Savannah, TN 38372
_____

2. Tenant: **State of Tennessee**

Landlord Name and Address:
The Bill and Carol Latimer Charitable Foundation or Assignee
_____
_____
_____

3. Leased Premises: The land described on Exhibit B including all improvements located thereon (the "Building") together with all Common Areas, including, without limitation, parking.

4. Rentable Square Feet**: 6,500 square feet**

5. Term of Lease: __**Thirty (30)** _year(s) and **Zero (0)** month(s)
Commencement Date of Lease Term
(and of the obligations hereunder): to be set pursuant to Exhibit C
N/A

6. Termination for Convenience: There is no termination for convenience.

Monthly Rental Installments Table

7.

Lease Year(s)	Annual Rental	Monthly Rental Installments	Rental Rate Per Rentable Square Foot
1-30	**$1.00**	**N/A**	**N/A**

8. **Utilities & Services:**
☐ All utilities are included in the Monthly Rental Installments.
☐ The following utilities are not included in the Monthly Rental Installments:_____
☒ Tenant is solely responsible for payment of the following separately metered utilities: ☒ electric ☒ gas ☒ water/sewer
☒ Janitorial services are not included in the Monthly Rental Installments.

9. **Improvements (check any that apply):** Leasehold Improvement Allowance: $___**N/A**_____ per Rentable Square Foot
☐ A. Existing Space (New Tenant or Renewal) ☒ B. Landlord to build out space pursuant to Exhibit D

10. ☐ This Lease is a sublease pursuant to that certain _____ dated effective _____ by and between_____, as landlord, and Landlord, as tenant. If not checked, this paragraph is not applicable.

11. Attached hereto and incorporated herein for all purposes are the following additional exhibits:
Exhibit A -- Lease Standard Terms and Conditions; **Exhibit B** – Floor Plan;
☒ Other – **Exhibit C** – Commencement Date Agreement; ☒ Other – **Exhibit D** – Build Out Terms

LANDLORD: BILL AND CAROL LATIMER CHARITABLE FOUNDATION OR ASSIGNEE	**TENANT: UNIVERSITY OF TENNESSEE**
By: _____	By: _____ _____, _____
Date: _____	Date: _____
Name: _____	By: _____ Jonathan Skrmetti, Attorney General & Reporter (For Form and Legality)
Title: _____	Date: _____

(Notary Acknowledgements Attached)

LANDLORD NOTARY

STATE OF TENNESSEE
COUNTY OF _____

Before me, _____, Notary Public in and for the County and State aforesaid, personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged himself/herself to be the _____ of the **Bill and Carol Latimer Charitable Foundation or Assignee** , the within named Landlord, and that he/she as such _____ executed the within instrument for the purposes therein contained by signing the name of the entity by himself/herself as such _____.

Witness my hand and seal at office in _____, Tennessee, on this the _____ day _____, 2026.

_____
Notary Public

My Commission Expires:

_____

TENANT NOTARY

STATE OF TENNESSEE
COUNTY OF DAVIDSON

Before me, _____, Notary Public in and for the County and State aforesaid, personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged himself to be ____**, of The University** of Tennessee, the within named Tenant, and that he as such representative, executed the foregoing instrument for the purposes therein contained and signed the name of the University of Tennessee, by himself as ___.

Witness my hand and seal, at office in Nashville, Tennessee, this the ____ day of _____, 2026.

_____
Notary Public
My Commission Expires: _____

[seal]

EXHIBIT A

State is Tenant

***NOTE**: No handwritten or interlineated changes to this Lease will override the printed text of this lease.*

In consideration of the mutual covenants and representations set forth in the Lease (the "Lease") and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties do hereby agree as follows. The capitalized terms used in this Exhibit A shall have the meaning assigned to such terms in the Lease, unless another meaning is assigned to such terms in this Exhibit A.

1. DEMISE. Upon the terms and conditions hereinafter set forth and as set forth in the Lease, Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, the Leased Premises for the Term of the Lease. Landlord represents and warrants to Tenant that Landlord is the fee simple owner of the Leased Premises and has the right to lease the Leased Premises to Tenant pursuant to the terms of the Lease. Landlord further represents and warrants to Tenant that there are no easements, covenants, restrictions or other agreements or instruments encumbering the Leased Premises that (i) contain any pre-approval rights relating to this Lease (including any lender approval rights) which have not been secured by Landlord, or (ii) would interfere with or restrict Tenant's ability to use the Leased Premises for a dental clinic facility including, office and storage space and residential space(the "Permitted Use"). Landlord further represents and warrants to Tenant that (x) the use of the Leased Premises for the various purposes for which it is presently being used is permitted under all applicable zoning legal requirements and (y) all utilities necessary for the use of the Leased Premises for the various purposes for which it is presently being used are being supplied to the Building via publicly dedicated utility easement areas.

2. RENT. The Monthly Rental Installments for the Lease of the Leased Premises shall be payable in arrears on the last day of each and every month during the term hereof to Landlord at Landlord's address as set forth on the Lease, provided Landlord has submitted a completed the ACH Form (as defined below) to Tenant. Landlord shall not invoice Tenant for services until Landlord has completed this form and submitted it to Tenant. The Monthly Rental Installments shall be prorated for any partial calendar month during the Term.

No payment shall be made by Tenant under this Lease until Tenant has received the following documentation properly completed:

1. Landlord shall complete, sign and present to Tenant an "Authorization Agreement for Automatic Deposit (ACH Credits) Form" provided by Tenant via PaymentWorks. By doing so, Landlord acknowledges and agrees that, once said form is received by Tenant, all payments to Landlord, under this or any other contract Landlord has with Tenant shall be made by Automated Clearing House (ACH).

2. Landlord shall complete, sign and present to Tenant a "Substitute W-9 Form" provided by Tenant via PaymentWorks. The taxpayer identification number detailed by said form must agree with Landlord's Federal Employer Identification Number or Tennessee Edison Registration ID referenced in this Lease.

Landlord agrees that if the Rent provided under the terms of this Section 2 is based in part upon the costs of the services, utilities, and supplies to be furnished by Landlord pursuant to Section 3 hereof and that should Tenant vacate the Leased Premises prior to the end of the term of this Lease, or, if after notice in writing from Tenant, all or any part of such services, utilities or supplies for any reason are not used by Tenant, then, in such event, the Monthly Rental Installments as to each month or portion thereof as to which such services, utilities or supplies are not used by Tenant shall be reduced by an amount equal to the average monthly costs of such unused services, utilities or supplies during the six (6) month period immediately preceding the first month in which such services, utilities or supplies are not used.

3. LANDLORD'S OBLIGATIONS.

A. Utilities:
Landlord shall not have any obligations to incur expenses for separately metered utilities. In the event Landlord elects to incur any expenses for separately metered utilities on behalf of or in the stead of Tenant, Tenant shall reimburse to Landlord the Landlord's expense of such separately metered utilities for the Leased Premises within sixty (60) days of written notice from Landlord of having incurred such expenses, supplemented with appropriate back-up documentation.

In order for any expenses to be reimbursable hereunder by the Tenant, the costs incurred by the Landlord must have been reasonable and necessary. The Landlord shall maintain documentation for all charges against the Tenant under this Lease. The books, records and documentation of the Landlord, insofar as they relate to reimbursement by the Tenant for costs incurred, whether in whole or in part, shall be maintained in conformity with generally accepted accounting principles for a period of five (5) full years from the date of what amounts to the final payment under this Lease, and shall be subject to audit, at any reasonable time and upon reasonable notice by the Comptroller of the Treasury or his duly appointed representative or a licensed independent public accountant.

B. Maintenance:
Landlord shall not have any maintenance obligations. Landlord shall permit Tenant to maintain, inspect, repair and replace any equipment or fixtures installed by Tenant on the Leased Premises (the "Tenant Maintenance"), and Landlord shall hold Tenant harmless for any damage to the Leased Premises caused by the Tenant Maintenance.

C. Insurance:
Landlord shall, at Landlord's expense, maintain fire and extended coverage insurance on Leased Premises, in an amount not less than the full replacement cost of the Building, and comprehensive general liability insurance coverage in the sum of One Million Dollars ($1,000,000) per occurrence and Three Million Dollars ($3,000,000) per annual aggregate against any and all liability, loss or damage arising from any injury or damage to any person or property occurring in or about the Leased Premises or the Building resulting from Landlord's negligence or matters arising for reasons beyond Tenant's control. The policies described in this Section shall name Tenant as an additional insured. Annually, Landlord shall furnish Tenant with a certificate of such coverage which shall provide that thirty (30) days' advance written notice

shall be given to Tenant in the event of cancellation or material change in the insurance policies maintained as required herein.

D. Taxes:
Landlord shall be responsible for payment of all real estate taxes assessed against the Building or land on which the Building is located, as well as all applicable local, state and federal income taxes which are or may be payable by Landlord. Landlord, by virtue of leasing property to Tenant, does not become a State of Tennessee agency, entity, or employee and is not entitled to any rights, privileges or immunities pertaining to the State or its agencies and instrumentalities.

4. TENANT'S OBLIGATIONS. In addition to the said rent to be paid, Tenant also agrees to pay directly during the term of the Lease, commencing on the Commencement Date, the following items of expense as the same become due and payable:

A. Utilities:
The cost of all separately metered utilities supplied to the Leased Premises.

B. Maintenance:
Tenant shall, at Tenant's expense, and as required to keep the Building and the Leased Premises in a good, attractive and safe condition, maintain and repair, in a good and workmanlike manner and in compliance with all replacement and maintenance schedules followed by prudent owners of commercial buildings, (i) the Building, including, but not limited to, the repair, maintenance and replacement of the roof, foundation and exterior and load-bearing walls; (ii) the mechanical, plumbing and electrical systems, including, but not limited to, air conditioning, heating, plumbing, wiring and piping and all filters, valves and other components; (iii) the exterior of the Building and the land upon which the Building is located, including any landscaped areas, parking areas and driveways, including, but not be limited to the following: weekly lawn cutting during the growing season, debris pick-up, leaf removal, mulching of planting beds, maintain any landscaping, daily snow and ice removal from parking areas and entrances to the Leased Premises; (iv) elevators, if any; (v) interior of the Building and the Leased Premises, including but not limited to repair, maintenance, patching, mold, mildew, and moisture removal, and painting of the walls, floors, ceilings, carpet and other surfaces; (vi) all lighting components, including but not limited to, furnishing and monthly replacement of electrical light bulbs, fluorescent tubes, ballasts and starters. Tenant shall also, at Tenant's expense, furnish and maintain appropriate outside trash and refuse receptacles for the disposal of trash and refuse from the Leased Premises. Furthermore, Tenant shall have maintenance personnel available to respond to routine calls within twenty four (24) hours and emergency calls within four (4) hours. "Emergency" repair or maintenance calls shall include, but not be limited to, situations involving HVAC, electrical, plumbing, roof leaks, utility disruptions, ingress and egress, and environmental issues.

C. Insurance:
Tenant shall, at Tenant's expense, reimburse to Landlord the Landlord's expense of fire and extended coverage insurance on Leased Premises within sixty (60) days of written notice from Landlord of having incurred such expenses, supplemented with appropriate back-up documentation.

D. Taxes:
Tenant shall, at Tenant's expense, reimburse to Landlord the Landlord's expense of real property tax expenses incurred on Leased Premises within sixty (60) days of written notice from Landlord of having incurred such expenses, supplemented with appropriate back-up documentation.

E. Janitorial
Tenant shall, at Tenant's expense, provide janitorial services to the Leased Premises.

F. Pest Control
Tenant shall, at Tenant's expense, provide appropriate interior and exterior pest extermination services, as needed.

G. All service costs and installations of all telephone or data services.

5. IMPROVEMENTS. Tenant shall have the right during the existence of the Lease to make alterations, attach fixtures and erect additions, structures or signs in or upon the Leased Premises. Such fixtures, additions, structures or signs so placed in or upon or attached to the Leased Premises under the Lease or any prior lease of the Leased Premises by Tenant shall be and remain the property of Tenant and may be removed therefrom by Tenant prior to the termination or expiration of this Lease or any renewal or extension thereof, or within a reasonable time thereafter.

6. TERMINATION FOR CAUSE. Tenant may in its sole discretion terminate this Lease at any time for any of the following causes: (a) Landlord's failure to disclose any conflict or potential conflict of interest existing at the date of this Lease or hereafter created; (b) termination or consolidation of Tenant's operations or programs housed in the Leased Premises because of loss of funding; (c) lack of funding by the appropriate Legislative Body for obligations required of Tenant under this Lease; (d) misrepresentations contained in the response to the request for proposal or committed during the negotiation, execution or term of this Lease; (e) failure to comply with the assertions and promises set forth in the response to the request for proposals; (f) the availability of space in Tenant-owned property, provided that no cancellation for this reason may take place until the Lease has been in effect for one year; and (g) any default by Landlord which is not adequately remedied in accordance with ***Section 8*** hereof. Notwithstanding the foregoing, all terms and conditions of the Lease are made subject to continued appropriations by the appropriate Legislative Body. Should the tenant elect to terminate this agreement before end of term, all equipment and improvements to the property shall convey to the lessor.

7. ENVIRONMENTAL PROVISIONS. Following due inquiry, Landlord represents that there are no hazardous substances or hazardous wastes as defined by the Comprehensive Environmental Response and Liability Act or any hazardous wastes as defined by the Resource Conservation and Recovery Act, or any mold, PCB's, radon or asbestos containing materials, located on, in or about the Leased Premises to be occupied by Tenant. Landlord agrees that should any hazardous wastes, hazardous substances, mold, PCB's, radon or asbestos containing materials be determined to be present as a result of the acts or omissions or negligence of any person or legal entity, other than

Tenant, Landlord shall indemnify, hold harmless and defend Tenant from all claims, damages, expenses or litigation resulting from the presence of such materials. If Tenant reasonably believes that hazardous substances may be present in the Leased Premises or the Building, Landlord will engage, at its expense, a qualified third-party engineer to conduct an appropriate environmental survey. If hazardous substances are found or such survey indicates a risk of such hazardous substances being present in the Leased Premises or Building, then Landlord, at its expense, will make all necessary changes and/or corrections so that the Building and/or the Leased Premises are in compliance with all environmental laws and regulations. In the event Landlord discovers hazardous materials on the Leased Premises during the Term of this Lease, Landlord shall promptly notify Tenant.

8. DEFAULT. Tenant shall be in default of the terms of the Lease if Tenant shall fail to make a payment of any rent or additional rent, and such rent or additional rent is not paid within ten (10) days of written notice by Landlord to Tenant of non-payment of same, or in the event that Tenant shall otherwise commit an act of default under the terms hereof, and shall not cure such default within thirty (30) days of written notice by Landlord to Tenant of such default, or, if it is not possible to complete the cure by such time, Tenant has not commenced the cure within such thirty (30) day period and does not thereafter diligently pursue the same to completion within a reasonable time thereafter. Tenant's failure to operate a dental clinic facility in the Leased Premises for a period longer than six (6) months, except in the event of force majeure, damage or destruction, or temporary closure to perform alterations, each as provided for herein, shall constitute an event of Tenant default, subject to notice and cure.

In the event of default by Tenant hereunder:

A. Landlord may continue the Lease in full force and effect and shall have the right to collect rent when due. During the term Tenant is in default, Landlord may re-enter the Leased Premises with legal process and relet same, or any part thereof, to third parties for Tenant's account. Tenant shall pay to Landlord the rent due under the Lease on the date such rent is due, less the rent Landlord receives from any reletting. Landlord shall make its best efforts to relet the Leased Premises at a reasonable price. Under this paragraph, Tenant's obligations shall not exceed the total rent due for the remainder of the term.

B. Landlord may terminate the Lease pursuant to the terms of this Section. Upon termination, Landlord shall have the right to collect an amount equal to all expenses, if any, not including attorneys' fees, incurred by Landlord in recovering possession of the Leased Premises and all reasonable costs and charges for the care of the Leased Premises while vacated by Tenant.

Except as specifically set forth herein, Landlord shall be in default of the terms of the Lease if Landlord shall commit an act of default under the terms hereof, and shall not cure such default within twenty (20) days of written notice by Tenant to Landlord of such default, or, if it is not possible to complete the cure by such time, Landlord has not commenced the cure within such twenty (20) day period and does not thereafter diligently pursue the same to completion within a reasonable time thereafter. In the event of a default by Landlord hereunder, Tenant may, in addition to all rights and remedies available at law or in equity, (i) cure such default and deduct any reasonable and necessary amounts incurred by Tenant in connection therewith from the rent next due by Tenant hereunder with the presentment of receipts for such reasonable and necessary actions, or (ii) terminate the Lease. Notwithstanding the foregoing, in the event that Tenant is unable, in its reasonable judgment, to operate in the Leased Premises as a result of the failure by Landlord to satisfy its obligations pursuant to Section 3 hereof (A) for a period of more than forty eight (48) consecutive hours, then the rent shall abate during the entire period of the disruption and Tenant shall have the right to terminate the Lease in the event Landlord remains unable to satisfy its obligations pursuant to Section 3 hereof for a period of more than ten (10) consecutive days; or (B) more than ten (10) days during any twelve (12) month period, then Tenant shall have the right to terminate the Lease.

9. END OF TERM. At the termination of this Lease, Tenant shall surrender its interest in the Leased Premises to Landlord in as good condition and repair as reasonable use thereof will permit, ordinary wear and tear excepted, and will leave the Leased Premises broom clean. Tenant shall have the right, prior to said termination, to remove any equipment, furniture, trade fixtures or other personal property in the Leased Premises owned by Tenant, provided that Tenant promptly repairs any damage to the Leased Premises caused by such removal. In the event of holding over by Tenant after the expiration or termination of the Term of this Lease, Tenant shall pay rent at the then-current rate for rent as set forth in the Lease, on a annual basis and the Term of this Lease shall be automatically extended for successive periods of one (1) year each; provided that during any automatically extended period following the expiration of the Term of this Lease, Landlord and Tenant shall each have the right to terminate this Lease by delivering written notice to the other at least ninety (90) days prior to the desired expiration date.

10. MISCELLANEOUS. The article captions contained in the Lease are for the convenience of the parties only and shall not be considered in the construction or interpretation of any provision hereof. Landlord and its agents shall have reasonable access to the Leased Premises during all reasonable business hours for the purpose of examining same to ascertain if they are in good repair and to make reasonable repairs which Landlord may be required to make hereunder. The making of repairs by Landlord or its agents shall be coordinated with Tenant to minimize disruptions of Tenant's conduct of business in the Leased Premises. The Lease contains the entire agreement between the parties and supersedes any and all other prior oral and written agreements between the parties regarding the subject matter contained herein and may not be changed or terminated orally but only by agreement in writing and signed by all parties. Landlord and Tenant acknowledge and agree that (i) all exhibits referenced in the Lease (or in any of its exhibits) are incorporated into the Lease by reference, and (ii) any reference to "the Lease," "this Lease," "hereunder," "herein" or words of like import shall mean and be a reference to the Lease including such exhibits. No waiver by either party shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by either party of the same or any other provision. The Lease shall be binding upon and inure to the benefit of the parties hereto, their heirs, successors, assigns, executors and administrators. Landlord has provided to Tenant a list of names and addresses of persons, associations, or corporations who hold any financial interest in the Leased Premises; such list shall be immediately revised in the event of a transfer of any such interest. The Lease Proposal Package from which this lease originated and the Landlord's response to the Lease Proposal Package (collectively, the "Proposal Package") is hereby incorporated in the Lease; provided, however, that in the event of any conflict between the terms of the Proposal Package and the Lease, the terms of the Lease shall control.

11. DAMAGE OR DESTRUCTION. If the Leased Premises are damaged by fire or other casualty, the damage shall be repaired by and at the expense of Landlord (excluding any personal property which is owned by Tenant), provided that such repairs can, in Landlord's opinion, be made within sixty (60) days after the occurrence of such damage. Landlord shall notify Tenant within fifteen (15) days of the event of casualty of its determination. Until such

repairs are completed, the rent shall be abated in proportion to the part of the Leased Premises rendered unusable, but there shall be no abatement of rent for a period equal to one (1) day or less. If such repairs cannot, in Landlord's opinion, be made within sixty (60) days and Landlord nonetheless chooses to repair, then Tenant may, at its option, continue as Tenant under the Lease until such repairs are completed, during which time all rent shall abate, or Tenant may terminate the Lease. A total destruction of the Building in which the Leased Premises are located shall automatically terminate the Lease. Total destruction of the Building shall be defined as damage greater than fifty percent (50%) of the then replacement value thereof.

12. NOTICES. Any notice required or permitted to be given hereunder shall be sufficiently given if personally served, sent by registered or certified mail, or by reputable overnight courier, addressed to the relevant party at the addresses specified in the Lease, for Landlord, and for Tenant to: University of Tennessee, Office of Real Property, 505 Summer Place – UTT 990, Knoxville, Tennessee, 37902, and an electronic copy to realproperty@tennessee.edu.

13. QUIET ENJOYMENT. Landlord warrants and shall defend Tenant in the quiet enjoyment and possession of the Leased Premises during the term and any extension or renewal thereof.

14. SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE. Tenant agrees that the Lease and all rights of Tenant hereunder are and shall be subject and subordinate to any ground or underlying lease which may now or hereafter be in effect regarding the Building or any component thereof, to any mortgage now or hereafter encumbering the Leased Premises or the Building or any component thereof, to all advances made or hereafter to be made upon the security of such mortgage, to all amendments, modifications, renewals, consolidations, extensions and restatements of such mortgage, and to any replacements and substitutions for such mortgage (collectively, "Mortgages"); provided as a condition to such subordination, any holder of the Mortgage must enter into a Subordination, Non-Disturbance and Attornment Agreement with Tenant in form reasonably acceptable to Tenant. In the event any proceedings are brought for the foreclosure of, or in the event of exercise of the power of sale under, or in the event of a deed in lieu of foreclosure with respect to any Mortgage covering the Leased Premises or the Building, or in the event of termination of any Lease under which Landlord may hold title, Tenant shall, at the option of transferee, attorn to such transferee and shall recognize and be bound and obligated hereunder to such person as Landlord under the Lease, unless the Lease is terminated. Notwithstanding anything contained herein to the contrary, so long as Tenant is not in default in the payment of rent, or in the performance of any of the other terms, covenants or conditions of the Lease beyond any applicable cure periods, no mortgagee or similar person shall disturb Tenant in its occupancy of the Leased Premises during the original or any renewal term of the Lease notwithstanding any event or proceedings described in this section.

15. APPROVALS. Neither this Lease nor any amendment or modification hereto shall be effective or legally binding upon Tenant, unless and until a fully executed, original Lease has been returned to Tenant and the review and approval by all appropriate State officials and the State Building Commission, if applicable has been obtained.

16. COMPLIANCE WITH LAWS. Landlord represents and warrants to Tenant that as of the date of execution of this Lease, the Building complies with the provisions of the Americans with Disabilities Act (ADA) in all material respects. Landlord hereby indemnifies and holds harmless Tenant from and against all costs, liabilities, and causes of action occurring or arising as a result of Landlord's failure to comply with any of the requirements of the ADA or similar laws or as a result of any violation of any of the requirements of the ADA or similar laws by Landlord or its agents. Landlord shall provide all life safety equipment, including but not limited to, fire extinguishers and smoke alarms, in compliance with applicable municipal building codes.

17. FORCE MAJEURE. With the exception of the obligation of Tenant to pay rent and all other amounts that may be due from time to time under this Lease, if either party shall be delayed or hindered in or prevented from doing or performing any act or thing required hereunder by reason of any matters beyond the reasonable control of such party, then such party shall not be liable or responsible for any such delays and the doing or performing of such act or thing shall be extended for a period equivalent to the period of such delay. In such event, this Lease and the obligations of both parties to perform and comply with all of the other terms and provisions of this Lease shall in no way be affected, impaired, or excused.

18. RECORDS RETENTION. Landlord shall maintain documentation for all charges against Tenant under the Lease. The books, records and documentation of Landlord, insofar as they relate to reimbursement by Tenant for costs incurred, whether in whole or in part, shall be maintained in conformity with generally accepted accounting principles for a period of five (5) full years from the date of what amounts to the final payment under this Lease, and shall be subject to audit, at any reasonable time and upon reasonable notice by the Comptroller of the Treasury or his duly appointed representative or a licensed independent public accountant.

19. Intentionally Deleted.

20. COMMON AREAS. During the Term of the Lease, Landlord agrees that Tenant and its employees, agents, invitees and visitors shall have the non-exclusive right to use the Common Areas, if any, for their intended purpose. Except for repairs, maintenance and replacements required under this Lease, Landlord shall not materially alter (or permit the material alteration of) any entrances, exits, corridors, sidewalks or hallways providing access to or from the Leased Premises. Landlord represents and warrants to Tenant that the Common Areas, if any, include all areas which are necessary for the use of the Leased Premises for its current use. As used herein, "Common Areas" means all portions of the Building intended for the general use or benefit of tenants or owners of the Building, and their employees, agents, and visitors, including, without limitation, all entrances, common corridors, parking areas, loading and unloading areas, trash areas, roadways, walkways, sidewalks and driveways.

21. IRAN DIVESTMENT ACT. The requirements of Tenn. Code Ann. § 12-12-101 et. seq., addressing contracting with persons as defined at T.C.A. §12-12-103(5) that engage in investment activities in Iran, are a material provision of this agreement. Landlord hereby certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.

22. NON-BOYCOTT OF ISRAEL. Pursuant to Tenn. Code Ann. § 12-4-119, Landlord certifies that it is not currently engaged in, and will not for the duration of the agreement, engage in a boycott of Israel, as defined by Tenn. Code Ann. § 12-4-119(a)(1).

23. COMMENCEMENT OF TERM. The Term of the Lease shall commence thirty (30) days after substantial completion of the construction in the Building pursuant to Exhibit D and receipt of a Certificate of Occupancy issued by the authority having jurisdiction. The commencement of Term of the Lease shall be memorialized by mutual execution of Exhibit C of the Lease.

24. CONFLICTS OF INTEREST. The Landlord warrants that no part of the total payment from the Tenant under the Lease shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, or employee of the Landlord in connection with any work contemplated or performed relative to the Lease. The Landlord acknowledges, understands, and agrees that the Lease shall be null and void if the Landlord is, or within the past six (6) months has been, an employee of the State of Tennessee or if the Landlord is an entity in which a controlling interest is held by an individual who is, or within the past six months has been, an employee of the State of Tennessee. The Landlord acknowledges, understands, and agrees that it and its performance under the Lease are subject to State Building Commission Policy and Procedure Item 12, and that Tenant has read and understands all of the provisions and requirements of same.

25. FINANCIAL INTEREST NOTICE. The Landlord has provided to Tenant a list of names and addresses of persons, associations, or corporations who hold any financial interest in the Leased Premises. Such list shall be immediately revised and provided by the Landlord to the Tenant in the event of a transfer of any such interest.

26. ILLEGAL IMMIGRANTS. In compliance with the requirements of Tenn. Code Ann. §12-3-309, Landlord hereby attests that it shall not knowingly utilize the services of an illegal immigrant in the United States in the performance of this Agreement and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the United States in the performance of this agreement.

27. DEBARMENT. Landlord hereby attests that the following are true statements:
i. Landlord is not currently debarred by the U.S. federal government.
ii. Landlord is not currently suspended by the U.S. federal government.
iii. Landlord is not currently named as an “excluded” Supplier by the U.S. federal government.
iv. Landlord must notify Tenant within 2 business days if Landlord is debarred by any organization in the United States.

28. COLLABORATION. Tenant reserves the right to enter into agreements with other agencies to support operations of the dentistry clinic within the Leased Premises.

EXHIBIT B
DESCRIPTION OF THE LEASED PREMISES

To be attached

EXHIBIT C
COMMENCEMENT DATE

Commencement Date Agreement

RE: Lease dated as of _____, by and between The Bill and Carol Latimer Charitable Foundation, as Landlord, and the University of Tennessee, as Tenant.

Dear Sirs:

Pursuant to the terms of the above captioned Lease, please be advised as follows:

1. The Commencement Date of the Lease Term is the _____day of _____, 202__, and the Expiration Date of the Lease Term is the ____ day of _____, _____, subject however to the terms and provisions of the Lease.

2. Terms denoted herein by initial capitalization shall have the meanings ascribed thereto in the Lease.

LANDLORD

Bill and Carol Latimer Charitable Foundation

By: _____

Title: _____

ACKNOWLEDGED AND AGREED:

University of Tennessee

By:_____

Title: _____

EXHIBIT D
BUILD OUT TERMS

1. Landlord, at Landlord's sole cost and expense, shall cause to be prepared by Landlord's architect or engineer the following:

(a) Detailed working drawings and specifications, including mechanical and electrical plans and specifications where necessary for the installation of air conditioning system and ductwork, heating, electrical, plumbing and other engineering plans (collectively, the "Plans"), for Landlord's construction and build-out of a +/- 6,500 square foot dental clinic with reception, office, and clinical space as well as some residential space for dental students on rotation (the "Landlord's Work"); and

(b) Any subsequent modifications to the construction documents and specifications required by Landlord or requested by Tenant and agreed to by Landlord.

2. Landlord shall submit for Tenant's approval the Plans within one hundred twenty (120) days of the date of this Lease. If Tenant has not approved the Plans within fifteen (15) days of receipt, then the Plans shall be deemed disapproved. If Tenant disapproves the Plans, Landlord shall revise and resubmit the same to Tenant for approval within ten (10) business days following receipt of Tenant's disapproval, which process shall continue until the Plans are approved. After approval by Tenant, a copy of the Plans shall be attached to the Lease as Exhibit D-1.

3. Tenant shall assign a project manager to work with Landlord's architect and Landlord's contractor throughout the design and construction processes.

4. Any approval by Tenant of or consent by Tenant to any plans, specifications or other items to be submitted to and/or reviewed by Tenant pursuant to this Lease shall be deemed to be strictly limited to an acknowledgment of approval or consent by Tenant thereto and such approval or consent shall not constitute the assumption by Tenant of any responsibility for the accuracy, sufficiency or feasibility of any plans, specifications or other such items and shall not imply any acknowledgment, representation or warranty by Tenant that the design is safe, feasible, structurally sound or will comply with any legal or governmental requirements, and Landlord shall be responsible for all of the same.

5. Landlord's Work requested by Tenant and approved by Landlord shall be performed (i) by Landlord's contractor or another contractor approved by Landlord, (ii) in a good and workmanlike manner, and (iii) in accordance with all applicable laws, ordinances, rules and regulations of governmental authorities having jurisdiction over the Leased Premises.

6. In the event the Landlord's Work is unreasonably delayed for any reason not attributable to Tenant, Tenant shall notify Landlord, and Landlord shall have thirty (30) days to cure such failure. If the failure is not capable of being cured within a thirty (30) day period, Landlord shall be afforded a reasonable period of time to cure the failure, provided that Landlord promptly commences curing the failure after the notice and brings the cure to completion with due diligence. If Landlord fails to commence a cure during such time period or does not diligently pursue the cure to completion, then Tenant, in its sole discretion, shall have the right to terminate the Lease. Any delay due to the action or inaction of Tenant shall not be considered attributable to Tenant unless Landlord has previously notified Tenant of Tenant's role in such delay.

RESOLUTION TO APPROVE THE BORROWING OF MONEY BY ANOTHER METHOD BY THE UNIVERSITY OF TENNESSEE

Recitals

Whereas, The University of Tennessee, Knoxville ("UTK") and Consolidated Nuclear Security ("CNS") agreed in May 2025 to collaborate on research initiatives that enhance national security; and

Whereas, CNS manages and operates the Y-12 National Security Complex on behalf of the United States Department of Energy; and

Whereas, the collaboration between UTK and CNS will result in the development of a National Security Prototype Center ("NSPC Building") in Oak Ridge, Tennessee that will enhance national security and solve complex manufacturing problems; and

Whereas, UTK has entered into a Pre-Development Agreement ("PDA") with Lawler-Wood NSPC, LLC ("LW") to advance the planning and design of this project; and

Whereas, the University of Tennessee ("UT"), on behalf of UTK, proposes to enter into a lease (the "Lease") with Roane County NSPC, LLC ("IDB") an entity created by the Industrial Development Board of Roane County, Tennessee, which will finance, own, and lease the NSPC Building and which IDB will then will engage LW to design, build, and operate the NSPC Building; and

Whereas, the NSPC Building will be an approximately sixty-two thousand seven hundred three (62,703) square foot building and be located in the Oak Ridge Enhanced Technology and Training Center with UTK and CNS each leasing a portion of the NSPC Building to enable joint research and the development of prototypes for high-precision, classified manufacturing around nuclear energy with such collaboration with CNS providing UTK the opportunity to participate in nuclear research in a specialized facility with security features sufficient for federal standards; and;

Whereas UT is seeking approval to enter into the Lease for a base lease term of twenty (20) years (the "Base Rent Period"), during which period UT will pay base rent ("Base Rent") sufficient to cover one hundred per cent (100%) of the debt service supporting the construction of the NSPC Building; and

Whereas, Base Rent will begin on the earlier of:

1) the first day of the calendar month following the issuance of a certificate of occupancy and certificate of substantial completion for the NSPC Building or 2) thirteen (13) months after the closing of LW's project loan; and

Whereas, under the Lease, UT will have a series of extension options to secure its interest in the NSPC Building through ninety-nine (99) years; and

Whereas, Base Rent will not be incurred during the extension options; and

Whereas, annual operating costs, paid during both the Base Rent period and extension periods, are anticipated to start at approximately fifteen dollars and twenty-five cents ($15.25) per square foot which does not include utilities; and

Whereas, utilities are estimated to be approximately five dollars and fifty-three cents ($5.53) per square foot; and

Whereas, UT and CNS will split these annual operating and utility costs on a pro rata basis; and

Whereas, if CNS terminates its lease, then UT will become responsible for all operating costs for the entire NSPC Building and UT is also responsible for up to one million dollars and no cents ($1,000,000.00) in cash commitments related to the PDA, two million dollars and no cents ($2,000,000.00) in contingency funds, and one million five hundred thirty-eight thousand two hundred five dollars and no cents ($1,538,205.00) in furniture, fixtures and equipment, for projected total first year expenses of eight million six hundred thirty-one thousand four hundred forty-nine dollars and forty-six cents ($8,631,449.46) and projected total annual costs (the "Annual Costs") of four million ninety-three thousand two hundred forty-four dollars and forty-six cents ($4,093,244.46) thereafter during the Base Rent Period; and

Whereas, the Annual Costs will be funded by UT through Plant Funds (Non-Aux) (A).

BE IT RESOLVED BY THE TENNESSEE STATE SCHOOL BOND AUTHORITY:

1. In accordance with the authority provided by Tennessee Code Annotated Section 49-3-1205(11), the Tennessee State School Bond Authority (the "Authority") gives its approval for UT to enter into the Lease.

BE IT FURTHER RESOLVED that all resolutions or parts of resolutions in conflict are repealed, and the resolution shall be effective as of May 20, 2026.

Adopted by the Authority at its meeting on May 20, 2026.

_____

JASON E. MUMPOWER, SECRETARY
TENNESSEE STATE SCHOOL BOND AUTHORITY

UNIVERSITY OF TENNESSEE

Acquisition – Lease (Space)

Requested Action: **Approval of a lease with waiver of advertisement**

Transaction Description: Transaction No. 26-03-002

- **Location:** Oak Ridge Enhanced Technology and Training Center (ORETTC)
  Roane County – 3607 Oak Ridge Turnpike, Oak Ridge, TN
- **Landlord:** Roane County NSPC, LLC
- **Term:** 20-year lease term with 15 five-year renewal options and 1 four-year renewal option for a maximum term of 99 years
- **Area:** 5.99 +/- acres, 20,947 +/- sf plus 21,940 sf common area (62,703 sf total building area)
- **Costs:**

Expense Category	**Cost/sf**	**Annual Cost**
Annual Contract Rent (Years 1-20)	$163.45/sf	$3,423,719.10
Estimated Annual Operating Cost*	15.25/sf	491,375.91
Estimated Annual Utility Cost*	5.53/sf	178,149.45
Total Annual Effective Cost	$184.23/sf	$4,093,244.46

One Time Expenditures	
UTK Predevelopment Agreement Commitment	$1,000,000.00
UTK Cash Contingency	2,000,000.00
UTK FF&E Share	1,538,205.00
Total One Time Expenditures	$4,538,205.00

- **Source of Funding:** Plant Funds (Non-Aux) (A)
- **Procurement Method:** Negotiated
- **FRF Rate:** $18.00

Comment: The University and Consolidated Nuclear Security (CNS) agreed in May 2025 to collaborate on research initiatives to enhance national security. This collaboration will result in the development of a National Security Prototype Center (NSPC Building) in Oak Ridge. The University and CNS will each lease a portion of the building to enable joint research and development of prototypes for high-precision, classified manufacturing around nuclear energy.

The Landlord is an entity created by the Industrial Development Board of Roane County, Tennessee (IDB), which will borrow funds sufficient to construct the NSPC Building and engage Lawler-Wood NSPC, LLC to design, build, maintain and operate the facility.

While the University will lease approximately one third of the NSPC Building, the University's rent payment will cover all of the debt service required to construct the NSPC Building and the obligation to pay rent will terminate at the end of the initial lease term. The University and CNS will each be responsible for their pro rata share of the annual operating and utility costs. (The Estimated Annual Operating Cost and Estimated Annual Utility Cost are based on the University's leased space and approximately one half of the Common Area, 31,132 sf.) CNS is permitted to terminate its lease with the Landlord on 1 year's

notice. If CNS terminates its lease for a portion of the NSPC Building, the University will be responsible for operating and utility costs for the entire NSPC Building. The University is also responsible for $1 million in cash commitments related to the Pre-Development Agreement that was previously approved, $2 million in contingency funds, and $1,538,205 in expenses for furniture, fixtures and equipment.

Waiver of advertisement is requested due to the collaborative nature of the relationship with CNS and the location of the NSPC Building at the Oak Ridge Enhanced Technology and Training Center which is controlled by the IDB. The University does not have the right to terminate the lease prior to the end of the initial term.

Previous Action:

Date	Meeting	Action
03/12/2026	SBC	Approved Predevelopment Agreement

EXECUTIVE SUMMARY

The University of Tennessee, Knoxville (University) and Consolidated Nuclear Security (CNS) agreed in May 2025 to collaborate on research initiatives that enhance national security. CNS manages and operates the Y-12 National Security Complex (Y-12) on behalf of the U.S. Department of Energy. The collaboration between UTK and CNS will result in the development of a National Security Prototype Center (NSPC Building) in Oak Ridge that will enhance national security and solve complex manufacturing problems. The University has entered into a Pre-Development Agreement (PDA) with Lawler-Wood NSPC, LLC to advance the planning and design of this project.

The University seeks approval of a lease agreement with Roane County NSPC, LLC, an entity created by the Industrial Development Board of Roane County, Tennessee, which will finance, own, and lease the NSPC Building. The Roane County NSPC entity will engage Lawler-Wood NSPC to design, build, and operate the facility. This approximately 62,703 sq. ft. building will be located in the Oak Ridge Enhanced Technology and Training Center (ORETTC). University and CNS will each lease a portion of the building to enable joint research and the development of prototypes for high-precision, classified manufacturing around nuclear energy. The collaboration with CNS provides University the opportunity to participate in nuclear research in a specialized facility with security features sufficient for federal standards.

TERMS

The base lease term will be 20 years, during which period the University will pay base rent sufficient to cover 100% of the debt service supporting the construction of the NSPC Building. Base rent will begin on the earlier of 1) the first day of the calendar month following the issuance of the certificate of occupancy and certificate of substantial completion or 2) thirteen months after the closing of Lawler-Wood NSPC, LLC's project loan. The University will have a series of extension options to secure its interest in the building through 99 years. Base rent will not be incurred during the extension options. Annual operating costs, paid during both the base and extension periods, are anticipated to start at approximately $15.25/sf, which does not include utilities. Utilities are estimated to be approximately $5.53/sf. The University and CNS will split these annual operating and utility costs on a pro rata basis. If CNS terminates its lease, the University becomes responsible for all operating costs for the entire building. The University is also responsible for up to $1,000,000.00 in cash commitments related to the PDA, $2,000,000.00 in contingency funds, and $1,538,205.00 in FF&E, for project total first year expenses to $8,631,449.46. Please see Estimated and Maximum Liability spreadsheets included later in this packet.

FUNDING

Funding for the Lease will be provided by the University through Plant Funds (Non-Aux) (A).

REQUEST

Request for approval of the lease with waiver of advertisement.

CERTIFICATION OF FUNDS

Please be advised that The University of Tennessee Knoxville has adequate resources, Plant Funds (Non-Aux) in hand that are not encumbered, or otherwise obligated, from which to make related payments of **four million ninety-three thousand two hundred forty-four dollars and 46/100 $4,093,244.46 per year** associated with the real property lease and one-time cash commitments of up to **four million five hundred thirty eight thousand two hundred five dollars and 00/100 $4,538,205.00** for the property at **3607 Oak Ridge Turnpike, Oak Ridge, TN.**

Estimated Annual Commitments	
Annual Contract Rent (Years1-20)	$3,423,719.10
Estimated Annual Operating Cost	$ 178,149.45
Estimated Annual Utility Cost	$ 491,375.91

One Time Cash Commitments	
UTK Predevelopment Agreement Commitment	$1,000,000.00
UTK Cash Contingency	$2,000,000.00
UTK FF&E Share	$1,538,205.00

David L Miller

Date: 5/14/2024

David L. Miller
Sr. Vice President and Chief Financial Officer
The University of Tennessee System

April 6, 2026

JUSTIFICATION REGARDING WAIVER OF TERMINATION FOR CONVENIENCE – 3607 Oak Ridge Turnpike, Oak Ridge, TN Lease

The University and Consolidated Nuclear Security (CNS) agreed in May 2025 to collaborate on research initiatives to enhance national security. This collaboration will result in the development of a National Security Prototype Center (NSPC Building) in Oak Ridge.

The University is seeking state approval of a lease agreement with Roane County NSPC, LLC (IDB), an entity created by the Industrial Development Board of Roane County, Tennessee, which will finance, construct, own, and lease the NSPC Building. IDB will engage Lawler to design, build, and operate the facility. The NSPC Building will contain approximately 62,703 sf and will be located in the Oak Ridge Enhanced Technology and Training Center (ORETTC). The University and CNS will each lease a portion of the building to enable joint research and development of prototypes for high-precision, classified manufacturing around nuclear energy. The University will lease approximately one third of the NSPC Building, but the University's base rent payment will cover all of the debt service required to construct the building. The University will be responsible for its pro rata share of the annual operating costs.

Approval is requested to exclude the standard 120 day termination for convenience clause from the lease. The University lease commitment is designed to cover the debt service for the building construction over the initial 20-year term of the lease, which is an essential business term required by the partners to agree to the transaction. This written request is submitted as required by SBC Policy 7.01.H.

I have reviewed and approve submittal of this request.

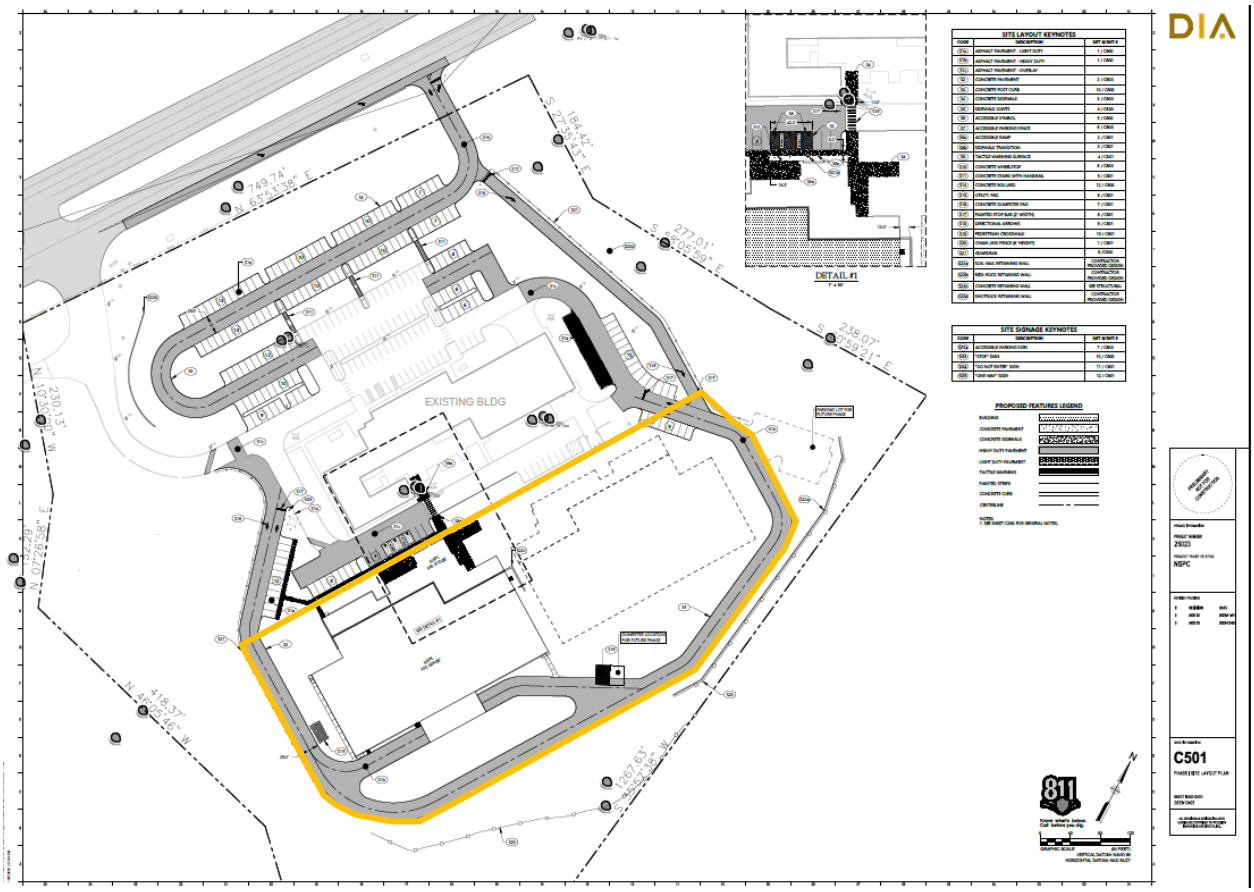
David L. Miller

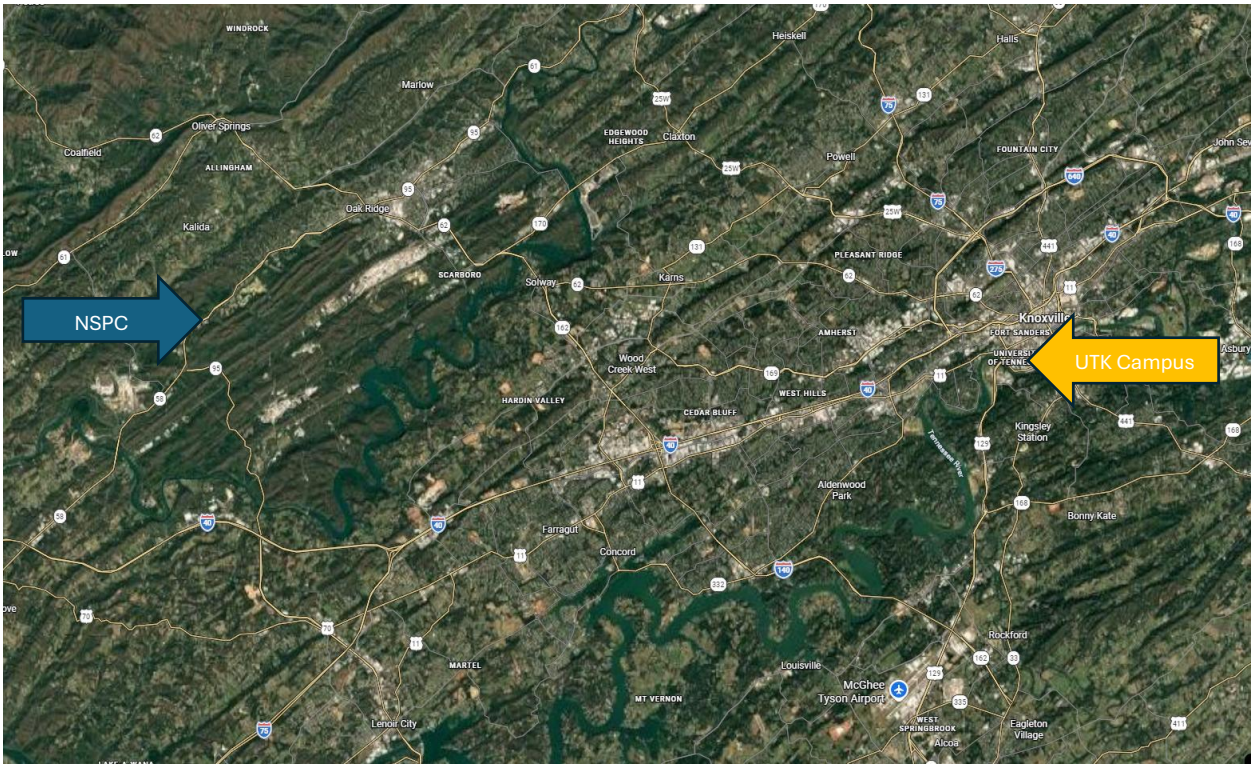
_____

David L. Miller

SVP & Chief Financial Officer


Oak Ridge Turnpike
Renovare Blvd
D.O.E.N. Patrol Rd
Frst Crk Pkwy
Cherry Oak Dr
Black Oak Dr
Willow Oak Dr
750'
515'
382'
418'
1268'
473'
95


EXISTING BLDG
DETAIL #1
SITE LAYOUT KEYNOTES
SITE SIGNAGE KEYNOTES
PROPOSED FEATURES LEGEND
DIA
C501



NSPC is approximately 30 miles from the UTK main campus

UTK - National Security Prototype Center Lease - **Estimated Lease Financial Commitment**
updated 4/13/26

Building Area

UTK Rentable Area	20,947 sf
CNS Rentable Area	19,816 sf
Common Area	21,940 sf
Total Building Area	62,703 sf
Operating Rent	$15.25 sf
UTK Proportionate share	51.4%

CASH COMMITMENTS

UTK PDA Commitment	$ 1,000,000.00
UTK Cash Contingency	$ 2,000,000.00
UTK's FF&E Share	$ 1,538,205.00
	$ 4,538,205.00

ANNUAL COMMITMENTS	UTK Planned Lease		Total Building $/sf
Rent	$ 3,423,719.10	$ 163.45	$ 54.60
Utilities* ^	$ 178,149.45	$ 5.53	
Operating Rent* ^	$ 491,375.91	$ 15.25	
Other	0	$ -	
Annual Total	$ 4,093,244.46	$ 184.23	
Total First Year Expenses	$ 8,631,449.46		

*No cap on these expenses
^ UTK is responsible for its proportionate share of Utilities and Operating Rent

Note: If UTK were to assume the lease of the entire building, annual commitments under the lease would be approximately $4.6m

UTK - National Security Prototype Center Lease - **MAXIMUM LIABILITY**
updated 4/6/26

Maximum Lease Financial Commitment

UTK Rentable Area	20,947 sf
CNS Rentable Area	19,816 sf
Common Area	21,940 sf
Total Building Area	62,703 sf
Operating Rent	$15.25/sf

CASH COMMITMENTS

UTK PDA Commitment	$ 1,000,000.00
UTK Cash Contingency	$ 2,000,000.00
UTK's FF&E Share	$ 1,538,205.00
	$ 4,538,205.00

ANNUAL COMMITMENTS		Total Bldg Area/SF
Rent	$ 3,423,719.10	$ 54.60
Utilities*	$ 346,680.00	$ 5.53
Operating Rent*	$ 956,220.75	$ 15.25
Other	0	$ -
Annual Total	$ 4,726,619.85	$ 75.38

Total First Year Expenses $ 9,264,824.85

*No cap on these expenses

Appendix 1

TERM SHEET
NATIONAL SECURITY PROTOTYPE CENTER LEASE

LESSOR:	Roane County NSPC, LLC, a Tennessee nonprofit limited liability company
UNIVERSITY:	The University of Tennessee, an instrumentality of the State of Tennessee
DEVELOPER, FACILITY MANAGER and ASSET MANAGER:	Lawler-Wood NSPC, LLC, a Tennessee limited liability company
PROJECT:	Approximately 62,703 square feet (the "Building") to be constructed by Lessor on 5 acres in the Roane County Industrial Park (the "Project Site") with a surface parking area. See Exhibit A for a copy of the Project Site Plan.
PREDEVELOPMENT AGREEMENT	The University and the Developer entered a pre-development agreement dated March 17, 2026 in which the University agreed to fund up to $1 million to allow tree cutting and construction drawings to proceed in advance of project construction. These predevelopment expenditures will reduce the amount of the Project Loan and thus, Base Rent.
PROJECT LOAN:	Regions Bank and Developer are entering a loan agreement for $40,097,682 (together with any refinancing thereof, the "Project Loan"). If the Loan qualifies as tax exempt, it will have a fixed rate for 20 years equivalent to 79% of the prevailing ten-year US Treasury, plus 68 basis points, which results in an indicative rate of 4.08% as of April 13, 2026. If the Loan does not qualify as tax-exempt, it will have a fixed rate for 20 years equivalent to the prevailing 10-year Treasury rate, plus 95 basis points, which results in an indicative rate of 5.25% as of April 13, 2026. The University anticipates that a portion of the leased space will be taxable, and that the premises leased by the University will be exempt. The University lease will be the collateral for the Project Loan. In both scenarios, the payments will be calculated on a 20-year amortization.
PREMISES:	The University is leasing approximately one third of the Building (20,947 sq. ft.), which will be used for University research and space to be used, upon University agreement, jointly with Consolidated Nuclear Services, Inc. ("CNS") for collaborative research projects in the area of nuclear science. CNS is leasing 19,816 sq. ft. The Building includes 21,940 sq. ft. of common space.
DEEDS	The Lease is governed by the underlying deeds to the Project Site ("Deeds"). The deeds are currently under review by the federal government with regard to the length of the term of the Lease and the use restrictions. The University will ensure that the term and usage restrictions support the Base Rent before finalizing the Lease.

LIQUIDATED DAMAGES	For each day after thirty days after the Completion Date ("Completion Date" is the date 12 months after closing of the Project Loan") for which there is not an excused delay, Lessor shall pay the University an amount equivalent to the per diem amount of Base Rent. This is the University's only remedy for a delay.
COMPLETION PAYMENT	If the Project is completed by the Completion Date, the University will pay the Developer an additional month rent as an incentive payment for early delivery. Base Rent commences 30 days after the Completion Date.
CHANGE ORDERS:	Any change orders for the construction of the Building made by the University must be paid for by the University and are not included in Base Rent or Operating Rent.
UNIVERSITY CONTINGENCY:	In order to plan for potential change orders, the University has set aside a contingency in the amount of $2,000,000.
TERM:	The initial term is twenty (20) years (the "Initial Term"), which coincides with the length of the Project Loan, and begins on the earlier of the University's acceptance of the certificate of occupancy and certificate of substantial completion or the date that University must begin Base Rent payments. Pending final approval of the Deeds, the University has the right to extend the term of the Lease for 15 additional consecutive periods of five years and one additional period of four years, allowing a term of up to 99 years. No additional Base Rent is due after the twentieth year.
EARLY TERMINATION:	University does not have the right to terminate the Lease prior to the end of the Initial Term.
BASE RENT:	The University is responsible for all of the Base Rent for the Building, including the portion leased to CNS, as set forth in Exhibit B attached hereto. Base Rent will begin on the earlier of: (i) the first day of the calendar month following the issuance of the certificate of occupancy and certificate of substantial completion; or (ii) thirteen months after the closing of the Project Loan. The Base Rent is equivalent to the payments of the Project Loan. The estimated financial commitment under the Lease is identified in Exhibit C.
OPERATING RENT:	Throughout the Term, University will pay its pro rata share of the operating costs and expenses incurred by Lessor or the Facility Manager in connection with the following: (i) insurance premiums; (ii) costs of operation and maintenance; (iii) janitorial services; (iv) a monthly contribution to a maintenance fund; (v) all amounts reasonably and necessarily incurred by Lessor or the Facility Manager in connection with the ownership, operation, management and repair of the Building, the Premises, the Project Site and Project; (vi) the facility management fee to the Facility Manager as set forth in the Operating Budget; (vii) the asset management fee to the Facility Manager as set forth in the Operating Budget; and (viii) the owner's overhead charge as set forth in the Operating Budget (collectively, "Operating Costs"). The Operating Costs are projected to be $15.25 per square foot in the initial year, excluding utility costs. If CNS terminates its lease for its portion of the Building, the University becomes responsible for paying all Operating Costs.

	The University, CNS and the Facility Manager will review and negotiate the annual budget in advance of each fiscal year for monthly operation and maintenance expenses to develop a budget (the "Operating Budget"), making cuts as necessary to address increased costs. The University can be required to make additional payments to address emergency situations. There is no cap on Operating Costs.
COMMENCEMENT OF RENTAL OBLIGATIONS:	University begins Base Rent payments starting thirteen months after the closing of the Project Loan.
TAXES:	University shall be responsible for payment of its pro rata share of all real and personal property taxes paid or payable by Lessor with respect to the Project Site, Premises and the Project, which pro rata share shall be paid by University as part of Operating Rent.
FURNITURE, FIXTURES AND EQUIPMENT	University will be responsible for 50% of the estimated furniture, fixtures, and equipment (FF&E) costs (estimated to be $1,538,205).
MAINTENANCE AND REPAIRS:	Lessor, with Operating Rent paid by University and CNS, will provide and pay for all maintenance and repair of the Premises and Project, except for damage resulting from willful abuse or gross negligence of University or CNS.
ALTERATIONS:	University may not make any alterations, modifications, additions or improvements to the Premises or Project without Lessor's and Joint Steering Committee's prior written consent. Lessor's consent shall not be unreasonably withheld.
LESSOR'S DEFAULT:	A "Lessor Event of Default" shall occur upon the failure of Lessor to perform or observe any material covenant or condition of Lessor, if such failure does not arise from Excused Delays and is not cured within thirty (30) days after Lessor's receipt of written notice from University, provided that such cure period shall extend for an additional one hundred eighty (180) days if such default cannot be reasonably cured within thirty (30) days and the Lessor is diligently attempting to cure the default.
UNIVERSITY'S REMEDIES:	University shall be entitled to pursue any and all remedies available to it under Tennessee law; provided, however, that the University shall not have the right to terminate the Lease, and such that the University shall not have the right to offset rent. The liability of Lessor for any Lessor default shall be limited to Lessor's interest in the Project.
UNIVERSITY'S DEFAULT:	A "University Event of Default" shall occur upon: (i) the failure of the University to pay Base Rent or pay Operating Rent when due; (ii) the failure of University to perform any of University's material covenants or condition of the Lease, unless such failure arises from an Excused Delay, and such failure is not cured within thirty (30) days after Lesse's receipt of written notice thereof from Lessor; provided that such cure period shall be extended by the Lessor for an additional one hundred eighty (180) days if such default cannot be reasonably cured within thirty (30) days and the University is diligently attempting to cure the default; and (iii) the University's bankruptcy or any attempted conveyance, assignment, mortgage or subletting of the Premises (except as expressly permitted below).

LESSOR'S REMEDIES:	Upon a University Event of Default that is not cured within the applicable cure period, Lessor shall be entitled to terminate the Lease (without liability to pay any amount for such termination) or pursue any and all remedies available under Tennessee law.
ASSIGNMENT AND SUBLEASING:	University may not sublease the Premises or any portion thereof without the prior written consent of Lessor and CNS. The consent of Lessor shall not be unreasonably withheld or conditioned provided the proposed sublease is approved in writing by CNS.
UNIVERSITY'S INSURANCE:	University shall keep in force and maintain insurance (or self-insure through a legitimate program of self-insurance) covering its personal property and contents for 100% of its full insurable and replacement costs.
LESSOR'S INSURANCE:	Lessor shall keep in force and maintain: (i) commercial general liability insurance with a combined single limit of liability of at least $2,000,000; (ii) fire and extended coverage insurance, insuring the Project and the personal property of University in or about the Premises for 100% of its full insurable and replacement costs, without deduction for depreciation, and insuring against other property risk included in standard risk insurance policies; and (iii) all other insurance coverages as required by the terms of the Project Loan. University shall be named as an additional insured with respect to the commercial general liability insurance. University shall be responsible for its pro rata share of the costs of all insurance maintained by Lessor, which pro rata share shall be paid by University as part of Operating Rent.
CONDEMNATION:	In the event of eminent domain or condemnation of all or any material portion of the Premises, either party may terminate the Lease as of the date of taking and Lessor shall have the sole and exclusive right to the compensation awarded; provided, however, University will be entitled to that part of the compensation that might be awarded with respect to University's leasehold interest in the Premises. In the event the Lease is not terminated as a result of such taking, Lessor shall restore the Premises and Project to such condition as is commercially reasonable and achievable with the amount of condemnation proceeds actually received by Lessor. In no event shall the Lease terminate if the condemnation proceeds to be received by Lessor are less than an amount equal to: (i) an amount sufficient to fully pay and satisfy the Project Loan in full; and (ii) an amount equal to the fair market value of the Project Site.
CASUALTY:	In the case of damage or destruction of the Project, Lessor shall repair or reconstruct the damage or destroyed portion of the Project and apply the insurance proceeds received in respect of such damage or destruction to payment of the cost of such repair or damage. The repairs or reconstruction shall be performed in accordance with plans and specifications approved by Lessor. Lessor shall be obligated to cause such repairs and reconstruction to be performed only to the extent of insurance proceeds or funds made available to Lessor are sufficient to pay in full the costs of such repairs and reconstruction as the costs become due and payable. Any insurance proceeds to which Lessor is entitled in connection with any casualty with respect to the Project shall be the sole property of Lessor.

CAPITAL IMPROVEMENT AND REPLACEMENT FUND:	University shall be responsible for payment of its pro rata share of contributions to a Capital Improvement and Replacement Fund, which pro rata share shall be paid by University as part of Operating Rent. The Capital Improvement and Replacement Fund (the "Fund") shall mean an account held by Facility Manager on behalf of Lessor into which monthly amounts equal to $1/12^{th}$ of the amount of twenty-five cents ($0.25) multiplied by the number of square feet in the Building shall be deposited. The Fund will be held, managed and disbursed by the Facility Manager, and used to providing funding for capital improvements and replacements of the parking and driveway areas, the roof and exterior shell of the Building, including exterior windows. In the event of expiration of termination of the CNS Lease, University shall, within fifteen (15) business days after written demand therefor, pay to the Facility Manager as Operating Rent, the amount of CNS's pro rata share of the Fund which is returned and paid to CNS in connection with such expiration or termination of the CNS Lease, which amount shall deposited by Facility Manager in the Fund. Upon expiration or termination of the Lease and CNS Lease, any amount on deposit in the Fund after payment of University' pro rata share as determined above and payment of CNS's pro rata share under the CNS Lease, shall be distributed for the benefit of Lessor, to be used to partially offset the depreciation and deferred maintenance for the Project. If at any time there are, or it is anticipated by the Lessor, the Facility Manager, the Lessee or CNS that there will be Capital Improvements expenses in excess of the amounts available in the Fund during the then current budgetary year, the Lessee shall pay additional Operating Rent sufficient in amount to fund Lessee's pro rata share of such deficiency during the then current budgetary year.

LEASE AGREEMENT

BY AND BETWEEN

Roane County NSPC, LLC
As Lessor

AND

The University of Tennessee,
As Lessee

DATED AS OF

_____ __, 2026

LEASE AGREEMENT
National Security Prototype Center ("NSPC")
Oak Ridge, TN

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LEASE AGREEMENT
NATIONAL PROTOTYPE SECURITY CENTER

This Lease Agreement, dated effective this ___ day of _____, 2026 (the "Effective Date"), is by and between **Roane County NSPC, LLC**, a Tennessee nonprofit limited liability company, with its principal place of business at Kingston, Tennessee ("Lessor") and **The University of Tennessee**, an instrumentality of the State of Tennessee ("Lessee"). This Lease Agreement shall be referred to as this "Lease."

In consideration of the rents, covenants, and conditions contained below, the Lessor has been created by the Industrial Development Board of Roane County, Tennessee (a public corporation created by Roane County under Tennessee law) ("IDB") as a nonprofit limited liability company for the purpose of constructing, financing, owning, and leasing the National Security Prototype Center (the "Building" or the "Project"), which is to be located upon that certain real property located in Roane County, Tennessee, as more particularly described in Exhibit A attached hereto (the "Project Site") and which is more particularly described in the plans and specifications attached hereto as collective Exhibit D (the "Plans"). The Lessor will enter into facility management, asset management, and development agreements with Lawler–Wood NSPC, LLC (together with its successors and assigns, the "Facility Manager") and the Facility Manager will act as the Lessor's representative in connection with this Lease. The Lessor shall incorporate the requirements and obligations of the Facility Manager in this Lease in the respective facility management, asset management, or development agreement as appropriate.

The parties have agreed, upon completion of the Project, that the Lessee will lease, use and occupy the Premises for a lease term as set forth herein.

DEFINITIONS

The following words and phrases shall have the meaning given to such terms below for all purposes of this Lease.

"Approved Change Order": As defined in Article 2 below.

"Asset Manager": Lawler-Wood NSPC, LLC, a Tennessee limited liability company, and its successors and assigns, under the Asset Management Agreement.

"Asset Management Agreement": That certain Asset Management Agreement, dated on or about even date herewith, between Lessor and the Asset Manager, as amended and supplemented from time to time.

"Base Rent": As defined in Article 7 below.

"Building": As defined in the recitals above.

"Capital Improvements": As defined in Article 8.c.v. below.

"Certificate of Acceptance": The certificate to be issued by Lessor immediately upon receipt of the Certificate of Occupancy and Certificate of Substantial Completion indicating acceptance of the Project as completed in accordance with the Plans.

"Certificate of Occupancy": The certificate of occupancy to be issued by the appropriate governmental agency permitting occupancy of the Premises.

"Certificate of Substantial Completion": The certificate evidencing substantial completion of the Project in accordance with the Development Agreement and other agreements relating to the construction of the Project, to be issued by the architect of record for the Project.

"CNS": Consolidated Nuclear Security, LLC, a Delaware limited liability company, acting as the management and operating contractor for the United States Department of Energy/National Nuclear Security Administration under its Prime Contract No. DE-NA0001941 (the "M&O Contract") and its successors and assigns. In the event the CNS Lease is terminated and CNS no longer has a right to occupy the CNS Premises, all references in this Lease to CNS shall mean Lessee.

"CNS Fund": As defined in Article 8.c.v. below.

"CNS Lease": That certain Lease Agreement between Lessor and CNS, and all amendments, modifications, restatements, replacements and substitutions thereof as may be effective from time to time, pursuant to which Lessor leases to CNS the CNS Premises.

"CNS Operating Rent": The operating rent payable by CNS in accordance with the CNS Lease.

"CNS Premises": The space within the Building designated as "CNS Premises" on the Premises Plan together with the non-exclusive right to use of the Common Areas in accordance the terms and conditions of the CNS Lease and all easements appurtenant to the Project in accordance with their respective terms. The Space within the Building designated as "CNS Premises" consists of approximately 19,816 square feet.

"Common Area": The space within the Building as designated as "Common Area" on the Premises Plan which consists of approximately 21,940 square feet, together with the surface parking area of the Project.

"Completion Date": As defined in Article 6 below.

"Date of Taxability": The earliest date as of which interest on the Tax-Exempt Project Loan shall have been determined to be includable in the gross income of the Lender as a result of a Determination of Taxability.

"Declaration": That certain Declaration of Reciprocal Easements Agreement made by Roane County ETC Project, LLC dated of or about even date herewith, to be record in the Offices of the Register of Deeds for Roane County, Tennessee, as may be amended from time to time.

"Declaration Assessments": As defined in Article 8.c.i. below.

"Determination of Taxability": Means and shall be deemed to have occurred on the first to occur of the following:

(a) on that date when Lessor provides notice to the Lender that an Event of Taxability has occurred or when Lessor otherwise files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have occurred;

(b) on the date when the Lender notifies Lessor that it has received a written opinion by an attorney or firm of attorneys of recognized standing on the subject of tax exempt municipal finance to the effect that an Event of Taxability shall have occurred unless, within 180 days after receipt by Lessor of such notification from the Lender, Lessor shall deliver to the Lender (A) a ruling or determination letter issued to or on behalf of Lessor by the Commissioner or any District Director of Internal Revenue (or any other governmental official exercising the same or a substantially similar function from time to time) or (B) a written opinion by an attorney or firm of attorneys of recognized standing on the subject of tax exempt municipal finance to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred;

(c) on the date when Lessor shall be advised in writing by the Commissioner or any District Director of Internal Revenue (or any other government official or agent exercising the same or a substantially similar function from time to time) that, based upon filings of Lessor, or upon any review or audit of Lessor or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

(d) on that date when Lessor shall receive notice from the Lender that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of the Lender the interest on the Tax-Exempt Project Loan paid to the Lender due to the occurrence of an Event of Taxability;

provided, however, that no Determination of Taxability shall occur under clauses (c) or (d) above unless Lessor has been afforded the opportunity, at its or Lessee's expense, to contest any such assessment for a period of not to exceed two (2) years; and provided further that no Determination of Taxability shall occur until such contest, if made, has been finally determined; and provided further that upon demand from the Lender, Lessee shall immediately reimburse the Lender for any payments the Lender shall be obligated to make as a result of the Determination of Taxability during any such contest.

"Developer": Lawler-Wood NSPC, LLC, a Tennessee limited liability company, and its successors and assigns, as developer under the Development Agreement.

"Development Agreement": That certain Development Agreement, dated of or about even date herewith, by and between Lessor and the Developer, concerning the design and construction of the Project, which has been concurred by the Lessee, as such agreement may be amended from time to time.

"DOE": The United State Department of Energy, acting through the National Nuclear Security Administration, and any successor to its function.

"DOE Quitclaim Deeds": collectively, that certain Amended Quitclaim Deed and Agreement made by and among the United States of America, Roane County ETC Project, LLC and Lessor to be recorded in the ROD and that certain Quitclaim Deed made between Roane County ETC Project, LLC and Lessor to be recorded in the ROD, together with all amendments and modifications thereof.

"Event of Taxability": A change in law or fact or the interpretation thereof, or the occurrence or existence of any fact, event or circumstance which has the effect of causing interest paid or payable on the Tax-Exempt

Project Loan to become includable, in whole or in part, in the gross income of the Lender for federal income tax purposes.

"Excluded Alterations": As defined in Article 12 below.

"Excused Delay": Any suspension or delay in the Lessee's, Lessor's, Developer's, Asset Manager's or the Facility Manager's performance of its duties and obligations pursuant to this Lease, in CNS's performance of its duties and obligations under the CNS Lease or by reason of the occurrence of any one or more of the following conditions or events: (a) any event or condition beyond the reasonable control of the Lessor, the Facility Manager or the Lessee, including but not limited to, abnormal weather, acts of God, riots, civil commotion, acts of War, fire, unavoidable casualties, epidemics, quarantine restrictions, labor disputes, unusual delay in transportation, freight embargoes, or insolvency of subcontractors, sub-subcontractors, or suppliers; (b) any latent subsurface conditions relating to the Project Site; (c) the presence of Hazardous Substances on the Project Site or the actual or alleged violation or required compliance with any environmental law which is not caused by the Lessor; (d) acts of or a failure to act by the DOE, CNS or the Lessee; (e) any delay in disbursements pursuant to approved disbursement requests, unless such delays are caused by the Developer's, Facility Manager's or Asset Manager's failure to timely perform its duties under the Development Agreement, Facility Management Agreement and Asset Management Agreement, respectively; or (f) any delay due to changes or additions requested by the Lessee or CNS or any restoration of the Project. In the event that the a party desires to assert an Excused Delay as the reason for any failure or delay in performing any obligation or agreement under this Lease, the asserting party shall notify the other party of such Excused Delay within twenty-one (21) days after the later of the date of occurrence giving rise to the claim of Excused Delay or the date the asserting party first recognizes the condition giving rise to the claim of Excused Delay. Thereafter, the asserting party shall submit written documentation of its claim of Excused Delay, including appropriate supporting documentation, within twenty-eight (28) days after giving notice, unless the parties agree to a longer period of time. The other party shall respond in writing denying or approving the claim of Excused Delay no later than fourteen (14) days after receipt of the asserting party's documentation of claim of Excused Delay. The other party's failure to respond within said fourteen (14) days shall be deemed a denial of the asserting party's claim of Excused Delay. Any Excused Delay approved by the other party shall be authorized in writing executed by the parties, including, at the request of either party, an amendment to this Lease, as applicable. Any Excused Delay shall be deemed to commence on the day that the event causing such Excused Delay first adversely affects performance of the asserting party's obligations.

"Facility Manager": Lawler-Wood NSPC, LLC, a Tennessee limited liability company, and its successors and assigns, as facility manager under the Facility Management Agreement.

"Facility Management Agreement": That certain Facilities Management Agreement, dated of or about even date herewith, by and between Lessor and the Facility Manager with respect to the Project.

"Fund": As defined in Article 8.c.v. below.

"IDB": As defined in the recitals above.

"Initial Term": As defined in Article 3 below.

"Lessee Event of Default": As defined in Article 21 below.

"Lessee Fund": As defined in Article 8.c.v. below.

"Lessee Loan": As defined in Article 8.c.v. below.

"Lessee's Prorata Share": Fifty percent (50%); provided, however, in the event the CNS Lease is terminated and CNS no longer has a right to occupy the CNS Premises, "Lessee's Prorata Share" shall mean one hundred percent (100%).

"Lessor Event of Default": As defined in Article 22 below.

"Liquidated Damages Commencement Date": the date occurring thirty (30) days after the Completion Date.

"LTR": As defined in Article 15 below.

"Monthly Fund Contribution": An amount equal to the product of: (a) one-twelfth (1/12), (b) twenty-five cents ($0.25) and (c) the number of square feet in the Building.

"NNSA": The National Nuclear Security Administration of the DOE.

"O&M Obligations": As defined in Article 8 below.

"O&M Obligations Costs": collectively, (i) insurance premiums (in accordance with Article 7.c.iv. below); (ii) costs of operation and maintenance; (iii) janitorial services (subject to any requirements in Article 7.c.ii. below); (iv) loss or damage caused by Lessee or CNS or their respective employees; (v) a monthly contribution to the Lessee Fund (in accordance with Article 8.c.v. below); (vi) all amounts reasonably and necessarily incurred by the Lessor or the Facility Manager in connection with the ownership, operation, maintenance and repair of the Premises, Building or Project, including, without limitation, taxes and Declaration Assessments (in accordance with Article 8.c.i. below); (vii) the owner's overhead charge as set forth in the Operating Budget, (viii) the facility management fee to the Facility Manager as set forth in the Operating Budget which shall be increased and/or decreased on January 1 of each year in an amount equal to the increase and/or decrease in the Consumer Price Index for All Urban Consumers, U.S. City Average (All Items – Unadjusted) as published by the U.S. Government, for the twelve (12) months preceding November 30 of the prior year; and (ix) the asset management fee to the Facility Manager as set forth in the Operating Budget which shall be increased and/or decreased on January 1 of each year in an amount equal to the increase and/or decrease in the Consumer Price Index for the twelve (12) months preceding November 30 of the prior year. Upon request, copies of all invoices or other payments which are paid or incurred on behalf of the Lessor shall be provided to the Lessee within thirty (30) days of such request. If such Consumer Price Index is suspended, terminated, or altered, then said Consumer Price Index as used herein means the official successor index or, if none, means the most comparable official index of the U.S. Government.

"Operating Budget": As defined in Article 8.b. below.

"Operating Rent": As defined in Article 8.a. below.

"Outside Rental Obligation Commencement Date" : The date occurring thirteen (13) months after the closing of the Project Loan, being the latest date which the Rental Obligation must commence.

"Premises": The space within the Building as generally depicted as "UTK Premises" on the Premises Plan together with the non-exclusive right to use of the Common Area in accordance the terms and conditions of this Lease and all easements appurtenant to the Project in accordance with their respective terms. The Premises consists of approximately 20,947 square feet and the Common Area within the Building consists of approximately 21,940 square feet. In the event the CNS Lease is terminated and CNS no longer has a right to occupy the CNS Premises, the "Premises" shall include the entirety of the Building.

"Premises Plan": the floor plan of the Building as attached hereto and incorporated herein by reference as Exhibit A-1.

"Project Completion": As defined in Article 5 below.

"Project Loan": Any indebtedness incurred or owed by Lessor: (a) in connection with the construction of the Project, (ii) that is secured by the Project or any part thereof, including, without limitation, the Premises, or (iii) that is secured, in whole or in part, by payments owed by Lessee under this Lease or by an assignment of this Lease with respect to the Project or any part thereof, including, without limitation, the Premises, which indebtedness shall include, without limitation, principal and accrued interest, any transactional costs of the lender and other obligations owed to the lender in connection with the indebtedness, including but not limited to prepayment premiums or penalties, costs incurred in connection with the termination of SWAPs and other derivatives, and other similar costs.

"Project Plans": As defined in Article 2 below.

"Project Site": As defined in the recitals above.

"Roane County": The County of Roane, Tennessee, a municipal corporation organized and existing under the laws of the State of Tennessee.

"ROD": The Office of the Register of Deeds for Roane County, Tennessee.

"Renewal Term(s)": As defined in Article 4 below.

"Rental Obligation": All payments and other obligations to be paid or performed by the Lessee under this Lease, including Base Rent, Operating Rent and other obligations to be paid and performed by Lessee under this Lease.

"Rental Obligation Commencement Date": The earliest to occur of (a) the first day of the calendar month following the date of issuance of the Certificate of Acceptance by Lessor of the Project in accordance with this Lease (provided that if the date of issuance of the Certificate of Acceptance shall be on the first day of a month, the Rental Obligation Commencement Date shall be that date) and (b) the Outside Rental Obligation Commencement Date.

"Tax-Exempt Project Loan": The portion of the Project Loan, the interest of which, upon the initial closing thereof, in the opinion of Bass, Berry & Sims PLC or other reputable bond counsel, is excluded from gross income for federal income tax purposes.

"Term": the duration of the leasehold estate created under this Lease.

1. **USE**. The Premises shall be used by the Lessee solely in furtherance of the research mission of Lessee and in strict accordance with and subject to (a) the terms and conditions of the DOE Quitclaim Deeds, (b) the Declaration, and (c) all applicable laws. Any other use by the Lessee of the Premises shall be subject to the prior written approval of the Lessor. Lessee may not permit the Premises to be used in such a manner as to create any nuisance, waste, or fire hazard. Lessee will have the right to assign this Lease pursuant to and only as expressly permitted in Article 13 of this Lease. Lessee acknowledges and agrees that the CNS Premises will be initially leased by Lessor to CNS pursuant to the CNS Lease. It is specifically agreed and understood by and between the parties that this Lease shall not create an agency, employer-employee, joint venture, or partnership arrangement among Lessor, Lessee, or CNS. Accordingly, Lessor and Lessee acknowledge that this Lease shall not constitute either Lessee or CNS as a legal representative or agent of the other, nor shall either Lessee or CNS have the right or authority to assume, create or incur any liability or any obligation of any kind, expressed or implied, against or in the name or on behalf of the other, unless otherwise expressly permitted under this Lease or pursuant to an agreement in writing signed by Lessee and CNS.

2. **PROJECT CONSTRUCTION**. Lessor, acting by and through the Developer shall cause the construction of the Project to be completed in a diligent and workmanlike manner, in accordance with the construction design plans and specifications as approved by the Lessee and CNS (the "Project Plans") and all applicable laws and regulations. The design development plans referenced in and incorporated herein by reference as Exhibit D (the "DD Plans") have been approved by Lessee and CNS. The final construction design plans and specifications (the "CD Plans") are subject to the approval of Lessee, which approval shall not be unreasonably withheld, conditioned or delayed. Lessee agrees that it shall be unreasonable to withhold, condition or delay its approval of the CD Plans to the extent that the CD Plans are materially consistent with the DD Plans. Lessor's obligation to construct the Project is subject to its receipt from Regions Bank, Regions Capital Advantage, Inc., Regions Commercial Equipment Finance, LLC and/or affiliates thereof ("Lender") of proceeds of the Project Loan in an amount not less than $40,097,682.00. The development budget is attached as Exhibit B attached hereto and incorporated by reference herein. Any requested change order during the construction of the Project shall be submitted in writing and shall be subject to prior written approval of the Lessee, CNS, Lessor, and the Developer (an "Approved Change Order"). An Approved Change Order requested by Lessor or Developer shall be completed without cost to the Lessee. The costs of an Approved Change Order requested by Lessee or CNS shall be paid by the requesting party. Delivery of the Project in accordance with the Project Plans and subject to the requirements of Article 5 shall be evidenced by a Certificate of Acceptance, which shall include a copy of the Certificate of Occupancy and a Certificate of Substantial Completion.

3. **INITIAL TERM.** The initial Term of this Lease shall commence on Rental Obligation Commencement Date and expires on the date occurring twenty (20) years after the Outside Rental Commencement Date (the "Initial Term").

4. OPTION TO EXTEND TERM. Lessee will have the exclusive option to extend the Term of this Lease for fifteen (15) additional consecutive periods of five (5) years each and one (1) additional consecutive period of four (4) years, with each additional period commencing immediately following the end of Term then in effect (each, a "Renewal Term" and collectively, the "Renewal Terms"). Exercise of each renewal option shall be automatic unless Lessee notifies Lessor in writing of its intent to not renew at least twelve (12) months prior to the end of the Term then in effect.

5. ACCEPTANCE OF PREMISES. Upon completion of the Project ("Project Completion") the obligation of the Lessor to undertake and complete the Project shall be deemed to be satisfied for all purposes of this Lease, subject to the following:

a. Lessor acknowledges that it will, before the Rental Obligation Commencement Date, confirm that the Premises are in full compliance with all applicable Federal, state, and local laws, regulations, and code requirements, including but not limited to the Americans with Disabilities Act (ADA) requirements; International Building Code (IBC); and the applicable provisions of the City of Oak Ridge Municipal Code, including without limitation Title 12 (*Building, Utility, Etc. Codes*), Title 13 (*Property Maintenance Regulations*), and the city's Property Maintenance Code, including without limitation its incorporated provisions of the International Property Maintenance Code. Issuance of a Certificate of Occupancy by the City of Oak Ridge shall fulfill the obligations of this subsection.

b. Lessor must provide Lessee documentation demonstrating that fire protection systems and alarms have been inspected, tested and have properly annunciated to the Fire Department of the City of Oak Ridge and Lessor must continue to provide these reports to Lessee on an annual basis. Issuance of a Certificate of Occupancy by the City of Oak Ridge shall fulfill the obligation to provide documentation of the initial inspection.

c. Ongoing annual reports must include inspection and testing data for smoke detectors, fire extinguishers (if used), fire pumps, sprinkler heads, flow alarms, and all other appliances/devices associated with the fire protection system.

Lessee acknowledges that the Lessor has not made any warranties or representations of suitability of the Premises or the Building for any particular purposes to which the Lessee may put the Premises; notwithstanding the foregoing, nothing in this Article 5 shall derogate from the express warranties in Article 16.

6. COMPLETION DATE. If Project Completion is not achieved on or before the date occurring twelve (12) months after closing of the Project Loan (the "Completion Date"), for each day after the Liquidated Damages Commencement Date for which there is not an Excused Delay, Lessor shall pay to Lessee **[an amount equal to the per diem Base Rate]** per day as liquidated damages, as Lessee's sole and exclusive remedy. The parties agree that this sum (a) is a reasonable estimate of the damages the Lessee would incur if Project Completion is not achieved on or before the Completion Date, and (b) is not a penalty but rather is meant to compensate the Lessee for the foreseeable effects of delayed Project Completion. The Completion Date shall be extended day-for-day during which there is an Excused Delay or pursuant to an Approved Change Order.

The Lessee shall be a third-party beneficiary of the Development Agreement, behind and subordinate to the Lender and its rights therein.

7. RENTAL OBLIGATION.

a. **RENTAL OBLIGATION**. The Lessee shall pay and perform the Rental Obligation under this Lease on the earlier of the Rental Obligation Commencement Date or the Outside Rental Obligation Commencement Date. The Lessee, as consideration for its lease, use and occupancy of the Premises and the performance by the Lessor of its obligations hereunder, shall pay Base Rent to the Lessor in such amounts as set forth in Exhibit C attached hereto and incorporated herein by reference (subject to adjustment as provided in 7.b. below, the "Base Rent"). The Base Rent will be due and payable on the first day of each month after the Rental Obligation Commencement Date, one month in advance. Base Rent for the first and last month of the Term of this Lease shall be further prorated based on the number of days in such month (and payable in advance for the partial first month and the first full month thereafter). So long as the Project Loan is outstanding, Lessor agrees and designates that Lessee shall pay Base Rent directly to Lender to be applied to the debt service payable under the Project Loan. Notwithstanding the foregoing or anything to the contrary in this Lease and provided that the Project Loan has been paid and satisfied in full, Base Rent shall not be due or payable during the Renewal Terms. Notwithstanding the foregoing or anything to the contrary in this Lease, Lessee shall also pay the following:

   i. **Increase Due to Determination of Taxability**. If the monthly principal and interest payment due from Lessor to Lender under the Project Loan increases upon the occurrence of a Determination of Taxability as to the Tax-Exempt Project Loan, then, from and after the Date of Taxability, the monthly Base Rent shall increase to an amount equal to $_____ [amount will be inserted prior to execution of Lease when interest rates are locked but will not exceed $285,309.92].

b. **REFINANCING AND ADJUSTMENT OF BASE RENT**. The Base Rent specified in 7.a. above is the equivalent of the debt service payable under the terms of the initial Project Loan. Subject to the agreement of Lessor and Lessee, the then current Project Loan may be refinanced and in such event, the Base Rent shall be adjusted to be an amount equivalent to the debt service due and payable under such refinancing loan and Exhibit C attached hereto shall be deemed to be amended and restated to be the schedule of debt service payments due and payable in accordance with the terms and conditions of the refinancing loan. Any refinancing loan shall be non-recourse to the Lessor and shall be made upon such terms and conditions as are acceptable to the Lessor and Lessee. Any refinancing loan shall be in an amount sufficient to payoff and satisfy any then-existing Project Loan and to pay all costs associated with such refinancing, including without limitation, all costs, including attorney's fees, incurred by Lessor in connection with repayment of the existing loan (including termination of any interest rate swap agreement entered into in connection therewith) and all costs of such refinancing loan.

c. **LATE PAYMENTS**. Payment of the Rental Obligation made after the tenth (10th) day of the month when due shall be subject to a five percent (5%) late fee and the Lessee shall be responsible for the payment of any late payment or interest charge resulting from the failure to timely pay the Rental Obligation, including, without limitation any late payment or interest charge incurred by Lessor in connection with the Project Loan.

d. **NO SET OFF**. The obligation of Lessee to pay the Rental Obligation during the Term and the other amounts payable by Lessee under this Lease shall be absolute and unconditional and shall not be subject to any abatement, setoff, counterclaim, delay, deferment, deduction or reduction for any reason whatsoever. Without limiting the foregoing, Lessee's obligation to pay the Rental Obligation as and when due hereunder shall in no way be released, discharged or otherwise affected for any reason, including without limitation: (i) any defect in the condition, merchantability, quality or fitness for use of the Project or any part thereof; (ii) any damage to, removal, abandonment, salvage, loss, scrapping or destruction of or any requisition or taking (by eminent domain, condemnation or otherwise) of the Project or any part thereof; (iii) any restriction, prevention or curtailment of or interference with any use of the Project or any part thereof; (iv) any defect in the title to the Project or any part thereof; (v) any change, waiver, extension, indulgence or other action or omission in respect of any obligation or liability of the Lessee or the Lessor; (vi) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Lessee, the Lessor or any other person, or any action taken with respect to this Lease by any trustee or receiver of any person mentioned above, or by any court; (vii) any claim that Lessee has or might have against any person, including without limitation the Lessor; (viii) any failure on the part of the Lessor, Lessee, Asset Manager, Facility Manager, Developer, CNS, DOE, IDB or any other person to perform or comply with any of the terms hereof or of any other agreement; (ix) any invalidity or unenforceability or disaffirmance of this Lease or any provision hereof, in each case whether against or by Lessee or otherwise; (x) any failure of the Project or any part thereof to be constructed or completed; or (xi) any other occurrence whatsoever, whether similar or dissimilar to the foregoing, whether or not Lessee shall have notice or knowledge of any of the foregoing and whether or not foreseen or foreseeable. This Lease shall not be cancellable by Lessee during the Initial Term and the Lessee waives all rights now or hereafter conferred by statute or otherwise to quit, terminate or surrender this Lease, or to any diminution or reduction of the Rental Obligation or other amounts payable by Lessee hereunder. All payments of the Rental Obligation by Lessee made hereunder shall be final, absent manifest error and Lessee shall not seek to recover any such payment or any part thereof for any reason whatsoever, absent manifest error.

e. **CNS LEASE**. Lessor agrees to strictly enforce the terms of the CNS Lease.

8. **LESSEE'S OBLIGATION TO FUND OPERATIONS AND MAINTENANCE.** The cost and expense of operation and maintenance of the Project shall be paid or performed by the Lessor (the "O&M Obligations"), and Lessee shall be responsible for Lessee's Prorata Share of the costs and expenses of the O&M Obligations Costs ("Operating Rent").

a. **OPERATING RENT.** Throughout the Term of this Lease, Lessee covenants and agrees to pay Lessor estimated Operating Rent in monthly installments equal to the product of one-twelfth (1/12) of the Operating Budget multiplied by Lessee's Prorata Share. The estimated Operating Rent will be payable on the first day of each month after the Rental Obligation Commencement Date, one month in advance, without demand or setoff. Operating Rent for the first and last month of the Term of this Lease shall be further prorated based on the number of days in such month (and payable in advance for the partial first month and the first full month thereafter). Facility Manager shall maintain a separate bank account to deposit and transfer Operating Rent. The funds on deposit in the account will not be comingled with the funds of CNS. If the balance

in such account at the end of any fiscal year exceeds an amount equal to three (3) months of Lessee's Prorata Share of the Operating Budget then in effect, the Facility Manager shall pay such excess to the Lessee.

b. **OPERATING BUDGET.** Prior to the Rental Obligation Commencement Date, and on or before August 1 of each fiscal year thereafter (October 1 through September 30), the Facility Manager, on behalf of the Lessor, Lessee and CNS shall review and negotiate an annual budget for the O&M Obligations Costs as a reasonable forecast of the amounts necessary for the Facility Manager to perform its obligations, including payment of the Facility Manager's fees and reimbursement of its expenses (the "Operating Budget"). The initial Operating Budget attached hereto and incorporated herein by reference as Exhibit K has been approved by Lessor, Facility Manager, Lessee and CNS. In consultation with the Lessor, Lessee and CNS, the Facility Manager will propose revisions to such Operating Budget from time to time and on or before August 1 of each year for the next succeeding fiscal year. The Facility Manager will submit the proposed Operating Budget to the Lessor, Lessee and CNS. The Facility Manager will consult with any party that objects to the proposed Operating Budget and will work in good faith to negotiate an Operating Budget acceptable to the Lessor, Lessee and CNS. The Facility Manager will continue to perform operation and maintenance obligations in accordance with the prior, approved Operating Budget, subject to availability of funds and subject to a Consumer Price Index increase or decrease as applicable, until a revised annual Operating Budget is approved. The Facility Manager shall manage the Project consistent with the Operating Budget, as adjusted from time to time; provided, however, the Lessee acknowledges that the level of services for the Premises is directly tied to the Operating Budget; provided further in the event of any emergency, unforeseen circumstances, or expenses which are not controllable, the Lessor and Lessee stipulate and agree that the Operating Budget will not act as a limitation on the costs or expenses required for the operation and maintenance of the Premises to the extent that properly remedying the emergency, unforeseen circumstances, or uncontrollable expenses requires additional funding. The Facility Manager will provide prior reasonable notice given the circumstances and confer with Lessee in the event of any emergency or unforeseen circumstances that may necessitate additional funding to pay for expenses to be incurred in connection with such emergency or unforeseen circumstances. The Facility Manager shall provide written notice to the Lessor, Lessee and CNS if the Facility Manager becomes aware that actual expenses incurred or to be incurred exceed or will exceed the aggregate Operating Budget for such period by more than five percent (5%). In response, the Lessor, with the concurrence of Lessee and CNS, may instruct the Facility Manager to reduce the level of operation and maintenance services for the Project. In the absence of such instruction, the Operating Budget will be deemed to be revised effective in the month following the month in which the Facility Manager's notice is provided to reflect the increase in O&M Obligations Costs. Permitted variances to the Operating Budget shall also include: (a) emergency repairs or activities; (b) snow removal; (c) costs which are beyond the Facility Manager's control and which are required or essential, including without limitation insurance and taxes; and (d) variances not to exceed five percent (5%) of the overall Operating Budget.

   i. **UNBUDGETED ITEMS.** Lessee will pay Lessee's Prorata Share of unforeseen or unexpected operating expenses for the preceding month if the operating expenses claimed are supported by reasonable and customary documentation provided by the Facility Manager to the Lessee for unbudgeted items of Operating Rent.

c. **OPERATING EXPENSES INCLUDED IN THE OPERATING BUDGET**.

i. **TAXES AND DECLARATION ASSESSMENTS**. Lessee shall be responsible for: (A) the payment of Lessee's Prorata Share of all real property and personal property taxes and assessments paid or payable by the Lessor or which Lessor is obligated to pay, if any, with respect to the Project Site, the Project, the Premises or otherwise in connection with or as a result of this Lease and (B) Lessee's Prorata Share of all assessment paid or payable by Lessor or which Lessor is obligated to pay, if any, in accordance with the terms of the Declaration (the "Declaration Assessments"); which Lessee's Prorata Share shall be paid as part of Operating Rent. Lessee shall pay directly to the taxing authority, prior to delinquency, all taxes and assessments levied or assessed against or in connection with the personal property of Lessee, if any. As a material inducement to Lessor and in consideration of the affiliate of the IDB, Roane County ETC Project, LLC, transferring the Project Site to Lessor without consideration or remuneration and Lessor performing its obligations under this Lease without consideration or remuneration other than the owner's overhead amount as set forth in the Operating Budget, Lessee acknowledges and agrees that real property taxes and assessments are included in O&M Obligations Costs despite any determination that Lessee and/or CNS is a tax exempt entity for any purpose.

ii. **JANITORIAL SERVICES.** The Facility Manager, with and subject to receipt of Operating Rent paid by the Lessee and CNS Operating Rent paid by CNS, will provide and pay for janitorial services to keep the Project in good and tenantable condition. Lessor will coordinate janitorial services with Lessee and CNS. With each annual Operating Budget, the Lessee and CNS, jointly, will provide Facility Manager with the desired level of janitorial services for the Project and the costs of such services shall be established by the Facility Manager and be included in the Operating Budget. Lessor must provide janitorial services at the Premises to reasonably accommodate Lessee's work schedule and minimize disruptions to Lessee's activities. Janitorial services must be performed nightly Monday through Friday. The initial requirements for janitorial services are set forth on Exhibit E attached hereto. Such Exhibit E may be amended by the parties with concurrence of CNS from time to time and substituted without an amendment to this Lease being required.

iii. **MAINTENANCE AND REPAIR.** The Lessor must provide and pay for all maintenance and repair of the Project, including the building interior, exterior, grounds, and all equipment, fixtures, and appurtenances furnished by the Lessor under this Lease, if any, to keep the same in good repair and tenantable condition. The obligations of Lessor pursuant to this provision is subject to payments for such maintenance and repair responsibilities by Lessee as Operating Rent and by CNS as CNS Operating Rent. As part of the annual Operating Budget process, Lessee and CNS, jointly, may specify the maintenance and repair activities to be provided by the Facility Manager for the Project and Facility Manager may specify any additional maintenance and repair activities that the Facility Manager, in the exercise of good faith and commercially reasonable judgment determines are necessary in order to preserve the integrity, performance or value of the Project or to otherwise cause the Lessor to be in compliance with the terms

and conditions of the Project Loan, the Facility Management Agreement, this Lease or the CNS Lease. The initial statement of maintenance, repair, and replacement services is set forth in Exhibit F attached hereto. The parties may amend such Exhibit F from time to time, by mutual written agreement and with the written concurrence of CNS, without requiring an amendment to this Lease.

iv. **INSURANCE.**

a. LESSEE'S INSURANCE. Lessee, at its expense, shall keep in full force and maintain insurance (or self-insurance through a legitimate program of self-insurance) covering its personal property and contents for one hundred percent (100%) of full insurable and replacement costs.

b. LESSOR'S INSURANCE. Lessor must insure its activities in connection with this Lease and obtain, keep in force, and maintain insurance as set forth in Exhibit L attached hereto and incorporated herein by reference.

Such insurance shall be carried for the mutual benefit of Lessor, Lessee, and CNS. Lessor, Lessee, and CNS will each waive any claim one might have against the other for damage to or theft, destruction, loss, or loss of use of any property of the respective party, to the extent the same is insured against under any insurance policy that covers the Project, including fixtures, personal property, leasehold improvements, or business, or is required to be insured against under the terms of this Lease, and each shall cause its insurance carrier to endorse all applicable policies waiving the carrier's rights of recovery under subrogation or otherwise against the other. Lessor agrees to include the substance of this Paragraph in the CNS Lease.

v. **CAPITAL IMPROVEMENT AND REPLACEMENT FUND.** The Facility Manager, on behalf of the Lessor, shall collect from the Lessee and Lessee shall pay to Facility Manager monthly, as a part of Operating Rent, Lessee's Prorata Share of the Monthly Fund Contribution which shall be deposited by Facility Manager into a separate account (the "Lessee Fund"). The Lessee Fund will be held, managed, and disbursed by the Facility Manager, and the funds on deposit in the account will not be comingled with the funds of CNS, which Lessor shall manage under a separate account (the "CNS Fund" and together with the Lessee Fund, the "Fund"). The Lessee Fund will be used to provide Lessee's Prorata Share of funding for capital improvements and replacements of the parking and driveway areas, the roof and exterior shell of the Building, including its exterior windows as Lessor or Facility Manager in the exercise of good faith and commercially reasonable judgment determines are necessary in order to preserve the integrity, performance or value of the Project or to otherwise cause the Lessor to be in compliance with the terms and conditions of the Project Loan, the Facility Management Agreement, this Lease or the CNS Lease, and such other uses as directed by the Lessor, with the prior written concurrence of Lessee and CNS ("Capital Improvements"). The Facility Manager must timely provide Lessee with copies of estimates, invoices, and other appropriate documentation to support all disbursements from the Lessee Fund for Capital Improvements. To the extent Lessee is delinquent in paying Operating Rent, or if an unforeseen expenditure is required, the Facility Manager may use amounts in the

Lessee Fund to fund Lessee's Prorata Share of O&M Obligations Costs, and such expenditures from the Lessee Fund shall be treated as a loan ("Lessee Loan") from the Lessee Fund to the Lessee, with repayment due within thirty (30) days following written demand therefor accompanied by reasonable supporting documentation of copies of invoices, and other appropriate documentation to support all disbursements from the Lessee Fund which relate to the Lessee Loan. Any amounts not repaid within the time period provided shall bear interest thereafter at five percent (5%) per annum.

If at any time there are, or it is anticipated by the Lessor, the Facility Manager, the Lessee or CNS that there will be Capital Improvements expenses in excess of the amounts available in the Fund during the then current budgetary year, the Lessee shall pay additional Operating Rent sufficient in amount to fund Lessee's Prorata Share of such deficiency during the then current budgetary year. In the event that the Lessor shall determine, based on a request of the Lessee or CNS or a recommendation of the Asset Manager, that an increase in the Capital Improvements expense payment is warranted for future Capital Improvements, the Lessor may provide a proposed increase in the annual Capital Improvements expense payment for approval by the Lessee, which approval shall not be unreasonably withheld by the Lessee.

In the event of expiration or termination of the CNS Lease, Lessee shall, within thirty (30) days after written demand therefor, pay to the Facility Manager on behalf of Lessor, as Operating Rent, the principal amount of the CNS Fund which is returned and paid to CNS in connection with such expiration or termination of the CNS Lease, which amount shall be deposited by the Facility Manager in and as a part of the Lessee Fund.

Any amount on deposit in the Lessee Fund at the expiration or termination of this Lease which exceeds the outstanding amount of the Lessee Loan and the amount of accumulated, adjusted depreciation that would generally be available to a taxpayer pursuant to Sections 167 and 168 of the Internal Revenue Code of 1986, as amended, and the regulations thereunder, shall be distributed to the Lessee. Any remaining amount on deposit in the Lessee Fund shall be distributed to or held for the benefit of the Lessor, to be used to partially offset the depreciation and deferred maintenance for the Project.

d. **DAMAGE CAUSED BY LESSOR.** Notwithstanding any of the foregoing provisions in this Article 8, in no event will Operating Rent paid by Lessee act as a limit or be used to reimburse any damage resulting from the willful abuse or gross negligence of the Lessor or CNS or their respective employees.

9. UTILITIES. Lessor shall determine, to its satisfaction, that the Plans provide all utility connections and appurtenances within the Project that are necessary for the operation of the Project, and required by this Lease, are available and operable at the Project. Lessor will pay all charges for electricity, water, sanitary sewer, storm sewer, and natural gas utilized in connection with the normal and customary general occupancy of the Project. Lessee will reimburse Lessor for Lessee's Prorata Share of utilities charges on a direct pass-through basis when billed monthly, within thirty (30) days after receipt of invoice. Lessor will provide Lessee monthly invoices that include the associated utility bills for the Project as support. Lessor will not be liable for any loss or damage arising out of the failure or interruption of utility service

furnished to the Project. Interruption or failure of utility service to the Project will not be grounds for default and termination of this Lease.

10. SECURITY, ACCESS AND OTHER REQUIREMENTS.

The provisions of this Article 10 shall be applicable and enforceable until such time as the CNS Lease expires or terminate, and CNS no longer has a right to occupy the CNS Premises. Lessee agrees to comply with, require its employees to comply with, and to flowdown to its agents, vendors, lessees, tenants, invitees and licensees, all applicable security regulations and other requirements for the Project, as set forth in Exhibit G, Exhibit H and Exhibit I attached to this Lease, or as otherwise established by CNS with the concurrence of Lessor and Lessee; provided, however, the concurrence of Lessor and Lessee will not be conditioned, delayed or withheld if the CNS-established requirement is implemented to maintain or achieve full compliance with applicable DOE orders or NNSA directives or any applicable federal, state, and local laws, regulations or code requirements. Requests to access controlled areas of the Project must be submitted to CNS's Safeguards and Security Department for approval.

The prior approval of DOE, NNSA is required for access to the Project by non-U.S. citizens. If Lessee desires to allow a non-U.S. citizen access to the Project for any reason, Lessee must first obtain approval from DOE, NNSA. CNS has agreed in the CNS Lease to provide Lessee with assistance and act as interface to DOE, NNSA in connection with any such requests. Failure of DOE, NNSA to grant such approval shall in no way relieve Lessee of its obligations under this Lease. Under no circumstance will Lessee bring a non-U.S. citizen into a controlled area within the Project without advance approval from DOE, NNSA and without such access being arranged through CNS's Safeguards and Security Department.

11. LESSOR AND FACILITY MANAGER'S RIGHT TO ENTER THE PREMISES. The Lessor and the Facility Manager shall have the right to enter upon the Premises, at all reasonable times, to inspect the Premises to perform such maintenance, repairs, janitorial services, and replacements, and to otherwise perform its obligations pursuant to this Lease, subject to reasonable security and access requirements made known to Lessor and the Facility Manager from time to time. This right to enter the Premises must be exercised in a manner that does not unreasonably interfere with Lessee's use of the Premises.

12. ALTERATIONS. Lessee may not make any alterations, modifications, additions or improvements to the Premises without obtaining the prior written approval of the Facility Manager which shall not be unreasonably withheld. Any alterations, modifications, additions or improvements solely to the Premises shall be funded by Lessee. Any alterations, modifications, additions or improvements to the Common Area or that will serve any Common Area (e.g., increase in HVAC capacity) or all or substantially all of the Project shall be funded by the requestor(s) or as otherwise specified in a separate written agreement between Lessee and CNS. Lessee acknowledges that Lessor may permit alterations, modifications, additions or improvements to the CNS Premises as may be requested by CNS and approved by the Facility Manager. Any alterations, modifications, additions or improvements solely to the CNS Premises will be at the sole cost and expense of CNS.

Any alterations requested by the Lessee or CNS will be at the sole cost and expense of the requestor(s) and may, as appropriate, be identified as a removable, non-fixture alterations (the "Excluded Alterations"); otherwise, all alterations will become the property of the Lessor. Lessee will continue to own its Excluded Alterations after installation and will remove them when the Lease terminates. Before installation of an Excluded Alteration, Lessor, Lessee and CNS must agree in writing on how any

Excluded Alterations are to be maintained and the party responsible for the cost of maintaining the Excluded Alteration. The cost of maintaining Excluded Alterations will not exceed the actual incremental costs incurred by the Lessor, together with an adjustment to the amount required for deposit under Article 8.c.v.

13. ASSIGNMENT AND SUBLEASING. Lessee shall not assign, in whole or in part, any of its interests in and to this Lease or the Premises without the prior written consent of Lessor and for so long as the CNS Lease is in force and effect, CNS. In the event any Project Loan is outstanding, if Lessor, in its discretion, determines that such assignment may result in a breach of any provision of this Lease, including, without limitation, Article 1, the consent of Lessor shall be within the sole and absolute discretion of Lessor. Otherwise, the consent of Lessor shall not be unreasonably withheld or conditioned. Lessee shall not sublease the Premises or any portion thereof without the prior written consent of Lessor and for so long as the CNS Lease is in force and effect, CNS. The consent of Lessor shall not be unreasonably withheld, conditioned or delayed; provided that if the consent of CNS is required as provided herein, the proposed sublease shall have been approved in writing by CNS and written evidence thereof shall have been provided to Lessor. Notwithstanding the foregoing to the contrary, Lessee may, without prior written consent or notice to Lessor, license for use any portion of the Premises for use by or joint use with CNS pursuant to any license, project or similar agreement provided that such use shall at all times comply with the terms and conditions of this Lease.

14. DESIGNATION OF FACILITY MANAGER. Lessor has designated Lawler-Wood NSPC, LLC as the Facility Manager and assigned all of its rights and delegated all of its duties and obligations pursuant to this Lease to the Facility Manager. The parties stipulate and agree that the covenants, conditions, obligations and liabilities contained in the Lease shall be binding upon and inure to the benefit of the designated Facility Manager to the same extent as if the designated Facility Manager was named a party to the Lease. The parties stipulate and agree the Facility Manager shall have no duty or responsibility pursuant to this Lease until Facility Manager receives Operating Rent from the Lessee and operating rent from CNS under the CNS Lease to pay the O&M Obligations Costs and fund the O&M Obligations in full.

15. NOTICES AND AUTHORIZED REPRESENTATIVES.

a. Any notice in connection with this Lease must be sent by certified or registered mail, return receipt requested, or by commercial overnight courier, or delivered by hand to the parties at the following addresses:

LESSOR: Roane County NSPC, LLC
Attn: Joe Heckman
1209 N. Kentucky Street
Kingston, Tennessee 37763

with a copy to:

Lawler-Wood NSPC, LLC
Attn: Randall L. Gibson
900 South Gay Street, Suite 1600
Knoxville, Tennessee 37902

For so long as the CNS Lease if in effect, with a copy to:

Consolidated Nuclear Security, LLC
P.O. Box 2009
Oak Ridge, Tennessee 37830
Attn: Lisa K. Baaklini, Lease Administrator

and

Consolidated Nuclear Security, LLC
P.O. Box 2009
Oak Ridge, Tennessee 37830
Attn: Charles E. Young, Legal Department

and

Consolidated Nuclear Security, LLC
P.O. Box 2009
Oak Ridge, Tennessee 37830
Attn: Charles E. Young, Legal Department

LESSEE: The University of Tennessee
Office of Real Property & Space Administration
505 Summer Place – UTT 990
Knoxville, Tennessee 37902
Attn: Robbie Pope

with a copy to:

_____
The University of Tennessee
407 Andy Holt Tower
Knoxville, Tennessee 37996

Notice is effective on the date delivery is accepted or refused.

b. Lessor designates the below named person to act as Lessor's Authorized Representative with authority to amend this Lease or authorize changes within this Lease.

Name:	Joe Heckman, President
Address1:	1209 N. Kentucky Street
Address2:	Kingston, Tennessee 37763
Phone:	(865) 376-2093
Fax:	(865) 376-4978

E-mail: jheckman@energysolutions.com

c. Lessee designates the below named individual to act as Lessee's Lease Administrator who will be responsible for administering this Lease, and such designated Lease Administrator is the only individual who has been duly delegated the authority by Lessee to amend this Lease or authorize changes within this Lease.

Name: Austin Oakes, Assoc. Vice President
Address1: UT Department of Capital Projects
Address2: 505 Summer Place – UTT 946
Address3: Knoxville, TN 37902
Phone: (865) 974-2553
E-mail: aoakes1@tennessee.edu

d. Lessee designates the below named individual as the Lease Tenant Representative ("LTR") who is responsible for the day-to-day operational aspects of this Lease.

Name: Allen Bolton, Sr. Vice Chancellor
Address1: UT Finance & Administration
Address2: 813 AHT, 1331 Circle Park Drive
Address3: Knoxville, TN 37996
Phone: (865) 974-9210
E-mail: gbolton1@utk.edu

Lessee may change Lessor's designated Authorized Representative or his/her address at any time upon written notice to the Lease Administrator. Lessee may change the Lessee's Lease Administrator or the LTR at any time upon not less than ten (10) days prior written notice to the Lessor.

16. WARRANTY OF GOOD CONDITION. Lessor warrants that the Project (including without limitation the roof and structure) will be kept in good order and repair, and in compliance with all applicable laws; will remain free from infestation by pests and rodents; will be equipped at all times with adequate hot and cold water, restrooms, lighting, plumbing, HVAC, and electricity, operating fire protection and alarm systems, and operating elevators, if any; and will be provided with adequate heat and air conditioning such that Lessee will be able to use the Premises as specified in Article 1. Lessee must notify Lessor promptly (verbally or in writing) when a condition occurs which it believes renders the Premises in such condition that it no longer meets this Warranty of Good Condition. Lessor must begin repair(s) or take other action to remedy the condition within forty-eight (48) hours after notification. Provided, however, the obligations of Lessor and Facility Manager pursuant to this provision are conditioned on the approval of the Lessee and CNS and limited to the extent of sufficient funds provided by Operating Rent, CNS Operating Rent or the Fund.

17. CONDITION OF PREMISES AT END OF LEASE. Lessee must leave the Premises, upon expiration or termination of this Lease, in the same condition as it was received, except for reasonable wear and tear, subject to Lessee's duty to leave any alterations in place as specified in Article 12. Lessee shall, prior to the last day of the term of this Lease, as extended, remove all of its personal property, furnishings, and equipment. If Lessee fails to do so, Lessor may have all Lessee-owned personal property, furnishings, and equipment removed at Lessee's expense.

18. HOLDOVER. If the Lessee lawfully holds over after the expiration of the Term of this Lease, such tenancy will be a month-to-month tenancy. During such tenancy, Lessee agrees to be bound by all the then-current terms, covenants and conditions herein specified. Lessee shall have no actual or implied right to holdover and no extension or renewal of a Lease term shall be implied by a holdover by Lessee.

19. SUCCESSORS IN INTEREST. This Lease will be binding upon and inure to the benefit of the parties' heirs, successors, assigns, and transferees. In the event Lessor transfers, sells, or assigns any and all of its interest in the Project or this Lease other than for purposes of securing a valid debt of Lessor, including, without, limitation, the Project Loan, Lessor shall be relieved of its prospective obligations hereunder, provided that Lessor promptly notifies Lessee in writing of said occurrence, and said transfer, sale, encumbrance or assignment specifically apprises the new owner of the existence and terms of this Lease and such new owner assumes all of Lessor's obligations hereunder. In the event of foreclosure on Lessor, Lessee will be entitled to right of possession for the term of this Lease, subject however, to the terms, conditions, and provisions set forth in Article 21 below.

20. RESPONSIBILITIES OF THE PARTIES.

a. The Lessee agrees that neither the Lessor and nor its officers, employees, agents, contractors at whatever tier, or authorized representatives, shall be responsible for any liability or claims for damages to property or the environment, or injuries to, or death of persons, which may arise or result from any of the Lessee's activities and those of its officers, agents, employees, invitees, tenants, contractors, subcontractors and other authorized representatives under this Lease, as those incident to the acts or omissions of the Lessee, its employees, officers and agents with respect to this Lease, but only to the extent that such damage, injury or death is not caused by the gross negligence or reckless conduct on the part of the Lessor, its officers, agents, employees, invitees, tenants, contractors, subcontractors and other authorized representatives under this Lease.

b. Neither the Lessor nor Lessee shall be liable to the other for any indirect, consequential, or incidental damages flowing from any breach of alleged breach of their respective obligations under this Lease.

21. DEFAULT BY LESSEE. A "Lessee Event of Default" shall occur upon (a) the failure of the Lessee to pay or perform any Rental Obligation when due; (b) the failure of the Lessee to perform or observe any other material covenant or condition required by this Lease to be performed or observed, unless such failure shall arise from an Excused Delay, and such failure is not cured within thirty (30) days after the Lessee's receipt of written notice thereof from the Lessor; provided that such cure period shall be extended by the Lessor for an additional one hundred eighty (180) days if such default cannot be reasonably cured within thirty (30) days and the Lessee is diligently attempting to cure the default; or (c) the filing by the Lessee of a petition or other pleading seeking relief from its creditors under the federal bankruptcy law, or the filing against the Lessee of a petition under the federal bankruptcy laws or the Lessee otherwise admits in writing its inability to timely pay its debts when due.

A Lessee Event of Default shall give the Lessor the right to exercise any remedy or privilege which may be available to it under this Lease or under applicable federal, state or local law, including, without limitation, termination of this Lease (without liability to pay any amount for such termination). All remedies shall be cumulative and the election of one shall not preclude the exercise of another, at the same time or subsequently. Failure to exercise a remedy shall not constitute a waiver thereof. The Lessee

shall remain liable to the extent permitted by law with respect to all covenants set forth in this Lease. Lessee acknowledges that delayed payment of Operating Rent may result in the interruption of services required in connection with use of the Premises. Lessee acknowledges that delayed payment of the Rental Obligation or a Lessee Event of Default may cause Lessor to default and incur costs and damages under the Project Loan directly related to Lessee's failure to pay the Rental Obligation or a Lessee Event of Default, and Lessee shall be responsible to Lessor for such costs and damages upon a Lessee Event of Default.

22. DEFAULT BY LESSOR. A "Lessor Event of Default" shall occur upon the failure of Lessor to perform or observe any material covenant or condition of Lessor, if such failure does not arise from Excused Delays and is not cured within thirty (30) days after Lessor's receipt of written notice from Lessee, provided that such cure period shall extend for an additional one hundred eighty (180) days if such default cannot be reasonably cured within thirty (30) days and the Lessor is diligently attempting to cure the default. In the event of a Lessor Event of Default, Lessee shall be entitled to pursue any and all remedies available to it under Tennessee law; provided, however, that the Lessee shall not have any right to terminate the Lease in any instance prior to the date occurring three hundred sixty-five (365) days after repayment and satisfaction in full of the Project Loan. Notwithstanding the foregoing or anything in this Lease to the contrary, the Lessee's sole and exclusive remedy for the Lessor's failure to timely complete construction of the Project shall be liquidated damages in an amount equal to the per diem Base Rent payable by Lessee to Lessor beginning on the Outside Rental Obligation Commencement Date through and including the date the Certificate of Acceptance is issued.

The liability of Lessor in the event of a Lessor Event of Default shall be limited to the interest of Lessor in the Premises. Lessee agrees to look solely to Lessor's interest in the Premises for the payment of any liability or claim against Lessor hereunder. Lessee acknowledges that Lessor is a separate legal entity from the IDB and Roane County and that neither the IDB nor Roane County is liable for nor has either the IDB nor Roane County guaranteed any of the obligations of Lessor under this Lease. Lessee acknowledges that Lessor is not acting as agent for the IDB or Roane County in connection with the construction or leasing of the Project. All covenants, stipulations, promises, agreements and obligations of Lessor contained in this Lease shall be deemed to be the respective limited covenants, stipulations, promises, agreements and obligations of Lessor and not of any officer, director, employee or agent of Lessor, the IDB or Roane County nor of any incorporator, director, employee or agent of any successor corporation to Lessor, the IDB or Roane County, in his or her individual capacity. No recourse shall be had against any such individual, either directly or otherwise under or upon any obligation, covenant, stipulation, promise or agreement contained herein or in any other document executed in connection herewith. To the extent permitted by law, any and all personal liability or obligation, whether in common law or in equity or by reason of statute or constitution or otherwise, of any such person is hereby expressly waived and released by Lessee as a condition to and consideration for the entering into this Lease.

23. SUBORDINATION, NONDISTURBANCE, AND ATTORNMENT.

a. Lessor warrants that it holds such title to or other interest in the Premises and other property as is necessary to Lessee's access to the Premises and full use and enjoyment thereof in accordance with the provisions of this Lease. Lessee agrees, in consideration of the warranties and conditions set forth in this clause, that this Lease is subject and subordinate to any and all recorded mortgages, deeds of trust and other liens now or hereafter existing or imposed upon the Premises. It is the intention of the parties that this provision will be self-operative and that no further instrument will

be required to effect the present or subsequent subordination of this Lease. Lessee agrees, however, within ten (10) days next following Lessee's receipt of a written demand, to execute such instruments as Lessor may reasonably request to evidence further the subordination of this Lease to any existing or future mortgage, deed of trust or other security interest pertaining to the Premises, and to any water, sewer or access easement necessary or desirable to serve the Premises or adjoining property owned in whole or in part by Lessor if such easement does not interfere with the full enjoyment of any right granted Lessee under this Lease.

b. No such subordination, to either existing or future mortgages, deeds of trust or other lien or security instrument will operate to affect adversely any right of Lessee under this Lease so long as Lessee is not in default under this Lease. Lessor shall include in any future mortgage, deed of trust or other security instrument to which this Lease becomes subordinate, or in a separate non-disturbance agreement, a provision to the foregoing effect. Lessor warrants that the holders of all notes or other obligations secured by existing mortgages, deeds of trust or other security instruments have consented to the provisions of this clause, and agrees to provide true copies of all such consents to Lessee promptly upon demand.

c. In the event of any sale of the Premises or any portion thereof by foreclosure of the lien of any such mortgage, deed of trust or other security instrument, or the giving of a deed in lieu of foreclosure, Lessee will be deemed to have attorned to any purchaser, purchasers, transferee or transferees of the Premises or any portion thereof and its or their successors and assigns, and any such purchasers and transferees will be deemed to have assumed all obligations of Lessor under this Lease, so as to establish direct privity of estate and contract between Lessee and such purchasers or transferees, with the same force, effect and relative priority in time and right as if this Lease had initially been entered into between such purchasers or transferees and Lessee; provided, further, that Lessee and such purchasers or transferees shall, with reasonable promptness following any such sale or deed delivery in lieu of foreclosure, execute all such revisions to this Lease, or other writings, as may be necessary to document the foregoing relationship.

24. CONDEMNATION. In the event of eminent domain or condemnation of all or any material portion of the Project, Lessor may terminate the Lease as of the date of taking, provided that if any portion of the Project Loan is outstanding, Lessor shall not terminate the Lease unless approved in writing by the Lender. In the event that Lessor terminates this Lease as a result of such taking, the compensation awarded shall be allocated and paid in the following order of priority and in the following amounts: first, to Lessor or Project Lender, as determined by Lessor, in an amount sufficient to fully pay and satisfy the Project Loan; second, to Lessor, in an amount sufficient to raze and remove the remaining improvements and restore the Project Site to a neat and safe condition in compliance with all applicable laws; third, to Lessor in an amount equal to the then-current fair market value of land constituting the Project Site; fourth, to the Lessee in the amount of any remainder of the compensation awarded. Any condemnation proceeds as to which Lessor is entitled as aforesaid shall be the sole property of Lessor and any condemnation proceeds as to which Lessee is entitled as aforesaid shall be the sole property of Lessee.

In the event the Lease is not terminated as a result of such taking, Lessor shall have the sole and exclusive right to the compensation awarded and shall restore the Premises and Project to such condition as is commercially reasonable and achievable with the amount of the condemnation proceeds actually received by Lessor less any amount of any curtailment or repayment of the Project Loan. Any condemnation proceeds to which Lessor is entitled shall be the sole property of Lessor.

The parties warrant and represent to the other that, as of the Effective Date, it has no knowledge of any pending or prospective condemnation proceedings affecting the Building or Premises and has received no notice from any governmental or quasi-governmental authorities of any such pending or prospective proceedings.

25. DAMAGE BY FIRE OR OTHER CASUALTY.

a. Destruction. In the case of damage or destruction to the Project, Lessor shall repair or reconstruct the damaged or destroyed portion of the Project and apply the insurance proceeds received by Lessor in respect of such damage or destruction to payment of the cost of such repair or damage. The repairs or reconstruction shall be performed in accordance with plans and specifications approved by the Lessor (upon consultation with the Lessee and CNS). Except as otherwise provided herein, the Lessor shall be obligated to cause such repairs and reconstruction to be done only to the extent insurance proceeds or other funds made available to the Lessor are sufficient to pay in full the cost of such repairs and reconstruction as the costs become due and payable.

b. Proceeds. Any insurance proceeds or condemnation award to which Lessor is entitled in connection with any casualty with respect to the Premises shall be the sole property of the Lessor.

26. FIRE INSURANCE. No use may be made or permitted to be made of the Premises, except as provided in Article 1; nor may Lessee sell, or permit to be kept, used, or sold, in or about the Premises, any article which may be prohibited by the standard form of fire insurance policies. Lessee must, at its sole cost and expense, comply with any and all requirements pertaining to the Premises or any insurance organization or company necessary for the maintenance of reasonable fire and public liability insurance covering the Premises, Building and appurtenances.

27. HAZARDOUS MATERIAL. Lessee shall not cause or permit any hazardous substances (as defined and described in the Comprehensive Environmental Response Compensation And Liability Act, "CERCLA," 42 U.S.C. 9601 et seq.), hazardous wastes (as defined and described in the Resource Conservation and Recovery Act, "RCRA," 42 U.S.C. 6901 et seq.), or hazardous materials (as defined and described in the Department of Transportation regulations, "DOT," 49 C.F.R. 105 - 180 et seq.), or any other hazardous substances, hazardous wastes, or hazardous materials as defined and described under any other applicable environmental laws and regulations, to be brought upon, kept, or used in or about, or disposed of on the Premises by Lessee, its agents, employees, contractors or invitees, except in strict compliance with all applicable federal, state and local laws, regulations, codes and ordinances. The underlying land has previously been owned and controlled by the DOE, and Lessor shall have no liability, responsibility or obligation for any hazardous substances, hazardous wastes, or hazardous materials in, on, under or around the Premises unless Lessor, its agents, employees, contractors or invitees, negligently or intentionally and willfully places such hazardous substances, hazardous wastes, or hazardous materials on the Premises. Lessee agrees to comply, and to require its employees, agents, vendors, lessees, tenants, invitees and licensees to comply, with all applicable environmental compliance and waste management regulations and requirements applicable to the Project or as otherwise established by the CNS for the Project with the concurrence of Lessor and Lessee; provided, however, the concurrence of Lessor and Lessee shall not be conditioned, delayed or withheld if the CNS-established requirement is implemented to maintain or achieve full compliance with applicable DOE orders or NNSA directives or any applicable federal, state, and local laws, regulations or code requirements.

28. NON-WAIVER OF BREACH. The failure of either party to insist upon strict performance of the covenants and agreements of this Lease, or to exercise any option herein conferred in any one or more instances, shall not be construed to be a waiver or a relinquishment of any such covenant or agreement, or any other covenants or agreements, but the same shall be and remain in full force and effect.

29. QUIET ENJOYMENT. Lessor warrants that it has full right to execute and to perform this Lease and to grant the estate demised herein, subject to the terms, conditions, and limitations set forth in the DOE Quitclaim Deeds, and that upon payment by Lessee of the rents herein provided, and upon observance and performance of all the covenants, terms and renditions on Lessee's part to be observed and performed. Lessee shall peaceably and quietly hold and enjoy the Premises for the term hereby demised without hindrance or interruption by Lessor or any other persons lawfully or equitably claiming by, through or under the Lessor, subject, nevertheless, to the terms and conditions of this Lease, the DOE Quitclaim Deeds.

30. MODIFICATION. This Lease may only be modified upon the mutual written agreement of the parties.

31. CHOICE OF LAW; TENNESSEE PROVISIONS. This Lease has been and will be construed as having been made and delivered within the State of Tennessee and it is agreed by each party that this Lease shall be governed by the laws of the State of Tennessee, both as to its interpretation and performance, subject to the provisions of Article 34. Exhibit J attached hereto and incorporated herein by reference, sets forth additional terms required by Tennessee law.

32. JURISDICTION; DISPUTES. Any action at law, or judicial proceeding arising out of this Lease may be instituted and maintained only in any of the courts of competent jurisdiction located in the State of Tennessee, as detailed further below.

a. Lessor and Lessee agree to make good faith efforts to settle any dispute or claim that arises under this Lease through discussion and negotiation. If such efforts fail to result in a mutually agreeable resolution, the parties shall consider the use of non-binding mediation, arbitration, or other means of alternative dispute resolution (ADR). In the event non-binding mediation is agreed upon or ordered by a court, the site of the proceedings shall be Oak Ridge, Tennessee. Costs of such ADR proceedings shall be allocated by the neutral(s), except that there shall be no pre-decisional interest costs available to either party as a remedy, and each party shall bear its own discretionary costs.

i. The proper venue for claims against Lessee for damages under this Lease is the Tennessee Claims Commission, Tenn. Code Ann. §9-8-301 et al. Lessor acknowledges Lessee's sovereign immunity and Lessee will otherwise be liable only to the extent permitted under applicable law.

Any action by Lessee against Lessor shall be brought and prosecuted exclusively in the U.S. District Court, with venue proper only in the Eastern District of Tennessee, Northern Division, at Knoxville, or if the requirements for jurisdiction in the U.S. District Court are not present, any litigation arising under or related to this Lease shall be brought in Roane County, Tennessee, in the Circuit or Chancery Court as appropriate.

33. SEVERABILITY. The parties understand and agree that if a court holds any part, term, or provision of this Lease to be illegal or invalid, in whole or in part, the validity of the remaining provisions will not be affected, and the parties' rights and obligations will be construed and enforced as if this Lease did not contain the particular invalid provision.

34. INTERPRETATION AND FAIR CONSTRUCTION OF CONTRACT. This Lease has been reviewed and approved by each of the parties. If it is found that any provision of this Lease is uncertain or ambiguous, the language in all parts of this Lease must be construed as a whole according to its fair meaning and not strictly construed for or against either party, and the fact that one of the parties may have drafted this Lease, or any provision herein, may not be given any weight or relevance.

35. ENTIRE AGREEMENT. The parties agree that this Lease, including the Exhibits, is the complete expression of the terms and conditions hereunder. Any oral or written representations or understandings not incorporated herein are specifically excluded.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Lease to be executed as of the ___ day of _____, 2026.

LESSOR

ROANE COUNTY NSPC, LLC

By: _____

Name: Joe Heckman

Title: President

Date: _____

LESSEE

THE UNIVERSITY OF TENNESSEE

By: _____

Name: _____

Title: _____

Date: _____

Approved as to form and legality:

Name:_____
Jonathan Skrmetti, Attorney General & Reporter

Date: _____

LESSOR - NOTARY

STATE OF TENNESSEE
COUNTY OF _____

Before me, a Notary Public of the state and county aforesaid, personally appeared Joe Heckman, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be President (or other officer authorized to execute the instrument) of Roane County NSPC Project, LLC, the within named bargainor, a Tennessee limited liability company, and that he as such President executed the foregoing instrument for the purpose therein contained, being authorized to do so, by signing the name of the Tennessee limited liability company by himself as President.

Witness my hand, at office, this ____ day of _____, 2026.

_____
Notary Public

My Commission Expires:_____

LESSEE - NOTARY

STATE OF TENNESSEE
COUNTY OF _____

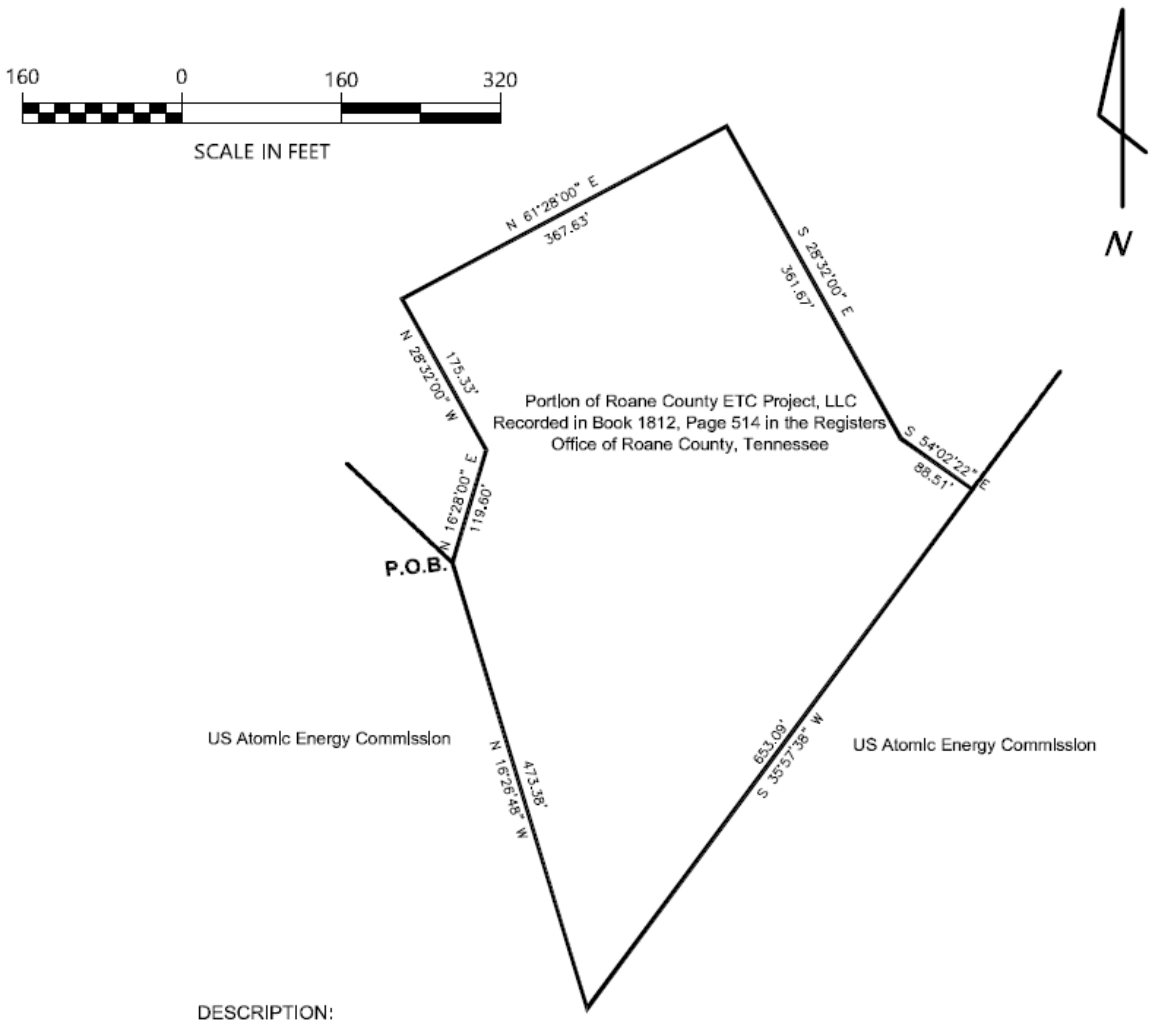
Before me, a Notary Public of the state and county aforesaid, personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself/herself to be _____ (or other officer authorized to execute the instrument) of the University of Tennessee, the within named bargainor, an instrumentality of the State of Tennessee, and that he/she as such _____ executed the foregoing instrument for the purpose therein contained, being authorized to do so, by signing the name of The University of Tennessee by himself/herself as _____.

Witness my hand, at office, this ____ day of _____, 2026.

_____
Notary Public

My Commission Expires:_____

EXHIBIT A – PROJECT SITE



DESCRIPTION:

Being a PORTION of Roane County ETC Project, LLC property as recorded in Book 1812, Page 514 in the Registers Office of Roane County, Tennessee and being more fully described as follows:

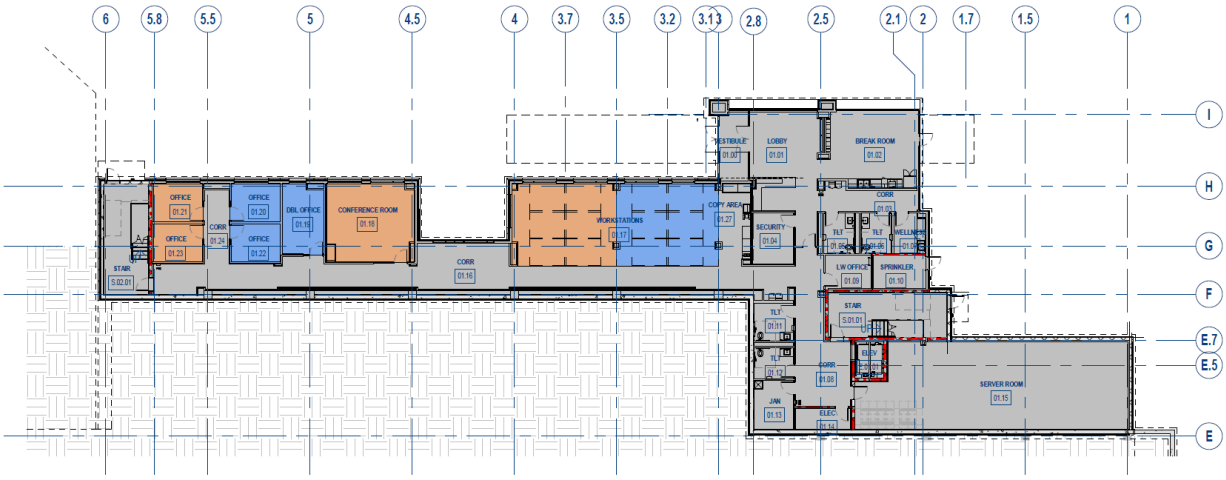
COMMENCING at an existing iron rod on the southerly right-of-way line of Oak Ridge Turnpike, said iron rod being North 63° 21' 20" East, 1,124+/- feet from the intersection of Oak Ridge Turnpike and Renovare Boulevard and being the northwest Corner of Roane County ETC Project, LLC;

Thence S 10°30'00" E, a distance of 230.13' along the west line of Roane County ETC Project, LLC; thence continuing along Roane County ETC Project, LLC S 07°26'58" W, a distance of 152,29'; thence continuing along Roane County ETC Project, LLC S 46°05'46" E, a distance of 418.37' to the Point of Beginning; thence leaving the west line of Roane County ETC Project, LLC N 16°28'00" E, a distance of 119.60'; thence N 28°32'00" W a distance of 175,33'; thence N 61°28'00" E a distance of 367,63'; thence S 28°32'00" E, a distance of 361.67'; thence S 54°02'22" E; a distance of 88.51' to the southeast line of Roane County ETC Project, LLC; thence along the southeast line S 35°57'38" W, a distance of 653.09' to the southwest corner of Roane County ETC Project, LLc; thence along the west line of Roane County ETC Project, LLC N 16°26'48" W a distance of 473.38' to the Point of Beginning.

Having an area of 260,743.4 square feet, 5,986 acres more or less.

PREPARED FOR: Design Innovation Architecture	EXHIBIT	PINNACLE Land Surveying, Inc. www.pinnaclelandsurvey.com 212 Battle Front Trail Knoxville, TN 37934 Phone: 865.548.2385	SHEET 1 OF 1

EXHIBIT A-1 - PREMISES PLAN



PREMISES BREAKDOWN	1ST LVL OFF.	2ND LVL OFF.	2ND LVL H-B	3RD LVL OFF.	SUB TOTALS:	TOTAL:
UT PREMISES	1,092 SQF	3,751 SQF	15,300 SQF	804 SQF	20,947 SQF	62,703 SQF
CNS PREMISES	863 SQF	3,111 SQF	15,222 SQF	620 SQF	19,816 SQF	
COMMON AREA	6,596 SQF	4,740 SQF	6,700 SQF	3,904 SQF	21,940 SQF	

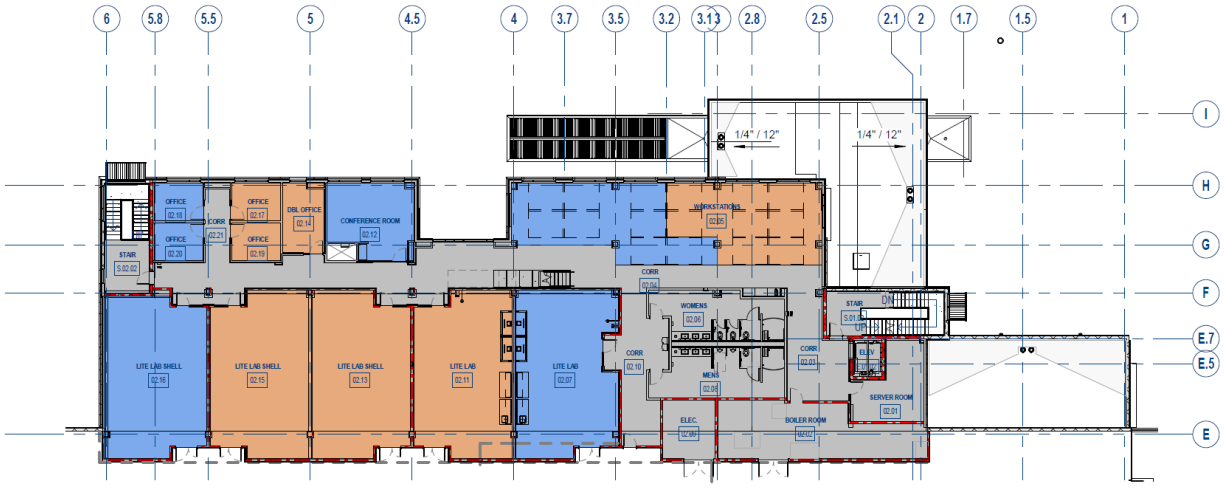
25023 | 2026-01-15

FIRST FLOOR PLAN - OFFICE PREMISES PLAN

NSPC

3607 OAK RIDGE TURNPIKE - OAK RIDGE, TN 37830

DIA Design Innovation
ARCHITECTS + INTERIORS + CIVIL



PREMISES BREAKDOWN	1ST LVL OFF.	2ND LVL OFF.	2ND LVL H-B	3RD LVL OFF.	SUB TOTALS:	TOTAL:
UT PREMISES	1,092 SQF	3,751 SQF	15,300 SQF	804 SQF	20,947 SQF	62,703 SQF
CNS PREMISES	863 SQF	3,111 SQF	15,222 SQF	620 SQF	19,816 SQF	
COMMON AREA	6,596 SQF	4,740 SQF	6,700 SQF	3,904 SQF	21,940 SQF	

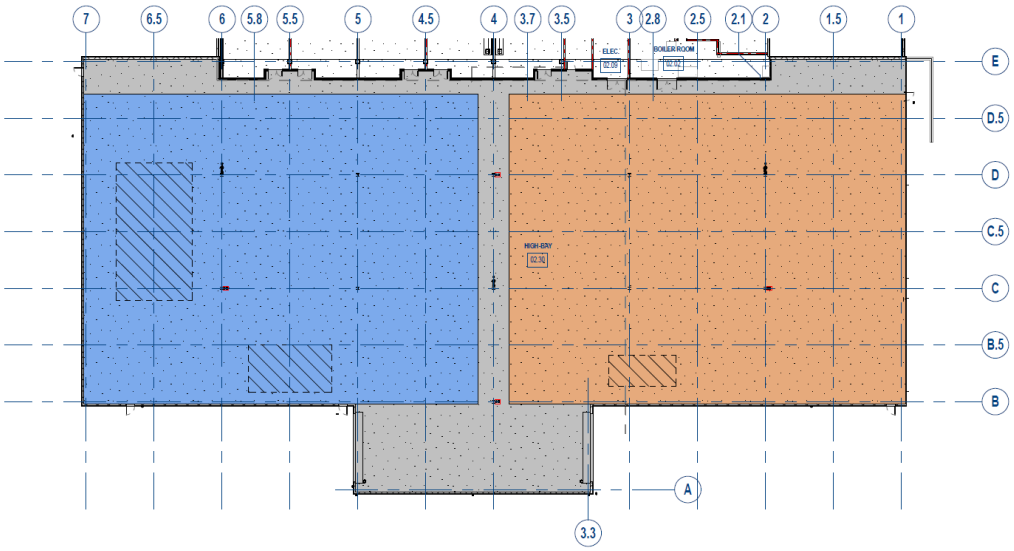
25023 | 2026-01-15

SECOND FLOOR PLAN - OFFICE PREMISES PLAN

NSPC

3607 OAK RIDGE TURNPIKE - OAK RIDGE, TN 37830

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PREMISES BREAKDOWN	1ST LVL OFF.	2ND LVL OFF.	2ND LVL H-B	3RD LVL OFF.	SUB TOTALS:	TOTAL:
UT PREMISES	1,092 SQF	3,751 SQF	15,300 SQF	804 SQF	20,947 SQF	62,703 SQF
CNS PREMISES	863 SQF	3,111 SQF	15,222 SQF	620 SQF	19,816 SQF	
COMMON AREA	6,596 SQF	4,740 SQF	6,700 SQF	3,904 SQF	21,940 SQF	

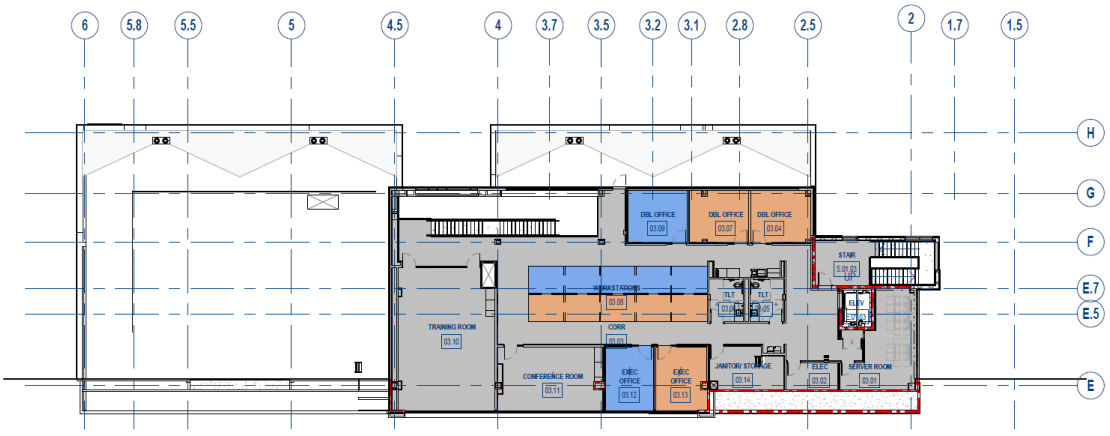
25023 | 2026-01-15

SECOND FLOOR PLAN - HIGH-BAY PREMISES PLAN

NSPC

3607 OAK RIDGE TURNPIKE- OAK RIDGE, TN 37830

DIA Design Innovation
ARCHITECTS + INTERIORS + CIVIL



PREMISES BREAKDOWN	1ST LVL OFF.	2ND LVL OFF.	2ND LVL H-B	3RD LVL OFF.	SUB TOTALS:	TOTAL:
UT PREMISES	1,092 SQF	3,751 SQF	15,300 SQF	804 SQF	20,947 SQF	62,703 SQF
CNS PREMISES	863 SQF	3,111 SQF	15,222 SQF	620 SQF	19,816 SQF	
COMMON AREA	6,596 SQF	4,740 SQF	6,700 SQF	3,904 SQF	21,940 SQF	

25023 | 2026-01-15

THIRD FLOOR PLAN - OFFICE PREMISES PLAN

NSPC

3607 OAK RIDGE TURNPIKE- OAK RIDGE, TN 37830

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Exhibit B

NATIONAL SECURITY PROTOTYPE CENTER
D/D DEVELOPMENT BUDGET
March 20, 2026

file name: NSPC Development Budget DD8 03.20.2026

DEVELOPMENT CATAGORIES		Development Budget
BUILDING CONSTRUCTION & RELATED IMPROVEMENTS		
Site Work & Building Construction Cost		$34,127,003.82
Utility Aid-to-Construction		$75,000.00
Unsuitable Soil & Rock Allowance		$250,000.00
TOTAL BUILDING CONSTRUCTION & RELATED IMPROVEMENTS		$34,452,003.82
LANDSCAPING & IRRIGATION		
Landscaping & Irrigation		$325,000.00
TOTAL LANDSCAPING & IRRIGATION		$325,000.00
SOFT COSTS		
Architecture, Engineering, & Consultants		(in Above)
Architect Reimbursable Expenses		(in Above)
Specialty Consultants, Surveying, Zoning & Geotechnical		
Furniture Design & Specification		(in Above)
Landscape Design		$10,000.00
A/V Design & Cost Estimating		$15,000.00
IT Initial Design		$20,000.00
Initial Boundary & Topography Site Survey		$25,000.00
Parcel Survey & Subdivision Platting		$7,500.00
As-Built Survey; Easement and Utility Surveys		$35,000.00
Geotechnical Investigation		$35,000.00
Miscellaneous Soft Costs		$10,000.00
Permitting with TDOT		$3,000.00
City Plans Review & Permitting		$49,237.00
Engineer Testing		$265,000.00
Environmental Remediation/ Mitigation		$0.00
Building Commissioning		$75,000.00
Legal		$200,000.00
Project Administration	2%	$840,345.30
Development Fee	4%	$1,680,690.60
Project Contingency	3%	$1,260,517.95
Start Up Expenses		$117,000.00
2 Month Operating Contingency		$150,000.00
Utilities - Initial Operations		$100,000.00
Property Taxes during Construction		$12,000.00
Construction Interest		$1,389,970.00
Loan Costs - Regions		$300,000.00
Property & Liability Insurance		$140,000.00
Design Contingency		$500,000.33
TOTAL SOFT COSTS		$7,240,261.18
TOTAL BUILDING COST		$42,017,265.00
Less: Paid by CNS		($991,900.00)
Less: Paid by UT		($927,683.00)
TOTAL BUILDING COST		$40,097,682.00

EXHIBIT C – BASE RENT

[The Base Rent to be determined based on the final, locked interest rate. Regions Bank notional interest rate for tax exempt financing is 4.01% per annum with an assumed fluctuation contingency rate 4.64%% per annum. Regions Bank notional interest rate for taxable financing is 5.16% per annum with an assumed fluctuation contingency rate of 5.96% per annum.

Tax Exempt Interest Rate Range:	4.01%	4.64%
Annual Base Rent:	$2,913,809.02	$ 3,071,913.84
Monthly Base Rent:	$242,817.42	$255,992.82
Taxable Interest Rate Range:	5.16%	5.96%
Annual Base Rent:	$3,211,776.50	$3,423,719.04
Monthly Base Rent:	$267,648.04	$ 285,309.92]

EXHIBIT D – DD PLANS

SHEET INDEX					
SHEET #	SHEET NAME	SHEET ISSUE DATE	CURRENT REV. #	REV. DESCRIPTION	CURRENT REV. DATE
G000	COVER	11/7/2025			
G001	SHEET INDEX	12/5/2025	3	Add 03	12/5/2025
G002	SECURITY BOUNDARY	11/7/2025			
G099	PROJECT CODE REQUIREMENTS	11/7/2025			
G199	ARCH LEGENDS & ABBREVIATIONS	11/7/2025			
LS001	TESTED ASSEMBLIES	11/7/2025			
LS002	TESTED ASSEMBLIES	11/7/2025			
LS003	TESTED ASSEMBLIES	11/7/2025			
LS004	TESTED ASSEMBLIES	11/7/2025			
LS005	TESTED ASSEMBLIES	11/7/2025			
LS006	TESTED ASSEMBLIES	11/7/2025			
LS007	TESTED ASSEMBLIES	11/7/2025			
LS101	FIRST FLOOR LIFE SAFETY PLAN	11/21/2025	2	Add 02	11/21/2025
LS102	SECOND FLOOR LIFE SAFETY PLAN	11/21/2025	2	Add 02	11/21/2025
LS103	HIGH BAY & THIRD FLOOR LIFE SAFETY PLAN - OFFICE BLOCK	11/21/2025	2	Add 02	11/21/2025
LS104	OCCUPANCY ZONES	11/7/2025			
LS105	CONTROL ZONES	11/7/2025			
C100	EXISTING CONDITIONS	11/7/2025			
C200	CIVIL NOTES	11/7/2025			
C400	DEMOLITION PLAN	11/7/2025			
C500	OVERALL PHASE I & II SITE LAYOUT PLAN	12/5/2025	3	Add 03	12/5/2025
C501	PHASE I SITE LAYOUT PLAN	11/21/2025	3	Add 03	12/5/2025
C510	TRAFFIC LAYOUT PLAN	11/7/2025			
C600	OVERALL GRADING & DRAINAGE PLAN	12/5/2025	3	Add 03	12/5/2025
C601	STORMWATER TABLES & GRADING DETAILS	12/5/2025	3	Add 03	12/5/2025
C610	TRAFFIC GRADING & DRAINAGE PLAN	11/7/2025			
C700	UTILITY PLAN	11/7/2025			
C701	SANITARY SEWER MAIN PLAN	12/5/2025	3	Add 03	12/5/2025

C800	CIVIL DETAILS	11/7/2025			
C801	CIVIL DETAILS	11/7/2025			
C802	CIVIL DETAILS	11/7/2025	3	Add 03	12/5/2025
C810	TRAFFIC DETAILS	11/7/2025			
S001	ABBREVIATIONS AND LEGENDS	11/7/2025			
S002	STRUCTURAL GENERAL NOTES	11/14/2025	1	Add 01	11/14/2025
S003	STRUCTURAL GENERAL NOTES	11/7/2025			
S004	SPECIAL INSPECTIONS	11/7/2025			
S100	FOUNDATION PLAN - OVERALL	11/14/2025	1	Add 01	11/14/2025
S101	SECOND FLOOR PLAN - OVERALL	11/7/2025			
S102	THIRD FLOOR PLAN - OVERALL	11/7/2025			
S103	ROOF FRAMING PLAN - OVERALL	11/7/2025			
S110	FIRST FLOOR FOUNDATION PLAN - OFFICE	1/28/2026	4	Add 04	1/28/2026
S120	SECOND FLOOR FRAMING PLAN - OFFICE	11/14/2025	1	Add 01	11/14/2025
S121	SECOND FLOOR FOUNDATION PLAN - HIGH BAY WEST	11/7/2025			
S122	SECOND FLOOR FOUNDATION PLAN - HIGH BAY EAST	11/7/2025			
S130	THIRD FLOOR FRAMING PLAN - OFFICE	11/14/2025	1	Add 01	11/14/2025
S131	THIRD FLOOR FRAMING PLAN - HIGH BAY WEST	11/7/2025			
S132	THIRD FLOOR FRAMING PLAN - HIGH BAY EAST	11/7/2025			
S140	ROOF FRAMING PLAN - OFFICE	11/14/2025	1	Add 01	11/14/2025
S141	ROOF FRAMING PLAN - HIGH BAY WEST	11/14/2025	1	Add 01	11/14/2025
S142	ROOF FRAMING PLAN - HIGH BAY EAST	11/14/2025	1	Add 01	11/14/2025
S210	ELEVATIONS & DETAILS	11/14/2025	1	Add 01	11/14/2025
S211	ELEVATIONS & DETAILS	11/14/2025	1	Add 01	11/14/2025
S212	ELEVATIONS & DETAILS	11/14/2025	1	Add 01	11/14/2025
S213	ELEVATIONS & DETAILS	11/14/2025	1	Add 01	11/14/2025
S310	TYPICAL DETAILS - CONCRETE	11/7/2025			
S320	TYPICAL DETAILS - MASONRY	11/14/2025	1	Add 01	11/14/2025
S330	TYPICAL DETAILS - STEEL	11/14/2025	1	Add 01	11/14/2025
S331	TYPICAL DETAILS - STEEL	11/14/2025	1	Add 01	11/14/2025
S410	SECTIONS & DETAILS - FOUNDATION	11/7/2025			
S411	SECTIONS & DETAILS - FOUNDATION	11/7/2025			

S420	SECTIONS & DETAILS	11/7/2025			
AS101	ARCHITECTURAL SITE PLAN	12/5/2025	3	Add 03	12/5/2025
AS102	ARCHITECTURAL SITE DETAILS	11/7/2025			
AS103	MOCKUP WALL	11/7/2025			
AG001	TYPICAL ACC GUIDELINES	11/7/2025			
AG002	TYPICAL ACC GUIDELINES	11/7/2025			
AG003	INTERIOR WALL TYPES	11/7/2025			
AG004	INTERIOR WALL TYPES	11/7/2025			
A001	FIRST FLOOR - OVERALL PLAN	11/7/2025			
A002	SECOND FLOOR - OVERALL PLAN	11/7/2025			
A003	THIRD FLOOR - OVERALL PLAN	11/7/2025			
A004	ROOF - OVERALL PLAN	11/7/2025			
A101	FIRST FLOOR PLAN - OFFICE	11/7/2025			
A102	SECOND FLOOR PLAN - OFFICE	12/5/2025	3	Add 03	12/5/2025
A103	SECOND FLOOR PLAN - HIGH BAY WEST	11/7/2025			
A104	SECOND FLOOR PLAN - HIGH BAY EAST	11/7/2025			
A105	THIRD FLOOR PLAN - OFFICE	11/7/2025			
A115	ROOF DETAILS	11/7/2025			
A116	ROOF DETAILS	11/7/2025			
A121	FIRST FLOOR RCP - OFFICE	11/7/2025			
A122	SECOND FLOOR RCP- OFFICE	11/7/2025			
A123	SECOND FLOOR RCP- HIGH-BAY	11/7/2025			
A124	THIRD FLOOR RCP- OFFICE	11/7/2025			
A125	CEILING DETAILS	11/7/2025			
A131	ENLARGED PLANS	11/7/2025			
A141	CANOPY DETAILS	11/7/2025			
A201	EXTERIOR ELEVATIONS - OVERALL	11/7/2025			
A202	EXTERIOR ELEVATIONS - OFFICE BLOCK	11/7/2025			
A203	EXTERIOR ELEVATIONS - HIGH BAY	11/7/2025			
A204	EXTERIOR ELEVATIONS - HIGH BAY	11/7/2025			
A301	BUILDING SECTIONS - OFFICE BLOCK	11/7/2025			
A302	BUILDING SECTIONS - OFFICE BLOCK	11/7/2025			
A303	BUILDING SECTIONS - HIGH BAY	11/7/2025			

A311	WALL SECTIONS	11/7/2025			
A312	WALL SECTIONS	11/7/2025			
A313	WALL SECTIONS	11/7/2025			
A314	WALL SECTIONS	11/7/2025			
A315	WALL SECTIONS	11/7/2025			
A316	WALL SECTIONS	11/7/2025			
A317	WALL SECTIONS	11/21/2025	2	Add 02	11/21/2025
A318	WALL SECTIONS	11/7/2025			
A321	EXTERIOR DETAILS	11/7/2025			
A322	EXTERIOR DETAILS (IMP)	11/7/2025			
A400	STAIR & RAILING DETAILS	11/7/2025			
A401	VERTICAL CIRCULATION - S.01	11/7/2025			
A402	VERTICAL CIRCULATION - S.02	11/7/2025			
A403	VERTICAL CIRCULATION - COMMUNICATING STAIR	11/7/2025			
A404	VERTICAL CIRCULATION - SHIPS LADDER	11/7/2025			
A500	OPENING SCHEDULES	11/21/2025	2	Add 02	11/21/2025
A501	EXTERIOR GLAZING ELEVATIONS	11/7/2025			
A511	INTERIOR GLAZING ELEVATIONS	11/7/2025			
A521	HEAD SILL AND JAMB DETAILS - EXTERIOR	11/7/2025			
A522	HEAD SILL AND JAMB DETAILS - EXTERIOR	11/7/2025			
A523	HEAD SILL AND JAMB DETAILS - EXTERIOR	11/7/2025			
A700	INTERIOR FINISH SCHEDULE	12/5/2025	3	Add 03	12/5/2025
A701	FIRST FLOOR FINISH PLAN - OFFICE	12/5/2025	3	Add 03	12/5/2025
A702	SECOND FLOOR FINISH PLAN - OFFICE	12/5/2025	3	Add 03	12/5/2025
A703	THIRD FLOOR FINISH PLAN - OFFICE	11/7/2025			
A721	FIRST FLOOR INTERIOR ELEVATIONS	12/5/2025	3	Add 03	12/5/2025
A722	SECOND FLOOR INTERIOR ELEVATIONS	12/5/2025	3	Add 03	12/5/2025
A723	THIRD FLOOR INTERIOR ELEVATIONS	11/7/2025			
A731	INTERIOR DETAILS	11/7/2025			
A741	INTERIOR SIGNAGE	11/7/2025			
A751	CASEWORK or MILLWORK	11/7/2025			
A801	FIRST FLOOR FURNITURE PLAN - OFFICE BLOCK	11/7/2025			

A802	SECOND FLOOR FURNITURE PLAN - OFFICE BLOCK	11/7/2025			
A803	THIRD FLOOR FURNITURE PLAN - OFFICE BLOCK	11/7/2025			
FP001	GENERAL NOTES AND LEGENDS	11/7/2025			
FP002	DETAILS	11/7/2025			
FP003	DETAILS	11/7/2025			
FP004	DETAILS	11/7/2025			
FP101	FIRE PROTECTION - FIRST FLOOR - OVERALL PLAN	11/7/2025			
FP102	FIRE PROTECTION - SECOND FLOOR - OVERALL PLAN	11/7/2025			
FP103	FIRE PROTECTION - THIRD FLOOR - OVERALL PLAN	11/7/2025			
FP104	FIRE PROTECTION - ROOF - OVERALL PLAN	11/7/2025			
FP105	FIRE PROTECTION - FIRST FLOOR PLAN - OFFICE	11/7/2025			
FP106	FIRE PROTECTION - SECOND FLOOR PLAN - OFFICE	11/7/2025			
FP107	FIRE PROTECTION - SECOND FLOOR PLAN - HIGH BAY WEST	11/7/2025			
FP108	FIRE PROTECTION - SECOND FLOOR PLAN - HIGH BAY EAST	11/7/2025			
FP109	FIRE PROTECTION - THIRD FLOOR PLAN - OFFICE	11/7/2025			
P001	GENERAL NOTES AND LEGENDS	11/7/2025			
P002	SCHEDULES	11/21/2025	2	Add 02	11/21/2025
P101	UNDERGROUND - FIRST FLOOR - OVERALL PLAN	11/7/2025			
P105	UNDERGROUND - FIRST FLOOR - OFFICE	11/7/2025			
P106	UNDERGROUND - SECOND FLOOR PLAN - HIGH BAY WEST	11/7/2025			
P201	PLUMBING - FIRST FLOOR - OVERALL PLAN	11/7/2025			
P202	PLUMBING - SECOND FLOOR - OVERALL PLAN	11/7/2025			
P203	PLUMBING - THIRD FLOOR - OVERALL PLAN	11/7/2025			
P204	PLUMBING - ROOF - OVERALL PLAN	11/7/2025			
P205	PLUMBING - FIRST FLOOR PLAN - OFFICE	11/7/2025			
P206	PLUMBING - SECOND FLOOR PLAN - OFFICE	11/21/2025	2	Add 02	11/21/2025

P207	PLUMBING - SECOND FLOOR PLAN - HIGH BAY WEST	11/7/2025			
P208	PLUMBING - SECOND FLOOR PLAN - HIGH BAY EAST	11/7/2025			
P209	PLUMBING - THIRD FLOOR PLAN - OFFICE	11/7/2025			
P210	ENLARGED BOILER ROOM FLOOR PLAN	11/7/2025			
P301	SANITARY - FIRST FLOOR - OVERALL PLAN	11/7/2025			
P302	SANITARY - SECOND FLOOR - OVERALL PLAN	11/7/2025			
P303	SANITARY - THIRD FLOOR - OVERALL PLAN	11/7/2025			
P304	SANITARY - ROOF - OVERALL PLAN	11/7/2025			
P305	SANITARY - FIRST FLOOR PLAN - OFFICE	11/7/2025			
P306	SANITARY - SECOND FLOOR PLAN - OFFICE	11/7/2025			
P307	SANITARY - SECOND FLOOR PLAN - HIGH BAY WEST	11/7/2025			
P308	SANITARY - SECOND FLOOR PLAN - HIGH BAY EAST	11/7/2025			
P309	SANITARY - THIRD FLOOR PLAN - OFFICE	11/7/2025			
P401	DETAILS	11/7/2025			
P402	DETAILS	11/7/2025			
P403	DETAILS	11/7/2025			
P404	DETAILS	11/7/2025			
P405	DETAILS	11/7/2025			
P501	RISERS	11/7/2025			
P502	RISERS	11/7/2025			
P503	RISERS	11/7/2025			
P504	RISERS	11/7/2025			
M001	GENERAL NOTES AND LEGENDS	11/7/2025			
M002	MECHANICAL SCHEDULES	11/7/2025			
M003	MECHANICAL SCHEDULES	11/7/2025			
M101	HVAC - FIRST FLOOR - OVERALL PLAN	11/7/2025			
M102	HVAC - SECOND FLOOR - OVERALL PLAN	11/7/2025			
M103	HVAC - THIRD FLOOR - OVERALL PLAN	11/7/2025			
M104	HVAC - ROOF - OVERALL PLAN	11/7/2025			
M105	HVAC - FIRST FLOOR PLAN - OFFICE	11/7/2025			

M106	HVAC - SECOND FLOOR PLAN - OFFICE	11/7/2025			
M107	HVAC - SECOND FLOOR PLAN - HIGH BAY WEST	11/7/2025			
M108	HVAC - SECOND FLOOR PLAN - HIGH BAY EAST	11/7/2025			
M109	HVAC - THIRD FLOOR PLAN - OFFICE	11/7/2025			
M201	PIPING - FIRST FLOOR - OVERALL PLAN	11/7/2025			
M202	PIPING - SECOND FLOOR - OVERALL PLAN	11/7/2025			
M203	PIPING - THIRD FLOOR - OVERALL PLAN	11/7/2025			
M204	PIPING - ROOF - OVERALL PLAN	11/7/2025			
M205	PIPING - FIRST FLOOR PLAN - OFFICE	11/7/2025			
M206	PIPING - SECOND FLOOR PLAN - OFFICE	11/7/2025			
M207	PIPING - SECOND FLOOR PLAN - HIGH BAY WEST	11/7/2025			
M208	PIPING - SECOND FLOOR PLAN - HIGH BAY EAST	11/7/2025			
M209	PIPING - THIRD FLOOR PLAN - OFFICE	11/7/2025			
M210	ENLARGED MECHANICAL ROOM FLOOR PLAN	11/7/2025			
M301	MECHANICAL SECTIONS	11/7/2025			
M401	DETAILS	11/7/2025			
M402	DETAILS	11/7/2025			
M403	DETAILS	11/7/2025			
M404	DETAILS	11/7/2025			
M405	DETAILS	11/7/2025			
M406	DETAILS	11/7/2025			
M407	DETAILS	11/7/2025			
M501	CONTROLS - BAS RISER	11/7/2025			
M502	CONTROLS - LAB EXHAUST FAN	11/7/2025			
M503	CONTROLS - LITE LABS	11/7/2025			
M504	CONTROLS - PROCESS CHILLED WATER FLOW DIAGRAM	11/7/2025			
M505	CONTROLS - PROCESS CHILLED WATER	11/7/2025			
M506	CONTROLS - HOT WATER FLOW DIAGRAM	11/7/2025			
M507	CONTROLS - BOILERS	11/7/2025			
M508	CONTROLS - VAV RTU DUCTED	11/7/2025			
M509	CONTROLS - VAV RTU PLENUM RETURN	11/7/2025			

M510	CONTROLS - EXHAUST FAN MINI SPLIT	11/7/2025			
M511	CONTROLS - VAV TERMINAL UNIT	11/7/2025			
M512	CONTROLS - DOAS	11/7/2025			
M514	CONTROLS - SINGLE ZONE RTU	11/7/2025			
E000	ELECTRICAL LEGEND	12/5/2025	3	Add 03	12/5/2025
E101	LIGHTING - FIRST FLOOR PLAN - OFFICE	11/7/2025			
E102	LIGHTING - SECOND FLOOR PLAN - OFFICE	11/7/2025			
E103	LIGHTING - SECOND FLOOR PLAN - HIGH BAY WEST	11/7/2025			
E104	LIGHTING - SECOND FLOOR PLAN - HIGH BAY EAST	11/7/2025			
E105	LIGHTING - THIRD FLOOR PLAN - OFFICE	11/7/2025			
E201	POWER - FIRST FLOOR PLAN - OFFICE	11/7/2025			
E201.1	ELEC/HVAC - FIRST FLOOR PLAN - OFFICE	11/7/2025			
E202	POWER - SECOND FLOOR PLAN - OFFICE	11/7/2025			
E202.1	ELEC/HVAC - SECOND FLOOR PLAN - OFFICE	11/7/2025			
E203	POWER - SECOND FLOOR PLAN - HIGH BAY WEST	11/7/2025			
E204	POWER - SECOND FLOOR PLAN - HIGH BAY EAST	11/7/2025			
E205	POWER - THIRD FLOOR PLAN - OFFICE	11/7/2025			
E205.1	ELEC/MECH - THIRD FLOOR PLAN - OFFICE	11/7/2025			
E206	POWER - ROOF - OVERALL PLAN	11/7/2025			
E301	FIRE ALARM - FIRST FLOOR PLAN - OFFICE	11/7/2025			
E302	FIRE ALARM - SECOND FLOOR PLAN - OFFICE	11/7/2025			
E303	FIRE ALARM - SECOND FLOOR PLAN - HIGH BAY WEST	11/7/2025			
E304	FIRE ALARM - SECOND FLOOR PLAN - HIGH BAY EAST	11/7/2025			
E305	FIRE ALARM - THIRD FLOOR PLAN - OFFICE	11/7/2025			
E401	ELECTRICAL - GROUNDING	11/7/2025			
E402	ELECTRICAL - LIGHTNING PROTECTION	11/7/2025			
E501	ELECTRICAL - RISER DIAGRAM	12/5/2025	3	Add 03	12/5/2025

E600	PANEL SCHEDULES	11/7/2025			
E601	PANEL SCHEDULES	11/7/2025	3	Add 03	12/5/2025
E602	PANEL SCHEDULES	12/5/2025	3	Add 03	12/5/2025
ED001	SITE - DEMO	11/7/2025			
ES001	ELECTRICAL SITE PLAN	12/5/2025	3	Add 03	12/5/2025

ASSUMPTIONS AND CLARIFICATIONS

The following assumptions and clarifications ("A&C") relate to the scope of work set forth in Exhibit D to the Lease ("Lease") between Roane County NSPC Project, LLC ("RCNSPC") and The University of Tennessee ("UT") for a National Security Prototype Center in Roane County, Tennessee ("Project") and in Exhibit F to the Development Agreement ("Development Agreement") between RCNSPC and Lawler-Wood NSPC, LLC ("LWNSPC") for the Project. The scope of work described in the Lease and Development Agreement will be jointly referred to herein as the "SOW". To the extent any conflict exists between the A&C and other provisions of the Lease or Development Agreement, the provisions of the A&C shall control.

1. Furniture, Fixture and Equipment is not included in the SOW.

2. Communication equipment and service are not included in the SOW.

3. Internet service or equipment including switches, routers, computer servers, personal computers and wireless access points are not included in the SOW. Limited data wiring is provided as shown in the Plans.

4. Audio-Visual equipment is not included in the SOW.

EXHIBIT E - JANITORIAL SERVICES

Janitorial services include, but are not limited to, the following:

a. Daily (Monday through Friday)

i. Trash receptacles must have plastic liners as provided by the Lessor. Receptacles must be emptied daily with the trash removed from the building. Recycling receptacles (for paper, aluminum, or plastic) must also be emptied daily with the materials removed from the building.
ii. Dust desks, tables, other office furniture, and other flat surfaces as needed. Do not dust desks if there are papers on them. (Using feather dusters is prohibited).
iii. Mop all vinyl and linoleum floors and respond to emergent spills and remove spots.
iv. Vacuum carpeted areas as needed and respond to emergent spills and remove spots.
v. Refill paper towel racks, soap dispensers, toilet paper, toilet seat-cover racks, and sanitary product dispensers as needed.
vi. Wash and clean thoroughly all restrooms, including floors, lavatories, hardware, fixtures, and mirrors.
vii. Inspect drinking fountains and clean as needed.
viii. Inspect cigarette receptacles and empty as needed.
ix. Remove fingerprints from door glass as needed.
x. Sweep entryway landings and steps; remove spider webs from entryways as needed.
xi. Wash and clean thoroughly lunchroom, breakroom, or vending room floors, tables, counter tops, sinks, and exterior surfaces of appliances.
xii. Wipe down interior of all microwaves.
xiii. Turn off all lights.
xiv. Ensure exterior doors are locked and latched.

b. Weekly

i. Dust all ledges and other flat surfaces under six (6) feet in height as needed.
ii. Clean air vents in restrooms and lunch rooms.
iii. Vacuum places not normally reached with vacuum (under and behind furniture).

c. Monthly

i. Vacuum and dust any locked executive offices as requested by Lessee. Office access to be arranged as requested by Lessee.
ii. Clean interior of all refrigerators.
iii. Clean air vents and adjacent ceiling tiles as needed.
iv. Dust blinds/curtains.

d. Quarterly

i. Clean linoleum/vinyl floors and re-wax.

e. Bi-Annually

i. Wash exterior windows.
ii. Wash interior windows.

f. Annually

i. Shampoo carpet.
ii. Clean drapes/blinds as needed.
iii. Clean light fixtures as needed.

EXHIBIT F - REPAIR, MAINTENANCE, AND REPLACEMENT SERVICES

Maintenance, repair, and replacement services include, but are not limited to, the following:

a. Snow removal and ice control in parking areas and sidewalks. Specifically, Lessor must take appropriate actions to remove snow and ice before arrival of staff (i.e., before 6:00 a.m. local time), including but not limited to spreading of sand, gravel, or ice melt. Lessor will regularly check, and take appropriate actions to remove or treat, snow and ice throughout each work day, including making arrangements to have snow removed from the parking lots should snow accumulate in excess of two (2) inches and from the sidewalks and crosswalks should snow accumulate in excess of one (1) inch. Lessor will provide periodic sweeping of parking lot to remove residual gravel, sand, or other treatments.

b. Lessor will provide Lessee with copies of the SDS sheets as related to Lessor executed work when requested by the Lessee.

c. Patching and painting of interior and exterior of the building as required for good maintenance practice.

d. Scheduled routine preventive maintenance of existing building mechanical, electrical and heating, ventilation, and air conditioning (HVAC) systems to minimize breakdown. If the HVAC system is not performing properly, Lessor must provide an alternate source of HVAC (i.e., portable coolers, fans, or heaters) within one (1) hour of reported malfunctions.

   Repairs or adjustments to building infrastructure systems must be initiated and completed within one business day after Lessor's receipt of notification from Lessee, unless such adjustments or repairs cannot be performed due to extenuating circumstances beyond Lessor's control such as, but not limited to, unavailability of required parts or materials, or scheduling of service providers.

e. Repair or replacement of existing building mechanical, electrical, and HVAC systems caused by wear and tear during ordinary use of these systems. This includes required re-lamping of interior and exterior light fixtures.

f. Grounds maintenance including complete grass, tree, and shrub care and clean-up; plus maintenance and repair of any automatic underground sprinkler system.

g. Pest control on interior (sprays may not be used on interiors without Lessee's prior written approval of scope, schedule, and product to be used) and exterior of building to control ants, insects, rodents, or other common pests to maintain the Premises in habitable condition, including spray-washing the exterior of the Premises to remove spider webs or nests. Lessor must submit a copy of the related SDS to Lessee before using any chemical.

h. Replacement or repair of exterior and interior worn or failed structural components of the building.

i. Replacement or repair of flooring (carpet, vinyl, or linoleum) and drapes or blinds, as needed. Replacements should be color coordinated with the existing floor coverings and draperies or blinds.

j. Perform, or have performed, by qualified personnel all necessary inspections, periodic testing, and maintenance of elevators, HVAC systems, backflow systems, fire extinguishers, fire alarm, and fire preventive equipment and systems in accordance with applicable laws, codes, regulations and warranties. Submit copies of completed inspection and testing reports to Lessee within 30 calendar days after test or inspection completion. Failures or defects identified during the testing or inspections must be remedied in a timely manner, with copies of the re-inspection reports that demonstrate compliance submitted to the Lessee within 30 calendar days after testing or inspection completion. Lessor will provide a 24-hour fire watch during the remedy period, if required by applicable laws, codes, and regulations.

k. Lessor may not initiate any electrical, domestic water, or sewage outages affecting the Premises for any duration without notification to and concurrence of the Lessee at least 24 hours before such outage.

l. Lessor must maintain and repair utility access and easements at its sole cost and expense.

m. In the event of emergencies or unscheduled utility service outages, the Lessee may perform such maintenance or repairs as are necessary to ensure continuity of critical operations or protection of equipment. Expenses incurred by the Lessee in such events will be used as a basis for determining the amount the Lessor must reimburse the Lessee for such expenses, or for determining an equitable reduction in the rent.

n. Perform normal and routine parking lot walkway maintenance, i.e., restriping and repair of cracks, potholes, and vertically misaligned concrete walkway slabs exceeding one quarter-inch (¼″) of deflection.

o. Additional maintenance services may be requested by the Lessee in writing, with Lessee being fully responsible for the reasonable related costs. Lessee will be notified of the additional costs in writing and Lessee must provide written approval before the costs are incurred. Lessor must coordinate schedule with the Lessee before the Lessor schedules the work. Additional maintenance costs may be billed monthly and Lessee must be furnished a copy of the invoice broken out by subcontractor or Lessor labor, material, and Lessor markup. Lessee will pay such invoice within thirty (30) days following Lessee's receipt thereof.

EXHIBIT G –SECURITY REQUIREMENTS

Security Requirements for the Premises

The following are Security Requirements mandated by CNS and apply for so long as the CNS Lease is in force or effect. For purposes of this Exhibit, "LESSOR" shall mean Lessee, "LESSEE" shall mean CNS and "NSPC" shall mean the Project.

All LESSOR personnel, employees, agents, vendors, tenants, invitees, and licensees (collectively referred to as "LESSOR Personnel") allowed access to the NSPC Project are required to comply with DOE, NNSA access requirements, including but not limited to the following:

1. Issuance of DOE Security Badges

- Unbadged LESSOR Personnel are not allowed into the NSPC Project. All individuals must obtain a Homeland Security Presidential Directive 12 (HSPD-12) badge or a LESSEE-issued Local Site Specific Only (LSSO) badge before entry. Escorting unbadged individuals (i.e., without a valid HSPD-12 badge or LSSO badge) into the NSPC Project is not allowed.
- The LESSOR shall notify the LESSEE (Lease Tenant Representative (LTR)) 48 hours in advance regarding need for LESSEE-issued LSSO badge for LESSOR Personnel.
- HSPD-12 badges and LSSO badges are issued based on an individual's access needs and clearance status, which are determined by the individual's LESSEE's LTR and/or LESSEE's Safeguards and Security Department ("S&S").
- Permanent HSPD-12 badges will only be issued if an individual requires long-term physical access. The required Badge Request Form is approved by the LTR and submitted to S&S Personnel Security, and any outstanding HSPD-12 badges and/or LSSO badges held by LESSOR Personnel must have been returned. Contact S&S Personnel Security or the LTR to obtain the current forms. Individuals requiring long-term or physical access may be required to report during designated hours, at designated locations, to have their picture(s) taken or badge enrolled for access, or to update badges as determined by S&S Personnel Security.
- All LESSOR Personnel issued a HSPD-12 or LSSO badge are required to affirm their U.S. citizenship by presenting acceptable documents.
- Under no circumstances will any Foreign National (i.e., non-U.S. citizen) be allowed access into the NSPC Project without advance approval from the LESSEE Site Manager. Should any LESSOR Personnel desire that a Foreign National be allowed access for any reason, the LESSOR Personnel must first obtain CNS approval. S&S Personnel Security will provide assistance and act as interface to CNS in connection with any such requests. Failure of LESSEE to grant such approval, or denial by LESSEE of this approval, shall in no way relieve the LESSOR of its obligations under this Lease.

2. Use of HSPD-12 and LSSO Badges for Access

- HSPD-12 and LSSO badges must be worn by each individual at all times when accessing the NSPC Project, between the shoulders and waist, photo side out, on the upper, outermost layer of clothing. Deviation from this requirement for safety reasons may be approved by S&S Security Operations Interface. When wearing the badge creates an unsafe work condition while performing work, the individual may temporarily place the badge in another location in their possession (e.g., shirt pocket).

At the conclusion of the work activity, the badge must be relocated and worn between the shoulders and waist, photo side out, on the upper, outermost layer of clothing.

- Premises card readers are intended as the primary means to gain/control access into secured areas.

3. Safeguarding and Returning Badges

- HSPD-12 and LSSO badges must not be left unguarded, worn in public areas, or used for any purpose other than official DOE business. Badge integrity is to be safeguarded so that it is not photocopied, altered, posted on any social media, misused, or counterfeited.
- Lost or stolen HSPD-12 and LSSO badges are required to be reported to S&S Personnel Security immediately upon discovery. If a badge is stolen, the individual must file a formal police report with local law enforcement, and circumstances surrounding the theft will be documented by S&S Personnel Security. Temporary or replacement badges will be issued after S&S Personnel Security verifies the individual has completed the reporting requirements based on the circumstances of the badge's loss.
- All individuals are required to surrender their HSPD-12 or LSSO badge (temporary or permanent) to S&S Personnel Security when any of the following occur: when directed by S&S Personnel Security or other S&S organization, termination of employment; access is denied; suspension by employer; completion of assignment; upon request by LESSOR, LESSEE, or DOE, NNSA; or when access to the NSPC Project is no longer required.
- LESSOR will notify S&S Personnel Security and the LTR when LESSOR Personnel no longer require access to the Premises due to termination of employment; access denial by LESSOR; suspension by employer; or completion of assignment.

4. Security Requirements for Registered Non-Possessing Facilities

- The requirements of UCN-20856 *Security Requirements for Registered Non-Possessing Facilities* (09-25) are incorporated in this Lease, and have the same force and effect as if they were given in full text. LESSOR can locate UCN-20856 at: https://www.y12.doe.gov/suppliers/procurement/subcontracting/subcontract-provisions/special-articles-and-forms. For purposes of this Lease, the references in UCN-20856 to either "Seller" or "Company" means the "LESSOR," and references to "Buyer" means the "LESSEE."

5. Emergency Access

- In the event of a building emergency (e.g., risk of LESSEE/DOE, NNSA or LESSOR property damage due to a pipe breaking, personal safety crisis, or card reader malfunction), properly badged LESSOR Personnel may access the NSPC Project. Timely notification should be made to the LTR. In the event of an emergency requiring access by the local law enforcement, fire department, or ambulance services, the LTR and Y-12 Operations Center (865-574-7172) must be notified immediately.

6. Administrative Locks and Keys

- Before LESSEE takes possession of the NSPC Project, LESSOR will re-key the exterior doors and turn over all keys controlling access to these doors to the LTR.
- Locks and Keys for the NSPC Project will be managed in accordance with current LESSEE policies and procedures.

7. Prohibited Items at NSPC Project

LESSOR Personnel are responsible for ensuring that prohibited items are not brought into the NSPC Project. The following items are prohibited items; provided however, prior approval may be obtained from DOE, NNSA or S&S for some items, as set forth below:

- Alcohol – All alcoholic beverages are prohibited.
- Information Technology (IT) devices.
    - Within security areas designated by DOE, NNSA for the protection of classified and other materials (e.g., Limited Areas, Material Access Areas, and Protected Areas) all personally owned IT devices are prohibited. Prohibited IT devices include, without limitation, cellular telephones, smart phones, personal digital assistants, personal electronic devices, pagers, and flash memory storage devices. The use of Bluetooth capability in any format (including keyboards, mouse, or phones) is prohibited for all IT devices. Examples include, but are not limited to, the iPhone, iPod, iPad, Droid, BlackBerry, Evo, Pro Plus, Rogue, e-readers such as the Kindle or Nook, netbooks, and laptop computers.
    - Personally-owned IT devices may be taken into, and used in, designated Property Protection Areas unless otherwise posted as prohibited. However, if any IT device contains one of the following features, then that feature cannot be used at any time: (A) camera capability; (B) built-in recording capability; (C) Wi-Fi connection to LESSEE networks; or (D) Bluetooth. Personally-owned IT devices may not be connected to LESSEE networks or LESSEE issued IT computing devices or components (i.e., printers). In no event may LESSEE data be stored on personally-owned IT devices.
    - LESSOR Personnel that require Medical Portable Electronic Devices (MEDPED) should contact LESSEE Lease Administrator or the LTR to request the appropriate medical forms for authorization for use on the Premises.
    - LESSOR Personnel must self-report to the LTR any violation of these restrictions on IT devices.
- Dangerous instruments – Instruments likely to produce substantial injury to persons or property are prohibited. This prohibition includes:
    - Bows and arrows;
    - Explosive devices;
    - Firearms and any ammunition;
    - Knives with blades 2.5 inches and longer and switchblades;
    - Stun guns, mace, pepper spray;
    - Martial arts weapons and equipment; and
    - Weapons or simulated weapons.
- Media – Use of any personally-owned media, such as Universal Serial Bus (USB) flash memory drives, USB memory keys, memory sticks, compact discs, floppy discs, etc., is prohibited without prior written approval from the LTR. Approval will require, among other things, that the media or device be labeled according to LESSEE guidance pertaining to data content type and thereafter properly accounted for and destroyed if required. In no event may LESSEE data be stored on personally-owned media.
    - Government-owned media that has been used in private personal computers may not be connected, attached, or inserted into any government device without the prior written approval of the LTR.
- Pagers – Two-way pagers are prohibited. One-way pagers and pagers with the capability for the user to select and transmit one of several manufacturers' pre-programmed responses (e.g., "Message received") are allowed.
- Transmitting, recording and photographic equipment – Transmitting, recording, or photographic

equipment is prohibited without prior written approval obtained through the STR. Such equipment includes, but is not limited to:

- Cameras;
- Portable tape players;
- Portable two-way radios;
- Recording Devices; and
- Video recorders.

- Wireless devices – The following devices are prohibited without the prior written approval of the LTR:
  - Cordless telephones;
  - Devices with infrared, Bluetooth, or radio frequency (RF) capability; Bluetooth may, however, be used outside in the NSPC Project parking lots designated as a Property Protection Area and while driving on an access road leading to or from a Property Protection Area parking areas;
  - Global Positioning System (GPS) units;
  - Wireless local area networks (WLAN) and wide area networks (WANs);
  - Wireless mouse and keyboard;
  - Wireless-enabled computers, including laptop and netbook computers, in Limited Areas, Material Access Areas, and Protected Areas;
  - Wireless radios (such as Nextel);
  - Wireless audio-visual support equipment (such as wireless microphones, remote controls, headsets, and electronic white boards);
  - Wireless scanners and bar code readers;
  - Wireless survey or testing equipment;
  - Wireless tags;
  - Wireless special purpose sensors and other wireless instruments;
  - Wireless data acquisition equipment and data loggers;
  - Wireless Wi-Fi or broadband cards in Limited Areas; and
  - Material Access Areas, and Protected Areas.
- Subcontracts. The LESSOR must include the language in this Exhibit in its lower-tier subcontracts that require access to the NSPC Project.

EXHIBIT H – WORKPLACE SUBSTANCE ABUSE PROGRAM & BREATH ALCOHOL TESTING

The following are Workplace Substance Abuse Program & Breath Alcohol Testing requirements mandated by CNS and apply for so long as the CNS Lease is in force or effect.

Lessee employees and lower-tier subcontractors assigned to perform work at the constructed Premises in a Safety Sensitive Position (defined below) or a Testing Designated Position (also defined below) are required to participate in CNS's Workplace Substance Abuse Program (WSAP) for selection under a random testing program to detect the use of illegal drugs and alcohol.

To participate in CNS's WSAP, Lessee must provide the CNS' Lease Tenant Representative (LTR) a list of names and badge numbers of the individuals assigned to perform work in a Safety Sensitive Position or a Testing Designated Position at the Premises. Further, Lessee must submit updates to the LTR within 48 hours of a change to the individual assigned to a Safety Sensitive Position or a Testing Designated Position.

Safety Sensitive Position means a position that requires heightened scrutiny based on the potential for harm to the health or safety of the individual holding the position, to other individuals, or the environment. Lessee must consider whether the position is one where impairment by drugs or alcohol, or a momentary lapse in attention, could threaten the public or the environment or result in injury or death when designating a position as a Safety Sensitive Position. For example, a Safety Sensitive Position would include, but is not limited to, a position where the Lessee employee or subcontractor would:

- Operate or maintain machinery or equipment in proximity to other individuals or public roadways;
- Provide emergency, medical, or fire services;
- Work with live electric or gas lines;
- Work with nuclear, radiological, or toxic materials or chemicals that pose an obvious and immediate risk to other's health and safety if mishandled; or
- Perform work at a construction site where momentary inadvertence would pose an obvious and immediate risk to the health or safety of others.

Testing Designated Position means a position as described in 10 C.F.R. § 707.7(b) and (c).

EXHIBIT I – FIRE PROTECTION REQUIREMENTS

Fire Protection Requirements for the Building

For purposes of this Exhibit I, "LESSOR" shall mean "Lessor" as defined in this Lease and "LESSEE" shall mean "CNS" as defined in this Lease.

The following are Fire Protection Requirements mandated by CNS and apply for so long as the CNS Lease is in force or effect.

All LESSOR personnel, employees, agents, vendors, invitees, tenants and licensees (collectively referred to as "LESSOR Personnel") must allow the LESSEE access to facility documentation and inspection, testing, and maintenance records during the performance of a LESSEE triennial fire protection assessment of the Building. The purpose of the assessment to verify the adequacy of life safety and fire protection features of the Building, including limiting the loss of government-owned equipment and potential mission interruption.

The LESSOR is responsible for facility fire protection systems in accordance with local jurisdiction building and fire code requirements. The LESSOR is also responsible for off-site assessments with local jurisdictions, and the LESSEE is responsible for assessments of leased facilities within the jurisdiction of LESSEE's fire protection program and the inspection, testing, operation, and maintenance of supplemental fire protection installed for government-owned equipment.

The LESSOR shall identify the hazardous materials control areas, as defined in the local jurisdiction's building code, as applicable to the Building. When applicable, the LESSOR shall specify the way in which the maximum allowable quantities of hazardous materials are to be apportioned to the LESSEE and to any other tenants on the Building.

The LESSOR shall notify the LESSEE 24 hours in advance regarding planned owner-initiated impairments to fire protection and life safety equipment. The LESSOR shall notify the LESSEE when responding to and resolving out-of-service components in any Building fire protection systems and life safety equipment.

The LESSEE shall communicate to the LESSOR any observed fire protection deficiencies (measured against the applicable industry codes as set forth in Article 5) within the Building. The LESSOR shall track LESSEE identified deficiencies within a formal tracking system. The LESSEE will verify the closure of deficiencies effecting life safety, government-owned equipment, and mission objectives.

The LESSEE may participate and partner with the local jurisdiction's fire department in developing their pre-incident plan for leased facilities, and the LESSEE may conduct evacuation exercises for LESSEE occupied areas of the Building.

The LESSEE may maintain a separate documented hot work program for LESSEE occupied areas of the Building. The LESSOR shall notify the LESSEE 24 hours in advance regarding planned owner-initiated hot work activities in LESSEE occupied areas of the Building.

EXHIBIT J – TENNESSEE PROVISIONS

A. Financial:

1. Records; Audit:

   i. Records: Lessor shall maintain records for all expenses for which Lessor invoices the Lessee under this agreement. Lessor shall maintain its records for at least five years and shall maintain its records in accordance with generally accepted accounting principles.

   ii. Audit: During the term of this agreement and for five years after the last payment from the Lessee to Lessor under this agreement, the State of Tennessee Comptroller or the Lessee's internal audit, or both, may audit Lessor's records that relate to this agreement.

   iii. Assistance: Lessor shall provide the Lessee with any documentation, access to information, or other assistance necessary for the Lessee to ensure that Lessor complies with its obligations under this agreement.

2. PaymentWorks: Lessor must register as a vendor in Lessee's system, PaymentWorks.

B. Compliance:

1. Conflicts of Interest:

   i. Lessor states that no part of Lessor's compensation will be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to Lessor in connection with any work contemplated or performed under this agreement.

   ii. Lessor states that this agreement is immediately void if Lessor is, or within the past 6 months has been, an employee of the State of Tennessee or if Lessor is an entity in which a controlling interest is held by an individual who is, or within the past 6 months has been, an employee of the State of Tennessee.

2. Iran Divestment Act: The requirements of Tenn. Code Ann. § 12-12-101 et. seq., addressing contracting with persons as defined at T.C.A. §12-12-103(5) that engage in investment activities in Iran, are a material provision of this agreement. Lessor hereby certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.

2. Illegal Immigrants: In compliance with the requirements of Tenn. Code Ann. § 12-3-309, Lessor hereby attests that it shall not knowingly utilize the services of an illegal immigrant in the United States in the performance of this agreement and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the United States in the performance of this Agreement.

4. Anti-Israel Boycott: In compliance with the requirements of Tenn. Code Ann. § 12-4-119, Lessor hereby states that it is not currently engaged in, and will not for the duration of this agreement engage in, a boycott of Israel.

5. Tennessee Department of Revenue: In compliance with the requirements of Tenn. Code Ann. § 12-3-306, Lessor hereby attests that, to the extent applicable and required pursuant to such requirements, it has registered with the State of Tennessee's Department of Revenue for the collection of Tennessee sales and use tax. This registration requirement is a material requirement of this agreement.

6. Debarment:

   i. Lessor hereby attests that the following are true statements:
      a. Lessor is not currently debarred by the U.S. federal government.
      b. Lessor is not currently suspended by the U.S. federal government.
      c. Lessor is not currently named as an "excluded" supplier by the U.S. federal government.

   ii. Lessor must notify Lessee within 2 business days if Lessor is debarred by any organization in the United States.

7. Use of Lessee Intellectual Property: Except as allowed in this section, Lessor shall not use the Lessee's name, marks, logos, or any other Lessee-owned intellectual property for any reason, without the written consent of an authorized official of the Lessee. During the term of this agreement, Lessor may list the Lessee's name in Lessor's list of universities.

8. Non-Discrimination: No person on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal and/or Tennessee State Constitutional and/or statutory law shall be excluded from participation in, or denied benefits of, or be otherwise subjected to discrimination in the performance of the contract or in the employment practices of Lessor/contractor. Lessor shall, upon request, show proof of such non-discrimination, and shall post in conspicuous places, available to employees and applicants, notices of non-discrimination.

EXHIBIT K – INITIAL OPERATING BUDGET

NSPC 2027 Proforma Operations Budget Executive Summary 62,703 square ft.		
Budget Line	**Amount**	**Description**
Property Taxes	$ 300,000	Based on projected construction costs
Repair and Replacement Reserve Funding	15,676	Based on $.25 per square foot x 62,703K SF
Insurance	110,438	
Management Fees-Facility Mgmt.	78,345	
Management Fees-Asset Mgmt.	34,472	
Electricity	-	Utilities in occupant's name
Gas	-	Utilities in occupant's name
Water/Sewer	-	Utilities in occupant's name
Office Salaries	18,037	Facility Mgr., Office Mgr. (10% of their total hours)
Maintenance Salaries	60,997	1 Supervisor at 10% salary & 3-MM daily to deliver packages, do water rounds, help tenant with various task, 1st, 2nd and 3rd. Plus any PMs required.
Janitorial Salaries	122,416	1 Supervisor at 33% salary & 2 PTEs with shift differential and current union wage rates. 1 - Day Porter as needed, 1 - FT for evening cleaning for special events.
Benefits and Burden	48,741	salary x 0.35 rate or .1125 rate (includes workers comp, uniforms, payroll processing, 4% retirement match)
Legal Fees	1,000	Legal services for HR & Labor issues
Licenses & Fees	1,000	Elevator permits and inspections, etc.
Professional Services	1,000	Architectural/Engineering, professional & technical consulting services
Employee Training & Technical Instruction	500	Employee training, professional training & seminars for technical upgrades
Admin Fee	17,916	Admin Fee
Janitorial Supplies	13,000	Janitorial supplies - chemicals, sanitary supplies, toilet paper, paper towels, etc.
Janitorial Tools/Equip	1,000	Janitorial equipment replacement and parts
Janitorial-Special Contract	1,000	Additional services, like carpet steam cleaning, performed by outside contractors
Window Cleaning	6,000	Contract cleaning of windows for outside & inside windows that require lift to access
Maint-Gen Exterior	2,000	Supplies for exterior repairs to roof buildings, wall facings, grounds, sidewalks, and roadways
Maint- Gen Exterior-Contract	9,000	Repairs to buildings grounds, parking lots, lighting, roof, generator, etc. performed by contractors
Maint-Gen Interior	2,000	Supplies for interior building repairs, doors, walls, windows & ceilings
Maint-Gen Interior-Contract	8,000	Repairs to building interiors, Doorway Services, Synergy, WM S Trimble, Evoqua
Maintenance Tools/Equip	5,000	Tools and purchases required for maintenance of all equipment
HVAC Supplies	5,000	Filters, belts, thermostats, gauges
HVAC Contract	35,000	Chiller and digital controls maintenance and Gas Detection System. Aquaphase, Nashville Machines,Trane
Electrical Supplies	1,000	Breakers, wires, switches, outlets, etc.
Electrical Contract	1,000	Equipment testing, generators & electrical contractor work
Lighting	1,000	Light bulbs, ballasts, casings, relamping, etc.
Painting	500	Paint & supplies
Plumbing Supplies	500	Parts for toilets, sinks, pipes, hot water heater elements, controls
Plumbing Contract	1,000	Repairs on plumbing system, emergency repairs
Signage	250	Signage repair and replacement
Equipment and Tools Rental	1,000	Rental on lifts, infrequently used equipment and pick-up truck
Fuel/Oil	1,500	Fuel for company trucks
Snow Removal	8,000	Snow removal
Landscaping	15,000	Mowing and landscaping services
Irrigation Supplies	1,000	Replacement parts for irrigation system, heads, timers.
Irrigation Contract	1,000	Repairs to irrigation system, winterizing & spring startup. Total Property Management
Elevator Contract	7,500	Elevator maintenance contract for service, repair & testing - Thyssenkrupp Elevator Corporation
Fire/Life Safety Supplies	1,000	Fire extinguishers, harnesses & other PPE
Fire/Life Safety Contract	15,000	Fire alarm system service/test inspection contract/ IAQs, Fire Inspections, Mandatory Safety Training - Life Safety Inspections, Backflow Specialty, Building System Technology, KSV Group, TN Automatic Sprinkler
Pest Control	1,800	Contractor for pest control for buildings (does not include kitchen) White's Pest Control
Locks/Keys	500	Lock and hardware maintenance. Set screws, new keys
Total Operating Budget:	**$ 956,088**	
Operating Cost/SF:	$ 15.25	

EXHIBIT L – INSURANCE REQUIREMENTS

Insurance Types and Amounts of Coverage Maintained by Owner

For purposes of this Exhibit L, the term "Owner" shall mean the Lessor in all instances.

Owner, by and through Lawler-Wood NSPC, LLC, its Asset Manager ("Asset Manager"), with funds to be provided by Owner, shall obtain the types and amounts of insurance described below covering all operations associated with the Project, to be written by carriers authorized to do business in the State of Tennessee and reasonably acceptable to the Owner and the Project Lender, for the full term of the Facility Management Agreement. The insurance companies must have a general policy rating of A or better and a financial class of XIII or better by A.M. Best Company, Inc. and an S&P Rating of A or better. The coverages described in B.1, B.2, B.3, and B.4 shall be effective as of the closing of the Loan and the coverage described in B.4 shall be in place as of Substantial Completion. Notwithstanding any contrary provision in this Exhibit, while the Design-Builder is maintaining insurance coverage pursuant to the Design-Build Agreement that provides one or more of the coverages described herein, Owner shall not be required to separately obtain such coverage.

B.1 Commercial General and Umbrella Liability Insurance.

Commercial general liability (CGL) and, if necessary, commercial umbrella insurance with a limit of not less than $10,000,000 each occurrence. If such CGL insurance contains a general aggregate limit, it shall apply separately to the Project.

B.1.1 Commercial General Liability (CGL) insurance shall be written on ISO occurrence form CG 00 01 10 93 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products-completed operations, and personal injury and advertising injury and liability assumed under an insured contract.

B.1.2 Roane County NSPC, LLC, Lawler-Wood NSPC, LLC and Lawler-Wood, LLC and Lessees shall be included as an insured under the CGL, using ISO Additional Insured Endorsement CG 20 10 11 85 or a substitute providing equivalent coverage, and under the commercial umbrella, if any. This insurance, including insurance provided under the commercial umbrella, if any, shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to, or maintained by Owner, Facility Manager or Asset Manager.

B.1.3 There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.

B.1.4 There shall be a pollution policy applicable to the premises in the amount of $5,000,000 naming the insureds listed in B.1.2.

B.1.5 Waiver of Subrogation. The policy shall be endorsed to waive all rights against Roane County NSPC, LLC, Lawler-Wood, LLC and Lawler-Wood NSPC, LLC and their respective agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the commercial general liability or commercial umbrella liability insurance maintained pursuant to Paragraph B.1.

B.2 Business Auto and Umbrella Liability Insurance.

Business auto liability insurance with a limit of not less than $1,000,000 each accident. The commercial umbrella liability policy shall extend coverage to business auto, with limits as described above.

B.2.1 Such insurance shall cover liability arising out of any auto (including owned, hired and non-owned autos).

B.2.2 Business auto coverage shall be written on ISO form CA 00 01, CA 00 05, CA 00 12, CA 00 20, or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage equivalent to that provided in the 1990 and later editions of CA 00 01.

B.2.3 Waiver of Subrogation. The policy shall be endorsed to waive all rights against Roane County NSPC, LLC, Lawler-Wood, LLC and Lawler-Wood NSPC, LLC and their respective agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the business auto liability or commercial umbrella liability insurance maintained pursuant to Paragraph B.2 or under any applicable auto physical damage coverage.

B.3 Workers Compensation Insurance.

Workers compensation, subject to statutory limits of the States of operation, and employers liability insurance.

B.3.1 The employers liability, and if necessary commercial umbrella, limits shall not be less than $1,000,000 each accident for bodily injury by accident or $1,000,000 each employee for bodily injury by disease.

B.3.2 Where applicable, Defense Base Act coverage shall be attached to the policy.

B.4 Employment Practices Liability Insurance and Directors and Officers Liability Insurance with limits of not less than $1,000,000 with a $10,000 deductible.

B.5 Property Insurance.

B.5.1 “All Risk” property insurance including terrorism coverage in each case in an amount not less than 100% of the full replacement cost.

B.5.2 The Owner shall not be responsible for insuring any furniture, fixtures or equipment, or other property or risks of a Lessee, the U.S. Department of Energy, NNSA or other agency of the United States.

B.5.3 The insurance as required in Subparagraph B.5.1 shall name as insureds Roane County NSPC, LLC, Lawler-Wood, LLC and Lawler-Wood NSPC, LLC. The insurance policy shall contain a provision that the insurance will not be canceled or allowed to expire until at least thirty (30) days prior written notice has been given to Roane County NSPC, LLC and Asset Manager.

B.5.4 Machinery and equipment insurance covering the major components of the central heating, air conditioning and ventilating systems, boilers, other pressure vessels, high pressure piping and machinery, elevators and escalators, if any, and other similar equipment installed in the Improvements, in an amount equal to one hundred percent (100%) of the full replacement cost of all equipment installed in, on or at the Project. If the boiler and machinery coverage is purchased on a stand alone basis both the "all risk" policy and the machinery and equipment policy must contain a joint loss agreement endorsement.

B.5.5 The insurance as required by Paragraph B.5 shall be written to cover all risks of physical loss except those specifically excluded in the policy, and shall insure at least against the perils of fire, lightning, explosion, windstorm or hail, earthquake, earth movement, flood, debris removal, demolition expediting expense, smoke, aircraft or vehicles, riot or civil commotion, theft, vandalism, malicious mischief, terrorism and collapse.

B.5.6 Time element coverage to include but not limited to business income, extra expense, leasehold interest, rental insurance, contingent time element, extended period of indemnity of not less than 90 days, service interruption, ingress/egress, and terrorism.

B.5.7 Time element coverage shall be provided for a period of not less than 12 months from the date of loss. Property damage coverage shall be provided on a replacement cost basis with no co-insurance provision. Limits under the policy shall be available for any loss associated with the Project and shall apply as blanket.

B.5.8 After the initial, substantial completion of the Project, and during the period of any construction or renovation or alteration of the property, a so-called "Builder's All Risk" insurance policy in non-reporting form for any Improvements under construction, renovation or alteration including, without limitation, for demolition and increased cost of construction or renovation, in an amount approved by Roane County NSPC, LLC, including an Occupancy endorsement. The foregoing policy shall include coverage for soft costs in an amount deemed appropriate by Lawler-Wood NSPC, LLC and Roane County NSPC, LLC.

B.5.9 The insurance policy referenced in Paragraph B.5 shall name the Project Lender as a lender's loss payee, mortgagee under a standard mortgagee clause (non-contributory) endorsement and additional insured.

B.5.10 Any deductibles applicable to the insurance in compliance with this Paragraph B.5 shall be in amounts acceptable to Owner, Asset Manager, and the Project Lender and shall be paid by Owner.

B.5.11 Waiver of Subrogation. The insurance policy(s) shall be endorsed to waive all rights against Roane County NSPC, LLC, Lawler-Wood, LLC and Lawler-Wood NSPC, LLC, and each of their respective officers, directors, agents, and employees.

B.6 Evidence of Insurance.

Prior to the date of Substantial Completion, Asset Manager shall furnish Owner and Project Lender with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, setting out compliance with the insurance requirements set forth above.

B.6.1 All certificates shall provide for thirty (30) days written notice to Roane County NSPC, LLC and Lawler-Wood NSPC, LLC, prior to the cancellation or material change (if available) of any insurance referred to therein.

B.6.2 Intentionally Omitted.

B.6.3 Failure of any entitled party to demand such certificate or other evidence of full compliance with these insurance requirements or failure of Roane County NSPC, LLC to identify a deficiency from evidence that is provided shall not be construed as a waiver of Owner's obligation to maintain such insurance.

B.6.4 Following the initial, substantial completion of the Project, Asset Manager shall prohibit all Contractors or any subcontractors from entering the Project site until such certificates or other evidence that insurance has been placed in complete compliance with these requirements (as applicable) is received and approved by Asset Manager.

B.6.5 If Owner fails to maintain the insurance as set forth herein, the Project Lender shall have the right, but not the obligation, to purchase said insurance at Owner's expense.

B.6.6 Asset Manager shall provide certified copies of all insurance policies required above within ten (10) days of Roane County NSPC, LLC written request for said copies.

B.7 General Insurance Provisions

B.7.1 Cross-Liability Coverage. If Owner's liability policies do not contain the standard ISO separation of insureds provision, or a substantially similar clause, they shall be endorsed to provide cross-liability coverage.

B.7.2 The insurance requirements set out in this Exhibit C are independent from all other obligations of Owner and apply whether or not required by any other provision of this Exhibit C. To the extent a Project Document includes an insurance requirement that is not available, the Facility Manager will seek to obtain coverage that complies as fully as possible, with funds provided by the Owner. The insurance requirements set out in this Exhibit C are subject to and conditioned upon the availability of the coverages, conditions, and amounts described in this Exhibit. Insurance requirements of the Owner may be modified from time to time in accordance with periodic reviews contemplated by the Asset Management Agreement or other Project Documents, and in such event, this Exhibit C will be updated accordingly.

RESOLUTION TO APPROVE THE BORROWING OF MONEY BY THE UNIVERSITY OF TENNESSEE

Recitals

Whereas, the University of Tennessee ("UT"), on behalf of its Knoxville campus ("UTK"), currently leases, through a master lease (the "Master Lease") one hundred forty-six thousand five hundred fifty-one (146,551) square feet of space of the one hundred ninety-two thousand one hundred seventeen (192,117) available square feet of space in the Cherokee Mills Complex ("CM Complex") located at 2200 Sutherland Avenue, Knoxville, Tennessee; and

Whereas, the Master Lease provides multiple options for UT to purchase the CM Complex from the owner and landlord, TUFF 2200 Sutherland Avenue, LLC; and

Whereas, pursuant to the Master Lease, UT wishes to exercise a purchase option (the "Purchase Option") that provides for a purchase price of twenty-three million one hundred thousand dollars and no cents ($23,100,000.00) plus up to two million dollars and no cents ($2,000,000.00) in mutually approved capital expenditures; and

Whereas, UT has negotiated a proposed loan from Regions Bank (the Loan") to pay for the Purchase Option; and

Whereas, the Loan will be unsecured with a principal amount of up to twenty-five million dollars and no cents ($25,000,000.00) with a ten (10) year maturity date and repayment based on a twenty (20) year amortization schedule with annual payments of one million eight hundred ninety-seven thousand nine hundred forty-eight dollars and thirteen cents ($1,897,948.13) (the "Payments"); and

Whereas, another term of the Loan is that UT may not prepay the Loan during the first five (5) years following closing; thereafter, UT may prepay the Loan in whole or in part on an interest payment date, with no prepayment penalty: and

Whereas, funding for the Payments will be provided by UTK through Plant Funds (Non-Auxiliary) (A).

BE IT RESOLVED BY THE TENNESSEE STATE SCHOOL BOND AUTHORITY:

1. In accordance with the authority provided by Tennessee Code Annotated Section 49-3-1205(11), the Tennessee State School Bond Authority (the "Authority") gives its approval for UT to enter into the Loan.

BE IT FURTHER RESOLVED that all resolutions or parts of resolutions in conflict are repealed, and the resolution shall be effective as of May 20, 2026.

Adopted by the Authority at its meeting on May 20, 2026.

_____

JASON E. MUMPOWER, SECRETARY
TENNESSEE STATE SCHOOL BOND AUTHORITY

UNIVERSITY OF TENNESSEE

Acquisition – Fee (Purchase)

Requested Action: **Approval of acquisition in fee with waiver of advertisement for more than appraised value**

Transaction Description: Transaction No. 25-03-001

- **Location:** University of Tennessee - Knoxville
  Knox County – 9.40 +/- acres – 2200 Sutherland Avenue, Knoxville, TN
- **Owner:** TUFF 2200 Sutherland Avenue, LLC
- **Purchase Price:** $25,100,000.00
- **Source of Funding:**

Original Amount	Source
$25,000,000.00	Bank Loan
$ 100,000.00	Plant Funds (Non-Aux)

Comment: This property is in the University of Tennessee Knoxville's 2023 Master Plan. TUFF 2200 Sutherland Avenue, LLC (TUFF) acquired the Cherokee Mills Complex (CM Complex) on December 12, 2024 from Magnolia Cherokee Mills LP. The University leases the CM Complex from TUFF and the lease includes multiple options under which the University may acquire the building. The University seeks approval to acquire the building. The early purchase option stipulates a purchase price of $23,100,000.00 plus up to $2,000,000.00 in mutually approved capital expenditures.

The University anticipates the loan will be tax exempt with an interest rate not to exceed 4.5%. This results in a maximum annual loan obligation of $1,897,948.13.

The University currently leases 146,551 sf of the 192,117 sf in the CM Complex and will have full control of the complex once all the remaining third-party leases expire. The University will continue to use the building for educational, operational, research, and technology uses.

While the purchase price is higher than the appraised value, the University has determined that it is a fair and appropriate value for this strategic property and is the price negotiated as part of the Master Lease.

Historical Property Information:

- Date of Last Transfer: 12/12/2024
- Purchase Price: $20,700,000.00
- Property Assessor's Value: $13,377,200.00
- Square Footage Improvements: 192,117

EXECUTIVE SUMMARY

BACKGROUND

UT Knoxville seeks approval to acquire the Cherokee Mills Complex (CM Complex) at 2200 Sutherland Avenue, Knoxville, TN as provided for in a Master Lease agreement with TUFF 2200 Sutherland Avenue, LLC. The University currently leases 146,551 sf of the 192,117 sf in the CM Complex and will have full control of the complex once all the remaining third-party leases expire. The CM Complex is in the University's 2023 Master Plan. A facility condition assessment was completed by UTK Facilities Services and the facility is in good condition for the University's intended uses.

2200 Sutherland Avenue is a 9.40 +/- acre property located approximately one mile northwest of campus and includes a 192,117 square foot office structure constructed in various stages from 1917-1969. The University will continue to use the property for educational, operational, research, and technology uses. The University also plans to establish a childcare center in this building. The University reached out to the City of Knoxville administration seeking a letter of support for removing the property from tax rolls with an acquisition. The City responded with verbal support but does not issue letters of support of this nature.

Regions Bank's proposal provides for a privately negotiated, unsecured term loan with a principal amount of up to $25,000,000. The loan will have a ten (10) year maturity and repayment based on a twenty (20) year amortization, with monthly payments of principal and interest. The loan will be structured as either tax-exempt or taxable, based on the opinion of external tax counsel. If determined to be tax-exempt, the interest rate will be set at 79% of the 10-year U.S. Treasury rate, plus 31 basis points; if determined to be taxable, the interest rate will be set at the 10-year U.S. Treasury rate, plus 47 basis points (as of February 13, 2026, the 10-year U.S. Treasury rate was 4.04%, resulting in an estimated tax-exempt rate of approximately 3.50% per annum or an estimated taxable rate of approximately 4.51% per annum). The proposal further provides that the University may not prepay the loan during the first five (5) years following closing; thereafter, the University may prepay in whole or in part on an interest payment date, with no prepayment penalty, providing long-term refinancing flexibility.

Despite being above appraised value, the purchase price is deemed fair and appropriate for this strategic property given University occupancy and the price being negotiated as part of the Master Lease.

FUNDING

The funding for the acquisition will come from a bank loan.

REQUEST

Approval of the acquisition of 9.40 +/- acres of land with a 192,117 sf structure at 2200 Sutherland Avenue described above.

Request for APPROVAL of ACQUISITION for institutional use of 9.40 +/- acres and improvements described above with WAIVER OF ADVERTISEMENT FOR MORE THAN APPRAISED VALUE. Request for APPROVAL to ACQUIRE the required interest in real property.

CERTIFICATION OF FUNDS

Please be advised that The University of Tennessee Knoxville has adequate resources, Plant Funds (Non-Aux) in hand that are not encumbered, or otherwise obligated, from which to make payments of **one million eight hundred ninety-seven thousand nine hundred forty-eight dollars and 13/100 ($1,897,948.13)** at **2200 Sutherland Avenue, Knoxville, TN.**

$25,000,000.00 Bank Loan
- $1,897,948.13 annual repayment
$100,000.00 Plant Funds (Non-Aux)

{Please reference attached amortization schedules}

David L. Miller

April 2, 2026

_____ Date:_____

David L. Miller
Sr. Vice President and Chief Financial Officer
The University of Tennessee System

DRAFT UT Loan Amortization 10yr/20yr am. @3.54%

date	funding	payment	interest	principal
2/3/2026	$25,000,000.00			
3/3/2026		$145,504.32	$73,750.00	$71,754.32
4/3/2026		$145,504.32	$73,538.32	$71,965.99
5/3/2026		$145,504.32	$73,326.03	$72,178.29
6/3/2026		$145,504.32	$73,113.10	$72,391.22
7/3/2026		$145,504.32	$72,899.55	$72,604.77
8/3/2026		$145,504.32	$72,685.36	$72,818.95
9/3/2026		$145,504.32	$72,470.55	$73,033.77
10/3/2026		$145,504.32	$72,255.10	$73,249.22
11/3/2026		$145,504.32	$72,039.01	$73,465.30
12/3/2026		$145,504.32	$71,822.29	$73,682.03
1/3/2027		$145,504.32	$71,604.93	$73,899.39
2/3/2027		$145,504.32	$71,386.92	$74,117.39
3/3/2027		$145,504.32	$71,168.28	$74,336.04
4/3/2027		$145,504.32	$70,948.98	$74,555.33
5/3/2027		$145,504.32	$70,729.05	$74,775.27
6/3/2027		$145,504.32	$70,508.46	$74,995.86
7/3/2027		$145,504.32	$70,287.22	$75,217.09
8/3/2027		$145,504.32	$70,065.33	$75,438.98
9/3/2027		$145,504.32	$69,842.79	$75,661.53
10/3/2027		$145,504.32	$69,619.58	$75,884.73
11/3/2027		$145,504.32	$69,395.72	$76,108.59
12/3/2027		$145,504.32	$69,171.20	$76,333.11
1/3/2028		$145,504.32	$68,946.02	$76,558.29
2/3/2028		$145,504.32	$68,720.17	$76,784.14
3/3/2028		$145,504.32	$68,493.66	$77,010.65
4/3/2028		$145,504.32	$68,266.48	$77,237.83
5/3/2028		$145,504.32	$68,038.63	$77,465.69
6/3/2028		$145,504.32	$67,810.10	$77,694.21
7/3/2028		$145,504.32	$67,580.91	$77,923.41
8/3/2028		$145,504.32	$67,351.03	$78,153.28
9/3/2028		$145,504.32	$67,120.48	$78,383.83
10/3/2028		$145,504.32	$66,889.25	$78,615.07
11/3/2028		$145,504.32	$66,657.33	$78,846.98
12/3/2028		$145,504.32	$66,424.74	$79,079.58
1/3/2029		$145,504.32	$66,191.45	$79,312.86
2/3/2029		$145,504.32	$65,957.48	$79,546.84
3/3/2029		$145,504.32	$65,722.81	$79,781.50
4/3/2029		$145,504.32	$65,487.46	$80,016.86
5/3/2029		$145,504.32	$65,251.41	$80,252.91
6/3/2029		$145,504.32	$65,014.66	$80,489.65

7/3/2029	$145,504.32	$64,777.22	$80,727.10
8/3/2029	$145,504.32	$64,539.07	$80,965.24
9/3/2029	$145,504.32	$64,300.23	$81,204.09
10/3/2029	$145,504.32	$64,060.67	$81,443.64
11/3/2029	$145,504.32	$63,820.42	$81,683.90
12/3/2029	$145,504.32	$63,579.45	$81,924.87
1/3/2030	$145,504.32	$63,337.77	$82,166.55
2/3/2030	$145,504.32	$63,095.38	$82,408.94
3/3/2030	$145,504.32	$62,852.27	$82,652.04
4/3/2030	$145,504.32	$62,608.45	$82,895.87
5/3/2030	$145,504.32	$62,363.91	$83,140.41
6/3/2030	$145,504.32	$62,118.64	$83,385.67
7/3/2030	$145,504.32	$61,872.65	$83,631.66
8/3/2030	$145,504.32	$61,625.94	$83,878.37
9/3/2030	$145,504.32	$61,378.50	$84,125.82
10/3/2030	$145,504.32	$61,130.33	$84,373.99
11/3/2030	$145,504.32	$60,881.42	$84,622.89
12/3/2030	$145,504.32	$60,631.79	$84,872.53
1/3/2031	$145,504.32	$60,381.41	$85,122.90
2/3/2031	$145,504.32	$60,130.30	$85,374.01
3/3/2031	$145,504.32	$59,878.45	$85,625.87
4/3/2031	$145,504.32	$59,625.85	$85,878.46
5/3/2031	$145,504.32	$59,372.51	$86,131.81
6/3/2031	$145,504.32	$59,118.42	$86,385.89
7/3/2031	$145,504.32	$58,863.58	$86,640.73
8/3/2031	$145,504.32	$58,607.99	$86,896.32
9/3/2031	$145,504.32	$58,351.65	$87,152.67
10/3/2031	$145,504.32	$58,094.55	$87,409.77
11/3/2031	$145,504.32	$57,836.69	$87,667.63
12/3/2031	$145,504.32	$57,578.07	$87,926.25
1/3/2032	$145,504.32	$57,318.69	$88,185.63
2/3/2032	$145,504.32	$57,058.54	$88,445.78
3/3/2032	$145,504.32	$56,797.62	$88,706.69
4/3/2032	$145,504.32	$56,535.94	$88,968.38
5/3/2032	$145,504.32	$56,273.48	$89,230.83
6/3/2032	$145,504.32	$56,010.25	$89,494.06
7/3/2032	$145,504.32	$55,746.24	$89,758.07
8/3/2032	$145,504.32	$55,481.46	$90,022.86
9/3/2032	$145,504.32	$55,215.89	$90,288.42
10/3/2032	$145,504.32	$54,949.54	$90,554.78
11/3/2032	$145,504.32	$54,682.40	$90,821.91
12/3/2032	$145,504.32	$54,414.48	$91,089.84
1/3/2033	$145,504.32	$54,145.76	$91,358.55
2/3/2033	$145,504.32	$53,876.26	$91,628.06

3/3/2033		$145,504.32	$53,605.95	$91,898.36
4/3/2033		$145,504.32	$53,334.85	$92,169.46
5/3/2033		$145,504.32	$53,062.95	$92,441.36
6/3/2033		$145,504.32	$52,790.25	$92,714.06
7/3/2033		$145,504.32	$52,516.74	$92,987.57
8/3/2033		$145,504.32	$52,242.43	$93,261.88
9/3/2033		$145,504.32	$51,967.31	$93,537.01
10/3/2033		$145,504.32	$51,691.37	$93,812.94
11/3/2033		$145,504.32	$51,414.63	$94,089.69
12/3/2033		$145,504.32	$51,137.06	$94,367.25
1/3/2034		$145,504.32	$50,858.68	$94,645.64
2/3/2034		$145,504.32	$50,579.47	$94,924.84
3/3/2034		$145,504.32	$50,299.45	$95,204.87
4/3/2034		$145,504.32	$50,018.59	$95,485.72
5/3/2034		$145,504.32	$49,736.91	$95,767.41
6/3/2034		$145,504.32	$49,454.39	$96,049.92
7/3/2034		$145,504.32	$49,171.05	$96,333.27
8/3/2034		$145,504.32	$48,886.86	$96,617.45
9/3/2034		$145,504.32	$48,601.84	$96,902.47
10/3/2034		$145,504.32	$48,315.98	$97,188.34
11/3/2034		$145,504.32	$48,029.27	$97,475.04
12/3/2034		$145,504.32	$47,741.72	$97,762.59
1/3/2035		$145,504.32	$47,453.32	$98,050.99
2/3/2035		$145,504.32	$47,164.07	$98,340.24
3/3/2035		$145,504.32	$46,873.97	$98,630.35
4/3/2035		$145,504.32	$46,583.01	$98,921.31
5/3/2035		$145,504.32	$46,291.19	$99,213.12
6/3/2035		$145,504.32	$45,998.51	$99,505.80
7/3/2035		$145,504.32	$45,704.97	$99,799.34
8/3/2035		$145,504.32	$45,410.56	$100,093.75
9/3/2035		$145,504.32	$45,115.29	$100,389.03
10/3/2035		$145,504.32	$44,819.14	$100,685.18
11/3/2035		$145,504.32	$44,522.12	$100,982.20
12/3/2035		$145,504.32	$44,224.22	$101,280.10
1/3/2036		$145,504.32	$43,925.44	$101,578.87
2/3/2036		$14,832,027.86	$43,625.79	$14,788,402.08
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Total	$25,000,000.00	$32,147,041.37	$7,147,041.37	$25,000,000.00

DRAFT UT Loan Amortization 10yr/20yr am. @4.5%

date	funding	payment	interest	principal
2/3/2026	$25,000,000.00			
3/3/2026		$158,162.34	$93,750.00	$64,412.34
4/3/2026		$158,162.34	$93,508.45	$64,653.89
5/3/2026		$158,162.34	$93,266.00	$64,896.34
6/3/2026		$158,162.34	$93,022.64	$65,139.70
7/3/2026		$158,162.34	$92,778.37	$65,383.98
8/3/2026		$158,162.34	$92,533.18	$65,629.17
9/3/2026		$158,162.34	$92,287.07	$65,875.28
10/3/2026		$158,162.34	$92,040.03	$66,122.31
11/3/2026		$158,162.34	$91,792.08	$66,370.27
12/3/2026		$158,162.34	$91,543.19	$66,619.16
1/3/2027		$158,162.34	$91,293.37	$66,868.98
2/3/2027		$158,162.34	$91,042.61	$67,119.74
3/3/2027		$158,162.34	$90,790.91	$67,371.44
4/3/2027		$158,162.34	$90,538.27	$67,624.08
5/3/2027		$158,162.34	$90,284.68	$67,877.67
6/3/2027		$158,162.34	$90,030.13	$68,132.21
7/3/2027		$158,162.34	$89,774.64	$68,387.71
8/3/2027		$158,162.34	$89,518.18	$68,644.16
9/3/2027		$158,162.34	$89,260.77	$68,901.58
10/3/2027		$158,162.34	$89,002.39	$69,159.96
11/3/2027		$158,162.34	$88,743.04	$69,419.31
12/3/2027		$158,162.34	$88,482.72	$69,679.63
1/3/2028		$158,162.34	$88,221.42	$69,940.93
2/3/2028		$158,162.34	$87,959.14	$70,203.21
3/3/2028		$158,162.34	$87,695.88	$70,466.47
4/3/2028		$158,162.34	$87,431.63	$70,730.72
5/3/2028		$158,162.34	$87,166.39	$70,995.96
6/3/2028		$158,162.34	$86,900.15	$71,262.19
7/3/2028		$158,162.34	$86,632.92	$71,529.43
8/3/2028		$158,162.34	$86,364.68	$71,797.66
9/3/2028		$158,162.34	$86,095.44	$72,066.90
10/3/2028		$158,162.34	$85,825.19	$72,337.15
11/3/2028		$158,162.34	$85,553.93	$72,608.42
12/3/2028		$158,162.34	$85,281.65	$72,880.70
1/3/2029		$158,162.34	$85,008.34	$73,154.00
2/3/2029		$158,162.34	$84,734.02	$73,428.33
3/3/2029		$158,162.34	$84,458.66	$73,703.69
4/3/2029		$158,162.34	$84,182.27	$73,980.07
5/3/2029		$158,162.34	$83,904.84	$74,257.50
6/3/2029		$158,162.34	$83,626.38	$74,535.96

7/3/2029	$158,162.34	$83,346.87	$74,815.47
8/3/2029	$158,162.34	$83,066.31	$75,096.03
9/3/2029	$158,162.34	$82,784.70	$75,377.64
10/3/2029	$158,162.34	$82,502.04	$75,660.31
11/3/2029	$158,162.34	$82,218.31	$75,944.04
12/3/2029	$158,162.34	$81,933.52	$76,228.83
1/3/2030	$158,162.34	$81,647.66	$76,514.68
2/3/2030	$158,162.34	$81,360.73	$76,801.61
3/3/2030	$158,162.34	$81,072.72	$77,089.62
4/3/2030	$158,162.34	$80,783.64	$77,378.71
5/3/2030	$158,162.34	$80,493.47	$77,668.88
6/3/2030	$158,162.34	$80,202.21	$77,960.13
7/3/2030	$158,162.34	$79,909.86	$78,252.48
8/3/2030	$158,162.34	$79,616.41	$78,545.93
9/3/2030	$158,162.34	$79,321.87	$78,840.48
10/3/2030	$158,162.34	$79,026.21	$79,136.13
11/3/2030	$158,162.34	$78,729.45	$79,432.89
12/3/2030	$158,162.34	$78,431.58	$79,730.76
1/3/2031	$158,162.34	$78,132.59	$80,029.75
2/3/2031	$158,162.34	$77,832.48	$80,329.87
3/3/2031	$158,162.34	$77,531.24	$80,631.10
4/3/2031	$158,162.34	$77,228.87	$80,933.47
5/3/2031	$158,162.34	$76,925.37	$81,236.97
6/3/2031	$158,162.34	$76,620.74	$81,541.61
7/3/2031	$158,162.34	$76,314.95	$81,847.39
8/3/2031	$158,162.34	$76,008.03	$82,154.32
9/3/2031	$158,162.34	$75,699.95	$82,462.40
10/3/2031	$158,162.34	$75,390.71	$82,771.63
11/3/2031	$158,162.34	$75,080.32	$83,082.02
12/3/2031	$158,162.34	$74,768.76	$83,393.58
1/3/2032	$158,162.34	$74,456.04	$83,706.31
2/3/2032	$158,162.34	$74,142.14	$84,020.21
3/3/2032	$158,162.34	$73,827.06	$84,335.28
4/3/2032	$158,162.34	$73,510.80	$84,651.54
5/3/2032	$158,162.34	$73,193.36	$84,968.98
6/3/2032	$158,162.34	$72,874.73	$85,287.62
7/3/2032	$158,162.34	$72,554.90	$85,607.44
8/3/2032	$158,162.34	$72,233.87	$85,928.47
9/3/2032	$158,162.34	$71,911.64	$86,250.70
10/3/2032	$158,162.34	$71,588.20	$86,574.14
11/3/2032	$158,162.34	$71,263.55	$86,898.80
12/3/2032	$158,162.34	$70,937.68	$87,224.67
1/3/2033	$158,162.34	$70,610.58	$87,551.76
2/3/2033	$158,162.34	$70,282.26	$87,880.08

3/3/2033		$158,162.34	$69,952.71	$88,209.63
4/3/2033		$158,162.34	$69,621.93	$88,540.42
5/3/2033		$158,162.34	$69,289.90	$88,872.44
6/3/2033		$158,162.34	$68,956.63	$89,205.71
7/3/2033		$158,162.34	$68,622.11	$89,540.24
8/3/2033		$158,162.34	$68,286.33	$89,876.01
9/3/2033		$158,162.34	$67,949.30	$90,213.05
10/3/2033		$158,162.34	$67,611.00	$90,551.35
11/3/2033		$158,162.34	$67,271.43	$90,890.91
12/3/2033		$158,162.34	$66,930.59	$91,231.75
1/3/2034		$158,162.34	$66,588.47	$91,573.87
2/3/2034		$158,162.34	$66,245.07	$91,917.28
3/3/2034		$158,162.34	$65,900.38	$92,261.96
4/3/2034		$158,162.34	$65,554.40	$92,607.95
5/3/2034		$158,162.34	$65,207.12	$92,955.23
6/3/2034		$158,162.34	$64,858.53	$93,303.81
7/3/2034		$158,162.34	$64,508.65	$93,653.70
8/3/2034		$158,162.34	$64,157.44	$94,004.90
9/3/2034		$158,162.34	$63,804.93	$94,357.42
10/3/2034		$158,162.34	$63,451.09	$94,711.26
11/3/2034		$158,162.34	$63,095.92	$95,066.43
12/3/2034		$158,162.34	$62,739.42	$95,422.92
1/3/2035		$158,162.34	$62,381.58	$95,780.76
2/3/2035		$158,162.34	$62,022.41	$96,139.94
3/3/2035		$158,162.34	$61,661.88	$96,500.46
4/3/2035		$158,162.34	$61,300.00	$96,862.34
5/3/2035		$158,162.34	$60,936.77	$97,225.57
6/3/2035		$158,162.34	$60,572.17	$97,590.17
7/3/2035		$158,162.34	$60,206.21	$97,956.13
8/3/2035		$158,162.34	$59,838.88	$98,323.47
9/3/2035		$158,162.34	$59,470.16	$98,692.18
10/3/2035		$158,162.34	$59,100.07	$99,062.28
11/3/2035		$158,162.34	$58,728.58	$99,433.76
12/3/2035		$158,162.34	$58,355.71	$99,806.64
1/3/2036		$158,162.34	$57,981.43	$100,180.91
2/3/2036		$15,419,140.00	$57,605.75	$15,361,534.25
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Total	$25,000,000.00	$34,240,458.94	$9,240,458.94	$25,000,000.00

THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

Appendix 1

Key Terms and Conditions of Proposed Loan Agreement

I. Project Overview	
1. Project	The University of Tennessee will enter into a privately negotiated term loan to finance the acquisition of real property located at 2200 Sutherland Avenue, Knoxville (the "Property"). The Property will be used for administrative functions, surge space supporting campus growth and capital project activity, and a portion of the Property is planned for a new daycare facility that will be developed as a public-private partnership. The University currently leases 138,402 of the 192,117 SF building, and additional space is added to the University's leasehold as it becomes available through third-party lease expirations.
II. Financing Structure	
1. Borrower	The University of Tennessee.
2. Lender	Regions Bank and/or its affiliated entities.
3. Type of Financing	The financing will be structured as a privately negotiated term loan, evidenced by a promissory note, bond, or similar debt instrument. The loan will not be publicly offered, rated, assigned a CUSIP number, or registered with a securities depository.
4. Loan Amount	Up to $25 million.
III. Interest Rate and Repayment Terms	
1. Interest Rate	The loan will bear interest at a fixed rate for a ten (10) year period. The loan will be structured either tax-exempt or taxable, depending on the opinion of external tax counsel. If determined to be tax-exempt, the interest rate will be a will be set at 79% of the 10-year U.S. Treasury rate, plus 31 basis points. If determined to be taxable, the interest rate will be set at the 10-year U.S. Treasury rate, plus 47 basis points.
2. Maturity Date	The maturity will be ten (10) years from the date of closing, and the maturity Date must fall on a payment due date.
3. Amortization	Principal and interest will be based on a twenty (20) year amortization. Principal and interest will be payable monthly (calculated on the basis of a 30-day month and a 360-day year).

THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

4. Early Repayment	Beginning in the sixth year following closing, the University will have the flexibility to prepay all or a portion of the outstanding principal balance without penalty on a scheduled payment date.
IV. Fees and Expenses	
1. Facility Fees	No facility or commitment fee will be charged in connection with the loan.
2. Transaction Costs	The University will be responsible for actual and reasonable out-of-pocket costs of the Lender (including, without limitation, counsel fees and expenses and costs associated with lien searches, title insurance, surveys, flood certifications, and recordation) incurred in connection with the negotiation, execution, delivery, administration, and enforcement of the Loan Documents.
V. Security	
1. Security	An unsecured loan.
2. Covenants	The loan will include usual and customary representations and covenants consistent with financings of this type and applicable Tennessee law, including but not limited to delivery of audited financial statements within 270 days after each fiscal year end.
3. Events of Default	Events of default will be customary and usual for financings of this type, subject to applicable notice and cure periods consistent with Tennessee law.
VI. Legal and Administrative Provisions	
1. Governing Law	The loan documents will be governed by the laws of the State of Tennessee.
VII. Outstanding Due Diligence	
1. Environmental	An environmental assessment of the property identified a Recognized Environmental Condition that may require remediation. UT would be responsible for completing any required remediation activities.

LOAN AGREEMENT

REGIONS CAPITAL ADVANTAGE, INC.

and

UNIVERSITY OF TENNESSEE

Dated as of _____, 2026

LOAN AGREEMENT

THIS LOAN AGREEMENT (this "Loan Agreement") is made and entered into as of _____, 2026 between REGIONS CAPITAL ADVANTAGE, INC., a Tennessee corporation ("Lender"), and UNIVERSITY OF TENNESSEE, a public institution of higher education and an instrumentality of the State of Tennessee created and existing under the laws of the State of Tennessee ("Borrower").

RECITALS:

A. Under Tenn. Code Ann. § 49-9-103, Borrower has the authority to borrow money, incur debt and issue bonds and notes for the acquisition of real estate and other purposes authorized thereunder.

B. Borrower has proposed to borrow from Lender and Lender has agreed to make a loan to Borrower to finance the purchase of certain real estate generally located at 2200 Sutherland Avenue in Knoxville, Tennessee in accordance with the terms set forth herein.

TERMS:

NOW, THEREFORE, in consideration of the Recitals above, the premises and the mutual covenants and undertakings below, the parties hereto covenant, agree and bind themselves as follows:

ARTICLE I
DEFINITIONS

The following words and phrases shall have the following meanings.

"Business Day" means any day on which Lender is regularly open for business in Birmingham, Alabama (other than any Saturday or Sunday on which Lender may be so open for business).

"Closing Date" means the date on which the Note is issued by Borrower to Lender.

"Date of Taxability" means the earliest date as of which interest on the Note shall have been determined to be includable in the gross income of Lender as a result of a Determination of Taxability.

"Default" means any Default under this Loan Agreement as specified in and defined in Article VII hereof.

"Default Rate" means a rate of interest equal to the lesser of (i) the interest rate applicable to the Loan plus 500 basis points; or (ii) the highest nonusurious rate of interest permitted by applicable law.

"Determination of Taxability" means and shall be deemed to have occurred on the first to occur of the following:

(a) on that date when Borrower provides notice to Lender that an Event of Taxability has occurred or when Borrower otherwise files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have occurred;

(b) on the date when Lender notifies Borrower that it has received a written opinion by an attorney or firm of attorneys of recognized standing on the subject of tax exempt municipal

finance to the effect that an Event of Taxability shall have occurred unless, within 180 days after receipt by Borrower of such notification from Lender, Borrower shall deliver to Lender (A) a ruling or determination letter issued to or on behalf of Borrower by the Commissioner or any District Director of Internal Revenue (or any other governmental official exercising the same or a substantially similar function from time to time) or (B) a written opinion by an attorney or firm of attorneys of recognized standing on the subject of tax exempt municipal finance to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred;

(c) on the date when Borrower shall be advised in writing by the Commissioner or any District Director of Internal Revenue (or any other government official or agent exercising the same or a substantially similar function from time to time) that, based upon filings of Borrower, or upon any review or audit of Borrower or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

(d) on that date when Borrower shall receive notice from Lender that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of Lender the interest on the Note paid to Lender due to the occurrence of an Event of Taxability;

provided, however, that no Determination of Taxability shall occur under clauses (c) or (d) above unless Borrower has been afforded the opportunity, at its expense, to contest any such assessment for a period of not to exceed two (2) years; and provided further that no Determination of Taxability shall occur until such contest, if made, has been finally determined; and provided further that upon demand from Lender, Borrower shall immediately reimburse Lender for any payments Lender shall be obligated to make as a result of the Determination of Taxability during any such contest.

"Event of Taxability" means the taking of any action by Borrower, or the failure to take any action by Borrower, or the making by Borrower of any misrepresentation herein or in any certificate or Loan Document required to be given in connection with the issuance, sale or delivery of the Note) which has the effect of causing interest paid or payable on the Note to become includable, in whole or in part, in the gross income of Lender for federal income tax purposes.

"Interest Payment Date" means _____, 2026 and the ____ day of each month thereafter through and including the Maturity Date.

"Loan" means the loan made under this Loan Agreement and evidenced by the Note.

"Loan Documents" means the Note, this Loan Agreement, the Tax Certificate and the other documents relating to, securing or otherwise executed in connection herewith.

"Maturity Date" means [insert date ten years after closing].

"State" means the State of Tennessee.

"Taxable Rate" means, upon a Determination of Taxability, the interest rate per annum that shall provide Lender with the same after tax yield that Lender would have otherwise received had the Determination of Taxability not occurred, taking into account the increased taxable income of Lender as a result of such Determination of Taxability.

"Tax Certificate" means the Federal Tax Certificate and Agreement dated as of the date hereof

executed by Borrower.

"Note" means the $25,000,000 University of Tennessee Promissory Note, Series 2026 (Cherokee Mills Project) dated the date hereof issued by Borrower pursuant to Article II hereof.

ARTICLE II
THE NOTE

Section 2.1 Designation. The Note shall be designated "University of Tennessee Promissory Note, Series 2026 (Cherokee Mills Project)."

Section 2.2 Principal Amount. The Note shall be in the aggregate maximum principal amount of not to exceed Twenty-Five Million and No/100 Dollars ($25,000,000.00).

Section 2.3 Interest Rate.

(a) Tax Exempt Rate. Interest shall accrue on the Note at a fixed rate per annum equal to _____%. Interest shall be calculated on the basis of an assumed 360-day year composed of twelve 30-day months.

(b) Taxable Rate. Notwithstanding the foregoing, upon the occurrence of a Determination of Taxability, then, from and after the Date of Taxability, the interest rate used to calculate interest on the Note shall be the Taxable Rate. Lender shall determine the Taxable Rate upon the occurrence of a Determination of Taxability and such determination of the Taxable Rate (absent manifest error) shall be conclusive and binding upon Lender and Borrower.

(c) Default Rate. Notwithstanding the foregoing, from and after the occurrence of a Default, until such time as the Default has been remedied or otherwise waived by Lender, the Note shall bear interest at the Default Rate.

Section 2.4 Maturity. The Note shall mature on the Maturity Date, unless prepaid earlier as provided below.

Section 2.5 Principal and Interest Payments. Commencing _____, 2026 and continuing on the ____ day of each month thereafter, the principal and interest on the Note shall be paid in equal monthly installments in an amount equal to $_____ (based on a 20-year mortgage style amortization).

Section 2.6 Prepayments. Borrower may not prepay any part of the principal balance of the Note before _____, 2031. Borrower may, on any date on or after _____, 2031, pay in advance the entire unpaid principal balance or any lesser portion or portions thereof by paying to Lender the principal amount to be prepaid, plus interest accrued on such principal amount to the date of such prepayment; provided, however, that any partial prepayments may only be made on an Interest Payment Date. All partial prepayments of principal shall be applied in the inverse order of maturities.

Section 2.7 Late Payments. Borrower agrees to pay to Lender on demand, a late charge equal to 5% of any payment that is not paid within ten (10) days after it is due. This section shall not be deemed to excuse a late payment or be deemed a waiver of any other right Lender may have, including, without limitation, all rights and remedies expressly provided under Article VII.

Section 2.8 Delivery of the Note. In connection with the delivery of the Note, there shall be delivered to or deposited with Lender:

(a) a certificate of Borrower, dated the Closing Date and executed by its Secretary or Assistant Secretary, which shall (A) certify the resolutions of its Board of Trustees authorizing the execution, delivery and performance of the Loan Documents to which it is a party, (B) identify by name and title and bear the signatures of the officers of Borrower authorized to sign the Loan Documents to which it is a party, and (C) contain appropriate attachments, including any enabling legislation and organizational documents;

(b) a copy of the approval of the Loan by the Tennessee State School Bond Authority;

(c) an opinion of bond counsel, in form and substance satisfactory to Lender, that interest on the Note is excludable from gross income of the holder thereof for federal income tax purposes;

(d) an opinion of counsel to Borrower, in form and substance satisfactory to Lender;

(e) originally executed complete counterparts of the Loan Documents; and

(f) such other documents as Lender may have reasonably requested.

Section 2.9 Execution, No Indebtedness of State. The Note shall be executed on behalf of Borrower with the manual signature of a duly authorized officer of Borrower. In accordance with the requirements under Tenn. Code Ann. § 49-9-103(b)(6), the Note shall not constitute an indebtedness of the State, nor shall the faith and credit of the State be pledged for the payment of the Note.

Section 2.10 Form of Note. The Note is to be in substantially the form set forth in Exhibit A attached hereto, with appropriate variations, omissions and insertions as permitted or required by this Loan Agreement, with such changes being conclusively approved by execution of the Note by Borrower and acceptance of the Note by Lender.

Section 2.11 Closing Conditions. Lender's agreements, obligations, and commitments under this Loan Agreement are subject to Lender's receipt of the items set forth in Section 2.8 hereof.

ARTICLE III
RESERVED.

ARTICLE IV
REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 4.1 Representations and Warranties of Borrower. Borrower represents and warrants that:

(a) Borrower is a public institution of higher education and an instrumentality of the State created and validly existing under the laws of the State.

(b) Borrower has all requisite power, authority and legal right to execute and deliver this Loan Agreement, and the other Loan Documents and all other instruments and documents to be executed and delivered by Borrower pursuant hereto or thereto, to perform and observe the provisions hereof and thereof and to carry out the transactions contemplated hereby and thereby. All action on the part of Borrower which is required for the execution, delivery, performance and observance by Borrower of this Loan Agreement and the other Loan Documents has been duly

authorized and effectively taken, and such execution, delivery, performance and observation by Borrower do not contravene applicable law or any contractual restriction binding on or affecting Borrower.

(c) Other than the approvals that have already been obtained, to authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution and delivery by Borrower of, and performance by Borrower of its obligations under, this Loan Agreement and the other Loan Documents.

(d) This Loan Agreement is, and the other Loan Documents when delivered will be, legal, valid and binding special obligations of Borrower enforceable against Borrower in accordance with their respective terms.

(e) There is no default of Borrower in the payment of the principal of or interest on any of its indebtedness for borrowed money or under any instrument or instruments or agreements under and subject to which any indebtedness for borrowed money has been incurred which does or could affect the validity and enforceability of this Loan Agreement or the other Loan Documents or the ability of Borrower to perform its obligations hereunder or thereunder, and no event has occurred and is continuing under the provisions of any such instrument or agreement which constitutes or, with the lapse of time or the giving of notice, or both, would constitute such a default.

(f) There is no pending or, to the knowledge of the undersigned officers of Borrower, threatened, action or proceeding before any court, governmental agency or arbitrator (i) to restrain or enjoin the issuance or delivery of the Note, (ii) in any way contesting or affecting the validity, authorization or enforceability of this Loan Agreement or the other Loan Documents, or (iii) in any way contesting the existence or powers of Borrower which could have an adverse effect on the validity, authorization or enforceability of this Loan Agreement or the other Loan Documents, with respect to Borrower or on the ability of Borrower to carry out its obligations hereunder or thereunder.

(g) In connection with the authorization, issuance and sale of the Note, Borrower has complied with all provisions of the Constitution and laws of the State, including the Tenn. Code Ann. § 49-9-101, et seq.

(h) Borrower is not in default under any provision of its organizational documents and is not in default under any of the provisions of the laws of the State which default would affect its existence or its powers referred to in Section 4.1(b) hereof.

(i) Borrower is not a person named as a Specially Designated National and Blocked Person (as defined in Presidential Executive Order 13224) and that it is not acting, directly or indirectly, for or on behalf of any such person. Borrower further represents and warrants to Lender that Borrower is not directly or indirectly, engaged in, nor facilitating, the transactions contemplated by this transaction on behalf of any person named as a Specially Designated National and Blocked Person.

(j) No portion of the proceeds of the Note shall be used (i) to finance or refinance any commercial paper issued by Borrower or (ii) in any manner that causes or might cause this loan or such advance or the application of such advance to violate Regulation T, Regulation U or Regulation X of the Board of Governors of the Federal Reserve System as in effect from time to time or any other regulation thereof or to violate the federal Securities Exchange Act.

Section 4.2 Covenants of Borrower. Borrower covenants with Lender as follows:

(a) Reporting. Not later than 270 days after the conclusion of each fiscal year of Borrower, Borrower will deliver to Lender a copy of Borrower's audited financial statements for such fiscal year.

(b) Other Agreements. Borrower will not enter into any agreement or instrument which might in any way prevent or materially impair its ability to perform its obligations hereunder or under the Loan Documents.

(c) Further Assurances. So long as the Note shall remain outstanding, Borrower will, upon the reasonable request of Lender:

(i) take all action and do all things which it is authorized by law to take and do in order to perform and observe all covenants and agreements on its part to be performed and observed under this Loan Agreement and the other Loan Documents; and

(ii) execute, acknowledge where appropriate, and deliver from time to time, promptly at the request of Lender, all such instruments and documents as in the reasonable opinion of Lender are necessary or desirable to carry out the intent and purpose of this Loan Agreement and the other Loan Documents.

(d) Negative Assurances. So long as the Note shall remain outstanding, Borrower will not, without the prior written consent of Lender, take any action that, directly or indirectly, adversely affects its existence or status as a public institution of higher education and an instrumentality of the State;

ARTICLE V
ADVANCE OF LOAN PROCEEDS

Section 5.1 Advance of Loan Proceeds. On the Closing Date, Lender will [advance the full principal amount of the Loan in the amount of $25,000,000 to Borrower to be used to purchase the real estate generally located at 2200 Sutherland Avenue in Knoxville, Tennessee.][1]

ARTICLE VI
DEFAULTS AND REMEDIES

Section 6.1 Defaults. Each of the following events shall constitute a "Default" hereunder:

(a) default in the due and punctual payment of interest on the Note on the due date thereof;

(b) default in the due and punctual payment of the principal of the Note on the due date thereof;

(c) the occurrence of a breach under or failure to comply with terms of any other of the covenants, agreements or conditions on the part of Borrower contained in this Loan Agreement

[1] Will proceeds only be used to pay the acquisition price? Will loan close simultaneously with the acquisition?

or the Note (except as described in Sections 7.1(a) and (b) hereof) and the failure to remedy the same within thirty (30) days after written notice thereof to Borrower; provided, however, that if any such breach or failure to comply (i) is such that it cannot be cured or remedied within such thirty (30) day period, (ii) does not involve the payment of any monetary sum, (iii) is not willful or intentional, and (iv) does not place any rights or interest in collateral of Lender in immediate jeopardy, and Lender is given additional security reasonably satisfactory to it to protect it from loss under the Note, all as determined by Lender in its reasonable discretion, then such breach or failure to comply shall not constitute a Default if corrective action is instituted by Borrower to the reasonable satisfaction of Lender within such thirty (30) day period and diligently pursued until such breach or failure to comply is corrected; provided, further, however, that in no event shall any such cure period exceed ninety (90) days without the express written consent of Lender, which may be withheld for any reason or no reason. If Borrower shall fail to correct or cure such breach or failure to comply within such ninety (90) day period, a Default shall be deemed to have occurred hereunder without further notice or demand of any kind being required; and

(d) the occurrence of a breach under or failure to comply with terms of any other Loan Document, and the passage of the period, if any, allowed thereunder for the remedying or curing of such breach or failure of compliance.

Section 6.2 Acceleration. Upon the occurrence and during the continuation of any Default hereunder, Lender may declare the principal of the Note and all accrued and unpaid interest thereunder to be immediately due and payable.

Section 6.3 Other Remedies.

(a) Upon the occurrence of a Default, Lender may pursue any available remedy at law to enforce the payment of the principal of and interest on the outstanding Note and to enforce Borrower's obligations under the Loan Documents.

(b) No remedy conferred upon or reserved to Lender by the terms of the Loan Documents is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to Lender hereunder or now or hereafter existing at law.

(c) No delay or omission to exercise any right or power accruing upon any Default shall impair any such right or power or shall be construed to be a waiver of any such Default or acquiescence therein; such right or power may be exercised from time to time as often as may be deemed expedient.

(d) No waiver of any Default hereunder, whether by Lender or by any holder of the Note, shall extend to or shall affect any subsequent Default or shall impair any rights or remedies consequent thereon.

Section 6.4 Waiver. Upon the occurrence of a Default, to the extent that such rights may then lawfully be waived, neither Borrower nor anyone claiming through or under it, shall set up, claim or seek to take advantage of any stay or extension laws of any jurisdiction now or hereafter in force, in order to prevent or hinder the collection of the Note or the enforcement of the Loan Documents, and Borrower, for itself and all who may claim through or under it, hereby waives, to the extent that it lawfully may do so, the benefit of all such laws.

By written notice to Borrower, Lender shall have the right to waive any breach of any

promise made in the Note, or any Default, or any default under the other Loan Documents, and its consequences and to rescind any declaration of the acceleration of the payment of the principal and interest thereunder. In case of any such waiver or rescission, then and in every such case Borrower and Lender shall be restored to their former positions and rights hereunder, but no such waiver or rescission shall extend to any subsequent or other breach, Default or default or impair any right consequent thereon.

Section 6.5 Application of Moneys. All moneys received by Lender pursuant to any right given or action taken under the provisions of this Article shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees of, and expenses, liabilities and advances incurred or made by, Lender, be allocated to and applied first to interest and then to principal due on the Note.

ARTICLE VII
MISCELLANEOUS

Section 7.1 Term of Loan Agreement. This Loan Agreement shall remain in full force and effect from the date hereof to and including such time as all of the Note and the fees and expenses of Lender relating to this Loan Agreement and the other Loan Documents shall have been fully paid.

Section 7.2 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand-delivered or five Business Days after being mailed by registered or certified mail, postage prepaid, or one Business Day after being delivered to a commercially recognized courier (such as Federal Express or UPS), all charges prepaid, addressed as follows:

If to Borrower:

University of Tennessee
1195 UT Tower
505 Summer Place – UTT 1195
Knoxville, TN 37902
Attention: David L. Miller, Sr. VP & CFO

with a copy to:

University of Tennessee
Office of General Counsel
1169 UT Tower
505 Summer Place – UTT 1169
Knoxville, TN 37902
Attention: C. Ryan Stinnett, GC

If to Lender:

Regions Capital Advantage, Inc.
1900 Fifth Avenue North, Suite 2400
Birmingham, AL 35203
Attention: Tyler Harris

with a copy to:

Bass, Berry & Sims PLC

900 S. Gay St., Suite 1700
Knoxville, TN 37902
Attention: Jay Moneyhun

Borrower and Lender may, by written notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 7.3 Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon Lender and Borrower and their respective successors and assigns.

Section 7.4 Severability. In any event any provision of this Loan Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof or thereof.

Section 7.5 Amendments, Changes and Modifications. This Loan Agreement may not be effectively amended, changed, modified, altered or terminated without the written consent of Lender and Borrower.

Section 7.6 Execution in Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 7.7 Applicable Law. This Loan Agreement shall be governed by and construed in accordance with the laws of the State, and the venue of any litigation with respect hereto shall be exclusively in federal or state court in Knox County, Tennessee.

Section 7.8 Captions. The captions and headings in this Loan Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Loan Agreement.

Section 7.9 Payment or Performance on Business Days. If the date for any payment hereunder, or the last date for performance of any act or the exercising of any right as provided in this Loan Agreement, shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day.

Section 7.10 Fees, Costs and Expenses. Borrower shall be responsible for all actual and reasonable out-of-pocket fees, costs, and expenses of Lender (including, without limitation, counsel fees and expenses and costs associated with lien searches, title insurance, surveys, flood certifications and recordation) incurred in connection with the negotiation, execution, delivery, administration, and enforcement of the Loan Documents. In consideration of the undertakings of Lender hereunder and recognizing that in connection herewith Lender will be incurring such fees, costs and expenses, Borrower agrees to reimburse Lender for all such fees, costs, and expenses, regardless of whether, or to what extent, any of the transactions contemplated hereby are consummated. Lender will provide receipts to Borrower upon Borrower's request.

Section 7.11 Interest and Charges. Notwithstanding any provision herein to the contrary, it is the intent of Lender and Borrower that neither Lender nor any subsequent holder of the indebtedness evidenced by this Loan Agreement or the Note shall be entitled to receive, collect, reserve or apply, as interest or other charges, any amounts in excess of the maximum amounts legally permitted to be charged under applicable law or regulations. In the event this Loan Agreement or the Note requires a payment of interest or other charges that exceeds the maximum amounts legally permitted to be charged under applicable law or regulations, such interest or other charges, as the case may be, shall not be received, collected, charged or

reserved until such time as such interest or other charges, as the case may be, together with all other interest and other charges then payable, fall within the maximum amounts legally permitted to be charged under applicable law and regulations. In determining whether or not the interest paid or payable, under any specific contingency, exceeds the amount provided by application of the maximum lawful rate of interest, Borrower and Lender, to the greatest extent permitted under applicable law, (a) shall exclude voluntary prepayments and the effects thereof, and (b) shall amortize, prorate, allocate and spread, in equal parts, the total amount of interest throughout the entire term hereof; provided, however, that if the principal indebtedness evidenced hereby is paid in full prior to the end of the full contemplated term hereof, and if the interest received for the actual period of existence hereof exceeds the amount provided by application of the maximum lawful rate of interest, Lender shall refund to Borrower the amount of such excess or credit the amount of such excess against the principal portion of the principal indebtedness hereunder as of the date it was received, and, in such event, Lender shall not be subject to any penalties provided by any laws for contracting for, charging, reserving, collecting or receiving interest in excess of the amount provided by application of the maximum lawful rate of interest. The term "maximum lawful rate of interest" as used herein shall mean a rate of interest equal to the maximum lawful rate of interest permitted to be charged under the applicable laws and regulations of the State.

Section 7.12 Transfer and Assignment. Lender shall maintain the right to transfer and/or assign, in whole or in part, its rights hereunder, under the Note and/or the Loan Documents, or, in either case, any interest herein, to any person or entity in its sole and absolute discretion. Borrower may not assign its rights hereunder or under any of the Loan Documents to any person without the prior written consent of Lender.

Section 7.13 Waiver of Jury Trial. To the extent permitted by applicable law, each of Borrower and Lender irrevocably and voluntarily waives any right it may have to a trial by jury with respect to any controversy or claim between Borrower and Lender, whether arising in contract or tort or by statute, including but not limited to any controversy or claim that arises out of or relates to the Note or any of the other Loan Documents. This provision is a material inducement for Lender's determination to make the Loan and for the parties to enter into the Loan Documents. Borrower and Lender hereby acknowledge that Borrower is governed by Tenn. Code Ann. § 9-8-301, et seq.

Section 7.14 Prohibition on Boycott of Israel. Lender certifies that it is not currently engaged in nor will it engage in a boycott of Israel. For this section, boycott of Israel shall mean engaging in refusals to deal, terminating business activities, or other commercial actions that are intended to limit commercial relations with Israel, or companies doing business in or with Israel or authorized by, licensed by, or organized under the laws of the State of Israel to do business, or persons or entities doing business in Israel, when such actions are taken (i) in compliance with, or adherence to, calls for a boycott of Israel, or (ii) in a manner that discriminates on the basis of nationality, national origin, religion, or other unreasonable basis, and is not based on a valid business reason.

(a) Borrower Acknowledgements. Borrower acknowledges that Lender and its representatives are not registered municipal advisors and do not provide advice to municipal entities or obligated persons with respect to municipal financial products or the issuance of municipal securities (including regarding the structure, timing, terms and similar matters concerning municipal financial products or municipal securities issuances) or engage in the solicitation of municipal entities or obligated persons for the provision by non-affiliated persons of municipal advisory services and/or investment advisory services. With respect to this Loan Agreement and any information, materials or communications provided by Lender: (a) Lender and its representatives are not recommending an action to any municipal entity or obligated person; (b) Lender and its representatives are not acting as an advisor to any municipal entity or obligated person and do not owe a fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to any municipal entity or obligated person with respect to such Loan Agreement,

information, materials or communications; (c) Lender and its representatives are acting for their own interests; and (d) Borrower has been informed that Borrower should discuss this Loan Agreement and any such other information, materials or communications with any and all internal and external advisors and experts that Borrower deems appropriate before acting on this Loan Agreement or any such other information, materials or communications.

Section 7.15 No Rating. Lender is purchasing the Note in evidence of a privately negotiated loan, and, in that connection, the Note shall not be (i) assigned a separate rating by any municipal securities rating agency, (ii) registered with DTC or any other securities depository, (iii) issued pursuant to any type of offering document or official statement or (iv) assigned a CUSIP number by Standard & Poor's CUSIP Service.

(Signatures appear on following pages.)

IN WITNESS WHEREOF, the parties have caused this Loan Agreement to be duly executed and delivered by their duly authorized officers as of the date first above written.

LENDER:

REGIONS CAPITAL ADVANTAGE, INC.

By: _____
Name: _____
Title: _____

BORROWER:

UNIVERSITY OF TENNESSEE

By: _____
Name: _____
Title: _____

EXHIBIT A

[Form of Note]

UNIVERSITY OF TENNESSEE
PROMISSORY NOTE
SERIES 2026 (CHEROKEE MILLS PROJECT)

$25,000,000.00 **_____ __, 2026**

FOR VALUE RECEIVED, UNIVERSITY OF TENNESSEE, a public institution of higher education and an instrumentality of the State of Tennessee created and existing under the laws of the State of Tennessee ("Borrower"), promises and agrees to pay to the order of REGIONS CAPITAL ADVANTAGE, INC., a Tennessee corporation ("Lender"), at Lender's offices in Nashville, Tennessee, or such other place as may be designated in writing by the holder, in lawful money of the United States of America, the principal sum of TWENTY-FIVE MILLION AND NO/100 DOLLARS ($25,000,000.00), or such lesser amount as shall be advanced hereunder, together with interest from the date hereof on the unpaid principal balance outstanding from time to time through and including the Maturity Date, at such rate(s) as are provided in the Loan Agreement (as defined below). Interest shall be calculated on the basis of an assumed 360-day year composed of twelve 30-day months. This Note is issued pursuant to that certain Loan Agreement of even date herewith (as it may be amended, modified, extended, or renewed from time to time, the "Loan Agreement"), by and between Lender and Borrower, and the proceeds hereof are being utilized to finance the purchase of real estate generally located at 2200 Sutherland Avenue in Knoxville, Tennessee. Interest shall be computed as provided in the Loan Agreement. Any capitalized term used in this Note that is not otherwise defined herein shall have the meaning given to it in the Loan Agreement.

Borrower may prepay all or any portion of the outstanding balance under this Note only in accordance with the terms of the Loan Agreement.

This Note shall mature on the Maturity Date, as defined in the Loan Agreement, unless earlier called pursuant to the terms of the Loan Agreement.

Interest on and the principal of this Note shall be due and payable in the manner set forth in the Loan Agreement.

Notwithstanding any provision herein to the contrary, it is the intent of Lender, Borrower and all parties liable on this Note that neither Lender nor any subsequent holder shall be entitled to receive, collect, reserve or apply, as interest or other charges, any amounts in excess of the maximum amounts legally permitted to be charged under applicable law or regulations (the "Maximum Rate"). In the event this Note requires a payment of interest or other charges that exceeds the Maximum Rate, such interest or other charges, as the case may be, shall not be received, collected, charged or reserved until such time as such interest or other charges, as the case may be, together with all other interest and other charges then payable, fall within the Maximum Rate. In determining whether or not the interest paid or payable, under any specific contingency, exceeds the amount provided by application of the Maximum Rate, Borrower and Lender, to the greatest extent permitted under applicable law, (a) shall exclude voluntary prepayments and the effects thereof, and (b) shall amortize, prorate, allocate and spread, in equal parts, the total amount of interest throughout the entire term hereof; provided, however, that if the principal indebtedness evidenced hereby is paid in full prior to the end of the full contemplated term of this Note, and if the interest received for the actual period of existence hereof exceeds the amount provided by application of the Maximum Rate, the holder shall refund to Borrower the amount of such excess or credit the amount of such excess against the principal portion of the principal indebtedness hereunder as of the date it was received, and, in such

event, Lender shall not be subject to any penalties provided by any laws for contracting for, charging, reserving, collecting or receiving interest in excess of the amount provided by application of the Maximum Rate.

Principal and unpaid interest shall bear interest following any default in payment of principal of or interest on this Note and the expiration of the cure period provided in the Loan Agreement at the Default Rate until paid. In case of suit, or if this obligation is placed in an attorney's hands for collection, or to protect the security for its payment, Borrower will pay all costs of collection and litigation, including reasonable attorneys' fees, incurred by the holder hereof.

In accordance with the requirements under Tenn. Code Ann. § 49-9-103(b)(6), this Note shall not constitute an indebtedness of the State, nor shall the faith and credit of the State be pledged for the payment of this Note.

The makers, endorsers and all parties to this Note and all who may become liable for the same, jointly and severally waive presentment for payment, protest, notice of protest, notice of nonpayment of this Note, demand and all legal diligence in enforcing collection, and hereby expressly agree that the lawful owner or holder of this Note may defer or postpone collection of the whole or any part hereof, either principal and/or interest, or may extend or renew the whole or any part hereof, either principal and/or interest, or may accept additional collateral or security for the payment of this Note, or may release the whole or any part of any collateral security and/or liens given to secure the payment of this Note, or may release from liability on account of this Note any one or more of the makers, endorsers and/or other parties hereto, all without notice to them or any of them; and such deferment, postponement, renewal, extension, acceptance of additional collateral or security and/or release shall not in any way affect or change the obligation of any such maker, endorser or other party to this Note, or of any who may become liable for the payment hereof.

The validity, interpretation, enforcement and effect of this Note shall be governed by, and construed in accordance with, the laws of the State of Tennessee.

This Note may not be changed or terminated without the prior written approval of the holder hereof and Borrower. No waiver of any term or provision hereof shall be valid unless in writing signed by the holder.

(Signature appears on following page.)

Executed as of the date first written above.

UNIVERSITY OF TENNESSEE

By: _____
Name: _____
Title: _____

Tennessee State School Bond Authority Feasibility Study

UTK NED Garage - A103

Individual Project Summary

Revenue Source:	G10 Parking (permits, hourly parking, athletics, special ev	$	3,013,318
	Contribution from Athletics	$	2,160,000
	Ground Rent from Hotel and Entertainment District	$	1,500,000
	Percentage Rent from Hotel and Entertainment District	$	193,822
	Pricing Optimization for Special Event Parking	$	3,183,624
	Operating Income from new Stephenson Drive Lot	$	661,731
	Total Revenue Source:		**$10,712,495**

Assumptions:

	$83,000,000
Interest Rate	7.85%
Tax Status	Taxable
Term of Financing	30-Years
Cost of Issuance	$1,245,000

Feasibility Test

	May Principal (with DSRF)	November Principal (no DSRF)
Pledged Revenue	$10,712,495	$10,712,495
New Max Annual DS	$7,975,038	$7,305,653
Feasible	**Yes**	**Yes**

Prepared on April 07, 2026 by Jacqueline Felland

Project Disclosed in Budget

**TSSBA staff conducts a feasibility test on a project-by-project basis to ensure that each individual project has sufficient revenue pledged to cover the projected maximum annual debt service charged to the project. On an annual basis, and prior to the issuance of long-term debt, an assessment is performed pursuant to Article 2.01 (b) which requires that the aggregate amount of the Fees and Charges collected by an Institution in the preceding Fiscal Year is not less than two times the amount required for the payment of the aggregate of the maximum amount of Annual Financing Charges.*

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TENNESSEE STATE SCHOOL BOND AUTHORITY
PROJECT APPLICATION

DEPARTMENT: University of Tennessee

INSTITUTION/LOCATION: Knoxville

PROJECT : Parking Garage #2 ☐ Match Project

SBC PROJECT #: 540/009-18-2023

EXECUTIVE SUMMARY: Construction of a multi-story parking garage to include approximately 1,316 parking spaces.

PROJECT BUDGET:

Funding Sources	Original	Revised	Total
TSSBA	$ 83,000,000.00		$ 83,000,000.00
			$ 0.00
			$ 0.00
			$ 0.00
Total:	$ 83,000,000.00	$ 0.00	$ 83,000,000.00

PROJECT LIFE:

Anticipated Useful Life of Project: 99

Desired Term for Financing (if less than useful life): 30

ESTIMATED ANNUAL FINANCING CHARGE*: $ 7,305,653.43

*To calculate this amount, click on the calculator

PROJECT REVENUES: (List the revenue sources and amounts for each revenue source)

Revenue Source:	Original	Revised	Total	Pledged[1]
Please see attached breakdown	$ 10,712,495.00		$ 10,712,495.00	☐
			$ 0.00	☐
			$ 0.00	☐
			$ 0.00	☐
Total:	$ 10,712,495.00	$ 0.00	$ 10,712,495.00	

[1]Is this source pledged to another TSSBA project?

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PROJECT CASH FLOW ANALYSIS: Include an annual cash flow analysis of how the revenues are calculated will support the project. Click here for an example.

PROJECT APPROVAL DATES:

SPA BOARD: _____ **UT/TBR BOARD:** 05/04/2026

THEC: 01/17/2025 **SBC:** _____

*THEC approval date is when Amended Disclosure letter to Dr. Gentile.; UT Board Approval is Pending

Disclosed in the Governor's Budget as TSSBA Funding: Yes If yes, what year? FY 25/26

If no, please explain:

PROJECT DESCRIPTION: Physical description, including land, buildings and equipment with approximate dollar value. (If a renovation or repair project, please provide information with respect to the renovated or improved portion as well as the entire structure).

The Developer will construct a parking garage to replace the eastern portion of the G-10 parking deck on the University campus with approximately 1,316 parking spaces. The total development budget for the Replacement Parking Garage is $83,000,000. The parking project will include six floors and will adjoin the Condotel's parking garage. Following the parking project completion, the University will be responsible for operating and maintaining the parking garage.

REAL ESTATE:

Owner of real Property University of Tennessee

To be acquired _____ To be leased or other arrangements _____.

****

The purpose of the following questions are to determine the tax status of this project to be financed with the proceeds of Tennessee State School Bond Authority Bonds and/or Bond Anticipation Notes and the amount of private use associated with this project. Private use means the direct or indirect use of the project by any entity other than a state or local government entity, including use by the Federal Government (including its agencies and instrumentalities) or a Section 501(c)(3), (c)(4), or (c)(6) organization. When the project consists of an improvement that does not involve space that is being used directly by governmental or private users (for example, a re-roofing, air conditioning or energy efficiency improvement), all questions involving uses and users of the project should be answered by reference to all portions of the facility or facilities benefited by the improvement.

The questions below relate to the project referenced above.

1. Project Status: (If the project has already been completed, and the proceeds are being used to reimburse the department, please so indicate and include date of project completion.)
   Design
2. Project completion estimated to be: Parking completion 10/08/2027
3. Project Owner: University of Tennessee
4. Project Operator (see also item 8 below): University of Tennessee

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5. Intended Use of the Project:

Provide parking spaces for Neyland Stadium, the Entertainment District, as well as students, faculty, and staff.

6. Intended Users of the Project (excluding use by the general public):

Students, Faculty, Staff, Entertainment District Partner, and Public

7. Indicate whether any of the following activities will take place at the project. Indicate whether the activities are operated by a private entity or will indirectly benefit a private entity. Include all incidental private uses. For each direct or indirect private use of the project, indicate the total amount of space the private use occupies in relation to the entire project. (For example, if an area of vending machines operated by a private contractor occupies 50 square feet of a 5,000 square foot area financed, indicate the relationship in terms of the ratio of square footage used.)

If the project includes multiple buildings, fill this section out for each building. Click for extra copies.

Name and Address of Building:

Parking Garage
1500 Phillip Fulmer Way
Knoxville, Tennessee 37916

Gross Square Footage of Building 471,752

A. Vending Machines:

Square Footage N/A

Operator

Are any vending areas separated by walls, night gates, etc. so that they are under the control of the service provider/operator?

B. Wholesalers or retailers (e.g., Newsstand, Book Store, Pharmacy, etc.):

Square Footage 4,000

Type Retail Kiosk

Operator Entertainment District Partner

C. Laundry Services:

Square Footage N/A

Operator

Are any laundry service areas separated by walls, night gates, etc. so that they are under the control of the service provider/operator?

D. Cafeteria or other food services areas:

Square Footage 50,000sf of interior restaurants, 60,000sf of exterior spaces

Operator Entertainment District Partner

E. Provision of health care services:

Square Footage N/A

Operator

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F. Laboratory research performed on behalf of or for the benefit of a private entity or pursuant to a cooperative research agreement:

Square Footage N/A

Recipient

G. Office space utilized by or on behalf of private entities:

Square Footage N/A

Occupant

H. Provision of housing for persons or entities other than enrolled students:

Square Footage N/A

8. Attach copies of any management contracts or incentive payment contracts entered into, or to be entered into, in connection with the operation of the project. (Do not include contracts for services that are solely incidental to the primary governmental functions of the facility (for example, contracts for janitorial, office equipment repair or similar services). Indicate the portion of the project to which the contracts relate. Give the usable square feet involved compared to the total usable square feet of the facility being financed. If a contract has not been entered into but is anticipated, indicate that fact.

Ground Lease for the Entertainment District. Ground lease for the Condotel facility. Development Agreement for the Parking Garage. Reciprocal Easement and Access Agreement.

9. Will any debt proceeds be used to make or finance loans to any private entity? If so, indicate the amount of such loans, the length and payment terms of such loans:

No

10. Indicate any expected payments (direct or indirect) to be made by non-governmental entities, separately and in the aggregate, to the State or any other governmental entity, with respect to the project.

See attached proforma.

11. Additional information not explained above.

A hotel ballroom will also be located on top of the parking garage. Main Ballroom 5,545 SF/Junior Ballroom 1,954 SF (7,500 SF total)

Completed this 7th day of May, 2026.

Signed by: Austin Oakes
97B8050F454D46F...
ment/Capital Projects

Signed by: Randal Boyd
D7C7F94A4D3249F...
Chancellor/President

DocuSigned by: David Miller
6BFFC85430B140D...
Vice Chancellor for Business & Finance/
Sr. Vice President & Chief Financial Officer

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To be filled out by the Authority

BOND COUNSEL APPROVAL: DATE _____

GOOD _____

5% _____

10% _____

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UNIVERSITY OF TENNESSEE, KNOXVILLE
NEYLAND ENTERTAINMENT DISTRICT PARKING GARAGE
DEBT SERVICE & FUNDING SOURCES

ANNUAL DEBT SERVICE*

Annual Debt Service	**$7,305,653**	**20*

FUNDING SOURCES

G10 Parking (permits, hourly parking, athletics, special events, etc.)	$3,013,318	*1-7*
Contribution from Athletics	$2,160,000	*8, 17*
Ground Rent from Hotel and Entertainment District	$1,500,000	*10, 11*
Percentage Rent from Hotel and Entertainment District	$193,822	*12, 13*
Pricing Optimization for Special Event Parking	$3,183,624	*15*
Operating Income from new Stephenson Drive Lot	$661,731	*16*
Total	**$10,712,495**	*9, 14, 18*

EXCESS OF FUNDING SOURCES OVER DEBT SERVICE

Excess of Funding Sources over Debt Service	**$3,406,841**	*21*

** FY2030 used as example year because it is the first fiscal year that full ground rent will be collected.*

*** Numbers in the far right column refer to the line numbers on the subsequent page. Amounts above tie out to FY30 column.*

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UNIVERSITY OF TENNESSEE, KNOXVILLE
NEYLAND ENTERTAINMENT DISTRICT GARAGE

	Fiscal Year (ending June 30)	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
	GARAGE REVENUES											
1	Student Permits	$ -	$ 556,642	$ 556,642	$ 583,796	$ 583,796	$ 612,306	$ 612,306	$ 643,533	$ 643,533	$ 676,117	$ 676,117
2	Weekday Hourly Parking	$ -	$ 60,000	$ 60,000	$ 60,000	$ 60,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 90,000
3	Weekend Hourly Parking	$ -	$ 52,500	$ 52,500	$ 52,500	$ 52,500	$ 61,250	$ 61,250	$ 61,250	$ 61,250	$ 61,250	$ 70,000
4	Basketball	$ -	$ 249,162	$ 249,162	$ 427,135	$ 427,135	$ 427,135	$ 605,108	$ 605,108	$ 605,108	$ 783,081	$ 783,081
5	Special Events	$ -	$ 1,151,590	$ 1,151,590	$ 1,266,749	$ 1,266,749	$ 1,266,749	$ 1,381,908	$ 1,381,908	$ 1,381,908	$ 1,497,067	$ 1,497,067
6	Football	$ -	$ 92,568	$ 92,568	$ 131,138	$ 131,138	$ 131,138	$ 169,708	$ 169,708	$ 169,708	$ 208,278	$ 208,278
7	District-Driven Additional Night & Weekend Parking	$ -	$ 123,000	$ 492,000	$ 492,000	$ 492,000	$ 492,000	$ 574,000	$ 574,000	$ 574,000	$ 574,000	$ 574,000
8	VIP Parking	$ -	$ 1,500,000	$ 1,530,000	$ 1,560,600	$ 1,591,812	$ 1,623,648	$ 1,656,121	$ 1,689,244	$ 1,723,029	$ 1,757,489	$ 1,792,639
9	**Total Garage Revenues**	$ -	$ 3,785,462	$ 4,184,462	$ 4,573,918	$ 4,605,130	$ 4,689,227	$ 5,135,402	$ 5,199,751	$ 5,233,535	$ 5,632,282	$ 5,691,182
	PROJECT-RELATED SUPPORT											
10	Entertainment Ground Rent	$ -	$ 187,500	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000
11	Hotel Ground Rent	$ -	$ -	$ 500,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000
12	3% of Gross Receipts In Excess of $25MM - NED	$ -	$ -	$ -	$ 137,835	$ 78,468	$ 220,581	$ 240,172	$ 260,158	$ 280,547	$ 301,348	$ 322,569
13	3% of Gross Receipts In Excess of $25MM - Condotel	$ -	$ -	$ -	$ 55,987	$ 193,156	$ 221,864	$ 246,135	$ 276,019	$ 306,800	$ 338,504	$ 371,159
14	**Total Project-Related Support**	$ -	$ 187,500	$ 1,250,000	$ 1,693,822	$ 1,771,624	$ 1,942,445	$ 1,986,307	$ 2,036,177	$ 2,087,347	$ 2,139,852	$ 2,193,728
	OTHER SUPPORT FROM PARKING AND ATHLETICS											
15	Price Optimization for Special Event Parking (non-G10)	$ 3,000,000	$ 3,060,000	$ 3,121,200	$ 3,183,624	$ 3,247,296	$ 3,312,242	$ 3,378,487	$ 3,446,057	$ 3,514,978	$ 3,585,278	$ 3,656,983
16	Operating Income from New Stephenson Drive Lot	$ 441,624	$ 517,255	$ 506,371	$ 661,731	$ 650,072	$ 734,012	$ 875,273	$ 876,536	$ 863,158	$ 1,017,956	$ 1,003,627
17	UTAD Contribution	$ 750,000	$ 2,070,000	$ 630,000	$ 599,400	$ 568,188	$ 536,352	$ 503,879	$ 470,756	$ 436,971	$ 402,511	$ 367,361
18	**Total Other Support from Parking and Athletics**	$ 4,191,624	$ 5,647,255	$ 4,257,571	$ 4,444,755	$ 4,465,556	$ 4,582,606	$ 4,757,639	$ 4,793,349	$ 4,815,108	$ 5,005,745	$ 5,027,971
	FUNDING SOURCES											
19	**Total Funding Sources**	$ 4,191,624	$ 9,620,217	$ 9,692,033	$ 10,712,495	$ 10,842,310	$ 11,214,278	$ 11,879,348	$ 12,029,277	$ 12,135,990	$ 12,777,879	$ 12,912,881
	DEBT SERVICE											
20	**Debt Service**	$ 2,832,375	$7,305,653	$7,305,653	$7,305,653	$7,305,653	$7,305,653	$7,305,653	$7,305,653	$7,305,653	$7,305,653	$7,305,653
	EXCESS OF FUNDING SOURCES OVER DEBT SERVICE											
21	**Excess of Funding Sources over Debt Service**	$ 1,359,249	$ 2,314,564	$ 2,386,380	$ 3,406,841	$ 3,536,657	$ 3,908,625	$ 4,573,695	$ 4,723,624	$ 4,830,337	$ 5,472,225	$ 5,607,228
	GARAGE OPERATING EXPENSES											
22	Staffing	$ -	$ 263,600	$ 272,826	$ 282,375	$ 292,258	$ 302,487	$ 313,074	$ 324,032	$ 335,373	$ 347,111	$ 359,260
23	Operational Costs/Overhead	$ -	$ 221,424	$ 229,174	$ 237,195	$ 245,497	$ 254,089	$ 262,982	$ 272,187	$ 281,713	$ 291,573	$ 301,778
24	Parking Structure Technology Maintenance	$ -	$ 35,475	$ 36,007	$ 36,547	$ 37,095	$ 37,652	$ 38,217	$ 38,790	$ 39,372	$ 39,962	$ 40,562
25	Maintenance/Repairs	$ -	$ 26,360	$ 27,283	$ 28,237	$ 29,226	$ 30,249	$ 31,307	$ 32,403	$ 33,537	$ 34,711	$ 35,926
26	Utilities	$ -	$ 15,816	$ 16,370	$ 16,942	$ 17,535	$ 18,149	$ 18,784	$ 19,442	$ 20,122	$ 20,827	$ 21,556
27	MR&R Reserve	$ -	$ 1,660,000	$ 1,660,000	$ 1,660,000	$ 1,660,000	$ 2,075,000	$ 2,075,000	$ 2,075,000	$ 2,075,000	$ 2,075,000	$ 2,490,000
28	**Total Garage Operating Expenses**	$ -	$ 2,222,675	$ 2,241,659	$ 2,261,297	$ 2,281,612	$ 2,717,626	$ 2,739,365	$ 2,761,853	$ 2,785,117	$ 2,809,184	$ 3,249,081
	CASH AVAILABLE AFTER OPERATING EXPENSES											
29	**Total Cash Available After Operating Expenses**	$ 1,359,249	$ 91,889	$ 144,721	$ 1,145,544	$ 1,255,045	$ 1,190,999	$ 1,834,330	$ 1,961,770	$ 2,045,219	$ 2,663,041	$ 2,358,146

Docusign Envelope ID: 996755E7-A7F1-4EDF-BF1B-F4AB6209062C

UNIVERSITY OF TENNESSEE

University of Tennessee, Knoxville, Knox County, Tennessee

Requested Action: **Approval of a revision in project scope, budget and funding and utilizing an alternative method for project delivery; approval of disposal by ground leases; and approval of reciprocal easement agreement all with waiver of appraisals**

Project Title: Neyland Entertainment P3 Development

Project Description: Development of a mixed-use hotel and entertainment district on the UT Knoxville Campus through a Public Private Partnership *and related ground leases and easements. Project includes demolition and replacement of a portion of the existing G-10 Parking Garage by a developer.*

SBC Number: 540/009-18-2023

Parking Garage:

- **Developer:** 865 Neyland Parking Developer, LLC
- **Total Project Budget:** $84,677,655.00
- **Source of Funding:**

Original	Change	Revised	Source
$ 1,677,655.00	$ 0.00	$ 1,677,655.00	Plant Funds (Aux-Athletics) (A)
0.00	83,000,000.00	83,000,000.00	TSSBA (Rent & Parking) (A)
$1,677,665.00	$83,000,000.00	$84,677,655.00	

Entertainment District: Transaction No. 26-01-008A

- **Location:** University of Tennessee – Neyland Stadium Area- Knoxville, Knox County
- **Tenant:** 865 Entertainment Developer, LLC
- **Term:** 99 years
- **Area/Cost:**

Base Rent	Percentage Rent – (1-30 Yrs)	Percentage Rent – (31-99 Yrs)
$750,000.00 annually	0% on revenue up to $25M 3% on revenue over $25M up to $30M 4% on revenue over $30M up to $35M 5% on all revenue over $35M	0% on revenue up to $25M 3% on all revenue over $25M

Upon the opening of the Entertainment District Project, the Developer will pay to the University annual rent in an amount equal to $750,000 ("Base Rent") plus Percentage Rent. For the first thirty (30) years of the lease, Percentage Rent will be 3% of the portion of Developer's gross operating revenues for such lease year in excess of $25 million and up to (but not exceeding) $30 million, plus 4% of the portion of the Developer's gross operating revenues for such lease year in excess of $30 million and up to (but not exceeding) $35 million, plus 5% of the portion of the Developer's gross operating revenues for such lease year in excess of $35 million. For the thirty-first (31st) and subsequent lease years, the Percentage Rent will be 3% of the portion of the Developer's gross operating revenues for such lease year in excess of $25 million.

Docusign Envelope ID: 996755E7-A7F1-4EDF-BF1B-F4AB6209062C

Condotel: Transaction No. 26-01-008B

- **Location:** University of Tennessee – Neyland Stadium Area - Knoxville, Knox County
- **Tenant:** 865 Hospitality Developer, LLC
- **Term:** 99 years
- **Area/Cost:**

Base Rent	Percentage Rent – (1-30 Yrs)	Percentage Rent – (31-99 Yrs)
$750,000.00 annually	0% on revenue up to $25M 3% on revenue over $25M up to $40M 4% on revenue over $40M up to $50M 5% on all revenue over $50M	0% on revenue up to $25M 3% on all revenue over $25M

Upon the opening of the Condotel Project, the Condotel Developer will pay to the University annual rent in an amount equal to $750,000.00 ("Base Rent") plus Percentage Rent. For the first thirty (30) years of the lease, Percentage Rent will be 3% of the portion of (i) hotel gross operating revenues, including rooms revenue, food & beverage outlet revenues, and banqueting & events revenues; and (ii) net operating revenues from condo-hotel unit rentals after deducting condo-hotel owner's share of rental revenues ((i) and (ii), collectively, "Hotel Operating Revenues"), in excess of $25 million and up to (but not exceeding) $40 million, plus 4% of the portion of the Hotel Operating Revenues for such lease year in excess of $40 million and up to (but not exceeding) $50 million, plus 5% of the portion of Hotel Operating Revenues for such lease year in excess of $50 million. For the thirty-first (31st) and subsequent lease years, the Percentage Rent will be 3% of the portion of Hotel Operating Revenues for such lease year in excess of $25 million. Sponsorship revenues, condo sales, and hotel-condo sales shall be excluded from Hotel Operating Revenues when calculating Percentage Rent.

Reciprocal Easement Agreement Transaction No. 26-01-008C

- **Location:** University of Tennessee – Neyland Stadium Area - Knoxville, Knox County
- **Parties:** 865 Entertainment Developer, LLC, 865 Hospitality Developer, LLC, 865 Neyland Parking Developer, LLC, and State of Tennessee, on behalf of University of Tennessee
- **Area/Cost:** __ +/- acres / No Cost Mutual Benefit

Comment:

The parties have completed the services under the Pre-Development Agreement and are ready to start construction on the project. The Plant Funds included as a source of funding are to cover the potential liability should the University decide not to pursue this project at financial close. If this project moves forward, the Plant Funds will no longer be at risk and can be removed from the project.

Parking Garage. The University will enter into a development agreement the Parking Developer, which will be responsible for the design and construction of the approximately 1316 space parking garage. The University plans to finance the parking garage with a TSSBA Bonds. The University shall be solely responsible for the repayment of the principal and interest on the Bonds, as well as any other financing costs and fees relating to the Parking Project. Repayment is anticipated to be funded with parking fees and rents from the Entertainment District and Condotel Project.

Entertainment District. The Entertainment District is projected to be a $65 million development that includes approximately 50,000 square feet for dining and retail

Docusign Envelope ID: 996755E7-A7F1-4EDF-BF1B-F4AB6209062C

establishments and 60,000 square feet for an exterior plaza that will be built atop the Parking Project. The tenant will own, manage, and maintain the Entertainment District.

The University will have the right to purchase or acquire the Entertainment District upon the 40th anniversary of the Entertainment District Lease and every ten years thereafter. The University also has a right of first offer if the tenant desires to sell the Entertainment District.

Condotel. The Condotel is an anticipated to be a $220 million condominium project featuring a hotel with approximately 180 rooms, conference and related facilities (the "Hotel Unit"), 50 individual residential condominium units, and 30 condo hotel residential units. The Condotel Project will include an approximately 214-space parking garage that will adjoin the eastern portion of the Parking Project. The tenant will own, manage, and maintain the Condotel during the term of the Condotel Ground Lease.

The Condotel Project will include approximately 5,000 square feet of space for the University ("University Space"). The University Space will be subleased to the University for an annual rental payment of $1.00/year, plus its pro rata share of operating expenses. The University will pay for the costs of the buildout of the University Space and has budgeted $4,000,000 for this work. Once the sublease is drafted, it will be presented to the Commission for approval.

The University shall have the right to purchase or acquire the Hotel Unit upon the 50th anniversary of the Condotel Ground Lease and every ten years thereafter. The University also has a right of first offer if the tenant desires to sell the Hotel Unit.

Reciprocal Easement Agreement

The University has determined that the ground leases and disposal easements will not hamper future UTK operations. Waiver of appraisal is requested as the rent has been determined by UTK to be fair market value.

Historical Property Information:

- Date of Last Transfer: 09/24/1980
- Original Cost to State: $503,457.00

Previous Action:

Date	Meeting	Action
12/14/2023	SBC	Approved issuing an RFP for Public-Private Partnership with waiver of disclosure
10/10/2024	SBC	Approved awarding Dixon Greenwood as the best evaluated proposer for Public-Private Partnership
04/10/2025	SBC	Approved the Pre-Development Agreement for Public-Private Partnership

APPENDIX 1

University of Tennessee, Knoxville (the "University")

Parking Garage and Entertainment District Project, Neyland Drive

I. Project Overview	
1. Project	The University will obtain bond financing through TSSBA to construct approximately 1,316 spaces to replace the eastern portion of the G-10 parking deck on the University campus on the property that is shown on Schedule A (the "**Property**") (the "**Parking Project**"). The University shall enter into (i) a Development Agreement (the "**Development Agreement**") with 865 Neyland Parking Developer, LLC, a Delaware limited liability company ("**Developer**"), for the development and construction of the Parking Project; and (ii) a 99-year ground lease (the "**Entertainment District Ground Lease**") to lease to 865 Entertainment Developer LLC, a Delaware special purpose entity affiliated with the Developer, the space comprising the top floor of the five-story Parking Project for the financing, development, construction, and operation of an entertainment district with food service, retail and public space located atop of the Parking Project (the "**Entertainment District Project**"). The Parking Project and the Entertainment District Project are collectively defined herein as the "**Project**." The Project will be developed in conjunction with the development and construction of a hotel and condominium facility that will include an approximately 180 room hotel with conference facilities and other amenities, approximately 30 hotel-condominium units, approximately 50 residential condominium units and a new onsite parking garage (comprised of approximately 215 parking spaces), on the property immediately to the east of the G-10 parking garage by an affiliate of Developer (the "**Condotel Project**"). The Developer will contract with Layton Construction to construct the Parking Project. Based on proposals received to date, the Developer has estimated a total Parking Garage Development Budget of $83 million (excluding financing costs during construction). The University will request bonds to be issued through the Tennessee State School Bond Authority ("**TSSBA**") to pay for the Parking Project and the University shall be solely responsible for repaying this indebtedness. The Developer plans to finance the Entertainment District Project with a combination of debt and equity. The debt financing partner has not yet been identified, but the Developer has signed a non-binding letter of intent with Arctos Partners (currently being acquired by KKR) to contribute approximately 80% of the equity financing, with the Developer funding the additional 20%. The Developer shall bear all such costs and shall be solely responsible for obtaining and repaying funding for the Entertainment District Project. The

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Parking Garage and Entertainment District Project, Neyland Drive

II. Parking Project Development Agreement	
1. Development Agreement	After receiving all required approvals, the University and Developer will enter into a Development Agreement. The Development Agreement will obligate Developer to oversee the design and construction of the Parking Project.
2. Financing of Parking Project	All costs of the Parking Project are to be financed with a TSSBA short term credit facility then taken to long-term bonds issued through TSSBA for the benefit of the Parking Project (the "**Bonds**"). The University shall be obligated for financial or other obligations under the Bond documents in connection with the Parking Project, including without limitation, the payment of any portion of the principal of, or interest on, the Bonds. Principal sources of funds for repayment of the Bonds shall include (a) Base Rent in the collective amount of $1.5 million per year under the Entertainment District Ground Lease and the ground lease for the Condotel Project, (b) optimized event parking revenues, (c) contributions from the University athletics department and (d) other revenues and savings. Notwithstanding the University's financial obligation for the Parking Project, certain components of the Parking Project (to be specifically identified in the Development Agreement) will be built to a higher standard to accommodate the Entertainment District Project for Developer's benefit. The Development Agreement will identify certain components of the Parking Project developed for the Developer's benefit that will be the financial responsibility of the Developer.
3. Debt Service	The University intends to seek TSSBA approval for the issuance of 30-year revenue bonds to support the construction of the Parking Project. Estimated Annual Max Debt Service is $7.3 million
4. Ownership of Parking Project	The University will own and operate the Parking Project from the ground (including subsurface for foundations) to the top of the Parking Project.
5. Useful Life	The Development Agreement provides that the Parking Project is designed to have a useful life of not less than 99 years. Following Parking Project completion, the University will be responsible for operating and maintaining the Parking Project; however, upon retiring all of its indebtedness on the Parking Project (*e.g.*, repayment of the Bonds), the University will have the option to add the Parking Project into scope of the "leased premises" that are leased by Developer under the Entertainment District Ground Lease, in which case Developer will undertake the maintenance obligations for the Parking Project and receive all revenue associated with the Parking Project.

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Parking Garage and Entertainment District Project, Neyland Drive

6. Development Fee	The Developer will be compensated a Development Fee in the amount of roughly $700,000 for the development and construction management services to be performed under the Development Agreement.
7. Development Budget	The Development Agreement will include a Total Development Budget of approximately $83 million. In the absence of change orders approved by the University, any costs in excess of the Total Development Budget will be borne by the Developer.
8. Design and Construction Plans and Contracts	The Development Agreement will provide for delivery of plans and construction contracts to the University for approval. Any change orders that increase the University's financial obligation, increase the allotted duration for construction of the Parking Project, or change the design of the Parking Project requested by the Developer or General Contractor will require University approval.
9. Environmental Conditions	In the event that the Developer identifies hazardous materials on the Parking Project site which require remediation, the University will contribute fifty percent (50%) of the remediation cost, up to a maximum University liability of $500,000, inclusive of the site for both the Condotel Project and Parking Project.
10. Substantial Completion and Liquidated Damages	The Development Agreement will require the Parking Project to be completed on a specified "Substantial Completion Date", which is currently anticipated to be August 1, 2027. Subject to permitted delays resulting from force majeure or the acts or omissions of the University, the Developer will be obligated to pay or cause the General Contractor to pay the University liquidated damages in the amount of $5,000 per day in the event the Parking Project is not completed by the Substantial Completion Date.
11. Contingency and Project Savings	The Development Budget will include the following Contingency funds: • A General Contractor Contingency in the amount of $1.13 million (savings to be split 55% (UT) / 45% (contractor)); • A Developer Contingency in the amount of $2,7million, (savings to be split 90% (UT) / 10% (Developer)); • A University Contingency $1 million (savings 100% to UT); and • A Subterranean Contingency of $1 million (savings 100% to UT).
III. Ground Lease	
1. Ground Lease	The University will own and operate the Parking Project from the ground (including subsurface for foundations) to the top of the Parking Project. The University and the Developer will enter into the Entertainment District Lease for the premises extending from the top of the Parking Project upward so that

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University of Tennessee, Knoxville (the "University")

Parking Garage and Entertainment District Project, Neyland Drive

	the Entertainment District can and will be financed, developed, constructed and operated on top of the Parking Project. There will be one or more separate agreements governing various rights and obligations between the Parking Project and the Entertainment District Project including, but not limited to, ingress and egress, utilities, water runoff, and the use of the parking spaces in the Parking Project by and for the Entertainment District Project.
2. Financing	The Developer estimates an Entertainment District Project development cost of $65 million. All costs of the Entertainment District Project are to be financed with the proceeds of equity and debt for the benefit of Developer. The financial close will be concurrent with the financial close on the Condotel Project. The University shall not be obligated or liable, either directly or indirectly, for any financial or other obligation of Developer under the financing documents for the Entertainment District Project, including without limitation, the payment of any portion of the principal of, or interest on, the debt.
3. Ground Lease Rent to the University	The Entertainment District Lease will provide that the University is entitled to be paid annual rent upon the opening of the Entertainment District Project in an amount equal to $750,000 ("**Base Rent**"). The Entertainment District Lease will also provide for percentage rent to be calculated as follows ("**Percentage Rent**"): 1. For the first 30 years, Percentage Rent will be 3% of the portion of the Developer's gross operating revenues in excess of $25 million and up to (but not exceeding) $30 million, plus 4% of the portion of the Developer's gross operating revenues for such lease year in excess of $30 million and up to (but not exceeding) $35 million, plus 5% of the portion of the Developer's gross operating revenues for such lease year in excess of $35 million. 2. For the 31st and subsequent lease years, the Percentage Rent will be 3% of the gross operating revenues for such lease year in excess of $25 million. 3. Sponsorship revenues shall be excluded from calculation of Percentage Rent.
4. Ground Lease Term	The term of the Ground Lease will be 99 years, subject to repurchase by the University (*i.e.*, either exercise of ROFO or repurchase right at the 40-year mark) and/or earlier termination due to lessee default.
5. Ownership of Improvements	Developer will own the improvements comprising the Entertainment District Project for the duration of the Entertainment District Lease. At the expiration of the Entertainment District Lease, the improvements will revert to the University; provided, however, at the University's

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Parking Garage and Entertainment District Project, Neyland Drive

	option/discretion, Developer or its successor in interest shall, at its costs, demolish the improvements and deliver to the University a cleared lot.
6. Option to Purchase	The University shall have the right to purchase or acquire the Entertainment District Project on the fortieth (40th) anniversary of the Lease, and every ten (10) years thereafter from the Developer or its successor. The purchase price will be as determined by appraisal, with each party selecting an appraiser, and the appraisers selecting a third appraiser, to determine the fair market value of the leasehold interest. The fair market value shall be the arithmetic mean of (A) the third valuation and (B) the initial valuation closest to the third valuation. If the third valuation is exactly between the two initial valuations, then the value shall be the third valuation. The fair market value shall mean the price that a willing purchaser and willing seller would accept for the Entertainment District as encumbered by the Ground Lease through expiration of its stated term, each party (i) being unaffiliated with each other and (ii) without a compulsion to purchase or sell, and such fair market value determined through an orderly marketing process. The fair market value for the Entertainment District is to be determined giving effect to this Ground Lease including ground rent obligations.
7. University Right of First Offer	The University will have a right of first offer (ROFO) which is triggered in the event that the Developer seeks to sell its interest in the Project. The ROFO is structured as follows: 1. The Developer must first offer the University the right to purchase at a specific price. 2. The University, or an affiliated foundation, has 30 days to accept or decline, 90 days for due diligence, then 60 days to obtain necessary approvals and close. 3. If the University declines, the Developer can sell to a qualified third-party purchaser. However, if the sale price to a third party is less than 95% of the price offered to UT, the sale is blocked.
8. Developer Right of First Offer	The Entertainment District Lease shall grant to Developer and its assigns who are approved by the University a right of first offer in the event the University elects to redevelop the property along the westerly boundary of the Property which is currently the site of the western portion of the G-10 parking deck and/or any property owned by the University located between the G-10 parking deck and the Tennessee River.
9. Intellectual Property	The Developer will have an Enterprise License to use certain University trademarks in connection with its operation of the Entertainment District. A District Licensing Committee will oversee intellectual property coordination and use.

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Parking Garage and Entertainment District Project, Neyland Drive

10. Shared Loading	The Entertainment District Lease shall include the Project's right to non-exclusive use of Neyland Stadium's existing loading dock facilities.
11. Parking	The Parking Project will include six floors (the "**Garage**"). The Garage will adjoin the Condotel Project's parking garage. The Garage and Condotel Project's parking garage will have a shared ingress and egress point off Neyland Drive as well as internal connections to allow for controlled access between the Garage and Condotel Project's parking garage. The University and the owner/developer of the Condotel Project will execute appropriate easement agreement(s) memorializing the ingress/egress and access rights, which shall be executed no later than opening of the Project.
12. University Review of Final Design and Construction Documents	The Developer must design, obtain permits and approvals, and cause the construction of the Entertainment District Project in accordance with all applicable state and local laws, rules, ordinances, and requirements. The University will have the right to review and reasonably approve the Entertainment District Project plans and specifications in its reasonable discretion to confirm that the quality is acceptable. The University's approval will be necessary for material changes to the design which impact the University's financial obligations, brand, campus aesthetics, or the structural integrity of or access to the University's adjoining properties.
13. Failure to Complete the Parking Garage Entertainment District Project on Schedule	If the Project is not completed by the to-be-determined mutually agreed upon schedule subject to force majeure delays and other grace and cure periods permitted under the Entertainment District Lease and the Development Agreement, Developer shall be obligated to commence payment of the Base Rent for the Entertainment District Project.
14. Operations Advisory Committee	The University and the Lessee will establish an Operations Advisory Committee with representatives appointed by both parties to provide advice and consultation to the Developer and its manager on an ongoing basis. The Operations Advisory Committee will address the safe and orderly operations of the Entertainment District, compliance with applicable University standards, and other operational issues as the same may arise.
15. Operational Risk Mitigation	The Entertainment District Ground Lease shall include a process to manage risks arising in the Entertainment District Project (issues which pose safety, security, maintenance, or reputational risks to the University or its constituents). The framework shall function as follows: 1. If the University becomes aware of an operational risk, it provides written notice to the Developer. 2. The Developer must develop a written mitigation plan and submit it to the University.

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	3. The University must either approve or make reasonable revisions to the mitigation plan. 4. The Developer must implement the approved or modified plan. If it fails to do so within a reasonable timeframe, the University may exercise any combination of the following remedies: a. Revocation of UT trademark/IP licenses to Developer. b. Removal of manager. c. Removal of Volcard in Entertainment District Project.
16. Primary Use and Prohibited Uses	The Entertainment District Project shall be limited to its Primary Use, which includes food and beverage service, live entertainment, plazas for outdoor gatherings and events, and retail. Any deviation from the Primary Use must be approved by the University through the Operations Advisory Committee. A number of business uses are clarified as *not* included in the Primary Use and are prohibited (*e.g.*, adult-oriented business, smoke shop, tattoo parlor).
17. Default; Leasehold Mortgage	Subject to cure periods and other customary limitations, the University will have, as a remedy for certain material events of default, the right to, among other standard landlord remedies, terminate the Entertainment District Ground Lease and take possession of the Entertainment District Project. The University's rights upon the occurrence of an event of default will be subject to reasonable notice and cure periods, and default provisions consider that termination of the lease is a last resort option. The Developer's lender(s) will possess step-in rights to cure a default and protect the investment in the Project, as well as the right to enter a new Entertainment District Lease with the University on the same terms and conditions in the event of a bankruptcy or insolvency event, or before the Entertainment District Lease finally terminates. If Developer (or its successor) is in default under a leasehold mortgage (*i.e.*, secured by the Entertainment District Project) and the same goes uncured, the University (or an affiliated foundation) will have the right to, before the mortgage lien is foreclosed upon, either pay-off the underlying loan (which, upon such payment, would result in an immediate and uncurable event of default under the Ground Lease, thus giving the University (or one of its affiliated foundations) the right to terminate the Entertainment District Lease re-take possession of the Entertainment District Project) or purchase (*i.e.*, assume the position of lender) the loan from Developer's lender.
18. Insurance	Developer, as an operating expense of the Entertainment District Project, shall maintain standard insurance policies covering construction, liability, business interruption, workers compensation, employer's liability, and property insurance including fire, with coverages acceptable to the University and which meet or exceed minimum requirements of the State of Tennessee in an amount equal to one hundred percent (100%) of the replacement cost of the Entertainment District Project.

APPENDIX 1

University of Tennessee, Knoxville (the "University")

Parking Garage and Entertainment District Project, Neyland Drive

IV. Related Project Agreements	
Operations Agreement/ Attraction Fee	The University and the Developer will enter an Operating Agreement that will address other items related to the Entertainment District, such as an attraction fee, intellectual property usage and safety. • Developer will apply a consumer-based, local attraction fee of 3% on gross food and beverage and retail sales. Developer will seek out University's unique marketing insights in order to strategically enhance guest experiences by annually investing an equivalent amount towards strategic initiatives Developer selects to attract students, athletes, celebrities, and events that connect guests to the surrounding campus culture.
Reciprocal Easement Agreement	The University and the Developer will also enter a Reciprocal Use Agreement that will grant the Developer easements related to garage and loading dock access and other necessary access points.

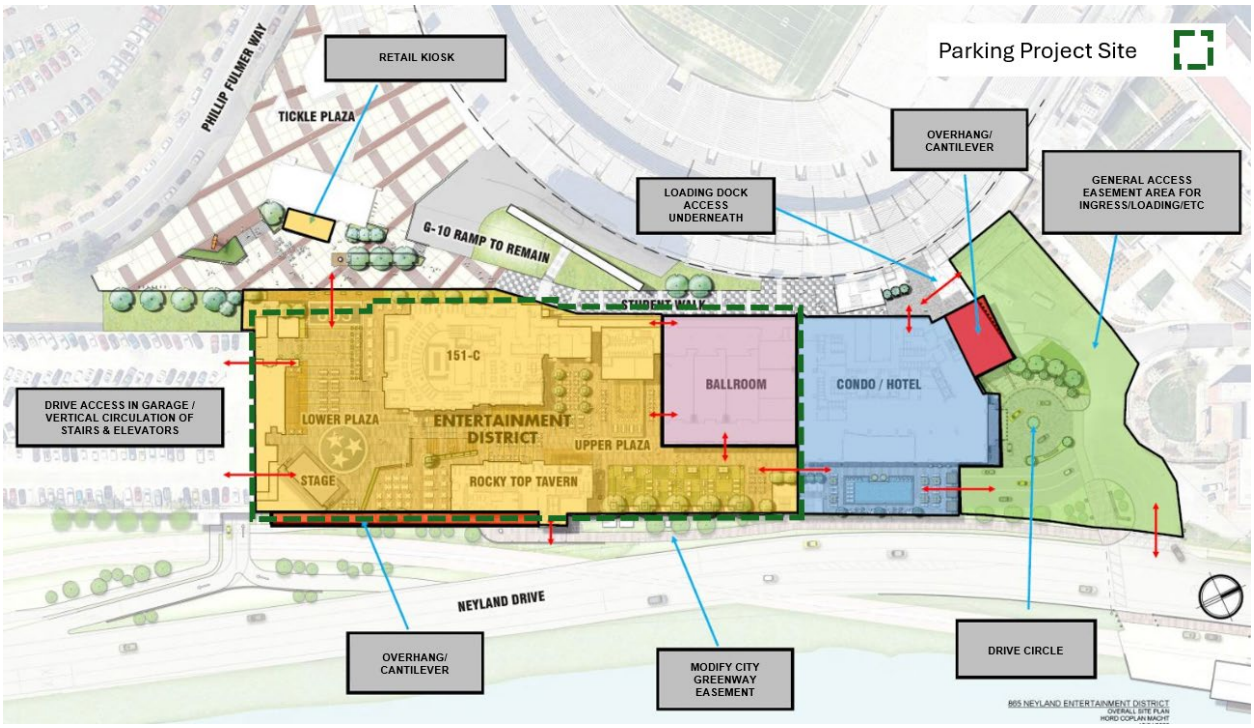
APPENDIX 1

University of Tennessee, Knoxville (the "University")

Parking Garage and Entertainment District Project, Neyland Drive

Schedule A

G10 Parking Deck Replacement Project Site



University of Tennessee, Knoxville (the "University")

Neyland Entertainment District– Condotel Project, Neyland Drive

I. Project Overview	
1. Project	The University will enter into a 99-year ground lease with 865 Entertainment Developer LLC, a Delaware special purpose entity affiliated with 865 Neyland, LLC (the "**Developer**") for a mixed use project on property immediately to the east of the G-10 parking garage, which property is shown on Schedule A attached hereto (the "**Property**") for the development and construction of a project anticipated to consist of an approximately 180 room hotel with conference facilities and other amenities, approximately 30 hotel-condominium units, approximately 50 residential condominium units and a new onsite parking garage (comprised of approximately 215 parking spaces), on the property immediately to the east of the G-10 parking garage by 865 Hospitality Developer LLC, a Delaware special purpose entity and an affiliate of Developer (the "**Condotel Project**"). The Condotel Project will be developed in conjunction with the development and construction of a new parking garage and (sitting atop the parking garage) an entertainment district on the eastern portion of the G-10 parking garage (the "**Parking/Entertainment District Project**"). The University will execute a 99-year ground lease (the "**Ground Lease**") with Developer consistent with the terms of this term sheet. The terms and requirements for Developer's development and construction of the Condotel Project will be included in the Ground Lease. The Developer will contract with a licensed general contractor selected through a competitive bid process to construct the Condotel Project. The Developer plans to finance the Condotel Project with a combination of debt and equity. The debt financing partner has not yet been identified, but the Developer has signed a non-binding letter of intent with Arctos Partners (currently being acquired by KKR) to contribute approximately 80% of the equity financing, with the Developer funding the additional 20%. The Developer shall bear all such costs and shall be solely responsible for obtaining and repaying funding for the Condotel Project.

II. Ground Lease	
1. Ground Lease	After receiving all required approvals, the Ground Lease will be entered into between the University and Developer. The Ground Lease will obligate Developer to finance; own; and oversee the design, construction, operation, and management of the Condotel Project.
2. Financing	All Condotel Project costs are to be financed with the proceeds of equity and debt for the benefit of Developer. The Developer estimates a project development cost of roughly $220 million. The financial close will be

	concurrent with the financial close on the Parking/ Entertainment District Project. The University shall not be obligated or liable, either directly or indirectly, for any financial or other obligation of Developer under the financing documents for the Condotel Project, including without limitation, the payment of any portion of the principal of, or interest on, the debt.
3. Ground Lease Rent to the University	The Ground Lease will provide that the University is entitled to be paid annual rent upon the opening of the Condotel Project in an amount equal to $750,000.00 ("**Base Rent**"). The Ground Lease will also provide for percentage rent to be calculated as follows ("**Percentage Rent**"): 1. For the first 30 years, Percentage Rent will be 3% of the portion of the Developer's gross operating revenues in excess of $25 million and up to (but not exceeding) $40 million, plus 4% of the portion of the Developer's gross operating revenues for such lease year in excess of $40 million and up to (but not exceeding) $50 million, plus 5% of the portion of the Developer's gross operating revenues for such lease year in excess of $50 million. 2. For the 31st and subsequent lease years, the Percentage Rent will be 3% of the gross operating revenues for such lease year in excess of $25 million. 3. Sponsorship revenues shall be excluded from calculation of Percentage Rent.
4. Ground Lease Term	The term of the Ground Lease shall be 99 years, subject to repurchase by the University (*i.e.*, either exercise of ROFO or repurchase right at the 50-year mark) and/or earlier termination due to lessee default.
5. Ownership of Improvements	Developer will own the improvements comprising the Condotel Project for the duration of the Ground Lease. At the expiration of the Ground Lease, the improvements will revert to the University; provided, however, at the University's option/discretion, Developer or its successor in interest shall, at its costs, demolish the improvements and deliver to the University a cleared lot.
6. Condo and Hotel-Condo Units	The Developer will establish a leasehold condominium under the Tennessee Condominium Act which shall contemplate the creation of (a) a unit for the hotel (180 rooms) and conference and related facilities (the "**Hotel Unit**"); (b) a unit for the hotel-condominium, which will be subdivided into 30 separate hotel-condominium units (the "**Hotel-Condominium Units**"); and (c) a unit for the residential-condominium, which will be subdivided into50 separate residential condominium units (the "**Residential Units**"). The Hotel Unit shall have sole responsibility for the payment of the Base Rent and Percentage Rent.

7. Option to Purchase	On the 50th anniversary of the lease commencement, and every 10 years thereafter, the University will have the option to purchase the hotel from the Developer or its successor. The purchase price will be as determined by appraisal, with each party selecting an appraiser, and the appraisers selecting a third appraiser, to determine the fair market value of the leasehold interest. The fair market value shall be the arithmetic mean of (A) the third valuation and (B) the initial valuation closest to the third valuation. If the third valuation is exactly between the two initial valuations, then the value shall be the third valuation. The fair market value shall mean the price that a willing purchaser and willing seller would accept for the Hotel Unit as encumbered by the Ground Lease through expiration of its stated term, each party (i) being unaffiliated with each other and (ii) without a compulsion to purchase or sell, and such fair market value determined through an orderly marketing process. The fair market value for the Hotel Unit is to be determined giving effect to the Ground Lease including ground rent obligations.
8. Right of First Offer	The University will have a right of first offer (ROFO) which is triggered in the event that the Developer seeks to sell: 1) 10% or more of the equity/voting rights in the Developer entity; or 2) the Developer's interest in the Ground Lease. The ROFO is structured as follows: 1. The Developer must first offer the University the right to purchase at a specific price. 2. The University, or an affiliated foundation, has 30 days to accept or decline, 90 days for due diligence, then 60 days to obtain necessary approvals and close. 3. If the University declines, the Developer can sell to a qualified third-party purchaser. However, if the sale price to a third party is less than 95% of the price offered to UT, the ROFO rights are reinstated.
9. Intellectual Property	The Developer intends to license the use of certain UT trademarks in connection with its operation of the Condotel.
10. Shared Loading	Ground Lease shall include Condotel Project's right to non-exclusive use of Neyland Stadiums existing loading dock facilities.
11. Parking	The Condotel Project will include approximately 215 parking spaces for the use by the hotel/condominium development (the "**Condotel Project's Garage**"). The Condotel Project's Garage will adjoin the G10 parking garage. G10 parking garage and the Condotel Project's Garage will have a shared ingress and egress point off Neyland Drive as well as internal connections to allow for controlled access to the Condotel Project's Garage spaces through the G10 garage. The University (or its applicable affiliate) and Developer will execute appropriate easement agreement(s)

	memorializing the ingress/egress and access rights, which shall be executed no later than opening of the Condotel Project.
12. University Space	The Condotel Project will include approximately 5,000 square feet of space for the University to use for meeting space and other uses as designated by the University. The space will be subleased to the University for $1 a year, but the University will pay for the costs of the buildout (up to $4 million), which will be performed by the General Contractor. The University will be responsible for operating rent, etc.
13. University Review of Final Design and Construction Documents	The Developer must design, obtain permits and approvals, and cause the construction of the Condotel Project in accordance with all applicable state and local laws, rules, ordinances, and requirements. The University will have the right to review and reasonably approve the hotel plans and specifications in its reasonable discretion to confirm that (i) the hotel quality is acceptable, and (ii) the condominium is of a quality commensurate with that of the associated hotel. The University's approval will be necessary for material changes to the design, changes which impact the University brand, campus aesthetics, or the structural integrity of or access to the University's adjoining properties.
14. Failure to Complete Condotel Project on Schedule	If the Condotel Project is not completed at the to-be-determined mutually agreed upon schedule due to force majeure delays and/or other grace and cure periods permitted under the Ground Lease, Developer shall be obligated to commence payment of the base rent under the Ground Lease.
15. Default; Leasehold Mortgage	Subject to cure periods and other customary limitations, the University will have, as a remedy for certain material events of default, the right to, among other standard landlord remedies, terminate the Ground Lease (if prior to the establishment of the leasehold condominium) and take possession (*i.e.*, ownership) of the Hotel Unit (if after the establishment of the leasehold condominium). The University's rights upon the occurrence of an event of default will be subject to reasonable notice and cure periods, and default provisions consider that termination of the lease is a last resort option. The Developer's lender(s) will possess step-in rights to cure a default and protect the lender's interest in the Condotel Project, as well as the right to enter a new Ground Lease with the University on the same terms and conditions in the event of a bankruptcy or insolvency event, or before the Ground Lease finally terminates. If Developer (or its successor) is in default under a leasehold mortgage (*i.e.*, secured by the Condotel) and the same goes uncured, the University (or an affiliated foundation) will have the right to, before the mortgage lien is foreclosed upon, either pay-off the underlying loan (which, upon such payment, would result in an immediate and uncurable event of default under the Ground Lease, thus giving the University or one of its affiliated

	foundations) the right to take over the Hotel Unit) or purchase (*i.e.*, assume the position of lender) the loan from Developer's lender.
16. Insurance	Developer, as an operating expense of the Condotel Project, shall maintain standard insurance policies covering construction, liability, business interruption, workers compensation, employer's liability, and property insurance including fire, with coverages acceptable to the University and which meet or exceed minimum requirements of the State of Tennessee in an amount equal to one hundred percent (100%) of the replacement cost of the Project.
III. Related Project Agreements	
1. Condominium Declaration	Upon substantial completion of the Condotel Project, the Developer will record a Master Declaration under Tennessee's Condominium Act, subject to the University's approval, which establishes a leasehold condominium including a Hotel Unit, a Residential Unit, and a Condo Hotel Unit. The Developer will record Declarations to establish sub leasehold condominiums for the Residential Unit and Condo Hotel Unit. The Declarations will require: - The Hotel Unit and Residential and Condo Hotel Units cannot be owned by persons/entities prohibited by law. - Each owner shall comply with all applicable law during the Term. - No displays shall be visible from the exterior of Residential or Condo Hotel Units. - Customary anti-nuisance restrictions. - That the University will have the right to enforce (against any unit and/or the underlying owner of the unit) the terms of the Ground Lease and/or the applicable declaration.
2. Operations Agreement/ Attraction Fee/Condominium Priority	The University and the Developer will enter an Operating Agreement to address additional related to the Condotel Project and the Entertainment District, such as an attraction fee, IP usage, safety, operations standards, coordination with UTK athletics regarding condo sales, parking, and the University's use of Condotel facilities. • Developer will apply a consumer-based, local attraction fee of 3% on gross food and beverage and retail and hotel room sales. Developer will seek out University's unique marketing insights in order to strategically enhance guest experiences by annually investing an equivalent amount towards strategic initiatives Developer selects to attract students, athletes, celebrities, and events that connect guests to the surrounding campus culture. • Developer will allow the University to assist Developer in marketing the condominiums for sale to University alumni and athletics supporters for a period of time, allowing the University to ensure that the condominiums are available to strengthen the University's relationships to University groups. The condominiums will be available for sale according to priority similar to the method used for other high-demand athletic related spaces and opportunities.

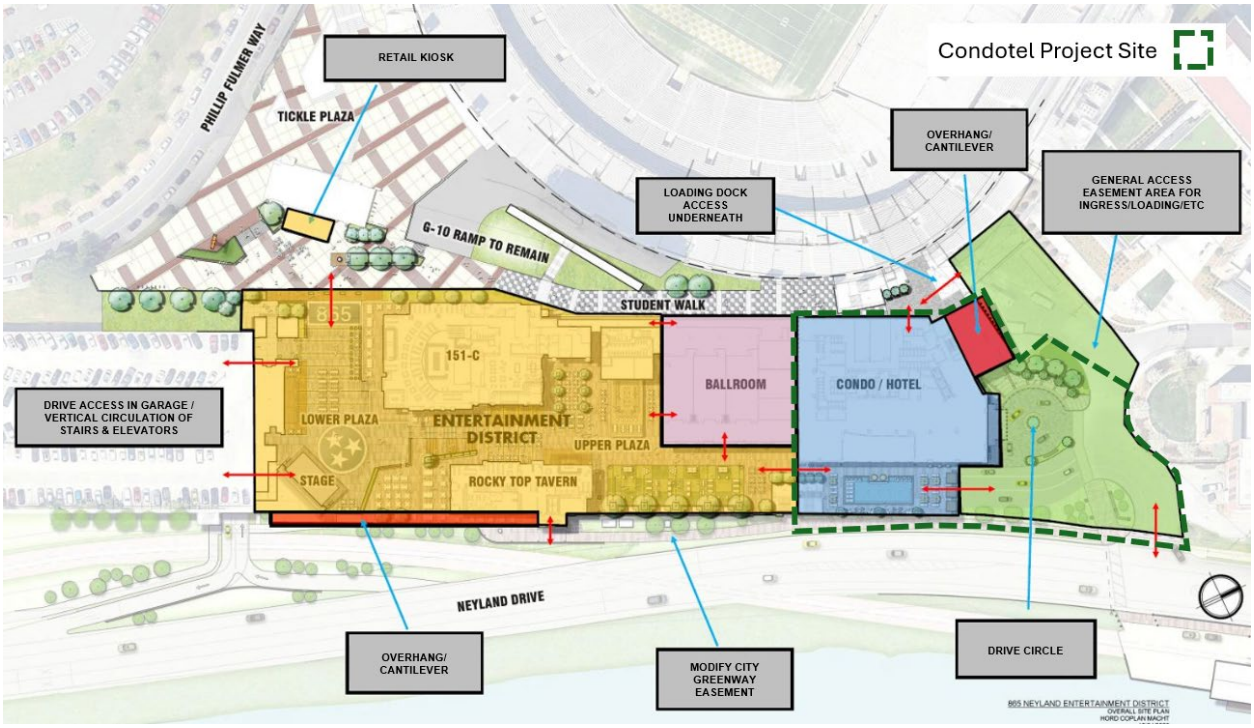
	• The University will also have the opportunity to market naming rights for hotel rooms on a priority list, which would entitle participants to have a first priority right to hotel rooms at market rates on specified weekends, including home football games. • The University will also have the right to host events in the Condotel's club space during home football games and other specified events for guests who buy tickets through the University.
3. Reciprocal Easement Agreement	The University and the Developer will also enter a Reciprocal Use Agreement that will grant the Developer easements related to garage and loading dock access and other necessary access points.

University of Tennessee, Knoxville (the "University")

Neyland Entertainment District– Condotel Project, Neyland Drive

Schedule A

Condotel Project Site



CERTIFICATION OF FUNDS

Please be advised that The University of Tennessee Knoxville has adequate resources, Plant Funds (Non-Aux) in hand that are not encumbered, or otherwise obligated, from which to cover the annual bond obligation of **seven million three hundred five thousand six hundred fifty-three dollars and 43/100** associated with the parking garage portion and **four million dollars** for the University Space buildout for the Condotel Project portion of the **UTK Neyland Entertainment District located in Knoxville.**

David L. Miller

April 2, 2026

_____ Date:_____

David L. Miller
Sr. Vice President and Chief Financial Officer
The University of Tennessee System

Docusign Envelope ID: 922801BF-DA52-41BE-A114-6FC30A014459

STATE OF TENNESSEE
Department of General Services
State of Tennessee Real Estate Asset Management
WRS Tennessee Tower, 24th Floor
312 Rosa L. Parks Ave.,
Nashville, TN 37243
Telephone: (615) 741-2315

STREAM USE ONLY	
Date Received:	
Received by:	
Transaction #:	

Real Estate Transaction Request Form RPM-1D (2/2019)

Disposal

Section I - Agency Information

Agency	University of Tennessee		
Contact	Robbie Pope		
Phone			
E-mail Address	rpope@tennessee.edu	Date Request Needed*	ASAP

*Not less than 180 days from date of received

Section II – Property Information

Property Address	Neyland Drive	**Description of Building(s), if applicable**		
		Type of Building(s)	Parking Garage	
City / County	Knoxville / Knox	Number of Buildings	1	
Assessor Map and Parcel	108DA012	Description of Bldgs. - Attach list if more than two buildings	**Size**	**Year Built**
Owner's Deed Book & Page	200909290023104		633093	1990
Size of Land (Acres)	2.75 acres +/-			

Section III - Action Requested

☑ - Disposal	☐ - Special Service	
☐ Fee Simple	☐ Appraisal	☐ Inter-Agency Agreement
☑ Leasehold	☐ Survey	☐ Transfer of Jurisdiction
☐ Easement / ROW	☐ Title Service	☐ Boundary Lines
☐ Gift	☐ Other – Specify:	

Comment for Lead Sheet - Please explain, in detail, the reason for the action:

The University plans to enter a 99-year ground lease for the Neyland Entertainment District, a mixed-use public-private partnership (P3) development on property adjacent to Neyland Stadium which is currently improved with the G-10 parking garage. A portion of this land area will be included in the lease. The development will include an entertainment district with dining, hospitality, and entertainment options, as well as a hotel with 180 rooms, 30 hotel-condominum units, and 50 residential condominium units. The tenant will pay annual ground rent payments as well as percentage rent if operating revenues exceeds predetermined benchmarks as well as sponsorship revenue.

Section IV - Funding

Who is paying the Real Estate Management ("REM") fee and other costs?			☐ - Buyer	☑ - Other
If Agency is paying REM fee, please complete the following information:				
A	Allotment Code:	332.10	**Estimated Sales Price**	
B	Fund:		$ 0.00	
C	Cost Center:			

Where are the funds going if not to the General Fund (include statute):

Docusign Envelope ID: 922801BF-DA52-41BE-A114-6FC30A014459

Section V - Third Party Information

Buyer / Tenant

Name	865 Neyland, LLC	Phone Number	
Mailing Address		E-Mail Address	
City / State / Zip			

Section VI - Required Information

A	Original cost to the State:	$ 503,457.00	
	Date State Obtained:	09/24/1980	
	Grantor unto State:	Knoxville International Energy Exposition	
B	Please state the department's current use for the property.	Parking Garage	
C	Have any other parties expressed any need or interest in this property? If yes, please explain	☐ YES	☑ NO
D	Will this disposal hinder the department's future use of remaining property?	☐ YES	☑ NO
E	Would this disposal adversely affect the remaining property values in the future?	☐ YES	☑ NO
F	Are there any special requirements or issues that need to be addressed with STREAM?	☐ YES	☑ NO
G	Will there need to be a review by the Tennessee Historical Commission?	☐ YES	☑ NO

Back-up Documents

- ☑ Photo of Building, if applicable
- ☑ Map – Showing other State properties in relation to subject
- ☑ Aerial Photo
- ☐ Site Plan, if applicable
- ☐ Master Plan, if applicable

Must be signed and dated by the requesting Agency Fiscal Officer

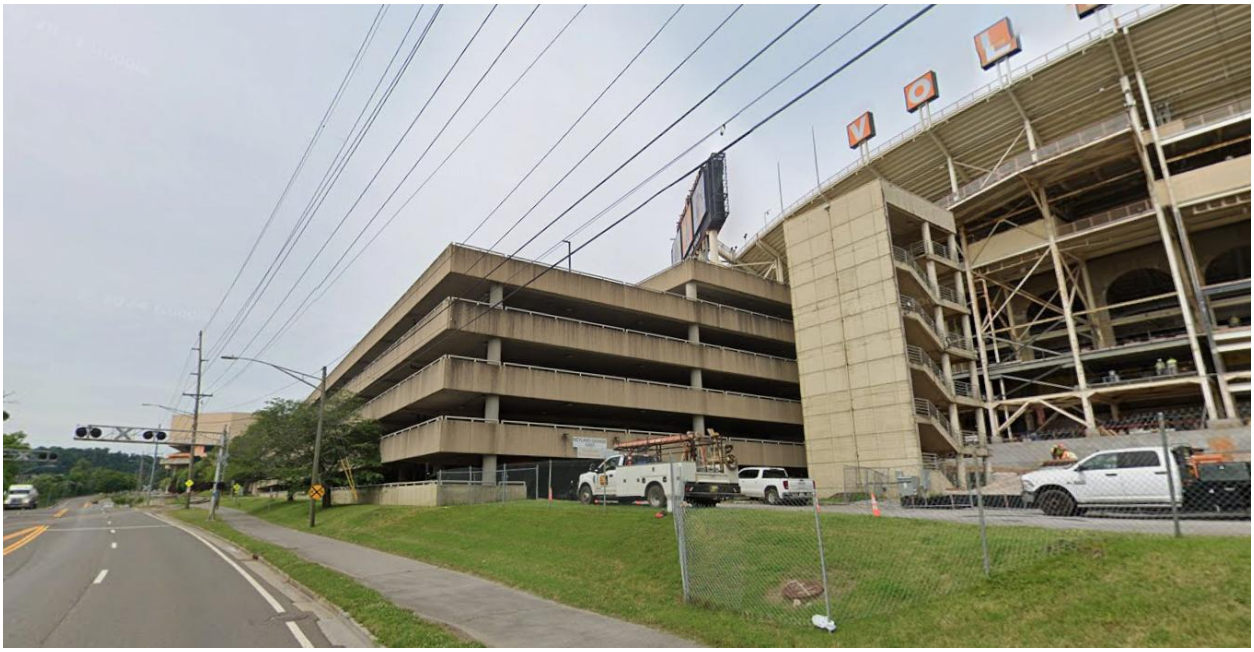
Signed: DocuSigned by: David Miller 6BFFC85430B140D...

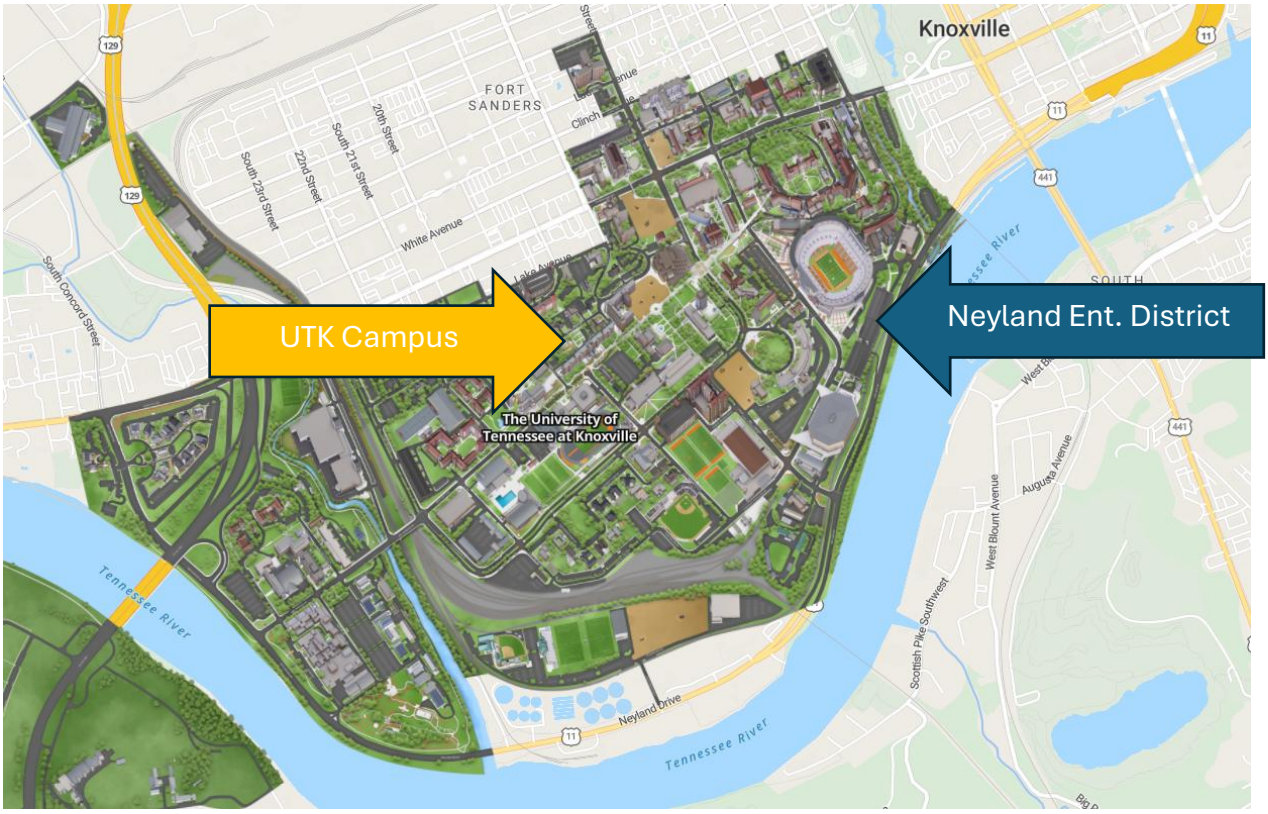
Printed: David Miller, Senior Vice President and CFO Date: 1/20/2026 | 10:49:11 EST

Must be signed and dated by the requesting Agency Head

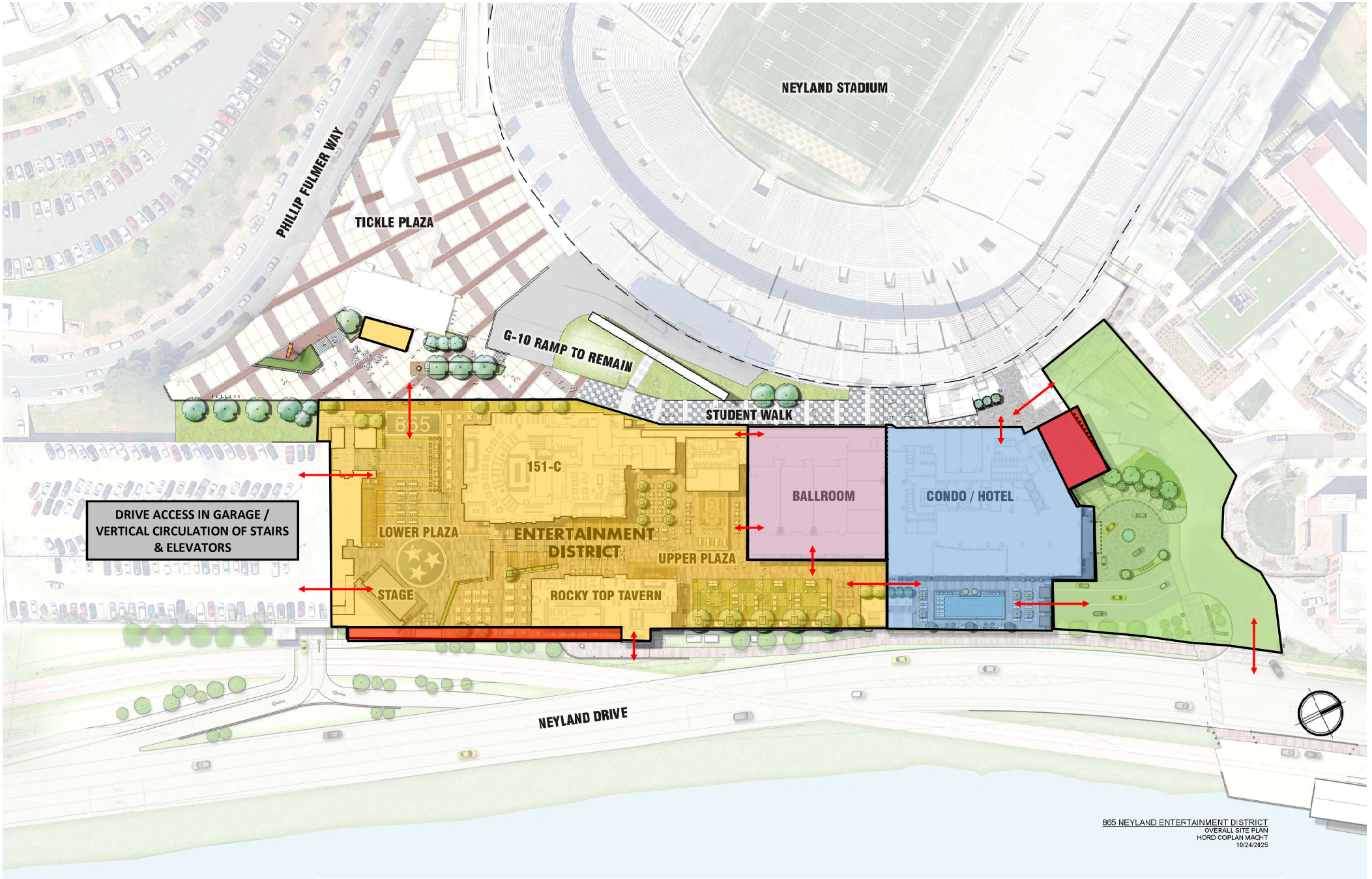
Signed: Signed by: Austin Oakes 97B8050F454D46F...

Printed: Austin Oakes, Associate VP of Capital Projects Date: 1/20/2026 | 06:25:21 PST




Knoxville
FORT SANDERS
20th Street
South 21st Street
22nd Street
South 22nd Street
White Avenue
Clinch
129
11
441
South Concord Street
UTK Campus
Neyland Ent. District
The University of Tennessee at Knoxville
Tennessee River
Neyland Drive
West Blount Avenue
Augusta Avenue
Scottish Pike Southwest


WORKING DRAWINGS; SUBJECT TO CHANGE
VOLS
RESTAURANT
TENNESSEE


NEYLAND STADIUM
PHILLIP FULMER WAY
TICKLE PLAZA
G-10 RAMP TO REMAIN
STUDENT WALK
865
151-C
BALLROOM
CONDO / HOTEL
DRIVE ACCESS IN GARAGE / VERTICAL CIRCULATION OF STAIRS & ELEVATORS
LOWER PLAZA
ENTERTAINMENT DISTRICT
UPPER PLAZA
STAGE
ROCKY TOP TAVERN
NEYLAND DRIVE
865 NEYLAND ENTERTAINMENT DISTRICT
OVERALL SITE PLAN
HORD COPLAN MACHT
10/24/2025

GROUND LEASE
(Entertainment District)

between

STATE OF TENNESSEE,
as Lessor
ON BEHALF OF THE
UNIVERSITY OF TENNESSEE,
ON BEHALF OF ITS
KNOXVILLE CAMPUS

And

865 ENTERTAINMENT DEVELOPER, LLC
as Lessee

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List of Exhibits:

Exhibit A – Legal Description of Land

Exhibit A – 1 – Legal Description of Entertainment District Site

Exhibit A – 2 – Legal Description of Condotel/Site

Exhibit A – 3 – Drawing Depicting the Parking Structure on the Property including the Top Floor as the Lower Boundary of the Leased Property

Exhibit B – Permitted Exceptions

Exhibit C – Project Description

Exhibit D – State of Tennessee Terms and Conditions

Exhibit E – Plans and Specifications

Exhibit F – Operating Standards

Schedule 1 – Omnibus Insurance Requirements

GROUND LEASE

This **GROUND LEASE** (this "**Ground Lease**"), made and entered into as of _____, 20____ (the "**Effective Date**"), is between the **STATE OF TENNESSEE** (the "**Lessor**"), on behalf of the **UNIVERSITY OF TENNESSEE**, an instrumentality of the State of Tennessee (the "**University**"), on behalf of its Campus (as defined hereinbelow); and **865 ENTERTAINMENT DEVELOPER, LLC** (the "**Lessee**"), a limited liability company organized and existing under the laws of the State of Delaware.

W I T N E S S E T H:

WHEREAS, the Lessor is the owner of certain real property (the "**Land**") located on the Campus of the University as more particularly described in **Exhibit A** attached hereto, incorporated in and by reference made a part hereof; and

WHEREAS, the Lessor and Lessee desire for the Lessee or an affiliate to develop, construct, and operate the Total Project (as hereinafter defined), as well as associated site infrastructure and various related amenities, utilities and improvements within and outside the Land; and

WHEREAS, the "**Total Project**" will consist of the following components constructed on the Land: (i) a parking garage project ("**Parking Project**") to be developed and constructed under the terms of the Parking Development Agreement of even date between Lessor and the Parking Developer (as hereinafter defined), (ii) retail, food service and public space facilities including all Personalty (as hereinafter defined) to be developed, constructed and operated by the Lessee on the Entertainment District Site (as hereinafter defined) (referred to herein as both the "**Entertainment District**" and/or the "**Project**"), (iii) a hotel and residences tower (the "**Condotel**") to be developed and constructed by 865 HOSPITALITY DEVELOPER, LLC, a Delaware limited liability company (the "**Condotel Developer**"), and (iv) associated infrastructure and amenities of each; and

WHEREAS, under the terms of this Ground Lease, the Lessor will lease the top floor of the Parking Project (the "**Project Base**") and the air rights above such top floor and land adjacent to the Parking Project as described and identified on **Exhibit A-1** (collectively, the "**Entertainment District Site**") to Lessee for the Entertainment District;

WHEREAS, Lessor and Condotel Developer will enter into a separate ground lease for the portion of the Land as described in **Exhibit A-2** attached hereto for the Condotel ("**Condotel Site**") and the parties acknowledge that a portion of the Entertainment District will be located on the Condotel Site with the terms of such an arrangement being separately negotiated between the Condotel Developer and the Lessee; and

NOW, THEREFORE, in consideration of the premises, the mutual covenants and agreements herein set forth by each party to be kept and performed, and for other good and valuable consideration, the receipt, adequacy, and sufficiency of which are hereby expressly acknowledged by each party hereto, the Lessor and the Lessee do hereby mutually covenant and agree as follows:

The Lessor does hereby lease, demise and let unto the Lessee, and the Lessee does hereby take, lease and hire from the Lessor the Property.

TOGETHER WITH all appurtenances, rights, privileges, and easements benefiting, belonging, or pertaining thereto, and together with the buildings, structures, and improvements erected or to be erected on and above the Project Base whether presently or in the future.

TO HAVE AND TO HOLD the Property (as defined below) for the term of years set forth herein unless this Ground Lease shall be sooner terminated as hereinafter provided.

This Ground Lease and all rights of the parties hereunder are expressly subject to the terms and conditions hereinafter set forth, all of which the parties hereto respectively agree to keep, abide by, and perform during the term hereof.

Section 1. Definitions. The following terms as used in this Ground Lease, shall have the following meanings, unless the context indicates otherwise.

"**Additional Rent**" shall have the meaning given in Section 3(e).

"**Affiliate**" means with respect to a specified Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with the specified Person. For the purpose of this definition, "**control**" means the ability to directly or indirectly, by voting securities, partnership or member interests, contract or otherwise, direct or cause the direction of the policies or management of the specified Person. For purposes of Lessor only, any one of more of Lessor's affiliated foundations (*e.g.*, University of Tennessee Foundation) shall be deemed to be an "Affiliate" of Lessor for purposes of this Ground Lease.

"**Annual Period**" means the twelve (12) month period commencing on January 1 of each calendar year and ending on December 31 of each calendar year.

"**Architect**" means Hord Coplan Macht, Inc., as architect under the terms and conditions of the Architect's Agreement, and its permitted successors and assigns thereunder.

"**Architect's Agreement**" means the agreement between the Architect and the Lessee dated June 2, 2025, for the Design of the Project, and any and all modifications, supplements and amendments thereto. University acknowledges receipt of the Architect's Agreement.

"**Assignment of Contracts and Agreements**" means that certain Assignment of Contracts and Agreements, of even date herewith by the Lessee in favor of the Lender, as such assignments may be amended and/or supplemented from time to time as permitted by the Loan Agreement.

"**Bankruptcy**" means for any Person (a "**Bankrupt**"), (a) that such Person (i) applies for or consents to the appointment of a receiver or trustee, or the liquidation of such Person or of all or a substantial portion of its assets, (ii) files a voluntary petition in bankruptcy or admits in writing its inability to pay its debts as the same become due, (iii) makes an assignment for the benefit of its creditors, (iv) files a petition or an answer seeking a reorganization or an arrangement with its creditors or seeks to take advantage of any insolvency law; or (b) performs any other act of bankruptcy, or (c) files an answer admitting (or fails to timely dispute or object to) the material allegations of a petition filed against such Person in any bankruptcy, reorganization or insolvency proceedings; or (d) that an order, judgment or decree is entered by any court having jurisdiction adjudicating such Person as bankrupt or insolvent, approving a petition seeking such a reorganization, or appointing a receiver, trustee or liquidator of such Person or all or a substantial part of its assets and such order, judgment or decree is not stayed or dismissed within sixty (60) days from the entry thereof; or (e) that there is otherwise commenced with respect to such Person, or any of its assets, any proceeding under bankruptcy, reorganization, arrangement, insolvency, readjustment, receivership, or similar legal requirements, and such proceeding is not discharged, stayed or dismissed within sixty (60) days from the entry thereof.

"**Business Day**" or "**business day**" means every day except Saturday, Sunday and any other day on which banking institutions are legally authorized to close in the City of Knoxville, Tennessee.

"**Campus**" means the Knoxville campus of the University, located at 1502 Cumberland Avenue, Knoxville, Tennessee 37996

"Chancellor" means the chancellor of the Campus.

"**Code**" means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

"**Collateral Assignment of Construction Contracts**" means the Borrower Collective Collateral Assignment Agreement dated as of the date hereof, by the Lessee in favor of the Lender, as the same may be altered, amended, modified, or supplemented from time to time as permitted thereby.

"**Commencement Date**" means the Effective Date.

"**Condemnation Event**" shall have the meaning given in Section 27(a).

"**Condotel**" shall have the meaning given in the Recitals of this Ground Lease.

"**Condotel Developer**" shall have the meaning given in the Recitals of this Ground Lease.

"**Condotel Lease**" means the Ground Lease of even date between Lessor and the Condotel Developer.

"**Condotel Site**" shall have the meaning given in the Recitals of this Ground Lease.

"**Construct**", "**Constructed**" or "**Construction**" means to Develop, improve, install, construct, demolish, renew, restore or perform any other work of similar nature in connection with locating, placing, replacing, restoring and installing the improvements, equipment or furnishings, comprising the Project.

"**Construction Contracts**" means, collectively, the General Construction Contract, the Architect's Agreement, and any and all contracts entered into by Lessee for the engagement of architects, engineers, and consultants contractors, materialmen, and laborers from time to time in connection with the Construction of the Project or the provision of materials or labor in respect thereto, and all other contracts and/or agreements with Lessee from any person or firm rendering services or supplying material in connection with the Design, Development, acquisition, Construction, furnishing, equipping, management and operation of the Project.

"**Consumer Price Index**" means the Consumer Price Index for All Urban Consumers, all items (1982-84 =100), published by the U.S. Department of Labor, Bureau of Labor Statistics (the **BLS**) for Knox County, Tennessee. If the Consumer Price Index:

(i) is not published for a given calendar month, then the Consumer Price Index for that month shall be the Consumer Price Index published for the most recent prior calendar month or other period for which it is so published;

(ii) hereafter uses a different standard reference base or is otherwise revised, an adjustment shall be made therein for the purposes of this Ground Lease, using the conversion factor, formula, or table for making that adjustment as is published by the BLS, or if the BLS does not publish the same, then as is published by Prentice-Hall, Inc., the Bureau of National Affairs, Commerce Clearing House, or any other nationally recognized publisher of similar statistical information, as selected by the Lessor;

(iii) ceases to be published, then for the purposes of this Ground Lease there shall be substituted for it such other index as the parties may agree upon, or in the absence of such an agreement, the Consumer Price Index first issued for the month and year in question.

"**Debt Service Payment**" means scheduled payment of principal and accrued interest on the Loan.

Default Rate" shall mean the lesser of (i) a per annum rate of interest equal to the sum of the Prime Rate plus four percent (4.0%) or (ii) the maximum rate permitted by applicable Governmental Regulations.

"**Design**" means any and all design, planning, architectural or engineering activity required in connection with and for the Development and Construction of the Project.

"**Development**" or "**Develop**" or "**Developing**" means any acts reasonably necessary and appropriate to (a) obtain any required land use, zoning, environmental, building or other approvals and permits for the Design, Construction, operation and use of the Project, (b) obtain any required extension of public and private utility services for the Project, (c) obtain any required vehicular or pedestrian rights of way and access from or to the Project (including such rights granted herein), and (d) satisfy the Government Regulations and insurance requirements in connection with the Design or Construction of the Project.

"**Development Costs**" shall mean the costs to Develop the Project, as set forth in the Development Budget, as defined in the Development Agreement.

"**Effective Date**" shall have the meaning given in the introductory paragraph on the first page hereof.

"**Entertainment District**" shall have the meaning given in the Recitals to this Ground Lease.

"**Entertainment District General Contractor**" or "**General Contractor**" means Layton Construction Company, Inc., the general contractor selected by Lessee and reasonably acceptable to Lessor (such approval not to be unreasonably withheld, delayed or withheld), as general contractor for the Entertainment District under the terms and conditions of the General Construction Contract, and their permitted successors and assigns.

"Entertainment District Site" shall have the meaning given in the Recitals of this Ground Lease.

"**Environmental Laws**" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), Public Law No. 96-510, 94 Stat. 1613, the Resource Conservation and Recovery Act ("RCRA"), the Clean Air Act, as amended (42 U.S.C. §§ 7401 et seq.), the Clean Water Act, as amended (33 U.S.C. §§ 1251 et seq.), including all amendments to such Acts, or any federal, state, or local statute, law, ordinance, code, rule, regulation, order, or decree, regulating, or other legal requirement relating to the protection of human health or the environment, including, but not limited to, any requirement pertaining to or imposing liability or standards of conduct concerning any petroleum, petroleum byproduct (including but not limited to, crude oil, diesel oil, fuel oil, gasoline, lubrication oil, oil refuse, oil mixed with other waste, oil sludge, and all other liquid hydrocarbons, regardless of specific gravity) natural or synthetic gas, products, and/or hazardous substance or material, toxic or dangerous waste, substance or material, pollutant, or contaminant, as may now or at any time hereafter be in effect.

"**Event of Default**" means each of the events specified in Section 30(a) and any other event defined elsewhere in this Ground Lease as an "Event of Default".

"**Exercise Notice**" shall have the meaning given in Section 32(a).

"**Expense(s)**" shall have the meaning given to such term in the Loan Agreement.

"**Final Completion**", "**Finally Complete**" or "**Finally Completed**" shall mean that Substantial Completion shall have occurred and all Punchlist Items with respect thereto have been fully completed.

"Force Majeure Event" means any of the following events, regardless of the location or duration of the events, but only to the extent that the same (i) materially and adversely interfere with a party's obligations under this Ground Lease beyond the reasonable control of the party whose performance is interfered with and (ii) could not reasonably have been prevented or mitigated by such party's use of reasonable care and anticipation: acts of nature; fires and explosions; acts of war, armed conflict or other hostile action; civil war, rebellion, revolution, insurrection or usurpation of sovereign power; riots or other civil unrest; terrorism; hijacking; chemical or biological events; nuclear events; epidemics, pandemics, contagions and disease related events; bombing; strikes, lockouts or other labor disturbances; embargoes or blockades; shortage of critical materials or supplies; action or inaction of Governmental Authorities (including restrictions wages or other material aspects of operation); restrictions on financial, transportation or information distribution systems; or the revocation or refusal to grant licenses or permits, where the revocation or refusal is not due to the fault of the party whose performance is to be excused for reasons of the event; or tariffs, embargoes, trade restrictions imposed by Governmental Authorities. Force Majeure Event shall not include a downturn in the economy or financial markets or the effects thereof or any event resulting therefrom or any other systemic economic condition or event (whether local, state, national or global).

"**GAAP**" shall mean generally accepted accounting principles, consistently applied.

"**General Construction Contract**" that certain Construction Contract, to be entered into between the Lessee and the Entertainment District General Contractor, with the Lessor as an intended third party beneficiary to the extent described therein, and any exhibits and plans and specifications attached thereto, and any modifications, amendments or supplements thereto in accordance with the terms thereof pursuant to which the Entertainment District General Contractor has agreed to construct the Project for a guaranteed maximum price. University acknowledges receipt of a copy of the General Construction Contract.

"**Governmental Authority**" means any federal, State, county, regional, or local government, political subdivision, any governmental agency, department, authority, instrumentality, bureau, commission, board, official, or officer, any court, judge, examiner, or hearing officer, any legislative, judicial, executive, administrative, or regulatory body or committee or official thereof or private accrediting body.

"**Governmental Regulations**" means any and all laws, statutes, codes, acts, ordinances, orders, judgments, case precedents, decrees, writs, injunctions, rules, regulations, restrictions, permits, plans, approvals, authorizations, concessions, investigations, reports, guidelines and requirements or accreditation standards of any Governmental Authority having jurisdiction over Lessor, Lessee, University or the Land or affecting the Project, including all applicable Environmental Laws and the Americans with Disabilities Act of 1990, as amended.

"**Ground Lease**" or "**Lease**" means this Ground Lease, as the same may be modified, amended and/or supplemented from time to time by written agreement of the parties hereto.

"**Gross Rent**" shall have the meaning given in Section 3(a).

"**Gross Sales**" shall have the meaning given in Section 3(c).

"**Guaranteed Completion Date**" shall be August 18, 2028, which date shall be extended for a Force Majeure Event.

"**Hazardous Materials**" means petroleum, petroleum byproducts (including but not limited to, crude oil, diesel oil, fuel oil, gasoline, lubrication oil, oil refuse, oil mixed with other waste, oil sludge, and all other liquid hydrocarbons, regardless of specific gravity), natural or synthetic gas products, and/or any hazardous substance or material, waste, pollutant, or contaminant, defined as such in (or for the purposes of) the Environmental Laws.

"**Independent Engineer**" means any architect, engineer, or firm of architects or engineers that is independent of the Lessee, the Lender, or any of the Lessee's investors and that is selected by the Lessee, at the expense of the Lessee, for the purposes of, *inter alia*, producing monthly construction monitoring reports of the Project, addressing questions relating to the Project Design and Construction, reviewing repairs and replacements to the Project and the adequacy of the amounts deposited and required to be deposited into the Repair and Replacement Fund, and that has all licenses and certifications necessary for the performance of such services, and that has a favorable reputation for skill and experience in performing similar services in respect of facilities of a comparable size and nature.

"**Initial Appraiser**" shall have the meaning given in Section 32(i)(i).

"**Initial ROFO PSA Draft**" shall have the meaning given in Section 20(c)(i).

"**Initial Valuation**" shall have the meaning given in Section 32(i)(ii).

"**Land**" shall have the meaning given in the initial Recitals of this Ground Lease.

"**Lease Year**" means each twelve (12) month period commencing on January 1 of each calendar year and ending on December 31 of the same calendar year, provided the first Lease Year shall commence on the Commencement Date and end on December 31, 2026.

"**Leasehold Mortgage**" shall have the meaning given in Section 31.

"**Leasehold Mortgagee**" means the Lender as mortgagee under the Leasehold Mortgage and any permitted designee of the Lender for the purpose of taking title to the Lessee's interest in this Ground Lease or entering into a New Lease.

"**Lender**" means a lender selected by Lessee which provides the Financing as provided in Section 4(a) below.

"**Lessee**" shall have the meaning given in the Recitals of this Ground Lease, and its permitted successors and assigns.

"**Lessee Representative**" means the person or persons designated in writing by the Lessee, who is authorized to represent Lessee, to serve as the Lessee's representatives in connection with this Ground Lease, and any other person(s) designated in writing by the Lessee to the Lessor from time to time as person(s) who is(are) authorized to act on behalf of the Lessee under this Ground Lease.

"**Lessor**" shall have the meaning given in the Recitals of this Ground Lease, and its permitted successors and assigns.

"**Lessor Indemnitees**" shall have the meaning given in Section 24(a).

"**Lessor Representative**" means the Assistant Vice President, Office of Capital Projects of the University, who is authorized to represent Lessor, and any other person(s) designated in writing by the Lessor to the Lessee from time to time as person(s) who is(are) authorized to act on behalf of the Lessor under this Ground Lease.

"**Lien**" shall have the meaning given in Section 14(h).

"**Loan**" shall mean the construction loan obtained by Lessee from Lender for the initial Design, Development, Construction, furnishing, equipping and opening of the Project.

"**Loan Agreement**" means that certain Loan Agreement between Lender and Lessee and all amendments, modifications and supplements thereto evidencing the Loan.

"**Loan Documents**" means, collectively, the Loan Agreement, the Leasehold Mortgage for the Loan and any guaranties required to be delivered under the Loan Agreement, and all modifications, amendments and supplements to each such document in accordance with their terms.

"**Manager**" means that certain manager selected by Lessee, as reasonably approved by Lessor, retained by Lessee to manage Entertainment District, and its successors and assigns, or such other entity as may be party to a subsequent Management Agreement.

"**Management Agreement**" means the agreement between the Lessee and the Manager regarding the management, operation, and maintenance of the Entertainment District and any and all modifications, amendments, and supplements thereto, which have been approved by Lessor in accordance with the terms of this Ground Lease.

"**Material Adverse Effect on the Brand**" means any event, occurrence, or series of events or occurrences (including, without limitation, the action or inaction of the Lessee) that results, or could reasonably be deemed to result, in material harm to or diminishment of the brand, reputation, public image, community standing and/or perception of any (or all) of Lessor, the University, and/or the Campus, including any and all affiliated entities and/or programs of any of the foregoing in the reasonable discretion of the Chancellor.

"**Material Operational Risk**" means any event, occurrence, or series of events or occurrences, including, without limitation, the action or inaction of the Lessee or the Manager, that results, or could reasonably be deemed to result, in material harm to or diminishment of the safety, security, brand, reputation, public image, community standing and/or perception of any (or all) of Lessor, the University, and/or the Campus, including all affiliated entities and/or programs of any of the foregoing. Examples of Material Operation Risk include, but are not limited to (i) significant or repeated events of noncompliance with Operating Standards; (ii) programs, activities, products, services, or offerings by the Lessee or the Manager which injure, tarnish, or otherwise negatively affect the reputation and goodwill associated with University; (iii) significant or repeated allegations of harassment, discrimination, or criminal conduct engaged in by Lessee or Manager personnel; and/or (iv) acts or omissions of Lessee, Manager, or their respective personnel which threaten the health, safety, and/or wellbeing of University employees, students, and/or patrons.

"**Material Alteration**" shall have the meaning given in Section 21(b).

"**Material Change Order**" shall have the meaning given in Section 14(f).

"**Material Leasehold Mortgage Default**" shall have the meaning given in Section 31(l).

"**Memorandum of Lease**" or "**Lease Memorandum**" means the Lease Memorandum of even date herewith between Lessor and Lessee, which sets forth the basic terms of this Ground Lease, in recordable form, to be recorded in the records of Knox County, State of Tennessee.

"**Monthly Progress Report**" shall mean those reports received by Lessee from the general contractor during the course of construction of the Project, including but not limited to any "work status reports", cost reports or progress reports or reports by any other name, which summarize the work performed and/or set forth the milestone dates achieved, problems encountered, if any, and proposed solutions.

"**Net Condemnation Proceeds**" shall mean the proceeds received by the Lessor, the Lessee or the Leasehold Mortgagee, as applicable, in the event of a condemnation or taking in eminent domain of the Property, in whole or in part, from the condemning Governmental Authority, less all reasonable and necessary costs and Expenses issued in

the connection with the settlement of the claims arising out of the condemnation and the award granted by the Governmental Authority, including reasonable fees and expenses of counsel.

"**Net Insurance Proceeds**" shall mean the proceeds received by the Lessee, the Lessor or the Leasehold Mortgagee, as applicable, in the event of a casualty, damage or destruction to the Project, or any portion thereof, under and pursuant to the insurance policies maintained by the Lessee or Lessor with respect to the Project and/or the Parking Project, as applicable, or the amount of proceeds that would have been available under an insurance policy in the event that a party self-insures, together with the amount of any deductible, less all reasonable and necessary costs and expenses insured in connection with the settlement of any insurance claim relative to such proceeds, and the deductible, including reasonable fees and expenses of counsel.

"**New Lease**" shall have the meaning given in Section 31(e).

"**Non-Curable Event of Default**" shall have the meaning given in Section 30(c).

"**Non-Rent Event of Default**" shall have the meaning given in Section 30(c).

"**Notice of Termination**" shall have the meaning given in Section 30(b)(i).

"**Operations Advisory Committee**" shall have the meaning given in Section 11.

"**Operating Standards**" shall mean the standards and requirements for Lessee's operation and management of the Project set forth on **Exhibit F** hereto as it may be amended from time to time as herein provided.

"**Parking Use Agreement**" shall mean the Reciprocal Easement and Parking Use Agreements of even date among Lessor, Lessee, Condotel Developer and Parking Developer governing the rights to use parking spaces in the Parking Project during specific times and events, including rights to use such spaces for the benefit of the Parking Project

"**Parking Developer**" means 865 Neyland Parking Developer, LLC, and its permitted successors and assigns under the Parking Development Agreement.

"**Parking Development Agreement**" means the development agreement dated as of the date hereof between the Lessor and the Parking Developer, regarding the Design, Development and Construction of the Parking Project, and any amendments, modifications and supplements thereto with Lessor's prior written consent in accordance with the terms thereof and this Ground Lease.

"**Parking Project**" shall have the meaning given in the Recitals of this Ground Lease.

"**Parking Project Restoration**" shall have the meaning given in Section 26(h)(i).

"**Percentage Rent**" shall have the meaning given in Section 3(b).

"**Permitted Encumbrances**" means, as of any particular time, (i) Liens for *ad valorem* taxes, special assessments, and other charges not then delinquent or for taxes, assessments, and other charges being contested in accordance with the terms of this Ground Lease, (ii) the Loan Documents, (iii) the Lease Memorandum, (iv) utility, access, and other easements and rights of way, restrictions, and exceptions of record, (v) any mechanics' and materialmen's Liens which have been bonded or insured over (to Lessor's benefit) in accordance with the provisions of this Ground Lease, (vi) this Ground Lease, (vii) statutory restrictions imposed on the improvement or use of the Land, (viii) the Permitted Exceptions, (ix) the effects of any and all laws, ordinances, permits and Governmental Regulations, including, zoning, land use and construction, or any violations thereof (provided that this clause does not

constitute the consent of the Lessor to such violations); and (x) any additional exceptions or encumbrances created or consented to in writing by the Lessor.

"**Permitted Exceptions**" means those exceptions to title to the Property more fully described on **Exhibit B** attached hereto and made a part hereof.

"**Permittees**" means all Persons from time to time entitled to the use and occupancy of any portion of the Project under any lease, sublease, license, concession, hotel booking or other similar agreement, and the officers, directors, members, employees, agents, contractors, customers, vendors, suppliers, visitors, guests, invitees, licensees, subtenants and concessionaires of Lessee insofar as their activities relate to the intended development, use and occupancy of the Project.

"**Person**" means natural persons, firms, joint ventures, associations, trusts, partnerships, corporations, limited liability companies, public bodies, any government or any agency or political subdivision thereof and similar entities.

"**Personalty**" means all machinery, equipment, fixtures, appliances, furniture, and any other personal property of any kind or description owned by Lessee and used in connection with, the Project.

"**Plans and Specifications**" means the plans and specifications for the Construction of the Project, fully identifying and describing all mechanical, electrical, and plumbing systems, materials, signage, design, colors of exterior paints, and other finishes prepared by the Architect and Lessee's separate consultants, as amended from time to time in accordance with the terms of this Ground Lease. The Plans and Specifications are attached hereto as **Exhibit E**.

"**Pre-Existing Unknown Conditions**" means any preexisting Hazardous Materials existing on or about the Land or adjacent areas as of the Effective Date not disclosed in Lessee's Phase I ESA as referenced in Exhibit 17 of the Parking Development Agreement.

"**Primary Use**" means an entertainment facility of approximately forty thousand (40,000) square feet primarily consisting of food and beverage service (including alcoholic beverage in compliance with this Ground Lease and all applicable Governmental Regulations) including live entertainment, (a mixture of both events and concerts) as well as event plazas for outdoor gatherings, concerts and events operated in a manner and quality comparable to The Battery in Atlanta, Georgia and Texas Live! in Arlington, Texas and as more fully described on **Exhibit C** attached hereto. For the purpose of clarity, the Primary Use (i) will be limited to four thousand (4,000) square feet of total space dedicated to the sale of retail merchandise, unless Lessor and Lessee mutually agree (in writing) that a greater portion (*i.e.*, square feet) of the Project may be dedicated to the sale of retail merchandise; and (ii) shall not include student housing, multi-family housing or single family residential uses.

"**Prohibited Person**" means any Person:

(a) that has failed to comply with all Governmental Regulations and as a result such Person has been convicted of, pleaded guilty to, or entered into a settlement in compromise of, a felony, fraud or securities violations or other crime of moral turpitude within ten (10) years before the date of measurement;

(b) that is on the list of Specially Designated Nationals and Blocked Persons under any other U.S. Department of Treasury's Office of Foreign Assets Control regulation or executive order;

(c) that is organized in, or a citizen of, a country that is subject to any of the following (including, without limitation, any subsequently enacted legislation with similar effect, impact or intent to the following): (i) the Trading with the Enemy Act of 1917, 50 U.S.C. App. §1, et seq., as amended; (ii) the International Emergency Economic

Powers Act of 1976, 50 U.S.C. § 1701, et seq., as amended; and (iii) the Anti-Terrorism and Arms Export Amendments Act of 1989, codified at Section 6(j) of the Export Administration Act of 1979, 50 U.S.C. App. § 2405, as amended,

(d) that is blocked or subject to blocking pursuant to (i) Executive Order 13224 of September 23, 2001 Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001)); or (ii) any subsequently enacted legislation with similar effect, impact or intent to the foregoing;

(e) that is prohibited from owning or acquiring any interest in the Land (including, without limitation, any of the Property) under Tenn. Code Ann. § 66-2-301, et al. or by any Government Regulation, whether such Government Regulation is in effect as of the Effective Date or enacted after the Effective Date; or

(f) that is an Affiliate of any of the persons described in clauses (a) or (b) of this definition.

"**Project**" shall mean the Entertainment District and any and all improvements hereafter constructed thereon.

"**Project Base**" shall have the meaning given in the Recitals to this Ground Lease.

"**Project Schedule**" means the schedule for the Project detailing the Construction and Development activities necessary, together with the durations thereof, to achieve Final Completion of the Project on or before the Guaranteed Completion Date.

"**Property**" means the Entertainment District Site and any and all Project improvements hereafter constructed on and above the Entertainment District Site.

"**Punchlist Items**" means, individually and/or collectively, as the context may require, minor or insubstantial details of construction, decoration, mechanical adjustment or installation the non-completion of which does not prevent the use, occupancy or operation of the improvements for their intended purposes.

"**Purchase Date(s)**" shall have the meaning given in Section 32.

"**Purchase Price**" shall have the meaning given in Section 32(i).

"Qualified Assignee" means a Person that satisfies the following requirements: (i) such person is a Qualified Sponsor or is controlled (directly or indirectly) by a Qualified Sponsor; or (ii) if not itself a Qualified Sponsor or is not controlled (directly or indirectly) by a Qualified Sponsor, a Qualified Sponsor owns (directly or indirectly), in the aggregate, at least ten percent (10%) of the ownership interests in such Person. No direct or indirect owner in a Qualified Assignee may be a Prohibited Person.

"**Qualified Facilities Manager**" means a Person that (i) is (or can reasonably be expected to be) licensed to operate in the State of Tennessee in connection with the operation or management of retail, food service, and public space facilities and (ii) together with any affiliates that are not Prohibited Persons, (A) who has not less than five (5) years' experience in managing parking facilities similar to the Entertainment District, and (B) who currently controls, owns and/or manages at least one project with retail, food service and public space that is comparable or larger in scope to the Project.

Qualified Replacement Developer" means a Person that (i) is (or can reasonably be expected to be) licensed to operate in the State of Tennessee in connection with the development of retail, food service, and public space and (ii) together with any affiliates that are not Prohibited Persons, (A) who has not less than five (5) years' experience in developing facilities similar to the Entertainment District, and (B) who has developed at least one project with retail, food service and public space that is comparable or larger in scope to the Project.

"Qualified Sponsor" means any Person that is not a Prohibited Person, and who meets one of the following criteria: (i) (A) currently controls, owns and/or manages at least five (5) projects with retail, food service and public space that are comparable or larger in scope to the Project and (B) is not, and/or is not controlled by, a Person who has been previously involved in a lawsuit or arbitration with Lessor or any agency or instrumentality of Lessor concerning any matter within the prior five (5) years; or (ii) is a Leasehold Mortgagee, or the nominee or designee of a Leasehold Mortgagee, or a successor or assign of a Leasehold Mortgagee.

"**Remediation**" means and includes but is not limited to any response, remedial, removal, or corrective action; any activity to cleanup, detoxify, decontaminate, contain or otherwise remediate any Hazardous Material; any actions to prevent, cure or mitigate any release of any Hazardous Material; any action to comply with any Environmental Laws or with any permits issued pursuant thereto; any inspection, investigation, study, monitoring, assessment, audit, sampling and testing, laboratory or other analysis, or evaluation relating to any Hazardous Materials.

"**Rent**" means all rent payable under this Ground Lease, including but not limited to Gross Rent, Percentage Rent and Additional Rent.

"**Rent Event of Default**" shall have the meaning given in Section 30(c).

"**Repair and Replacement Fund**" shall have the meaning given to such term in the Loan Agreement.

"**Revenues**" shall have the meaning given to such term in the Loan Agreement.

"**ROFO Disposition Period**" shall have the meaning given in Section 20(c)(iv).

"**ROFO Exercise Date**" shall have the meaning given in Section 20(c)(iii).

"**ROFO Feasibility Period**" shall have the meaning given in Section 20(c)(iii).

"**ROFO Offer Notice**" shall have the meaning given in Section 20(c)(i).

"**ROFO Purchase Agreement**" shall have the meaning given in Section 20(c)(iii).

"**ROFO Response Period**" shall have the meaning given in Section 20(c)(i).

"**ROFO Right**" shall have the meaning given in Section 20(c)(iii).

"**State**" means the State of Tennessee.

"**Substantial Completion**" and "**Substantially Complete**" means the occurrence of each of the following with respect to the Project: (i) the Development, Construction and equipping of the improvements shall have been completed in substantial accordance with the Plans and Specifications (excluding completion of the Punchlist Items) and in substantial accordance with Government Regulations; (ii) the issuance of either a certificate of occupancy of the Project; and (iii) Lessor has received a certificate from Architect that the improvements have been substantially completed in accordance with the Plans and Specifications.

"**Term**" shall have the meaning given in Section 2(a).

"**Termination Date**" means the date on which the Term ends by termination or expiration of this Ground Lease.

"**Total Project**" shall have the meaning given in the Recitals of this Ground Lease.

"**University**" means the University of Tennessee, its successors and assigns.

"**Utility Services**" shall have the meaning given in Section 6(a).

Section 2. Term and Use.

(a) The term of the leasehold estate of the Lessee in the Property created hereunder (the "**Term**") shall commence on the Commencement Date and shall expire at 12:00 midnight on the fiftieth (50th) anniversary of the Commencement Date unless otherwise extended or sooner expired or terminated in accordance with this Ground Lease or by operation of law. Unless Lessor has given notice of its election to purchase the Project under Section 32, such term shall be automatically extended by four (4) successive periods of ten (10) years each and then one (1) period of nine (9) years unless the Lessee gives notice to the Lessor at least eighteen (18) months prior to the scheduled expiration of the term that it does not intend to extend the term of this Ground Lease, provided that, in no event shall such extensions extend the Term beyond the 99th anniversary of the Commencement Date. At the conclusion of the Term (inclusive of any extensions thereof as contemplated hereinabove), all improvements on the Property shall revert to the Lessor. Notwithstanding the foregoing, and if requested in writing by Lessor, Lessee shall demolish the Entertainment District improvements and deliver a cleared top level of the Parking Project at the conclusion of the Term and any extension thereof.

(b) Lessor and the Lessee, within thirty (30) days after written request of the other, shall confirm the then current Termination Date in writing, together with any other information contemplated by this Ground Lease, and if so requested, by an instrument in recordable form.

(c) Lessee shall use and operate the Property for the sole and exclusive purpose of Developing and Constructing the Project as required under this Ground Lease.

Section 3. Gross Rent.

(a) **Gross Rent**. Lessee covenants and agrees to pay Lessor, during the Term, rent (herein the "**Gross Rent**") in the amount of Sixty-Two Thousand Five Hundred Dollars ($62,500.00) per month. Payment of Gross Rent hereunder shall commence on the earlier to occur of (i) the date on which the Entertainment District opens to the general public for business or (ii) the Guaranteed Completion Date (subject to any extensions of such Guaranteed Completion Date pursuant to the express terms of this Ground Lease). Monthly installments of Gross Rent shall be payable in advance on the first (1st) day of each month. Gross Rent for partial months at the beginning and end of the Term shall be prorated and payable on the first Gross Rent payment date following the end of such partial month. If any payment of Gross Rent is not made within ten (10) days after the due date, the Lessee shall pay the Lessor a late charge equal to five percent (5%) of such late payment.

(b) **Percentage Rent**. (i) In addition to the payment of the Gross Rent, for each Lease Year, Lessee shall pay to Lessor, as percentage rent ("**Percentage Rent**") calculated on a tiered, incremental basis as follows: (1) three percent (3.0%) of the portion of Gross Operating Revenues for such Lease Year in excess of the First Hurdle Floor up to (but not exceeding) the Second Hurdle Floor; (2) four percent (4.0%) of the portion of Gross Operating Revenues for such Lease Year in excess of the Second Hurdle Floor and up to (but not exceeding) the Third Hurdle Floor; and (3) five percent (5.0%) of Gross Operating Revenues for such Lease Year in excess of the Third Hurdle Floor.

(ii) As used herein: (1) "First Hurdle Floor" means Twenty-Five Million Dollars ($25,000,000.00); (2) "Second Hurdle Floor" means Thirty Million Dollars ($30,000,000.00); and (5) "Third Hurdle Floor" means

Thirty Five Million Dollars ($35,000,000.00). Each of the foregoing amounts is referred to herein as a "Hurdle Amount."

(iii) Lessee shall deliver to Lessor, within ninety (90) days following the end of such Lease Year, a statement showing Gross Operating Revenues for such Lease Year and the calculation of Percentage Rent. Any Percentage Rent due shall be paid within ninety (90) days following delivery of such statement. If Gross Operating Revenues for a Lease Year are less than the First Hurdle Floor, no Percentage Rent shall be due for such Lease Year.

(iv) The Percentage Rent provisions set forth in Section 3(b)(i) shall apply only to the first thirty (30) Lease Years, through and including the thirtieth (30th) Lease Year following the Lease Commencement Date. Commencing with the thirty-first (31st) Lease Year, and for each Lease Year thereafter, Percentage Rent shall be three percent (3.0%) of the portion of Gross Operating Revenues for such Lease Year in excess of the First Hurdle Floor.

(v) The following examples illustrate the calculation of Percentage Rent for any of the first thirty (30) Lease Years:

(A) If Gross Operating Revenues equal $28,000,000.00: Percentage Rent = 3.0% × ($28,000,000.00 − $25,000,000.00) = $90,000.00.

(B) If Gross Operating Revenues equal $32,000,000.00: Percentage Rent = [3.0% × ($30,000,000.00 - $25,000,000)] + [4.0% × ($32,000,000.00 − $30,000,000.00)] = $150,000.00 + $80,000.00 = $230,000.00.

(C) If Gross Operating Revenues equal $39,000,000.00: Percentage Rent = [3.0% × ($30,000,000.00 − $25,000,000.00)] + [4.0% × ($35,000,000.00 − $30,000,000.00)] + [5.0% × ($39,000,000.00− $35,000,000.00)] = $150,000.00 + $200,000..00+ $200,000.00 = $550,000.00.

(vi) The following examples illustrate the calculation of Percentage Rent for the thirty-first (31st) or any subsequent Lease Year:

(A) If Gross Operating Revenues equal $28,000,000.00: Percentage Rent = 3.0% × ($28,000,000.00 − $25,000,000.00) = $90,000.00.

(B) If Gross Operating Revenues equal $42,000,000.00: Percentage Rent = [3.0% × ($42,000,000.00 - $25,000,000)] = $510,000.

(c) **Gross Sales**. The Term "**Gross Sales**" as used herein, is defined as the entire amount of the sales price, whether for cash or otherwise, of all sales, licenses (including, without limitation, sponsorships and similar revenue derived or otherwise attributable to Lessor's Trademarks) or other transfer of merchandise (including gift and merchandise certificates), food and beverages and merchandise, admissions charges from ticketed events, services and other sales receipts from food and beverage business conducted, in or from the Property and all food and beverage sales (and admissions charges for ticketed events) generated from the Property less costs as set forth below by Lessee, all subtenants, assignees, licensees, concessionaries or otherwise, including, without limitation; mail, catalogue, closed circuit TV, computer, telephone, internet or other electronic orders received, originated or filed at the Property; all deposits not refunded to purchasers, and the entire amount of the actual sales price and all other receipts for sales and services by Lessee, any subtenants, assignees, licenses, or concessionaries, including all ticket charges from ticketed events in or from the Property net of costs as set forth below. A "sale" shall be deemed to have been consummated for the purposes of this Ground Lease, and the entire amount of the sales price shall be included in Gross Sales, at such time as payment is received. This paragraph is subject to the remainder of this Section 3(c).

Notwithstanding anything herein to the contrary, sponsorship receipts and similar revenue from third parties (that are neither customers nor sponsorships and similar revenue derived or otherwise attributable to Lessor's Trademarks) received by Lessee shall not be included in Gross Sales.

Notwithstanding anything in the foregoing or this Ground Lease to the contrary, Lessee may exclude or deduct as appropriate from Gross Sales the following: (i) sales of merchandise returned; (ii) sales taxes, consumers' excise taxes, gross receipts taxes and other similar taxes imposed upon the sale of food, alcohol drinks, admission charges, merchandise and/or services; (iii) exchanges of merchandise between stores; (iv) merchandise returned for credit to shippers; (v) revenues from the sale of trade fixtures; (vi) revenues from vending machines; (vii) insurance proceeds; (viii) employee meals, drinks and other sales to employees (or portions thereof) at no cost or for which a discount from regular prices is made; (ix) sales of gift certificates until redeemed at the Property; (x) any transaction where no consideration is received by Lessee, such as, but not limited to, "walk outs" (patrons leaving the Property without paying for goods and services received), bad transactions net of recovery (if and only to the extent the subject transaction were including in Gross Sales), counterfeit currency, complimentary meals and/or complimentary gift certificates and specially discounted sales for making purposes where the discount is substantial and primarily for marketing (e.g. buy one get one promotions, groupon like promotions) not to exceed 3% of Gross Sales); (xii) any amounts received by or from Lessee's valet service; (xiii) tips or other gratuities given to Lessee's employees, agents or servants; (xiv) damages received by Lessee's based on claims; (xv) cover charges charged by third parties; (xvi) costs of putting on events outside the Property; (xvi) proceeds at charitable events where the purpose is primarily charitable and not profit; (xvii) refunds, credits, or other adjustments or similar accommodations to customers; (xviii) promotion gift cards issued for marketing purposes; (xix) fees associated with ticketing and ticketing services; and (xx) steward sales of food and beverage goods at cost.

(d) **Right to Audit**. Lessee shall retain, in accordance with generally accepted accounting principles ("GAAP"), all relevant records necessary for determining Gross Sales during the Term of this Ground Lease and for a period of at least five (5) years thereafter. The Lessor may cause an audit to be made of Lessee's records pertaining to the determination of Gross Sales. Such records shall be available (i) at Lessee's business office during normal business hours upon seven (7) days' notice by Lessor and (ii) upon request, electronically (such access and availability to be granted within seven (7) business days of request). Said audit shall be at the expense of Lessor unless the same shall indicate a discrepancy in excess of three percent (3.0%) of the Gross Sales reported, in which event the Lessee shall bear the expense of said audit. In the event any such audit contemplated herein reveals such an aforementioned discrepancy and Lessee is not reasonably disputing such discrepancy, Lessee shall remit payment to Lessor for the discrepancy within thirty (30) days of receipt of written notice thereof. All records furnished to Lessor shall be confidential except that Lessor may furnish copies to (x) its attorneys, accountants, consultants and advisers, (y) any actual or potential lender or purchaser of the Lessor of all or part of the Land, and (z) as otherwise required by applicable law.

(e) **Additional Rent**. Lessee shall pay or cause to be paid directly to Lessor (or, subject to the Lessee's contest rights expressly set forth in this Ground Lease, to any third party entitled to such payment), as additional rent hereunder, all amounts (other than Gross Rent) payable by Lessee under this Ground Lease (collectively, "**Additional Rent**"), including those amounts designated in other provisions of this Ground Lease, including the amounts payable under Section 7 as "**additional rent**". For the avoidance of doubt, "Additional Rent" shall include the cost of any insurance coverage procured by the University at the request of Lessee to insure against losses in excess of the University's liability limits as established by the Tennessee Claims Commission Act (Tenn. Code Ann. § 9-8-301, et seq.). Each item of Additional Rent shall be paid by Lessee as and when due pursuant to the applicable provisions of this Ground Lease or the related legal or contractual obligation or, if not so specified, not later than thirty (30) days after receiving an invoice from any Person therefor (subject to the Lessee's contest rights expressly set forth in this Ground Lease as regards disputed payments to any third party). Lessor shall have, without limitation, all the same rights and remedies hereunder or under Governmental Regulation for Lessee's failure to pay any item of Additional Rent as Lessor has for Lessee's failure to pay any Gross Rent.

(f) **Payment of Rent.** Rent shall be paid in lawful currency of the United States of America, to University by Lessee at the address set forth in Section 34, or such other address as Lessee is notified by Lessor as the address for the payment of Rent, or by electronic transfer according to wiring instructions provided by Lessor to Lessee in writing.

(g) **Rent is Triple Net.** It is the general purpose and intent of the Lessor and the Lessee that Gross Rent payable hereunder shall be absolutely net to the Lessor so that this Ground Lease shall yield to the Lessor the Gross Rent specified, free of any charges, assessments, or impositions of any kind charged, assessed, or imposed on or against the Property, and without abatement, counterclaim, deduction, defense, deferment or set off by the Lessee, except as hereinafter specifically otherwise provided, and the Lessor shall not be expected or required to pay any such charge, assessment or imposition, or be under any obligation or liability hereunder except as herein expressly set forth, and that all costs, Operating Expenses and obligations of any kind relating to the maintenance and operation of the Property, including all alterations, repairs and replacements, that may arise or become due during the Term shall be paid by the Lessee.

Section 4. Initial Financing of the Project.

(a) **Financing**. On or before the Effective Date, Lessee represents and warrants to Lessor that Lessee has obtained the debt and equity financing required for the Design, Development, Construction, furnishing, equipping and initial operations of the Project (collectively, the "**Financing**"). Lessee agrees to promptly provide Lessor and the University with copies of term sheets and/or commitment letters and thereafter from time to time as Lessee deems reasonably necessary (given the progression of negotiations) drafts of Loan Documents for Lessor and the University to confirm the inclusion of those certain provisions required pursuant to the terms of this Ground Lease. The proceeds of the Loan obtained by Lessee as part of the Financing shall be used to pay for the design, development, construction, furnishing, equipping and initial operations of the Project and such other costs and the establishment of such other funds and accounts as are set forth in the Loan Agreement. Lessee shall deliver final copies of the Loan Documents to Lessor.

(b) **Investors**. Any person having an equity interest in Lessee as of the Effective Date, and for the Term, shall be in substantial compliance with Government Regulations applicable to owning an equity investment in the Project, including, but not limited to, Section 41 hereof. No Prohibited Person may have an equity interest in Lessee that creates a property interest in this Ground Lease. Investment funds or similar entities that are registered with the Securities and Exchange Commission and are not Prohibited Persons ("**Registered Funds**") may hold an ownership interest in Lessee. No foreign entity may have an investment that exceeds ten percent (10%) of the ownership interest in Lessee without disclosure to Lessor and no foreign entity may have an investment that exceeds twenty-five percent (25%) of the ownership interest in Lessee without disclosure to and approval (in writing) by the University; provided, however, the foregoing disclosure and approval requirements shall not apply to (i) any foreign entity that is a Registered Fund or (ii) any foreign entity investment in Lessee that complies with applicable (1) state and federal "Freedom of Information Act" (FOIA) requirements and (2) lawful "know your customer" (KYC) disclosure and reporting requirements of the Leasehold Mortgagee, as applicable, is acceptable, subject to the disclosure requirements provided herein.

(c) **No Lessor or University Responsibility to Pay Loans**. The Lessee acknowledges and agrees that neither the Lessor nor the University shall have any obligation whatsoever, under any circumstances, (x) to pay any Operating Expenses, (y) to pay any interest, principal or any other amounts due on the Loan or under the Loan Documents, or (z) to make any payment of any item described in the Loan Agreement or the other Loan Documents (including without limitation any account, fund or reserve described in the Loan Agreement or the other Loan Documents), except only to the extent the Lessor (or a designee of the Lessor) may expressly elect, in its sole determination, to assume any such obligations of the Lessee pursuant to other provisions of this Ground Lease.

Section 5. Taxes and Assessments.

(a) The Lessor and the Lessee intend that Lessor's interest in the Property and the Land will be exempt from ad valorem property taxation and special assessments of the State, or any municipality, or other political subdivision of the State pursuant to Governmental Regulations. Lessee shall be solely responsible for paying any ad valorem property taxes and special assessments against Lessee's interest in the Project and/or Property, provided, however that Lessee may apply for property tax incentives or abatements, including, but not limited to tax increment financing and a "payment in lieu of taxes" arrangement ("**Tax Incentives**"). The Lessor (in consultation with the University) and the Lessee shall in good faith identify and agree upon portions of the Project and/or Property and other community improvements consistent with the priorities and goals of the City of Knoxville to be funded through the Tax Incentives. Lessee will then apply for the Tax Incentives and Lessor will cooperate with Lessee at no cost to Lessor in such applications.

(b) Notwithstanding the preceding Paragraph (a) to the contrary, the Lessee shall pay any and all real property, personal property or other taxes, municipal service fees or other assessments or charges which are levied against Lessee or Lessee's leasehold estate and are payable with respect to any calendar or tax year or other period falling wholly or partly within the Term (all of which are hereinafter referred to collectively as "**Taxes**"), except that if any such tax, charge or assessment is levied with respect to a period beginning before the Commencement Date or ending after the Termination Date, the Lessee shall pay only that percentage thereof equaling the percentage of such period falling within the Term. The Lessee shall pay the Taxes as and when due and payable and before any interest, charge, fee or penalty is incurred for late payment thereof. The Lessee shall deliver to the Lessor the receipted bill for the payment of Taxes within ten (10) days after such payment is made.

(c) If the imposition of any Tax shall be deemed by the Lessee or the Lessor to be improper, illegal, or excessive, the Lessee may, in its own name, dispute and contest the same and, in such event and to the extent permitted by law, any such Tax need not be paid until adjudged to be valid; provided, however, the Lessee shall in writing first notify the Lessor of such dispute and contest, and then in good faith and by appropriate proceedings in accordance with applicable Governmental Regulations contest the same; provided that such contest does not place the Project in danger of being seized or forfeited. Unless so contested, any Tax shall be paid by the Lessee within the time provided by law, and if contested, any such Tax shall be paid before the sale pursuant to any Lien for Taxes on the Project or Property with respect thereto and evidence of the same reasonably satisfactory to Lessor is provided to Lessor. To the extent such cooperation is required by Governmental Regulations for such contest, Lessor shall cooperate in any such action or proceeding as reasonably requested in writing by Lessee, at Lessee's sole cost and expense, whether or not Lessor is joined pursuant thereto and Lessor agrees to take no action that would be adverse to Lessee in any such contest where Lessee seeks to reduce its obligation to pay Tax. Upon reasonable written request by Lessee, Lessor shall execute in its capacity as fee owner and promptly deliver to Lessee any documents or pleadings associated with such contest that Lessee may reasonably request in writing.

Section 6. Utility Services; Sewer.

(a) The construction of the Project shall include the following utility services to the Property: gas, water (including water for domestic uses and for fire protection), sanitary sewer and electricity ("**Utility Services**"). The improvements at the Parking Project and Entertainment District Site will be separately metered, the University will pay the cost of Utility Services for the Parking Project, as and when due ("**University Utility Bills**"). Lessee shall pay the bills and cost of all Utility Services provided to the Project. Notwithstanding the foregoing, and for the avoidance of doubt, while University will be providing and paying for the costs of all Utility Services provided to the Parking Project, the foregoing shall in no way obligate Lessor to provide and/or pay the same for the Project.

(b) Lessee will pay the cost of such Utility Services from the municipal utility provider, as and when due ("**Municipal Utility Bills**").

(c) At Lessee's reasonable written request, the University shall also provide its internet services to the Project. The cost of any upgrades to the systems required by Lessee shall be paid by Lessee. Lessee

shall also be entitled to, at its sole expense, install separate internet service for the Project. The parties shall cooperate to coordinate internet services and transition of service to the Project and to any adjoining properties of the University.

(d) In the event that any charge for any Utility Service supplied to the Parking Project that is the responsibility of University is not paid by the University to the utility supplier when due , then the Lessee may (but shall not be obligated to) give University written notice of such failure, and if University fails to pay the same within thirty (30) days after receipt of Lessee's notice, Lessee may pay such charge for and on behalf of the University, in which event the University shall pay such amount to the Lessee within thirty (30) days after demand by the Lessee.

(e) In the event that any charge for any Utility Service supplied to the Project that is the responsibility of Lessee is not paid by the Lessee to the municipal utility supplier when due (subject to the following Paragraph (f)), then the University or Lessor may (but shall not be obligated to) give Lessee written notice of such failure, and if Lessee fails to pay the same within thirty (30) days after receipt of University's or Lessor's notice, University or Lessor may pay such charge for and on behalf of the Lessee, in which event the Lessee shall pay such amount to the University or Lessor within thirty (30) days after demand by the University or Lessor, together with interest thereon at the Default Rate, and shall constitute Additional Rent. If the amount billed for any Utility Service shall be deemed by the Lessee to be improper, illegal or excessive, the Lessee may, in its own name, dispute and contest the same and, in such event and to the extent permitted by law and the applicable contract for the Utility Service, any such bill need not be paid until adjudged to be valid; provided, however, the Lessee shall in writing first notify the Lessor and University of such dispute and contest, and then in good faith and by appropriate proceedings in accordance with applicable Governmental Regulations and such contract contest the same; provided further that (x) such contest does not place the Project in danger of being seized or forfeited, and (y) the Utility Service shall not be terminated or suspended. Unless so contested, any such bill shall be paid by the Lessee within the time provided by law and such contract, and if contested, any such bill shall be paid before the imposition of a Lien on the Project or Property with respect thereto, unless (within thirty (30) days after the imposition or occurrence of any such Lien) such Lien is bonded or insured over (to University or Lessor) in accordance with applicable Governmental Regulations and (if applicable) such contract.

Section 7. Payments for the Lessee. If the Lessee fails to procure the insurance required to be procured by the Lessee under this Ground Lease or fails to pay any premium of insurance, Tax, or any other sum in this Ground Lease required to be paid by the Lessee, the University may, after expiration of the applicable notice and cure period specified in Section 30(a)(ii) as applicable, or elsewhere in this Ground Lease, at the option of the University, either with or without declaring an Event of Default, procure on behalf of the Lessee any such insurance, and pay on behalf of the Lessee any such payment or payments as may be necessary. Any sum(s) so paid or expended by the University or Lender shall be immediately due and payable by Lessee upon demand, together with interest thereon at the Default Rate, and shall constitute Additional Rent.

Section 8. Interest on Unpaid Amounts. Rent and other sums that are payable by the Lessee under this Ground Lease which are not paid within ten (10) days after the due date thereof shall bear interest at the Default Rate per annum from the due date thereof through the date payment of the same is made. If it becomes necessary for Lessor to bring suit for collection of any Rent, the Lessee agrees to pay any and all such reasonable expenses and costs as Lessor may incur, including, but not limited to, attorneys' fees actually incurred or reasonably determined to be the cost of legal services supplied by salaried employees of the Lessor, plus interest at the Default Rate on any amounts therefor expended by the Lessor, in the collection of such Rent.

Section 9. Compliance by the Lessee with Governmental Regulations. At all times during the Term, the Lessee and the Manager shall conform to, obey, and comply in all material respects with all Governmental Regulations. The Lessee shall obtain and maintain in force during the Term all licenses, permits and governmental approvals necessary for the operation of the Project. The Lessee, in its own name and at its sole cost and expense, shall have the right to contest the validity of any applicable Governmental Regulation, provided that such contest does not place the Project in danger of being seized or forfeited, such contest will not result in civil or criminal penalties

being imposed on the Lessee or the Lessor, such contest will not jeopardize the health, safety or welfare of Persons, such contest will not materially adversely affect the Lessee's ability to Substantially Complete the Project by the Guaranteed Completion Date. In the event, at any time during the Term, as the result of the Lessee's acts or failure to act when under affirmative duty to do so, any addition, alteration, change, or repair or other work of any nature, structural or otherwise, be lawfully required or ordered by an applicable Governmental Authority or becomes reasonably necessary on account of any applicable Governmental Regulation, the entire expense thereof, regardless of when the same shall be incurred or become due, shall be paid by the Lessee, and in no event shall the University or Lessor be called upon to contribute thereto. Upon any failure of the Lessee and/or the Manager to perform its obligations in this Section 9 for more than thirty (30) days after notice from the University and/or Lessor, the Lessor may perform the same at the Lessee's cost, in which event the Lessee shall reimburse the Lessor, on demand, as Additional Rent, for all payments, costs and expenses incurred by the Lessor, in taking such actions, together with interest thereon at the Default Rate.

Section 10. Quiet Enjoyment. The Lessor represents that it owns fee simple, marketable title to the Property subject to no restrictions, Liens, or other encumbrances other than Permitted Encumbrances. The Lessor further covenants and agrees that, throughout the Term and so long as no Lessee Event of Default exists hereunder, the Lessee and all Permittees may peaceably and quietly enjoy the Property subject, however, to applicable state and federal laws and regulations, applicable zoning and land use restrictions, Permitted Encumbrances, and the terms and conditions of this Ground Lease. Lessor shall not, without the prior written approval of Lessee, which approval Lessee may withhold in its reasonable discretion, encumber the Property with any easements, mortgages, liens or encumbrances which materially impact Lessee's rights or obligations hereunder.

Section 11. Operational Issues.

(a) **Advisory Committee**. The parties shall establish, coordinate, and oversee the activities of an "**Operations Advisory Committee**" to provide advice and consultation to the Lessee and the Manager on (i) collaborative activities between the Lessee and the University, (ii) Operating Standards, (iii) safe and orderly operations of the Entertainment District, and (iv) other operational issues as reasonably raised by the Lessee or the University. The Operations Advisory Committee shall confer annually, or more frequently as mutually determined by the Lessee and the University, and shall be comprised of six (6) members, two (2) of whom shall be appointed by the Lessee, one (1) of whom shall be appointed by the Manager, and three (3) of whom shall be appointed by the University. In the event of any change in an Operations Advisory Committee member, the party who originally appointed such member shall appoint a replacement member and provide written notice to the other Operations Advisory Committee members, the Lessee, and the University.

(b) **Resolution of Material Operational Risks**. If, at any time during the Term of this Ground Lease, the University, in its reasonable discretion and in good faith, determines that any of the Lessee's or the Manager's acts, omissions, services, activities, operations, offerings, or personnel present a Material Operational Risk to the safety, security, or reputation of the University or its employees, students, patrons, or affiliates, the parties shall resolve the Material Operational Risk in accordance with the following process:

(i) The University shall initiate the process by providing written notice to Lessee, identifying the Material Operational Risk and the basis for the University's concern, including whether the University has determined that the Material Operational Risk involves an imminent threat to life, health, or property.

(ii) Within five (5) business days of Lessee's receipt of the written notice, Lessee shall respond to the University in writing, describing a plan to address, rectify, remedy, and ultimately eliminate the Material Operational Risk ("**Mitigation Plan**"), provided that the Mitigation Plan shall not prevent in any material respect Lessee from operating in a manner consistent with the Primary Use and the Operating Standards. Notwithstanding the foregoing, if the Material Operational Risk involves an imminent

threat to life, health, or property, necessitating immediate action to prevent harm or damage ("**Exigent Circumstances**"), the Lessee shall respond to the University in writing with its Mitigation Plan as soon as reasonably possible, but in no event more than twenty-four (24) hours after receiving the University's notice.

(iii) No later than two (2) business days after receiving the Lessee's Mitigation Plan, University shall in good faith review the Mitigation Plan and either approve the Mitigation Plan in writing or make reasonable written modifications thereto.

(iv) If, within fifteen (15) days of receiving the University's written approval or modification of the Mitigation Plan and subject to the provisions of Section 16 below, the Lessee has not implemented the Mitigation Plan to the University's satisfaction in the University's reasonable discretion, the University may exercise any one or combination of the following remedies, provided that if the implementation of the Mitigation Plan requires more than fifteen (15) days and Lessee is pursuing the implementation of the Mitigation Plan diligently and in good faith, Lessee shall have such additional time as is reasonably required to complete such implementation:

(A) Termination of any intellectual property licenses from the University to the Lessee or its Affiliates;

(B) Termination of Lessee's rights to access or utilize University's programs or systems (e.g., off-campus merchant programs allowing acceptance of payment via Vol Card or similar student or staff account payment systems);

(C) Mandatory removal and replacement of the Manager, or specifically identified personnel thereof, by the Lessee within thirty (30) days of written notice by the University.

(c) For the purposes of clarity, the rights and remedies set forth in this Section 11 are cumulative and not exclusive of any rights or remedies available at law, in equity, or otherwise set forth in this Ground Lease, including without limitation Section 30. In the event the acts or omissions giving rise to a Material Operational Risk constitute an Event of Default hereunder, this Section 11 shall not be construed as a precondition to Lessor's right to exercise its remedies for Events of Default or any of Lessor's other rights hereunder.

Section 12. Operations.

(a) Lessee and/or Manager shall operate the Entertainment District consistent with the Primary Use or other such use approved by the Lessor in writing and shall ensure that the Entertainment District operations are safe, orderly and consistent with the Primary Use or other such use approved by the Lessor in writing, the reputation of the University of Tennessee and the safety of the student population.

(b) At any time during the Term, Lessee shall have the right to contract with a third party for the management, operation, and maintenance of the Entertainment District (the "**Management Services**") under the terms of a Management Agreement. Lessee shall have the right to remove and replace the Manager from time to time, subject to Lessor's reasonable approval of any Manager. The University, Lessee, and Manager shall establish from time to time appropriate key performance indicators in addition to the Operating Standards set out in **Exhibit F** (collectively the "**Operating Standards**") for the Management Services and the same shall be reviewed and amended, as appropriate, periodically by the Operations Advisory Committee. In the event that the University reasonably determines that Manager has failed to perform adequately under one or more Operating Standard, and such failure has not been addressed within thirty (30) days after referring the same to the Operations Advisory Committee, the University may provide written notice detailing Manager's failure to meet Operating Standard and Lessee and the University shall work in a commercially reasonable manner to address the items raised in the University's notice, up to and including the termination and replacement of the Manager. Until such time as a replacement Manager has been

engaged by Lessee, Lessee may continue to engage the existing Manager or a temporary Manager (including the proposed replacement Manager) until such time as a replacement Manager is in place. The Parties acknowledge and agree that failure by the Manager to meet Operating Standards shall not be considered an Event of Default under this Ground Lease provided that the Lessee works in good faith with the University to address the problem as provided herein.

(c) Entertainment District Employees. Lessee and/or the Manager shall conduct background checks on all employees prior to employment, including criminal and sex offender registry checks. Lessee shall not employ or permit the Manager to employ any employee at the Entertainment District who is a registered sex offender.

(d) Go Dark. Lessee shall cause the Entertainment District to be operated continually until the expiration or earlier termination of this Ground Lease. For the avoidance of doubt, failure to operate the Entertainment District continually as described in section (i-iii) below constitutes an Event of Default.

(i) Go Dark for a CCFM Event. After constructing the Entertainment District subject and pursuant to the terms and conditions hereof, Lessee ceases operating the Entertainment District because of a Force Majeure Event, a casualty pursuant to Section 26 hereof, or a condemnation pursuant to Section 27 hereof) (individually and collectively, a "**CCFM Event**") for a period in excess of one (1) year, for reasons other than a Permitted Closure (as hereinafter defined);

(ii) Go Dark Without Cause. After constructing the Entertainment District subject and pursuant to the terms and conditions hereof, Lessee ceases operating the Entertainment District for any reason other than for a CCFM Event for a period in excess of one hundred eighty (180) days, for reasons other than a Permitted Closure;

(iii) Permitted Closure. As used herein, the term "**Permitted Closure**" means a temporary period during which Lessee fails to operate the Project as a result of (i) alterations or renovations being performed in and to the Project, provided that such alterations or renovations are diligently and in good faith being pursued to completion; (ii) a closure because of an act or omission of Lessor, including a breach of this Ground Lease, (iii) cessation of operations resulting from review of operations and adoption and implementation modified or updated concepts provided that such process is diligently and in good faith pursued to completion; provided that any changes from the Primary Use must be approved by the Operations Advisory Committee) or (iv) any other cessation of operations expressly permitted under this Ground Lease.

Section 13. Intellectual Property Rights. No party may use the intellectual property rights of the other party unless mutually agreed upon by Lessor and Lessee in writing.

(a) **Special Provisions Relating to Lessor's Intellectual Property Rights.** Without limiting the generality of the previous sentence, Lessee shall not use the trademarks, copyrights, names, logos, marks, facilities, color combinations, fonts, or any other indicia, "University of Tennessee," "UT," "UTK," "Volunteers," "Vols" or other similar names, terms, or phrases that could reasonably be interpreted as associating Lessor with the Project or that infringe on any of Lessor's marks, seals, logos, trademarks or other intellectual property (collectively, "**Trademarks**") without first entering into a separate written agreement with Lessor as to such usage. Notwithstanding the foregoing, it is understood by Lessor and Lessee that the use of Lessor's intellectual property rights, subject to Lessor's approval, the terms of any separate written intellectual property agreement between the parties, and Section 11, in the branding and operations of the Entertainment District Project is an important component of the Project and part of the anticipated use of the Entertainment District.

(b) **Assignment of License Agreements; Name of Project Improvements; Trademarks.** Lessee hereby grants, conveys and assigns to Lessor, effective upon the expiration or earlier termination of this Ground Lease, all license agreements, trademarks, logos and other images and intellectual property owned by Lessee that are

used solely to advertise or identify the Project and all similar intangible rights relating solely to the Project; provided, however, if a New Lease is entered into under Section 31(e) hereof, then upon execution of such New Lease, all of the license agreements, trademarks, logos, and other images and intellectual property that were assigned by Lessee to Lessor under this Ground Lease will be reassigned to the Lessee under the New Lease, without recourse or warranty, and such reassignment provision shall be included in such New Lease.

Section 14. Construction of Improvements.

(a) **Construction of Project Improvements**. Lessee shall, at Lessee's sole cost, risk, and expense, develop and construct, or cause to be developed and constructed, the Entertainment District Project in accordance with the terms and conditions of the Plans and Specifications, this Ground Lease, and applicable Governmental Regulations, and shall use commercially reasonable efforts to adhere to the Project Schedule.

(b) **Construction Contracts**. The Lessee shall enter into the General Construction Contract and the Architect's Agreement. The University, on behalf of the Lessor, hereby approves the Construction Contracts relating to the Project and acknowledges receipt of copies of the final forms thereof for the Lessor's approval. In addition:

(i) The Lessee also hereby covenants to the Lessor that the Lessee shall fully and timely pay undisputed amounts and perform all covenants of the "Owner" or "Borrower" under the Construction Contracts.

(ii) Notwithstanding any provision of this Ground Lease to the contrary, nothing in this Ground Lease (including the provisions of this Section) shall be deemed to require the Lessor to pay or perform any of the covenants, indemnities, liabilities and obligations of the Lessee under the Construction Contracts.

(iii) The Lessee hereby agrees to promptly give the Lessor copies of any written default notice received or given by the Lessee under each of the Construction Contracts.

(iv) If, before Final Completion of the Project, if the General Contractor is terminated, or a party to any such other Construction Contracts are dismissed or suspended or withdraws from such capacity, due to a default under such other Contract Document for more than ninety (90) days, then the Lessee shall not enter into any replacement of such Contract Document and/or retain any replacement party to such other Contract Document without the Lessor's prior written consent in each instance, such consent to be given in the Lessor's reasonable discretion (except to the extent, if any, required otherwise in the Construction Contract.

(v) In addition to the foregoing and without limitation to any of the Lessee's obligations in this Section 14 or elsewhere in this Ground Lease, the Lessee hereby agrees that, to the extent the Construction Contracts are enforceable directly by the Lessor, the Lessee hereby irrevocably consents to the Lessor's full or partial enforcement or forbearance from enforcement thereof at any time and from time to time, subject to the rights of the Lender pursuant to the Loan Agreement.

(vi) Lessor shall direct any inquiries or directions concerning the design and construction of the Project to the Lessee and shall not give instructions or directions to the Architect or the General Contractor.

(c) **Default in Construction**. If there shall be a material default (as defined under the applicable Construction Document) by the Entertainment District General Contractor, or the Architect in connection with the Design, Development and/or Construction of the Project (after expiration of any applicable notice and cure

periods contained therein), the Lessee shall exercise its business judgement in elections to exercise appropriate rights and remedies available (i) to the Lessee under the relevant Construction Contracts.

(d) **Commencement of Construction**. The Lessee shall commence and use commercially reasonable efforts to pursue to Final Completion the Construction of the Project on the Property and associated site development within the boundaries of the Property, in accordance with the Construction Contracts and in accordance with the Project Schedule.

(e) **Construction Approvals by the Lessor**. Lessor acknowledges receipt of a copy of the Plans and Specifications, which the Lessor hereby approves in all respects.

(f) **Change Orders**.

(i) The Lessee may order, authorize, or perform any change or substitute work or materials in prosecuting the construction of the improvements described in the Plans and Specifications or the Construction Contract that Lessee deems reasonably appropriate for the construction of the Project (a **"Change Order**"), provided that any Change Order which may reasonably be expected to materially and adversely affect (a) the exterior appearance or aesthetics of the Project, (b) the University's brand, including logos, name and reputation, (c) the structural durability of the Project (inclusive of the Project Base) and/or the Parking Project, or (d) the University's adjoining properties (a "**Material Change Order**") shall be subject to Lessor's prior written approval (in consultation with the University), and Lessor agrees it will endeavor to promptly respond with its approval or disapproval within ten (10) Business Days after receipt. If the Lessor does not give notice of its approval or disapproval of such Material Change Orders within ten (10) Business Days after Lessee's written delivery of the Material Change Order to Lessor, the Lessee shall provide Lessor with a second written notice of the Material Change Order. If the Lessor does not give notice of its approval or disapproval of such Material Change Orders within five (5) Business Days after Lessee's delivery of the second written notice, Lessor shall be deemed to have approved the Material Change Order; *provided, however*, in no event shall any matter be deemed approved by Lessor pursuant to the foregoing if the same would result in Lessor (or any of its Affiliates) incurring or becoming liable for any costs or financial obligations that are either (A) not contemplated herein or (B) in excess of/in addition to what is contemplated herein. Approval of Change Orders by the Lessor shall not relieve the Lessee from the obligation to obtain all other necessary approvals and permits required by various Government Regulations from complying in all material respects with the Plans and Specifications, the Construction Contracts, and all applicable Government Regulations. The Lessor shall not unreasonably withhold or condition the approval required by this subsection.

(ii) The Lessee will deliver to Lessor copies of all Change Orders which are not Material Change Orders promptly after Lessee's approval thereof,

(g) **Construction According to the Plans and Specifications**. To the extent reasonably possible, Development and Construction of the Project shall be done so as to minimize disruption of the University's Campus operations. All Construction activities shall be coordinated with Lessor who in turn shall coordinate with the appropriate departments of the University (such departments and representatives of those departments shall be identified in the pre-construction meeting). A mandatory pre-construction meeting shall be conducted by the Lessee prior to the start of any construction activities for the purpose of reviewing security procedures, utility coordination, access to the Property, and Construction coordination issues. The meeting shall be attended, at a minimum, by the Lessor Representative, the Lessee Representative, and the Entertainment District General Contractor's Project Manager and superintendent. The Lessor reserves the right to monitor (through its employees or its construction consultant at Lessor's sole cost and expense) the Lessee's Construction of the Project from its inception to its Final Completion, including participation in all Construction meetings contemplated by the Construction Contracts. Notwithstanding the foregoing, Lessor shall not interfere in any material respect with the orderly progression of

Construction, shall not direct the General Contractor or any subcontractors, materialmen, laborers, or Lessee's employees or representatives, shall observe all safety procedures imposed by the General Contractor, and shall provide reasonable notice of all site visits as required in the Construction Contract. At a minimum, the following restrictions are placed upon Construction activities, and the Lessee will provide for the incorporation of these restrictions in the Construction Contracts:

(i) access to the Construction site(s) on the Property will be subject to safety restrictions determined by the General Contractor;

(ii) the Lessee will use commercially reasonable efforts to notify the Lessor in writing at least seventy-two (72) hours in advance when coordination meetings requiring the University's and/or Lessor's participation are required;

(iii) the Lessee will use commercially reasonable efforts to cause the General Contractor to be responsible for all Project site safety and access requirements set forth in the Construction Contract to be satisfied;

(iv) the Lessee, throughout the Construction period, shall be responsible for the enforcement of discipline and good order among the workers on the Construction site(s) on the Property;

(v) construction signage shall be in conformity with the Construction Contract;

(vi) the Lessee and the Lessee's contractors shall not bury or burn or otherwise dispose of Construction debris on the Land, the Property or any other part of the Campus; and

(vii) Construction activities will comply with all applicable Governmental Regulations.

(h) **All Liens and Rights are Subordinate to the Lessor.** The Lessee shall not create or permit to be created or to remain, and shall discharge, any Lien, encumbrance, or charge levied on account of any mechanic's, laborer's, or materialman's Lien, or any security agreement, conditional bill of sale, title retention agreement, chattel mortgage, or otherwise (a "**Lien**") that might or does constitute a Lien, encumbrance, or charge upon the Project, or any part thereof, or the income therefrom. Further, to the extent permitted by law, Lessee shall use commercially reasonable efforts to cause the rights of any Lien holder, to be and remain subordinate, inferior, and junior to the Lessor's title, interest, and estate in the Property and to attach only to Lessee's leasehold interest. Nothing in this Ground Lease shall be deemed or construed in any way as constituting the consent or request of the University or the Lessor, express or implied, by inference or otherwise, to the filing of any Lien against the Land, or Lessor's interest in the Property, by any contractor, subcontractor, laborer, materialman, architect, engineer, or other Person for the performance of any labor or the furnishing of any materials or services for or in connection with the Property or any part thereof, all such Lien rights being limited to the Lessee's leasehold interest in the Property. Lessee shall cause any Lien to be discharged (including by bond) or insured over (to Lessor's and Lender's benefit) within fifteen (15) business days after receiving notice or knowledge thereof from any source or any shorter period of time as may be imposed by Governmental Regulations for discharge by bond. Notwithstanding the foregoing, Lessee shall be entitled to contest any such Lien, in good faith and by appropriate proceedings, as long as Lessee bonds or insures over in favor of Lessor and Lender such Lien.

(i) **Payment of Bills for Construction.** The Lessee covenants and agrees to pay or cause to be paid, currently as they become due and payable in accordance with the terms of the Construction Contracts and the applicable Loan Documents, all bills for labor, materials, insurance, and bonds, and all fees of architects, engineers, contractors, and subcontractors and all other costs and expenses incident to any construction in or on the Project; provided, however, that the Lessee may, in good faith, in its own name, dispute and contest any such bill, fee, cost, or

expense, in accordance with Paragraph (h) above, and on condition that such contest will not adversely affect the Lessee's ability to Substantially Complete the Project by the Guaranteed Completion Date, and in such event any such item need not be paid until adjudged to be valid. Unless so contested by the Lessee, all such items shall be paid by the Lessee within the time provided by law, and if contested, any such item shall be paid before the issuance of an execution on a final judgment with respect thereto.

(j) **Failure to Complete Construction**. The Lessee covenants and agrees that in the event (i) the Lessee shall fail to commence Construction of the Project within 90 days of the Substantial Completion of the Parking Project, (ii) once commenced, abandon or fail to continue Construction for a period of ninety (90) consecutive days, or (iii) fail to complete the Construction of the Project undertaken by the Lessee in each case in accordance with the requirements of this Ground Lease, the Lessor may, following sixty (60) days prior written notice of such failure and the Lessee's failure to cure the same, at its option elect to terminate this Ground Lease; Such option to terminate will be without any obligation to do so and without prejudice to any other rights the Lessor may have under this Ground Lease and in all cases will be subject to the rights of the Lender.

(k) **Title to the Project.** The title to the Project and all other improvements now or hereafter Constructed or located on the Property, including those to be Constructed in accordance with the Plans and Specifications and the Construction Contracts, shall be vested in the Lessee until the Termination Date, at which time all title to and ownership of the Project and all other improvements to or upon the Property or related to the Project shall automatically and immediately vest (without the necessity of any further action being taken by the Lessee or the Lessor or any instrument being executed and delivered by the Lessee to the Lessor) in the Lessor.

(l) **Reserved.**

(m) **Construction Areas.** The Lessee shall confine its operations to the Land and shall not store any material or equipment or conduct any Construction work, preparation or staging on property of the Lessor, except as set forth herein or as approved in writing (in the Lessor's sole discretion) and subject to such conditions as may be reasonably specified and approved by the University and the Lessor (the "**Construction Areas**"). The Lessee shall protect all work and shall use commercially reasonable efforts to cause the General Contractor to use commercially reasonable efforts to keep the Construction Areas reasonably clean and free from waste materials and rubbish.

(n) **Reports and Information**. The Lessee shall provide Lessor and the University with Monthly Progress Reports in form and detail reasonably satisfactory to the Lessor demonstrating compliance with the Plans and Specifications for the previous month. In addition, reports as to compliance or noncompliance with the Project Schedule shall be updated at least monthly. The Lessee shall deliver or cause to be delivered to Lessor and the University copies of all soil reports, surveys, hazardous wastes or toxic materials reports, feasibility studies, and other similar written materials prepared for or delivered to the Lessee pursuant to the Construction Contracts with respect to the Property within ten (10) days after receipt by the Lessee. All correspondence and documents related to the Construction of the Project shall be available for review and inspection by the University at the construction office of Lessee on or near the Campus.

(o) **Final Completion of Project**. As soon as practicable after the Substantial Completion of the Project (but in all events no later than the deadline in the Construction Contract for Final Completion of the Project), the Lessee shall furnish to Lessor and the University:

(i) one (1) complete set of final "as-built" plans and specifications of the completed improvements as required by the Construction Contract;

(ii) a current, accurate, properly labeled, and certified (by the hereafter stated surveyor or engineer), "as-built" plat of survey prepared by a Tennessee registered land surveyor or

professional engineer depicting to scale the location of the completed improvements, as the same have been Constructed; and

(iii) to the extent delivered by the General Contractor, one (1) complete set of operations and maintenance manuals for all systems, equipment, furniture, and fixtures relating to the Project.

(p) **Lessee Access**. Notwithstanding anything to the contrary herein, the Lessee shall have access to the Property twenty-four (24) hours a day, seven (7) days a week, three hundred sixty-five (365) days a year, subject to the limitations set forth in this Ground Lease.

(q) **Failure to Provide Project on Schedule**. The Lessee shall cause the Construction of the Project to be Substantially Complete in substantial accordance with the Plans and Specifications and all Governmental Regulations, with all costs thereof fully paid (including any and all costs in excess of the Loan proceeds), and all Liens fully paid or bonded, no later than the Guaranteed Completion Date. If Substantial Completion of the Project does not occur by the Guaranteed Completion Date, as the same may be modified or adjusted pursuant to the terms of this Ground Lease, the Lessee shall nevertheless commence payment of Gross Rent on the date established in Section 3(a) above.

(r) **Payment and Performance Bonds**. Prior to commencement of Construction, the Lessee shall provide or cause to be provided to the Lessor payment and performance bonds and/or subcontractors default insurance as required by the Construction Contracts and to the extent required to comply with State requirements and regulations. The bonds shall be multiple obligee surety bonds payable in favor of the Lessee, as primary obligee, and in favor of Lender and the Lessor as additional obligees.

(s) **Guaranty of Completion; Assignment of Construction Contracts**. Lessee shall provide such guaranty of completion and assignment of construction contracts that are required by and satisfactory to the Lender. Lessor shall be named as a subordinate beneficiary of such guaranty of completion and a secondary assignee of Lessee's rights under and to the Construction Contract.

Section 15. Uses. The Entertainment District shall be limited to the Primary Use. Any changes from the Primary Use must be reviewed and approved by the Operations Advisory Committee. For clarity, the following uses are not within the Primary Use and shall be prohibited:

(a) Any "adult" business, including, without limitation, any store featuring or specializing in pornography, sexual books or sexual literature, sex toys or sexual paraphernalia.

(b) Any business featuring or specializing in recreational or illegal drugs, including legal THC products, books or products or clothing associated with recreational or illegal drugs.

(c) Any business promoting or selling firearms or weapons;

(d) Any bar, nightclub, liquor store or other business selling exclusively or primarily packaged (or by the drink) liquor, wine or beer for on-site consumption or take-out; provided that this shall exclude restaurants or other businesses with liquor, wine or beer sales that are incidental to their sales of food or other permitted retail sales and in full compliance with relevant and applicable ordinances, liquor laws, and Governmental Regulations. Further, businesses are prohibited from offering reduced price alcoholic beverage promotions that i) offer free alcoholic beverages for any purpose, ii) provide an unlimited number of alcoholic beverages for a fixed price, iii) discount alcoholic beverages more than 50% off the regular advertised price, or iv) discount alcoholic beverages based on gender.

(e) Any business selling exclusively or primarily cigar or cigarette or other tobacco products or e-cigarette or vaping products, and any business that permits the onsite use/ingestion of tobacco products (including, without limitation, cigarettes) within any portion of its premises (whether indoors or outdoors); *provided, however*, the onsite use or ingestion of tobacco products, indoor or outdoor, may be permitted if the same if reviewed and receives unanimous approval of the Operations Advisory Committee.

(f) Any sexually oriented massage parlor or "strip" club.

(g) Any restaurant/bar that features (i) servers in sexualized attire, such as a Hooters or Twin Peaks, and/or (ii) deliberately insulting and/or provocative service, such as a Dick's Last Resort.

(h) Any business or use that (a) creates strong unusual or offensive odors, fumes, dust or vapors (b) is a public or private nuisance, (c) emits noise or sounds that are objectionable due to intermittence, beat, frequency, shrillness or loudness, or (d) has flashing lights or signs, strobe lights, search lights or loudspeakers.

(i) Businesses that offer tattoos or piercings or similar services.

(j) Businesses that permit patrons to place bets that are facilitated by the business.

(k) Convenience or grocery stores.

(l) Businesses that offer second hand items or operate as clearance or firesale stores or similar retail establishments.

(m) Businesses that offer animals for sale.

Section 16. Dispute Resolution Procedures.

(a) **Intent**. It is intended by the parties to resolve all disputes or other matters in question arising out of or relating to the interpretation, application, performance or breach of any term, covenant or condition of this Ground Lease through reasonable business-like negotiations without resort to litigation, if possible. If a dispute should arise regarding the obligations of Lessor or Lessee pursuant to this Ground Lease, the parties shall attempt to resolve the dispute in accordance with the provisions of this Section 16 (collectively, the "**Dispute Resolution Procedures**") prior to or during the pendency of any litigation. Neither Lessor nor Lessee shall cease or delay performance of its obligations under this Ground Lease during the existence of any dispute, and each party shall pay to the other all amounts owing and not subject to dispute or offset.

(b) **Resolution Procedure**. Lessor and Lessee shall attempt to resolve any disputes in accordance with the following procedures:

(i) Special Meeting. Lessee or Lessor may call a special meeting for the resolution of disputes. The meeting shall be held within fifteen (15) business days after a written request for the meeting, which request shall specify the nature of the dispute to be resolved. The meeting shall be attended by representatives of Lessee and Lessor. In the event that any party representative is, or will be accompanied by an attorney actively practicing law, then that representative shall give the other party not less than ten (10) business days' prior notice of such fact so that both parties may be accompanied by counsel.

(ii) Mediation. If the dispute has not been resolved within fifteen (15) business days after the special meeting has occurred, the parties may mutually agree to initiate a mediation proceeding which shall, unless all parties to such proposed mediation proceeding agree otherwise, be conducted by an independent mediator agreed to by the parties. The parties shall bear their respective mediation costs.

(iii) Evidentiary Rules. The proceedings under this Section 16 shall be subject to the applicable evidence rules and code of the State of Tennessee. Further, the parties agree that evidence of anything said or presented, or of any admission made during or in the course of the special meeting or mediation shall not be admissible in evidence or subject to discovery, and disclosure of such evidence shall not be compelled, in any arbitration, court action or proceeding. All communications, negotiations, or settlement discussions by and between participants or mediators in the mediation shall remain confidential. This provision shall not limit the discoverability or admissibility of evidence if all parties who conducted or otherwise participated in the mediation consent to its disclosure. The parties expressly agree that the presentation of evidence from any expert or consultant shall not waive any attorney-client or other privilege or exclusionary rule a party may later seek to assert in another proceeding.

(c) **Limitations**. The Dispute Resolution Procedures shall not in any way affect any statutes of limitation or statutes of repose relating to any claim, dispute or other matter or question arising out of or relating to this Ground Lease or the breach thereof. These Dispute Resolution Procedures may be conducted before or during the pendency of any other legal proceedings.

Section 17. Reserved.

Section 18. Reserved.

Section 19. Reserved.

Section 20. Assignment of Lease.

(a) **No Transfers without Lessor's Consent**. Except as otherwise expressly provided in this Ground Lease (including, without limitation, this Section 20,Section 31, and the Permitted Encumbrances), the Lessee, and its successors and assigns, shall not (and shall not have the right to) assign, sublease, pledge, mortgage, grant a security interest in, encumber or otherwise transfer or dispose of this Ground Lease or any interest herein or in the Property or any right or privilege appurtenant hereto, or lease, ground lease or sublease the Property or any portion thereof, or permit or suffer any of the same to occur (each, a "**Transfer**"), unless in each case the written consent of the Lessor is first obtained, such consent not to be unreasonably withheld; *provided, however*, and for the avoidance of doubt, the parties hereto expressly agree that any transfer of a direct or indirect ownership interest in Lessee that constitutes greater than twenty-five percent (25%) of the voting interests in Lessee shall be deemed a "Transfer" under this Ground Lease and, in accordance with this Section 20(a), require the prior written consent of the Lessor. Subject to Section 20(c), Lessor's consent shall not be required for (i) any Transfer after Final Completion of the Project if the proposed Assignee is a Qualified Assignee, (ii) any proposed Transfer prior to Final Completion if the Proposed Assignee is a Qualified Replacement Developer, (iii) any proposed Leasehold Mortgage to a Leasehold Mortgagee, (iv) any Transfer of any direct or indirect ownership interest in any entity that holds a direct or indirect ownership interest in Lessee (each such entity, an "**Indirect Owner**"), to or among one or more Affiliates of such Indirect Owner or of Lessee, so long as no such Transfer results in a change in the control of Lessee and, prior to Final Completion, Lessee is (including, by having an Indirect Owner that is) or engages a Qualified Replacement Developer to oversee the Development of the Project, and (v) any Transfer of direct or indirect ownership interest in Lessee that constitutes 25% or less of the voting interests in Lessee. **In all cases the proposed assignee or transferee must be a Qualified Assignee**.

(b) **Assignment; Assumption by Assignee**. No Transfer shall occur unless the assignee or transferee shall expressly, in writing, assume all the obligations of the assignor first arising under this Ground Lease, from and after the date of the Transfer, and if prior to final completion, the General Construction Contract and Architect Agreement to which the Lessee is a party, such written instrument expressly to be for the benefit of, enforceable by and delivered to the Lessor.

(c) **Right of First Offer**.

(i) If at any time during the Term Lessee desires to sell, transfer, or convey its interests in the Project, and no Event of Default by Lessor has occurred under this Ground Lease and is continuing beyond any and all applicable cure periods, Lessee shall provide Lessor with a written notice ("**ROFO Offer Notice**") containing the following terms: (1) a purchase price; (2) the payment terms for the proposed transaction (*i.e.*, cash or seller financing); (3) a draft of the purchase and sale agreement for the Project (the "**Initial ROFO PSA Draft**") and access agreement for due diligence activities; and (4) identification of the escrow agent and title company for the transaction (which, for the avoidance of doubt, must be reasonably acceptable to Lessor) and a copy of any existing survey, title report, and third party reports in Lessee's possession related to the condition of the Project that would otherwise be disclosed to a third party purchaser of the Project. Lessor or one of Lessor's affiliated foundations may elect to purchase the Project by delivering to Lessee a copy of the ROFO Offer Notice signed by Lessor within thirty (30) days following Lessor's receipt of the ROFO Offer Notice (the "**ROFO Response Period**"), and the sale and purchase of the Project shall be consummated on the terms set forth in the ROFO Offer Notice and in accordance with Section 20(c)(iii). Lessor shall reasonably endeavor to provide Lessee a response to the ROFO Offer Notice as soon as is practicable; provided, however, that nothing contained herein shall require Lessor to provide a response prior to the expiration of the ROFO Response Period.

(ii) If Lessor fails to deliver a written acceptance notice within the ROFO Response Period, then Lessor shall be deemed to have rejected the ROFO Offer Notice and Lessee shall be permitted to sell the Project subject to the limitations set forth in Section 20(c)(iv).

(iii) If the Lessor or one of the Lessor's affiliated foundations (the "**ROFO Purchaser**") desires to exercise its right to purchase the Entertainment District under this Section 20(c) (the "**ROFO Right**"), Lessor shall sign and return the ROFO Offer Notice to Lessee prior to the expiration of the ROFO Response Period (the "**ROFO Exercise Date**") and ROFO Purchaser shall deliver a non-refundable deposit in the amount of $1,000,000 to the escrow agent identified by Lessee in the ROFO Offer Notice, which non-refundable deposit shall be disbursed to Lessee if either the parties fail to enter into the ROFO Purchase Agreement or if the parties enter into the ROFO Purchase Agreement but the transaction fails to close for any reason other than Lessee's default. Within ten (10) days of ROFO Exercise Date, Lessee and ROFO Purchaser shall enter into an access agreement permitting ROFO Purchaser to commence due diligence activities in connection with its acquisition of the Project for a period of ninety (90) days from the ROFO Exercise Date (the "**ROFO Feasibility Period**"). For the duration of the ROFO Feasibility Period, the Parties shall use commercially reasonable efforts to negotiate, in good faith, a purchase and sale agreement in the form of the Initial ROFO PSA Draft on terms and conditions set forth in ROFO Offer Notice and as set forth herein (the "**ROFO Purchase Agreement**"). The parties hereto expressly agree and acknowledge that the ROFO Purchase Agreement shall be subject to the approval of all Governmental Authorities as required by applicable law. The ROFO Purchase Agreement will include the following terms: (i) the ROFO Purchaser will deposit with the escrow agent identified in the ROFO Offer Notice any additional earnest money in the amount set forth in the ROFO Offer Notice; (ii) the inspection period shall expire upon the expiration of the ROFO Feasibility Period, at which point the additional earnest money under the ROFO Purchase Agreement shall be non-refundable but applicable to the purchase price, absent a default by Lessee under the ROFO Purchase Agreement; (iii) the condition of the Project will be "as-is, where-is" except for customary representations and warranties for similar projects in major markets located in the southeastern United States; (iv) both (A) final approval of the ROFO Purchase Agreement by all applicable Governmental Authorities and (B) the closing of the sale of the Project under the ROFO Purchase Agreement shall each occur no later than sixty (60) days following the expiration of the ROFO Feasibility Period; and (v) such other terms and conditions as are customary for similar projects in the Knoxville, Tennessee. Once the parties enter into the ROFO Purchase Agreement, the terms and conditions of the ROFO Purchase Agreement shall govern the sale of the Project to ROFO Purchaser. If (1) ROFO Purchaser and Lessee, despite their good

faith efforts, are unable to agree upon and execute the ROFO Purchase Agreement prior to the expiration of the ROFO Feasibility Period, (2) ROFO Purchaser terminates the ROFO Purchase Agreement prior to the expiration of the ROFO Feasibility Period or does not close on the acquisition of the Project in accordance with the ROFO Purchase Agreement, or (3) Lessee terminates the ROFO Purchase Agreement as a result of a default by ROFO Purchaser under the ROFO Purchase Agreement, then Lessee may effect a ROFO Disposition of the Project subject to the limitations set forth in Section 20(c)(iv).

(iv) If Lessor does not elect or is deemed to have waived its right to purchase the Project within the ROFO Response Period or a condition in Section 20(c)(iii)(1), (2) or (3) has occurred, then Lessee may sell the Project to a Qualified Assignee at a purchase price equal not less than ninety-five percent (95%) of the purchase price set forth in the ROFO Offer Notice. The sale of the Project must occur no later than three hundred sixty-five (365) days after the expiration of the ROFO Response Period (the "**ROFO Disposition Period**"). If the closing of the sale of the Project does not occur to a Qualified Assignee within the ROFO Disposition Period, or if the proposed purchase price is less than ninety-five percent (95%) of the purchase price set forth in the ROFO Offer Notice, Lessor's ROFO Right shall be reinstated and shall be in full force and effect with respect to the Project, and Lessee shall again be required to comply with the requirements set forth in this Section 20(c).

(v) If Lessee closes a sale of the Project following compliance with this Section 20(c) (subject to modifications approved or deemed approved by Lessor in accordance with Section 20(c)(iv)), then such sale shall be made free and clear of the ROFO Right; *provided, however*, that the Lessor shall retain the ROFO Right as to the transferee and the Project from and after the date such transferee assumes the obligations of the Lessee under this Ground Lease and associated documents.

(vi) At Lessee's option, Lessee may elect to advise Lessor prior to the issuance of a formal ROFO Offer Notice that Lessee intends to issue a formal ROFO Offer Notice and request that Lessor provide Lessee with a non-binding indication of Lessor's interest. In such event, Lessor will have a period of thirty (30) days to advise Lessee of whether it is interested in receiving the ROFO Offer Notice or to waive its right to receive the ROFO Offer Notice, in which case Lessee shall be permitted to sell the Project subject to the limitations set forth in Section 20(c)(iv) (which shall be interpreted as if the "ROFO Response Period" commences as of the date Lessor waives its right to receive the ROFO Offer pursuant to Section 20(c)(iv) but at a purchase price determined by Lessee.

Section 21. Maintenance of Property.

(a) **Maintenance**. The Lessee and/or the Manager shall, at all times during the Term, keep and maintain the Property or cause the Property to be kept and maintained, in good and clean condition and repair and in working order, including but not limited to cleaning, painting, decorating, plumbing, carpentry, grounds care (unless otherwise provided by the Lessor) replacement of Personalty, capital improvements and other maintenance, repair and replacement work as may be necessary, in order to maintain the Project in compliance with the standards set forth in the Management Agreement. In the event the Lessee fails to perform any of its obligations as required hereunder, within thirty (30) days after receipt of written notice to Lessee and/or the Manager from the Lessor or the University of such failure to comply, the Lessor or the University may (but shall not be required to) perform and satisfy same, and the Lessee hereby agrees to reimburse the Lessor or the University, as applicable, as Expense(s), for the reasonable cost thereof within twenty (20) days of receiving written demand (accompanied by documentation supporting such expenditures) from the Lessor or the University, as applicable, which amounts shall constitute Additional Rent.

(b) **Alterations/Improvements**. Following Final Completion of the Project, Lessee may, at its sole cost, risk, and expense, make improvements or alterations to the Project in its discretion; *provided, however*, that any alteration or improvement which may reasonably be expected to materially and adversely impact (i) the exterior appearance or aesthetics of the Project, including exterior components which may impact the University's brand or

Campus aesthetics, (ii) the structural integrity of the Parking Project, or (iii) the structural integrity of or access to the University's adjoining properties (a "**Material Alteration**") shall be subject to Lessor's prior written approval, and the Lessor agrees it will endeavor to promptly respond with its approval or disapproval within ten (10) Business Days after receipt. If the Lessor does not give notice of its approval or disapproval of such Material Alteration within ten (10) Business Days after Lessee's written delivery of the Material Alteration to Lessor, the Lessee shall provide Lessor with a second written notice of the Material Alteration. If the Lessor does not give notice of its approval or disapproval of such Material Alteration within five (5) Business Days after Lessee's delivery of the second written notice, Lessor shall be deemed to have approved the Material Alteration; *provided, however*, in no event shall any matter be deemed approved by Lessor pursuant to the foregoing if the same would result in Lessor (or any of its Affiliates) incurring or becoming liable for any costs or financial obligations that are either (A) not contemplated herein or (B) in excess of/in addition to what is contemplated herein. Lessee's request for approval of a Material Alteration shall include a reasonably detailed description of the proposed Material Alteration, including a preliminary proposed schedule and preliminary plans and specifications, to the extent applicable. When available, Lessee shall provide to Lessor copies of the final plans and specifications related to the Material Alterations which shall be consistent with the information provided to Lessor in the approval notice. Approval of Material Alterations by the University shall not relieve the Lessee from the obligation to obtain all other necessary approvals and permits required by various Governmental Authorities. For the avoidance of doubt, subsections (h), (i) and (m) of Section 14 shall be deemed restated in this Section 21(b) and must be complied with (as applicable) by Lessee in connection with any improvements or alterations to the Project contemplated in this Section. The Lessor shall not unreasonably withhold, delay or condition the approval required by this subsection.

(c) Commencing in the fifth (5th) Annual Period following Substantial Completion of the Project, and at least every five (5) years thereafter and at any time upon reasonable request by the University based upon evidence of a material concern, the Lessee will cause a comprehensive facilities condition assessment report to be performed on the Project by an Independent Engineer or the University. The cost of the facilities condition assessment report shall be paid as an Expense. The Lessee, in consultation with the University, will determine the nature and scope of services and deliverables to be provided by the Independent Engineer and the schedule, budget and funding by the Lessee of its implementation of remedial action in accordance with the requirements of this Ground Lease to address any defects or deficiencies identified in such report with respect to any additional improvements or area of the Total Project, if any, that are the responsibility of the Lessee under this Ground Lease; provided, however, that defects or deficiencies identified in the report shall not need to be addressed in the event the same (i) are scheduled to be addressed during the next Annual Period pursuant to the Annual Budget and (ii) are non-essential items that may improve usability of the improvements but do not impact life safety, the welfare of customers or visitors, code compliance, or building functionality. Notwithstanding the above, the initial report shall be performed by an Independent Engineer and thereafter may be performed by the University to the extent it employs, hires, retains or engages an engineer or firm of engineers duly admitted to practice engineering in the State with expertise in property management, maintenance and reporting to perform an assessment on its buildings.

(d) The Lessee, in consultation with the University, will establish key performance indicators under the Management Agreement that enable the Lessee and the University to evaluate the performance of the Manager in its scope of work.

(e) The Manager will be a Qualified Facilities Manager approved in writing by the University, such approval not to be unreasonably withheld.

Section 22. Reports, Plans and Budgets. The Lessee shall cause to be provided to the University all reports, plans, maintenance plans and budgets required in the Management Agreement in such detail and as and when so required pursuant to the terms of the Management Agreement.

Section 23. Parking Project. After Lessor has retired all of its indebtedness on the Parking Project, Lessor shall have the option in its sole discretion to add the Parking Project to **Exhibit A-1** of this Ground Lease upon 180

days' notice to Lessee. Lessee will continue to pay Rent as described herein. The Lessee shall continue to operate the Parking Project as a parking deck and shall undertake the maintenance obligations of the Parking Project as set forth in the Parking Use Agreement and receive all revenue associated with the Parking Project. Any modifications to the Parking Project that changes the usage must be approved by the Operations Advisory Committee in the same manner as a change of a Primary Use.

Section 24. Indemnification.

(a) **Indemnification by the Lessee**. The Lessee hereby agrees to defend, indemnify and hold harmless the Lessor and the University and all of their trustees, officers, employees, directors, agents, and consultants (hereinafter collectively referred to as the "**Lessor Indemnitees**") of and from any and all actual third party claims, demands, liabilities, losses, costs, or expenses for any loss (including expenses and reasonable attorneys' fees) arising out of, resulting from or due to (i) any intentional, reckless or negligent act or omission on the part of the Lessee, its agents or employees, or others working at the direction of the Lessee or on its behalf, or (ii) any violation of Governmental Regulations by the Lessee or such other Persons. This indemnification will also inure to the successors and assigns of the Lessor Indemnitees and will also be binding upon the successors and assigns of the Lessee, and this indemnification will survive the expiration or termination of this Ground Lease and the dissolution or, to the extent allowed by law, the Bankruptcy of the Lessee. This indemnification does not extend to claims to the extent arising out of the intentional, reckless or negligent act or omission of the Lessor, its agents or employees, or others working at the direction of the Lessor at the Project or claims exclusively between the undersigned parties arising from the terms or regarding the interpretation of this Ground Lease. The insurance required to be provided by the Lessee under the terms of this Ground Lease shall be security for but shall not be in satisfaction of the Lessee's indemnification obligations hereunder.

(b) **Lessor Liability**. Nothing herein shall be deemed to be a waiver by Lessee of any liability Lessor may have for the acts and omissions of Lessor, the University, UTK or their respective employees arising from or otherwise relating to this Ground Lease to the extent permitted by applicable law.

Section 25. Insurance. The Lessee shall provide insurance coverages set forth in **Schedule 1** attached hereto.

Section 26. Damage and Destruction.

(a) In the event the Property is damaged or destroyed (in whole or in part) by fire or other casualty, the Lessee shall promptly notify the Lessor and the University and either the Lessee shall repair, replace, rebuild, restore, and/or re-equip the Property promptly to substantially the same condition thereof as existed prior to the event causing such destruction or damage with such changes, alterations, and modifications (including the substitution and addition of other property) as the Lessor and the University shall approve in writing (if any) as will not impair the value or the character of the Property (the "**Restoration**"), or the Net Insurance Proceeds shall be applied to the repayment of the Loan and any balance shall be applied in accordance with subsection (e) below (or some combination of the above); *provided, however*, that so long as the Lessor's indebtedness secured by the Property remains outstanding, the Lessee shall be obligated to undertake the Restoration. Notwithstanding the foregoing, subject to Section 26(h), and for the avoidance of doubt, in the event the Property is so damaged or destroyed as provided hereinabove, the Lessor shall not have any obligation to participate in or pay for any portion or aspect of the Restoration except and to the extent of any Net Insurance Proceeds it receives (or would receive in the event that Lessor self insures) in connection with any interest it has in the Project.

(b) All insurance proceeds shall be paid to the Lender and deposited and held in the Insurance and Condemnation Fund established under the Loan Agreement to be applied, as fully as practicable, in one or more of the following ways as shall be directed in writing by the Lessee within sixty (60) days from the date of such deposit:

(i) subject to the requirements of subsection (d) of this Section, such Net Insurance Proceeds shall be applied to the Restoration of the Property; or

(ii) such Net Insurance Proceeds shall be transferred to the Leasehold Mortgagee to be applied to the repayment of the Loan Agreement; or

(iii) such Net Insurance Proceeds shall be applied in some combination permitted by the foregoing clauses (i) and (ii) of this subsection (b).

(c) After completion (and payment in full of the costs) of the Restoration, all remaining Net Insurance Proceeds (if any) shall be paid to Lessee.

(d) Before the Lender may apply any Net Insurance Proceeds pursuant to Paragraph (b)(i) of this Section, the Lessee shall have furnished to the Lessor and the Lender (i) a construction contract and any architect's agreement relating to such repair, restoration, or replacement and collateral assignments of such contracts first to the Lender and second, to the Lessor and the University, (ii) complete plans and specifications relating to such repair, restoration, or replacement (the "**Restoration Plans and Specifications**"), (iii) a certificate of an Independent Engineer that states that such repair, restoration, or replacement, if completed in accordance with the Restoration Plans and Specifications, will (A) restore the Property and/or Project to substantially the condition thereof immediately preceding the damage, destruction, or condemnation and (B) comply with all applicable statutes, codes, and regulations; (iv) a certificate of the Lessee stating that sufficient moneys are available to (A) pay for such repair, restoration, or replacement and, (B) together with available business interruption insurance proceeds and other Project revenues, pay Debt Service Payments on the Loan and Expenses during the period of repair, restoration, or replacement; (v) applicable Lien waivers or conditional Lien waivers; (vi) evidence of the existence of performance and payment bond for the applicable general contractor; and (vii) evidence that the Lessee has acquired all permits and licenses necessary for such construction; in addition to those requirements listed in (i) through (vii) above. The Lender shall retain five percent (5%) of the requested disbursements to be disbursed upon final completion of the repair, replacement, or restoration as certified by an Independent Engineer and receipt of certificates of occupancy, waivers of Liens, and Lessee shall have access to such retention to be disbursed upon final completion. If at any time during the period of repair, restoration, or replacement, the insurance or casualty proceeds shall be less than the estimated remaining costs to restore, repair, or replace the Property and/or Project, the Lessee shall provide the Lender with cash or cash equivalents in an amount equal to the shortfall.

(e) Any balance of such Net Insurance Proceeds remaining after application pursuant to the preceding Paragraphs of this Section or remaining because of the failure of the Lessee to furnish to the Lessor and the Lender the items required by subsection (d) and (e) of this Section shall be transferred to Lessee. If and when the Loan shall have been fully paid (or provision for payment thereof shall have been made in accordance with the Indenture), any remaining balance of such Net Insurance Proceeds shall be paid to the Lessor, which payment shall constitute “additional rent” hereunder.

(f) Before the Lender may apply any Net Insurance Proceeds pursuant to Paragraph (b)(i) of this Section, the Lessee shall have furnished to the Lessor and the Lender (i) a certificate of an Independent Engineer (A) to the effect that the Property can reasonably be expected to be restored, within a period of twenty-four (24) months from the receipt of such Net Insurance Proceeds, to substantially the condition thereof immediately preceding such damage or destruction and in a condition that constitutes Restoration, (B) setting forth the estimated cost of the proposed repair, rebuilding, restoration, or re-equipping of the Property, including an allowance for contingencies, and the estimated date of completion of such repair, rebuilding, restoration, and re-equipping, and (C) to the effect that all amounts necessary to accomplish the proposed repair, rebuilding, restoration, and re-equipping are on deposit in the Restoration Fund and (ii) a certificate of the Lessee, or the Independent Engineer to the effect that all permits, licenses, accreditations, and other governmental approvals necessary for restoration of the Property are in full force and effect. If the Independent Engineer advises that he cannot give the certificate described in the preceding clause

(i), then, before the Net Insurance Proceeds are applied pursuant to Paragraph (b)(ii) of this Section, Lessor shall have sixty (60) days after such advice, at the Lessor's option, to commit to contributing such additional funds to the costs of Restoration as shall be necessary for the Independent Engineer to give such certificate, in which case (A) the Net Insurance Proceeds and such additional funds shall be applied *pari passu* to the costs of Restoration pursuant to Paragraph (c)(i) of this Section, and (B) the Lessor shall thereafter be reimbursed for such contributions as "Additional Rent".

(g) Notwithstanding anything else herein contained, the provisions of the Loan Documents shall control in all respects the receipt, handling and application of any and all insurance proceeds, it being acknowledged and agreed that the Lender and any other permitted Leasehold Mortgagee, as their respective interests may appear, shall have a first and prior security interest therein.

(h) In the event that a casualty event causes damage/destruction to ***both*** the Parking Project and the Project, the following shall control:

(i) If the Lessor, elects, in writing and at its option, for the Parking Project (on which the Project sits) to be rebuilt/restored, the Lessor's Net Insurance Proceeds shall be used to restore the Parking Project and the Lessor shall bear any additional costs necessary to complete the repair, rebuild, and restoration of the Parking Project to substantially the same condition thereof as existed prior to the casualty (or condemnation, as applicable) event causing such destruction or damage (the "**Parking Project Restoration**").

(ii) If the Lessor, at its option, does not affirmatively elect (in writing) for the Parking Project Restoration yet the Lessee does so wish to undertake the Parking Project Restoration, the Lessor shall assign its Net Insurance Proceeds to the Lessee and the Lessee shall thereafter be responsible for the Parking Project Restoration, including, without limitation, any additional costs necessary to complete the repair, rebuild, and restoration of the Parking Project.

(iii) If the Lessor does not affirmatively elect (in writing) for the Parking Project Restoration ***and*** the Lessee does not so wish to undertake the Parking Project Restoration, this Ground Lease shall be terminated and be of no further effect, provided, however, Lessee shall not be released of its obligations under this Ground Lease until Lessee delivers a "pad-ready" site (as commonly used and understood in the construction industry) to Lessor which, for the avoidance of doubt, shall require the Property to be clear and devoid of any of the Improvements and/or the remnants thereof.

(iv) For the avoidance of doubt, in no event shall the Lessor ever be obligated to undertake the Parking Project Restoration. If Lessor does not elect to undertake the Parking Project Restoration, the Lessee may undertake the same at its own expense, along with any Net Insurance Proceeds made available to the Lessor (which shall be assigned to the Lessee) in connection with the underlying casualty event.

Section 27. Condemnation.

(a) In the event all or substantially all of the Property shall be taken under the exercise of the power of eminent domain by any governmental body or by any Person acting under Governmental Authority, or if so much of the Property shall be so taken so that the remainder of the Property shall not reasonably be capable of being used for its intended purpose, as reasonably determined by the Lessor (each of the foregoing a "**Condemnation Event**"), the Lessee shall promptly notify in writing the Lender, the Lessor and the University, and the Net Condemnation Proceeds shall be applied and paid *first* pursuant to the Loan Agreement and *second* (to the extent of any Net Condemnation Proceeds remaining after such application) to the Lessor. Notwithstanding the foregoing, subject to Section 27(g) hereinbelow, and for the avoidance of doubt, in the event the Property is so impacted by a

Condemnation Event, the Lessor shall not have any obligation to participate in or pay for any portion or aspect of the restoration of the Project except and unless the Lessor receives any Net Condemnation Proceeds in connection with any interest it has in the Project.

(b) In the event less than all or substantially all of the Property shall be taken under the exercise of the power of eminent domain by any governmental body or by any Person acting under Governmental Authority, the Lessee and the Lessor shall cause the Net Condemnation Proceeds received by them or any of them from any award made in such eminent domain proceedings to be paid to the Lender and deposited and held in the Condemnation Fund to be applied, as fully as practicable, in one or more of the following ways as shall be directed in writing by the Lessor within sixty (60) days from the date of such deposit (subject to the consent of the Lender, which consent shall not be unreasonably withheld):

(i) subject to the requirements of subsection (d) of this Section, such Net Condemnation Proceeds shall be applied to the Restoration of the Property (provided that in this Section 27, the "value or character of the Property" in the definition of "Restoration" shall take into account the portion of the Property so taken); or

(ii) such Net Condemnation Proceeds shall be transferred to the Leasehold Mortgagee to be applied to the repayment of the Loan pursuant to the Loan Agreement in the same order as set forth in clauses (A) and (B) of Paragraph (c); or

(iii) such Net Condemnation Proceeds shall be applied in some combination permitted by the foregoing clauses (i) and (ii) of this subsection (b), provided that if the Lessor does not within such sixty (60) day period direct the application of the Net Condemnation Proceeds pursuant to the preceding clauses (ii) or (iii), then the Net Condemnation Proceeds shall be applied pursuant to the preceding clause (i).

(c) After completion (and payment in full of the costs) of the Restoration (pursuant to the preceding subsection 26(b)(i)), all remaining Net Condemnation Proceeds (if any) shall either (A) be deposited into the Loan Agreement and applied to the repayment of all or a portion of the Loan in accordance with the provisions of the Loan Agreement, or (B) if the Loan shall no longer be outstanding, be paid to the Lessor, which payment shall constitute "additional rent" hereunder.

(d) Before the Lender may apply any Net Condemnation Proceeds pursuant to Paragraph (b)(i) of this Section, the Lessee shall have furnished to the Lessor and the Lender (i) a certificate of an Independent Engineer (A) to the effect that the Property can reasonably be expected to be restored, within a period of twenty-four (24) months from the receipt of such Net Condemnation Proceeds, to substantially the condition thereof immediately preceding such damage or destruction and in a condition that constitutes Restoration, (B) setting forth the estimated cost of the proposed repair, rebuilding, restoration, or re-equipping of the Property, including an allowance for contingencies, and the estimated date of completion of such repair, rebuilding, restoration, and re-equipping, and (C) to the effect that all amounts necessary to accomplish the proposed repair, rebuilding, restoration, and re-equipping are on deposit in the Restoration Fund and (ii) a certificate of the Lessee, or the Independent Engineer to the effect that all permits, licenses, accreditations, and other governmental approvals necessary for restoration of the Property are in full force and effect. If the Independent Engineer advises that he cannot give the certificate described in the preceding clause (i), then, before the Net Condemnation Proceeds are applied pursuant to Paragraph (b)(ii) of this Section, Lessor shall have sixty (60) days after such advice, at the Lessor's option, to commit to contributing such additional funds to the costs of Restoration as shall be necessary for the Independent Engineer to give such certificate, in which case (A) the Net Condemnation Proceeds and such additional funds shall be applied *pari passu* to the costs of Restoration pursuant to Paragraph (b)(i) of this Section, and (B) the Lessor shall thereafter be reimbursed for such contributions as "Additional Rent".

(e) Before the Lender may apply any Net Condemnation Proceeds pursuant to Paragraph (b)(i) of this Section, the Lessee shall have furnished to the Lessor, the University and the Lender (i) a construction contract and any architect's agreement relating to such repair, restoration, or replacement, (ii) the Restoration Plans and Specifications, (iii) a certificate of an Independent Engineer that states that such repair, restoration, or replacement, if completed in accordance with the Restoration Plans and Specifications, will (A) restore the Property and/or the Project to substantially the condition thereof immediately preceding the damage, destruction, or condemnation and (B) comply with all applicable statutes, codes, and regulations; (iv) a certificate of the Lessee stating that sufficient moneys are available to (A) pay for such repair, restoration, or replacement and, (B) together with available business interruption insurance proceeds and other Project revenues, pay Debt Service Payments on the Loan and Expenses during the period of repair, restoration, or replacement; (v) applicable Lien waivers or conditional Lien waivers; (vi) evidence of the existence of performance and payment Loan for the applicable general contractor; and (vii) evidence that the Lessee has acquired all permits and licenses necessary for such construction; in addition to those requirements listed in (i) through (vii) above. The Lender shall retain five percent (5%) of the requested disbursements to be disbursed upon final completion of the repair, replacement, or restoration as certified by an Independent Engineer and receipt of certificates of occupancy, waivers of Liens. If at any time during the period of repair, restoration, or replacement, the condemnation proceeds shall be less than the estimated remaining costs to restore, repair, or replace the Property and/or the Project, the Lessee shall provide the Lender with cash or cash equivalents in an amount equal to the shortfall.

(f) Any balance of such Net Condemnation Proceeds remaining after application pursuant to the preceding Paragraphs of this Section or remaining because of the failure of the Lessee to furnish to the Lessor and the Lender the items required by subsection (d) of this Section shall be applied in repayment of the Loan Agreement pursuant to the Loan Agreement. If and when the Loan shall have been fully paid (or provision for payment thereof shall have been made in accordance with the Loan Agreement), any remaining balance of such Net Condemnation Proceeds shall be paid to Lessor, which payment shall constitute "additional rent" hereunder.

(g) Upon the occurrence of a Condemnation Event that impacts both the Parking Project and the Project, the following shall control:

(i) If the Lessor, elects, in writing and at its option, for the Parking Project Restoration, the Lessor's Net Condemnation Proceeds shall be used for the Parking Project Restoration and the Lessor and the Lessee shall share equally in any additional costs necessary to complete the for the Parking Project Restoration.

(ii) If the Lessor, at its option, does not affirmatively elect (in writing) for the Parking Project Restoration yet the Lessee does so wish to undertake the Parking Project Restoration, the Lessor shall assign its Net Condemnation Proceeds to the Lessee and the Lessee shall thereafter be responsible for the Parking Project Restoration, including, without limitation, any additional costs necessary to complete the repair, rebuild, and restoration of the Parking Project.

(iii) If the Lessor does not affirmatively elect (in writing) for the Parking Project Restoration *and* the Lessee does not so wish to undertake the Parking Project Restoration, this Ground Lease shall be terminated and be of no further effect.

(iv) For the avoidance of doubt, in no event shall the Lessor ever be obligated to undertake the Parking Project Restoration. If Lessor does not elect to undertake the Parking Project Restoration, the Lessee may undertake the same at its own expense, along with any Net Condemnation Proceeds made available to the Lessor (which shall be assigned to the Lessee) in connection with the underlying condemnation event.

(v) If all or substantially all of the Project or of Lessee's interest in this Ground Lease shall be taken in condemnation proceedings or by any right of eminent domain for a temporary use or occupancy, the Term shall not be reduced or affected in any way but Rent shall be abated until such time as the taking or condemnation ends. Except only to the extent that Lessee is prevented from so doing pursuant to the terms of any order of the condemning authority, Lessee shall continue to perform and observe all of the other covenants, agreements, terms and provisions of this Ground Lease as though such taking had not occurred.

Section 28. Estoppel Certificates.

(a) The Lessor, the University and the Lessee will execute, acknowledge and deliver to the other promptly upon written request, but in any case, no later than ten (10) Business Days of such request, a certificate certifying as to the following, to the extent true and accurate (or stating modifications to make the same true and accurate):

(i) Validity of Lease: that this Ground Lease is unmodified and in full force and effect (or, if there have been modifications, that this Ground Lease is in full force and effect, as modified, and stating the modifications) and, if requested, attaching a copy of this Ground Lease and any and all modifications;

(ii) Defaults by the Lessee: that no notice has been given by the Lessor or the University to the Lessee of any failure to comply under this Ground Lease that has not been cured and to the best of its knowledge and belief no Event of Default exists (or, if there has been any notice given or an Event of Default exists, describing the same).

(iii) the amounts and dates of payment of Rent;

(iv) such reasonable information as may be requested about the Loan and Leasehold Mortgages;

(v) that the Lessee has no defenses, rights of setoff or counterclaims; that the Lessee has no option to purchase the Property;

(vi) stating then applicable Termination Date; and

(vii) any other matters requested that are reasonably or typically required by landlords and tenants under similar ground leases.

(b) Certificates from the Lessor, the University and the Lessee pertaining to the same matters may be relied upon by any prospective mortgagee or by any prospective assignee of an interest under this Ground Lease or by any prospective sublessee as to all or any portion of the Property.

(c) Certificates of the Lessor and/or the University will be certified as to the actual, not imputed, knowledge of the signatory.

Section 29. Access to Property. The Lessor, the University and their authorized representatives, agents, employees, and attorneys may, but shall be under no duty to, enter the Property and the Project at reasonable times and hours, to inspect the Property and the Project in order to determine whether the Lessee is complying with its undertakings, duties, and obligations under this Ground Lease, to make such necessary repairs, additions, improvements, changes, or alterations to the Property and/or the Project as the University may elect to make in accordance with the terms and provisions hereof (the University agreeing to provide five (5) Business Days' prior

written notice of its intent to make such necessary repairs, additions, improvements, changes, or alterations to the Property and/or the Project, except in the case of an emergency where no such prior notice shall be required), and to exhibit the same to prospective purchasers, operators, mortgagees, or tenants of the Property and/or the Project. Such entry, inspection and repairs, additions, improvements, changes, or alterations as the Lessor may make of the Property shall not constitute an eviction of the Lessee in whole or in part, and the Rent shall in no way abate by reason of loss or interruption of the business of the Lessee or otherwise while such work is being done. The University agrees to employ its reasonable efforts to minimize any interruption to the business operations of the Lessee resulting from the University's (or its designated representatives') work in or on the Property and/or the Project. Nothing herein contained, however, shall be deemed or construed to impose upon the University any obligation or liability whatsoever for care, supervision, repair, improvement, additions, improvement, change, or alteration to the Property and/or the Project other than as herein expressly provided. Further, nothing in this Section shall be construed to permit the University to make any material changes, improvements, and/or alterations to the Property and/or the Project, including, without limitation, any demolition or removal thereof if such action would violate any restrictions imposed upon the Lessee with respect to the same under any Loan Document.

Section 30. Events of Default and Remedies.

(a) **Events of Default of Lessee Defined.** The following shall be "**Events of Default of Lessee**" or "**Lessee Events of Default**" under this Ground Lease, and the term "**Event of Default**" shall mean, whenever it is used herein, any one or more of the following events:

(i) The Lessee shall fail to pay any Gross Rent or Percentage Rent, as and when due, for more than ten (10) days after the Lessor shall have given written notice to the Lessee of such non-payment.

(ii) The Lessee shall fail to pay any Additional Rent, if, as and when due, for more than twenty (20) days after the Lessor shall give written notice to the Lessee of such non-payment.

(iii) The Lessee shall fail to perform or cause to be performed any term, covenant, condition, or provision hereof, including, but not limited to, the failure of Lessee to operate the Project in accordance with the requirements of this Ground Lease other than referred to in (i) and (ii) above, and to correct such failure within thirty (30) days after written notice specifying such is given to the Lessee by the Lessor. In the case of any such failure that cannot with due diligence be corrected within such thirty (30) day period but can be wholly corrected within a period of time not materially detrimental to the rights of the Lessor, it shall not constitute an Event of Default if corrective action is instituted by the Lessee within the applicable period and diligently pursued until the failure is corrected, on condition that such failure is corrected.

(iv) The Lessee shall be adjudicated a Bankrupt.

(v) A permanent receiver shall be appointed for the Lessee's interest in the Property and such receiver shall not be removed within ninety (90) days after notice from the Lessor to the Lessee to obtain such removal.

(vi) The Lessee shall make a general assignment for benefit of creditors.

(vii) The Property or the Lessee's effects or interests therein shall be levied upon or attached under process against the Lessee, and the same shall not be satisfied or dissolved within thirty (30) days after notice from the Lessor to the Lessee to obtain satisfaction or dissolution thereof.

(viii) The Lessee shall cease operating the Entertainment District in accordance with the terms of this Ground Lease for any reason other than stated in Section 12(d)(iii).

(b) **Remedies.** Subject to the provisions of Section 31, upon the occurrence of an Event of Default, the Lessor may pursue one of the following remedies:

(i) Subject to Paragraphs (c) of this Section 30, terminate this Ground Lease, by giving written notice of such termination ("**Notice of Termination**") to the Lessee and to the Leasehold Mortgagee, which termination shall be effective as of the date given in the Notice of Termination, and the Term shall expire on such date;

(ii) Subject to Paragraphs (c) of this Section 30, reenter and repossess any or all of the Property, provided that, as long as any of the Loan shall remain outstanding, (A) the Lessor shall continue to comply with its obligations under Section 31 and (B) the pledge of Revenues under the Loan Documents shall not be negated, impacted or adversely affected;

(iii) Perform, on behalf and at the expense of the Lessee, any obligation of the Lessee under this Ground Lease which the Lessee has failed to perform, the cost of which performance by the Lessor, together with interest thereon at the Default Rate from the date of such expenditure, shall be payable by the Lessee to the Lessor, upon demand;

(iv) Enforce, in the name of and on behalf of the Lessee, any and all rights and remedies with respect to the Construction Contracts and any security therefor, under and pursuant to the Subordinated Collateral Assignment of Construction Contracts;

(v) Cure such Event of Default in any other manner, the cost of which cure by the Lessor, together with interest thereon at the Default Rate from the date of such expenditure, shall be payable by the Lessee to the Lessor, upon demand; and

(vi) Pursue any combination and/or sequence of such remedies and/or any other right or remedy available to the Lessor in respect to the Lessee on account of such Event of Default under this Ground Lease or at law or in equity, at any time and from time to time, including, without limitation, the acceleration of Rent, provided that termination of this Ground Lease shall be subject to subsections (c) hereof.

(c) The Lessor shall not exercise its remedies set forth in subsections (b)(i) or (b)(ii) above unless (i) the Lessor shall first give notice to the Leasehold Mortgagee that an Event of Default has occurred and is continuing and (ii) such Event of Default shall remain uncured for sixty (60) days after the giving of such notice in the case of an Event of Default of the type described in Section 30(a)(i) or 30(a)(ii) (a "**Rent Event of Default**") or for sixty (60) days after the giving of such notice as to any other Event of Default (a "**Non-Rent Event of Default**"), provided, however, that in the case of a Non-Rent Event of Default and notwithstanding the passage of such sixty (60) day period, the Lessor shall continue to refrain from exercising its remedies set forth in subsections (b)(i) or (b)(ii) above if and for so long as all of the following conditions shall be and remain satisfied: (A) within such sixty (60) day period, the Lender shall give notice to Lessor that the Lender shall cause the Event of Default to be cured, (B) the Lender shall diligently and continuously pursue the cure of such Event of Default, including diligently and continuously taking steps to foreclose the Lien of its Leasehold Mortgage and take such other steps as are available to assume control of the Property and the Project and, if necessary or advisable, remove and replace the Manager, as the case may be, and propose replacements thereof subject to the Lessor's consent in each instance, (C) the Lender shall diligently and continuously take steps to continue and complete the Design, Development, Construction, Substantial Completion and Final Completion of the Project, if the Project is not then Substantially Complete or Finally Complete, as the case may be, and to cause the obligations of the Lessee to be performed and to take all necessary steps to ensure that all Restoration of the Property under Sections 26 and 27 is performed, (D) any and all obligations of Lessee under this Ground Lease shall be timely and fully paid and performed, without mitigation, delay or extension of any kind, (E) after Substantial Completion of the Project, the Project shall be and continue to be managed, operated and used solely in accordance with this Ground Lease and with satisfaction of the standards and requirements of the

Management Agreement, and (F) Revenues shall be applied as provided in the Loan Agreement. The Lender shall be deemed to be diligently pursuing the cure of any Non-Rent Event of Default if all necessary, reasonable and appropriate actions are being taken, or have been taken, to attempt to cure such Non-Rent Event of Default, notwithstanding the fact that such Non-Rent Event of Default may never be cured or be capable of being cured. Notwithstanding the foregoing provisions to the contrary, if (x) a Rent Event of Default is not cured within the sixty (60) day period described above or (y) a Non-Rent Event of Default (other than solely an Event of Default of the types described in Sections 30(a)(iv), (v) and (vi) ("**Non-Curable Event of Default**")) is not cured within one hundred eighty (180) days after the Lessor shall have given the notice of such Event of Default to the Lender, or (z) any of the conditions in the preceding clauses (A) through (F) of this Paragraph shall not be and remain satisfied, then Lessor may at any time or times, but subject always to the provisions of Section 31 hereof, terminate this Ground Lease and/or give the Notice of Termination.

(d) Without limiting the generality of the foregoing provisions of subsections (b)(i) or (c) above, the Lessor shall not be deemed to have accepted any abandonment or surrender by the Lessee of any or all of the Property or the Lessee's leasehold estate under this Ground Lease unless the Lessor has so advised the Lessee expressly and in writing, regardless of whether the Lessor has reentered or relet any or all of the Property or exercised any or all of the Lessor's other rights under this Section 30 or Governmental Regulations. No termination of this Ground Lease, or summary dispossession proceedings, abandonment, reletting, Bankruptcy, re-entry by the Lessor vacancy, or exercise of any of Lessor's rights and remedies shall relieve the Lessee of any of its liabilities and obligations under this Ground Lease (whether or not any or all of the Property is relet).

(e) RESERVED

(f) Until this Ground Lease shall be terminated or shall expire, including under Section 30(b)(i) or (c), or the Loan shall be paid, all Revenues shall be subject to the operation, Lien and effect of the Loan and the other Loan Documents and shall be collected, deposited and applied as set forth therein.

(g) RESERVED

(h) RESERVED

(i) **Extinguishment of the Lessee's Rights**. Upon the termination or expiration of this Ground Lease for any cause (except to the extent a New Lease is entered into pursuant to Section 31(e) hereof), at the option of Lessor: (a) all rights and interests of the Lessee, and all persons whomsoever claiming by, through or under the Lessee, shall immediately cease and terminate, and the Property, including all buildings, improvements, engines, machinery, dynamos, generators, boilers, furnaces, elevators, fire escapes, and all lifting, lighting, heating, cooling, refrigerating, air conditioning, ventilating, gas, electric and plumbing apparatus, any other fixtures attached to or within the Property, and all personal property located thereon which is surrendered at lease expiration, shall thence forward constitute and belong to and be the absolute property of the Lessor or the Lessor's successors and assigns, without further act or conveyance, and without liability to make such compensation to the Lessee or to anyone whomsoever, and free and discharged from all and every Lien, encumbrance, claim and charge of any character created or attempted to be created by the Lessee at any time. The Lessee agrees, at the termination of this Ground Lease, to surrender unto the Lessor, all and singular the Property with then existing Personalty, structures and improvements Constructed and located on and in the Property, in good and clean condition, natural and normal wear and tear excepted, and comply with all of its obligations relating to termination under the Management Agreement; or (b) Lessee or its successor will demolish its improvements and deliver possession of the Project Base in a "pad ready" condition.

(j) **Prepaid Items Assigned.** Upon expiration of the Term, or upon the prior termination of this Ground Lease from any cause, all expense items prepaid by the Lessee with respect to Constructing, operating, maintaining, and protecting the Property, including, but not limited to, prepaid insurance premiums, any tax and utility

deposits, shall inure to the benefit of and become the property of the Lessor, and the Lessee does hereby transfer, assign and convey any such prepaid expense items to the Lessor.

(k) **Events of Default of Lessor.** The following shall be "Events of Default" of Lessor under this Ground Lease:

(i) The Lessor shall be adjudicated a Bankrupt.

(ii) A permanent receiver shall be appointed for the Lessor's interest in the Property and such receiver shall not be removed within sixty (60) days after notice from the Lessee to the Lessor to obtain such removal.

(iii) The Lessor shall fail to perform or cause to be performed any term, covenant, condition, or provision hereof, other than referred to in (i) and (ii) above and to correct such failure within thirty (30) days after written notice specifying such is given to the Lessor by the Lessee. In the case of any such failure that cannot with due diligence be corrected within such thirty (30) day period but can be wholly corrected within a period of time not materially detrimental to the rights of the Lessee, it shall not constitute an Event of Default if corrective action is instituted by the Lessor within the applicable period and diligently pursued until the failure is corrected, on condition that such failure is corrected.

(iv) The failure of Lessor to execute and deliver any document, agreement or instrument (such as a nondisturbance, attornment and subordination agreement, any estoppel certificate, any permit application, any subdivision plan, any agreement with any Leasehold Mortgagee or subtenant, etc.) requested by Lessee and required to be given by Lessor in accordance with the provisions of this Ground Lease and the continuation of such failure for thirty(30) days after written notice from Lessee specifying the nature and extent of such failure.

(l) **Remedies of Lessee**. If an Event of Default occurs by Lessor, Lessor shall only be responsible for the same to the extent permitted by applicable law as the same may be limited by Tenn. Code Ann. § 9-8-301, et seq. and other legal limitations relating to sovereign immunity.

Section 31. Mortgaging the Leasehold. The Lessee, and every permitted successor and assign of the Lessee shall have the right to encumber its leasehold interest in this Ground Lease, as applicable, without the Lessor's consent, under any one or more "**Leasehold Mortgage**" to and for the benefit of the Leasehold Mortgagee. If, from time to time, the Lessee or the Lessee's successors and assigns shall encumber this Ground Lease, with a Leasehold Mortgage, the holder thereof shall, prior to its effectiveness, deliver to the Lessor an executed counterpart of such Leasehold Mortgage, together with each assignment and/or extension, modification or supplement thereof, certified by such holder to be true together with (x) all documents secured thereby or related thereto or to the loan secured thereby (including all promissory notes, Loan Agreements, guarantees and Loan Documents) and (y) written notice specifying the name and address of such holder, the amount and repayment terms of the underlying loan, and, if applicable, the pertinent recording data with respect to such Leasehold Mortgage. In furtherance of the foregoing, the Lessor and Lessee agree that, anything in this Ground Lease to the contrary notwithstanding, the following provisions shall apply to each such Leasehold Mortgage:

(a) **Consent to Amendment.** There shall be no cancellation, surrender or modification of this Ground Lease by the Lessor or the Lessee without the prior written consent of the Leasehold Mortgagee. Notwithstanding the foregoing (but, in any event, subject to the Leasehold Mortgagee's curative rights set forth in this Section 31), nothing herein shall be deemed to prohibit the Lessor from terminating this Ground Lease in accordance with its terms.

(b) **Notices to Leasehold Mortgagees.** The Lessor, upon serving the Lessee with any notice of an Event of Default, failure to comply, or termination, shall simultaneously serve a copy of such notice on the Leasehold Mortgagee. In the event Lessor shall serve the Lessee with a notice of a failure to comply with any term, covenant, condition, or provision hereof, the Leasehold Mortgagee shall have the rights set forth in Section 31(j), and the Lessor shall accept performances by or at the instigation of the Leasehold Mortgagee as if it had been done by the Lessee. Any notice required to be given to the Leasehold Mortgagee shall be given in any manner permitted in Section 34 and addressed to the Leasehold Mortgagee at the address and to the attention of the person designated to the Lessor by such Leasehold Mortgagee to receive copies of such notices and shall be deemed to have been served as of the date the said notice is received or refused by such Leasehold Mortgagee.

(c) **Assignment.** The Lessor agrees that in the event of any foreclosure under any Leasehold Mortgage, either by judicial proceedings or under power of sale contained therein, or in the event of any conveyance by assignment of the leasehold under this Ground Lease in lieu of foreclosure, all right, title and interest encumbered by such Leasehold Mortgage may, without the consent of the Lessor, be assigned to and vested in the purchaser at such foreclosure sale or transferee under such deed in lieu of foreclosure, and may without the consent of the Lessor, subsequently be assigned in a bona fide sale by any such purchaser at such foreclosure sale or such transferee of such assignment in lieu of foreclosure to any other Person, subject and subordinate, however, to the rights, title and interests of the Lessor; and, notwithstanding that the Lessor's consent to said assignment shall not have been obtained, any such assignee shall be vested by virtue of such assignment with any and all rights of the party whose estate was encumbered by such Leasehold Mortgage as though the Lessor had consented thereto. **Notwithstanding the Lessor's consent to assignment not having been obtained, any such assignment must be to a Qualified Assignee.**

(d) **Right of First Refusal**. It is agreed that any right of first refusal, right of first offer or the purchase option set forth in this Ground Lease does not apply to a sale in foreclosure of a Leasehold Mortgage or to an assignment in lieu of such foreclosure to the mortgagee thereunder as described in the preceding Section 31(c), but, notwithstanding any provision of this Ground Lease or any Leasehold Mortgage to the contrary, at all times after the consummation of any such foreclosure sale or assignment in lieu of foreclosure by the Leasehold Mortgagee, the Lessor shall continue to have the purchase option set forth in Section 32.

(e) **New Lease/Reinstatement of Lease**. The Lessor agrees that in the event of a termination of this Ground Lease by reason of any Event of Default, the Leasehold Mortgagee shall have the option, but not the obligation, to enter into a new lease with the Lessor on the same terms and conditions as this Ground Lease ("**New Lease**"); provided:

(i) the Leasehold Mortgagee shall both elect (by notice to the Lessor) to and enter into a New Lease upon termination of this Ground Lease;

(ii) all Events of Default capable of being cured shall have been cured no later than the execution and delivery of such New Lease; and

(iii) the Leasehold Mortgagee shall perform and observe all covenants contained in the New Lease on the Lessee's part to be performed during such period of time commencing with the date of the execution of the New Lease until the Termination Date.

(f) **Agreement Between the Lessor and Leasehold Mortgagee**. The Lessor, upon written request, shall execute, acknowledge, and deliver to each Leasehold Mortgagee an agreement, in form reasonably satisfactory to the Leasehold Mortgagee and the Lessor, by and among the Lessor, the Lessee, and the Leasehold Mortgagee (provided the same has been previously executed by the Lessee and Leasehold Mortgagee) agreeing to all of the provisions of this Section 31 but without any change to the provisions of this Section 31.

(g) **Limitation on Liability of Leasehold Mortgagee**. Notwithstanding any other provision of this Ground Lease, the Lessor agrees that the Leasehold Mortgagee shall in no manner or respect whatsoever be (i) liable or responsible for any of the Lessee's obligations or covenants under this Ground Lease, or (ii) required to cure any Event of Default; provided, however, that if such Leasehold Mortgagee becomes the owner of the leasehold estate created hereunder or becomes the lessee under a New Lease, then such Leasehold Mortgagee shall be responsible and liable for all obligations and covenants (x) accruing during such Leasehold Mortgagee's tenure as owner of such leasehold estate or as lessee under a New Lease and (y) to have been performed by Lessee prior thereto other than indemnification obligations. Notwithstanding the foregoing, the liability of the Leasehold Mortgagee with respect to its obligations under this Ground Lease or any New Lease shall be "non-recourse" and, accordingly, the Lessor's source of satisfaction of such obligations shall be limited to (A) the interest of the lessee under this Ground Lease, and (B) the Net Operating Income of the Project and in either case the Lessor shall not seek to obtain payment through any judicial process or otherwise from any person or entity comprising such Leasehold Mortgagee other than the foregoing interests.

(h) **No Merger**. So long as any Leasehold Mortgage is in existence, the fee title to the Property and the leasehold in the Property shall not merge but shall remain separate and distinct, notwithstanding the acquisition of said fee title and said leasehold by the Lessor or the Lessee or by a third party, by purchase or otherwise.

(i) **Lessor's Acceptance**. Lessor agrees to accept performance and compliance by any Leasehold Mortgagee of and with any term, covenant, agreement, provision, or limitation on Lessee's part to be kept, observed, or performed by Lessee hereunder.

(j) **Cure of Default**. Following an Event of Default by Lessee, Lessor will exercise no remedies under this Ground Lease unless it shall first give notice after the occurrence of any such Event of Default and stating the intention of Lessor, on a date specified in such notice, to exercise such remedies to the Leasehold Mortgagee with respect to this Ground Lease. Notwithstanding such notice, Lessor shall not exercise any such remedies, if:

(i) such Event of Default can be cured by the payment of a fixed monetary amount and Leasehold Mortgagee shall make such payment within sixty (60) days after the date such notice was given: or

(ii) such Event of Default can be cured with the exercise of reasonable diligence by Leasehold Mortgagee after obtaining possession of the applicable portion of the Property and the improvements, and Leasehold Mortgagee or Leasehold Mortgagee's designee, within one hundred eighty (180) days after the date of such notice, obtains the interest of Lessee in this Ground Lease, as applicable, or Leasehold Mortgagee commences such proceedings (including, but not limited to, the filing of a petition for the appointment of a receiver) as it may deem necessary to obtain such possession (except that if Leasehold Mortgagee is precluded, notwithstanding the filing of a petition to the bankruptcy court for a waiver, from instituting or proceeding with such foreclosure by reason of a bankruptcy or insolvency proceeding filed by or against Lessee, said one hundred eighty (180) period shall be extended by a period of time equal to the period during which Leasehold Mortgagee is so precluded from instituting or proceeding with such foreclosure) and thereafter diligently prosecutes such action and promptly upon obtaining such possession (or promptly upon its designee obtaining such possession) thereupon promptly commences (or its designee commence); and thereafter diligently pursues, the curing of such Event of Default; or

(iii) such Event of Default is not capable of being cured by Leasehold Mortgagee, even if possession of the applicable portion of the Property and the improvements were obtained by Leasehold Mortgagee or its designee, and Leasehold Mortgagee, within one hundred eighty (180) days after the date such notice is given, either obtains title to all of Lessee's right, title and interest in and to this Ground Lease (or Leasehold Mortgagee's designee obtains such interest) or publishes any required notice of foreclosure or

institutes foreclosure proceedings, as the case maybe be, and thereafter proceeds with diligence to acquire (or have its designee acquire) the interest of Lessee in the Ground Lease (except that if Leasehold Mortgagee is precluded from instituting or proceeding with such foreclosure by reason of a bankruptcy or insolvency proceeding filed by or against Lessee, said one hundred eighty (180) day period shall be extended by a period of time equal to the period during which Leasehold Mortgagee is so precluded from instituting or proceeding with such foreclosure), and such Event of Default, to the extent that the same shall have occurred prior to such acquisition of the interest of Lessee in this Ground Lease by Leasehold Mortgagee or its designee, shall thereupon be deemed to have been waived.

(k) Reserved.

(l) **Right to Repay and/or Purchase Lessee's Loan; Notice to Lessor of Default under Leasehold Mortgage**. Any Leasehold Mortgage shall provide that Leasehold Mortgagee shall deliver to Lessor written notice of any material default/event of default and/or notice of non-payment for which Leasehold Mortgagee intends to pursue foreclosure proceedings under the Leasehold Mortgage (each a "**Material Leasehold Mortgage Default**"), simultaneous with providing such notice to Lessee (*i.e.*, the borrower thereunder), pursuant to the terms of such Leasehold Mortgage. Lessee shall cause any Leasehold Mortgage to provide that following Lessee's failure to cure the Material Leasehold Mortgage Default yet prior to the initiation of a foreclosure process, either Lessor or one of its affiliated foundations (*e.g.*, The University of Tennessee Foundation, Inc.) may elect either to (i) repay (on the same repayment and/or pay-off terms afforded to Lessee under such Leasehold Mortgage) all secured loans for the outstanding principal balance accrued interest and any applicable prepayment premiums or yield maintenance requirements; or (ii) purchase or assume the applicable Leasehold Mortgagee's position under the underlying secured loan(s) on terms mutually agreeable between Lessor and the applicable Leasehold Mortgagee, but in any event without recourse to Leasehold Mortgagee (though including a representation and warranty from such Leasehold Mortgagee that it is the holder of the underlying note evidencing such Leasehold Mortgage), the result of which shall be Lessor becoming mortgagee under the applicable Leasehold Mortgage; *provided, however*, Lessee shall and does hereby expressly agree and acknowledge that, during the pendency of any Bankruptcy, Lessee shall not challenge Lessor's exercise of either the foregoing items (i) or (ii) as a violation of the automatic stay. For the avoidance of doubt, Lessor and Lessee hereby expressly agree and acknowledge that if Lessor exercises its right to repay Lessee's loan set forth above as item (i) of this Section, the same shall result in an immediate and uncurable Event of Default hereunder and shall afford Lessor the applicable remedies set forth in Section 30(b) (including, without limitation, subparagraphs (b)(i) and (b)(ii) thereunder). Lessee shall use commercially reasonable efforts to address those requests in subparagraphs (i) and (ii) hereinabove shall be reflected in the term sheet(s) with the potential Leasehold Mortgagees during such negotiations.

(m) **Leasehold Mortgagee's Requested Revisions; Mortgagee's Rights Agreement.** Lessor will not unreasonably withhold its consent to revisions to this Ground Lease that are requested by the Leasehold Mortgagee who has a Lien on this Ground Lease, provided that such revisions do not amend the Term, obligation to pay Rent, or the material terms of Lessee's obligations to construct, maintain and repair the Project. Notwithstanding the foregoing, any such revisions shall be subject to the approval of all Governmental Authorities as required by applicable law. Lessor covenants and agrees with Lessee that Lessor will, at the request of Lessee made from time to time and at any time, enter into a lender's rights agreement (on terms reasonably acceptable to Lessor) with any such Leasehold Mortgagee (or potential Leasehold Mortgagee) identified by Lessee, which lenders' rights agreement shall be consistent with the terms and provisions contained in this Section 31 that apply to Leasehold Mortgagees and Leasehold Mortgages. Within twenty (20) Business Days of Lessee's written request for a Leasehold Mortgagee's rights agreement pursuant to the provisions of this Section 31, Lessor shall execute and deliver to Lessee such a lender's rights agreement benefiting the identified Leasehold Mortgagee (or potential Leasehold Mortgagee) and such Leasehold Mortgagee's Leasehold Mortgage (or potential Leasehold Mortgagee's potential Leasehold Mortgage), which executed Leasehold Mortgagee's rights agreement shall be commercially reasonable and in a form and substance that are reasonably acceptable to such Leasehold Mortgagee (or potential Leasehold Mortgagee) and Lessor and that is consistent with, and at the option of such Leasehold Mortgagee (or potential Leasehold Mortgagee)

incorporates, the terms and provisions of this Section 31 that apply to Leasehold Mortgagees and Leasehold Mortgages (such as the Leasehold Mortgagee notice provisions and the Leasehold Mortgagee cure rights provisions of this Section 31).

Section 32. Lessor's Option to Purchase. Notwithstanding anything contrary in this Ground Lease, the Lessee, for additional good and valuable consideration, the receipt and sufficiency of which is hereby confirmed, hereby grants to the Lessor or its designee, an option to purchase the Lessee's right, title, and interest in and to the Project on the terms and conditions provided in this Section 32. The Lessor's option to purchase shall be effective only as of the fortieth (40th) anniversary of the Completion Date and on each ten-year anniversary thereafter ("**Purchase Dates**, each, a "**Purchase Date**") for the Purchase Price. Lessor may not acquire Lessee's interest in the Project prior to the fortieth (40th) anniversary of the Commencement Date except as described in Section 31(1) and/or Section 20(c).

(a) **Exercise Notice**. The Lessor or its designee may exercise such option to purchase the Lessee's right, title, and interest in and to the Project by delivering written notice (the "**Exercise Notice**") of such exercise to the Lessee and any Leasehold Mortgagee at least twenty four (24) months but not more than thirty six (36) months prior to each Purchase Date and shall be subject to all required University and State of Tennessee approvals

(b) **Closing**. The closing of the transfer of the Lessee's right, title, and interest in and to the Project (the "**Closing**") shall be held on or before the date that is no more than ninety (90) days after the date of the Purchase Date, on such date and at such time and place as the Lessor or its designee shall specify in a notice to the Lessee.

(c) **Conveyance Documents**. At Closing, upon payment of the Purchase Price to the Lessee, the Project shall be conveyed by assignment of Lessee's interest in the Ground Lease and, if applicable, special warranty deed. The parties shall enter into such bills of sale, assignments of contracts, permits and leases and other conveyance documents as required to transfer all of the improvements, inventories, supplies, licenses and permits (to the extent assignable), furniture, fixtures and equipment, leases, service contracts, leased property and any other tangible, intangible and intellectual property, but specifically excluding any property owned by tenants, guests and other third parties.

(d) **Prorations**. The Purchase Price shall be subject to adjustments for normal and customary prorations related to the operation of the Project.

(e) **As Is, Where is**. The sale of the Project shall be on an AS IS, WHERE IS basis.

(f) **Title**. Upon payment of the Purchase Price, the Lessee's interest in the Project shall be conveyed to the Lessor free and clear of all loans, and shall be subject only to Permitted Encumbrances and to all matters of record affecting title to or use of the Project previously approved in writing by the Lessor.

(g) **Closing Costs**. The Lessee shall pay all recording fees for satisfaction of the Lessee's loans, Lessor shall pay all transfer taxes, if any, in connection with the sale of the Lessee's interest in the Project, and all recording fees in connection with recording of the deed and assignment and all expenses incurred by the Lessee in connection with the closing of the purchase of the Project. The Purchase Price shall be paid in cash at Closing to the Leasehold Mortgagee on behalf of the Lessee to the extent of the outstanding balance secured by the Leasehold Mortgage with the balance to Lessee.

(h) **Release of Lessee**. Upon the transfer of all of the Lessee's interest in the Project pursuant to this Section, the Lessee shall be released from, and relieved of, all of its obligations hereunder without any further action on the part of the Lessor or the Lessee, except for any provisions of this Ground Lease which survive the termination or expiration of this Ground Lease.

(i) **Appraisal Process**. The fair market value of the Project determined by the following process shall be the "**Purchase Price**."

(i) The fair market value of the Project shall be determined by the agreement of two (2) appraisers (each, an "**Initial Appraiser**"), one of which shall be selected by Lessor and the other of which shall be selected by Lessee. Lessor shall give Lessee notice of the identity of the Initial Appraiser selected and retained by Lessor and specifically identify such Initial Appraiser's name, address, phone number and qualifications as an appraiser, which must comply with subsection32(i)(iii) below, within thirty (30) days following the Exercise Notice. Within ten (10) Business Days after receipt of notice of Lessor's Initial Appraiser, Lessee shall select its Initial Appraiser and give notice to Lessor of the name, address, electronic mail address, phone number and qualifications as an appraiser, which must comply with subsection (iii) below. Within five (5) calendar days after Lessor receives from Lessee such notice of Lessee's Initial Appraiser, each of Lessor and Lessee shall direct, in writing with a copy to the other party, its Initial Appraiser to work with the other party's Initial Appraiser to endeavor to determine and reach agreement upon the fair market value of the Project, and thereafter to deliver in writing to Lessor and Lessee within thirty (30) calendar days (such 30-calendar day period, the "**Valuation Period**") the agreed-upon fair market value applicable to the Project (the "**Valuation Notice**"). The costs and expenses of each Initial Appraiser shall be paid by the party selecting such Initial Appraiser.

(ii) If the Initial Appraisers are not able to reach agreement upon the fair market value of the Project within the Valuation Period, within ten (10) calendar days after the end of the Valuation Period each Initial Appraiser shall deliver a written notice to Lessor, Lessee and the other Initial Appraiser setting forth (i) such Initial Appraiser's fair market value applicable to the Project (each, an "**Initial Valuation**") and (ii) the name, address and qualifications of a third appraiser selected jointly by the Initial Appraisers (the "**Third Appraiser**"). The Initial Appraisers shall, in writing with a copy to Lessor and Lessee, direct the Third Appraiser (or substitute Third Appraiser) to determine the fair market value of the Project and to deliver in writing to Lessor, Lessee and the Initial Appraisers such fair market value (the "**Third Valuation**") within thirty (30) calendar days of the date of the written direction retaining such Third Appraiser. The amount shall be the arithmetic mean of (A) the Third Valuation and (B) the Initial Valuation closest to the Third Valuation. If the Third Valuation is exactly between the two Initial Valuations, then the amount shall be the Third Valuation. If the Initial Appraisers are unable to agree upon the designation of a Third Appraiser within the requisite time period or if the Third Appraiser selected does not make a valuation within twenty (20) calendar days after being directed by the Initial Appraisers, then such Third Appraiser or a substitute Third Appraiser, as applicable, shall, at the request of Lessor or Lessee, be jointly appointed by the parties hereto based upon the mutual agreement of a principal from each of Lessor and Lessee. The costs and expenses of the Third Appraiser (and substitute Third Appraiser and the American Arbitration Association, if applicable) shall be divided evenly between, and paid for by, Lessor and Lessee. If as of the date of the appointment of such Third Appraiser the American Arbitration Association does not exist, either Lessor or Lessee shall apply to any state court in the State for appointment of such Third Appraiser.

(iii) All appraisers selected or appointed pursuant to this Section 32 shall be independent qualified appraisers with at least ten (10) years of experience in appraising commercial real estate and ground leases comparable to this Ground Lease as well as operating entertainment districts comparable to the Primary Use located on ground leased property of similar caliber as the Project. Such appraisers shall have no right, power or authority to alter or modify the provisions of this Ground Lease.

(iv) Notwithstanding the foregoing, if Lessor and Lessee are able to agree upon the fair market value for the Project prior to the date on which Lessee receives notice of Lessor's Initial Appraiser, Lessor and Lessee shall execute an agreement setting forth such agreed-upon fair market value and waiving each party's right to have the capitalization rate determined in accordance with the procedures set forth above.

(v) The fair market value shall mean the price that a willing purchaser and willing seller would accept as the fair market value for the Project as encumbered by the Ground Lease through expiration of its stated term, each party (i) being unaffiliated with each other and (ii) without a compulsion to purchase or sell, and such fair market value determined through an orderly marketing process. The fair market value for the Project is to be determined giving effect to this Ground Lease including the Rent obligations of the Lessee.

(j) **Assignment of Contracts**. For the avoidance of doubt, the transfer of all of the Lessee's interest in the Project pursuant to this Section shall include an assignment to Lessor of Lessee's maintenance and service contracts in connection with the use and operation of the Project, but only as to those certain contracts which Lessor elects (in writing) to **assume.**

Section 33. Environmental Condition of the Property.

(a) The Lessee shall not:

(i) Direct, suffer, or permit the Manager or any of the Lessee's, or Manager's employees or any other person on entity under the Lessee, the Developer or the Manager's control to handle, transport, use, manufacture or store any Hazardous Materials in or about the Property except as provided in Section 33(b) below; or

(ii) Suffer or permit (with or without negligence):

(A) Any Hazardous Materials to be used by any employee or third party in any manner not fully in compliance with all Environmental Laws; or

(B) The Property or adjoining areas to become contaminated with any Hazardous Materials; or

(C) The escape, disposal or release of any Hazardous Materials.

(b) The Lessee may permit the General Contractor to handle, store, use, or dispose of Hazardous Materials to the extent customary and necessary for the performance of General Contractor's duties under the General Construction Contract, provided same does not violate Environmental Laws and all disposal occurs offsite.

(c) The Lessee shall promptly provide the Lessor with copies of all disposal tickets for materials (hazardous or not) from Property that are disposed of off the Property to the extent disposed tickets are required by Governmental Regulations.

(d) The Lessee shall, at its sole cost and expense, promptly effectuate remediation of any condition (including but not limited to a release of a Hazardous Material) in, on, above, under or from the Property as necessary to comply with any Environmental Law. In the event that the Lessee fails to perform said work after notice from the Lessor or the Tennessee Department of Environment and Conservation (TDEC), the Lessor may, as agent of the Lessee, perform same, and the Lessee agrees to promptly reimburse the Lessor for the cost of such Remediation, together with interest at the Default Rate.

(e) To the extent the Lessee has knowledge, the Lessee shall immediately notify the Lessor in writing of (1) any presence or releases of Hazardous Materials in, on, above, under, from or migrating towards the Property in violation of Environmental Laws, (2) any non-compliance with any Environmental Laws related in any way to the Property; (3) any actual or potential environmental Lien; (4) any required or proposed Remediation of environmental conditions relating to the Property; and (5) any material, non-privileged written notice of which the

Lessee becomes aware from any source whatsoever (including but not limited to a governmental entity) relating in any way to Hazardous Materials on the Property in violation of any Environmental Laws or any required Remediation thereof, or the possible liability of any person or entity pursuant to any Environmental Law in connection with the Property.

(f) Lessor represents to Lessee that, as of the date hereof, it has no actual knowledge of the presence of any Hazardous Materials on, under or adjacent to the Property in forms or concentrations that violate applicable Environmental Laws. Notwithstanding anything contained in this Section 33 or any other provision of this Ground Lease to the contrary, if Lessee discovers any Pre-Existing Unknown Conditions on the Land, Lessor shall be responsible to contribute to Lessee fifty percent (50%) of the costs required to resolve such Pre-Existing Unknown Conditions in excess of any insurance proceeds, up to a cap of five hundred thousand dollars ($500,000) for both Pre-Existing Unknown Conditions discovered on the Land and Pre-Existing Unknown Conditions discovered on that certain adjacent Condotel Site legally described on **Exhibit A-1** attached hereto. Lessee shall be responsible for the remaining costs required to resolve such Pre-Existing Conditions on the Land but not the adjacent Condotel Site. Lessor shall promptly fund its fifty percent (50%) contribution amounts (up to the cap) upon written request by Lessee to permit Lessee to effectuate Remediation of any Pre-Existing Unknown Conditions in, on, above, under or from the Property as necessary to comply with any Environmental Law or any other federal, state or local law, statute, rule, regulation and/or ordinance. In the event the Remediation of any Pre-Existing Unknown Conditions impacts the Project Schedule for Construction and Development of the Project, any deadlines or dates regarding the same set forth in this Ground Lease shall be extended on a day for day basis until such time as the remediation is completed.

Section 34. Notices.

(a) Each notice, request, and communication required under this Ground Lease shall be in writing. It will be deemed to have been received: (i) on personal delivery; (ii) on the second business day after its deposit for overnight delivery with a recognized overnight delivery service; or (iii) if mailed, on actual receipt (but only if sent by registered or certified or U.S. Express mail, with return receipt requested, addressed to the other Party's address below):

If to the Lessee:

865 Entertainment Developer, LLC
c/o Vela Development Partners, LLC
1 Landmark Square, Suite 2200
Stamford, CT 06907
Attn: Taylor Gray
Email: tgray@veladev.com

With a Copy to:

Long, Ragsdale & Waters, P.C.
Attention : Dennis B. Ragsdale
1111 N. Northshore Drive, Suite S-700
Knoxville, TN 37919
Telephone: (865) 584-4040
Email: dragsdale@lrwlaw.com

And with a Copy to each Leasehold Mortgagee of whom notice of identity and address has been given to Lessor, provided that no notice need be given for the identity or address of the Lender under the Loan Agreement on the date hereof.

If to the Lessor: **STATE OF TENNESSEE**
Department of General Services
Attention: Commissioner
312 Rosa L. Parks Ave., 22nd Floor
Tennessee Tower
Nashville, TN 37243
Telephone: (615) 741-2081

With a Copy to: **University of Tennessee - Office of General Counsel**
Attention: General Counsel
1169 UT Tower
505 Summer Place – UTT 1169
Knoxville, TN 37902
Telephone: (865) 974-3245

If to University: **UNIVERSITY OF TENNESSEE**
Attention: CFO
1195 UT Tower
505 Summer Place – UTT 1195
Knoxville, TN 37902
Telephone: (865) 974-1763

With a Copy to: **Office of General Counsel**
Attention: General Counsel
1169 UT Tower
505 Summer Place – UTT 1169
Knoxville, TN 37902
Telephone: (865) 974-3245

(b) Either party hereto may, by notice given to each of the other, designate any additional or different addresses to which subsequent notices, certificates, demands, requests, or other communications shall be sent.

(c) Notwithstanding anything contained herein to the contrary, any notice required to be given by the Lessor or the Lessee hereunder shall be deemed to have been given and shall be effective as of the date such notice is received or refused reflected on said notice. All notices, certificates, demands, requests, or other communications made by either party to the other which are required or permitted by the provisions of this Ground Lease shall be in writing.

Section 35. Submission of Matters to the Lessor or University for Approval.

(a) Except as specified herein to the contrary, any matter which must be submitted to and consented to or approved in writing by the Lessor as required under this Ground Lease, shall be submitted to the Lessor pursuant to Section 34 and shall either be approved or rejected by the Lessor within thirty (30) days after receipt unless a shorter period of time is expressly stated elsewhere herein. The Lessor shall inform the Lessee in writing of its rejection or approval of such submitted matter by notice to the Lessee as provided in Section 34. If the Lessor should fail to approve or reject any matter within such thirty (30) day period or other period as provided for herein, Lessee shall provide a second notice of such matter to Lessor. If Lessor does not approve or reject the matter within five (5) Business Days after receipt of the second notice, the Lessor's approval shall be assumed to have been unconditionally granted and the Lessee shall have the right to proceed on such matter so submitted; *provided, however*, in no event shall any matter be deemed approved by Lessor pursuant to the foregoing if the same would result in

Lessor (or any of its Affiliates) incurring or becoming liable for any costs or financial obligations that are either (i) not contemplated herein or (ii) in excess of/in addition to what is contemplated herein.

(b) Any review by the Lessor of any matter submitted to the Lessor is for the Lessor's own convenience and purpose only. By undertaking such review, the Lessor does not obtain or have any liability to the Lessee or any other person, including the insurers.

(c) Any and all consents, approvals, determinations, elections or selections, or the withholding, denial or refusal of same, by Lessor hereunder shall and may be made by Lessor in Lessor's sole and absolute discretion, except only as and where this Ground Lease expressly provides otherwise.

Section 36. Holding Over by the Lessee. The Lessee shall not use or remain in possession of the Property after the termination of this Ground Lease. Any holding over, or continued use or occupancy by the Lessee after the termination of this Ground Lease, without the written consent of the Lessor, shall not constitute a tenant-at-will interest in behalf of the Lessee, but the Lessee shall become a tenant-at-sufferance and liable for Rent and all other expenses, obligations and payments in effect for the immediately preceding year of the Term. There shall be no renewal whatsoever of this Ground Lease by operation of law.

Section 37. Miscellaneous.

(a) **No Waiver of Rights**. No failure of either party to exercise any power given to such party hereunder or to insist upon strict compliance by the other party with its undertakings, duties and obligations hereunder, and no custom or practice of the parties hereto at variance with the provisions hereof shall constitute a waiver of such party's right to demand exact compliance with the provisions contained in this Ground Lease.

(b) **Rights are Cumulative**. All rights, powers, and privileges conferred herein upon both parties hereto shall be cumulative, unless otherwise expressly provided for herein.

(c) **Provisions are Binding Upon Assigns and are Real Covenants.** It is mutually covenanted, understood and agreed by and between the parties hereto, that each of the provisions of this Ground Lease shall apply to, extend to, be binding upon and (subject to the restrictions in Section 20 as regards Lessee) inure to the benefit of not only the parties hereto, but also the legal representatives, successors and assigns of the Lessor and the Lessee hereto, and shall be deemed and treated as real covenants running with the Property during the Term. The parties further acknowledge and agree that the Lender and its successors and assigns shall be deemed third party beneficiaries of such provisions herein that are for their express benefit. Except as set forth in the preceding sentence, the provisions of this Ground Lease are solely and exclusively for the benefit of the parties hereto, and no other Person shall, under any circumstances, be deemed to be a beneficiary of or entitled to enforce this Ground Lease. Whenever a reference to the parties hereto is made, such reference shall be deemed to include (subject to the restrictions in Section 20 as regards Lessee) the legal representatives, successors and assigns of said party, the same as if in each case expressed.

(d) **Applicable Law.** This Ground Lease shall be governed, construed, performed and enforced in accordance with the laws of the State of Tennessee without regard to conflicts of law principles. All claims against the Lessor and/or the University are subject to Tenn. Code Ann. § 9-8-307.

(e) **All Genders and Numbers Included; Interpretation**. Whenever the singular or plural number, or masculine, feminine, or neuter gender is used in this Ground Lease, it shall equally apply to, extend to, and include the other. The words "**including**", "**inclusive**" and the like shall be interpreted as if they were followed by the phrase "without limitation" except only where expressly provided otherwise. References herein to "**Sections**", "**Paragraphs**", "**Exhibits**", "**Schedules**" and the like shall mean Sections, Paragraphs, Exhibits or Schedules of this Ground Lease except where expressly provided otherwise.

(f) **Invalidity of Provision or Part Thereof**. In the event any provision, or any portion of any provision of this Ground Lease is held invalid, the other provisions of this Ground Lease and the remaining portion of said provision, shall not be affected thereby and shall continue in full force and effect.

(g) **Time is of the Essence**. All time limits stated in this Ground Lease are of the essence of this Ground Lease.

(h) **Section Captions are to be Disregarded**. The captions of the numbered sections of this Ground Lease are for purposes of identification and convenience only and are to be completely disregard in construing this Ground Lease.

(i) **Subordination. NOTWITHSTANDING ANYTHING ELSE CONTAINED HEREIN, THE LESSOR AGREES THAT THE FINANCING OF THE CONSTRUCTION, AND FURNISHING OF THE PROJECT WILL DIRECTLY BENEFIT THE LESSOR'S OPERATIONS, AND LESSOR AGREES THAT ITS INTEREST IN AND TO THE RENTS, REVENUES, ISSUES, AND PROFITS RELATING TO THE OPERATION OF THE PROJECT, INCLUDING, WITHOUT LIMITATION, ALL INSURANCE PROCEEDS, AND PLEDGED REVENUES, AS WELL AS ANY AND ALL RIGHTS TO ANY AND ALL CONTRACTS, AGREEMENTS, AND OTHER INSTRUMENTS IN CONNECTION WITH THE DESIGN, CONSTRUCTION, EQUIPPING, INSTALLATION, AND OPERATION OF THE PROJECT, INCLUDING, WITHOUT LIMITATION, ALL ASSIGNED AGREEMENTS SHALL BE JUNIOR AND SUBORDINATE TO THE INTEREST OF THE ISSUER (AS DEFINED IN SUCH LEASEHOLD MORTGAGE), THE TRUSTEE (AS DEFINED IN SUCH LEASEHOLD MORTGAGE), AND/OR ANY OTHER LEASEHOLD MORTGAGEE AS GRANTED OR PROVIDED IN ANY OF THE LOAN DOCUMENTS (COLLECTIVELY, THE "COLLATERAL"). SO LONG AS ANY OF THE INDEBTEDNESS CREATED, EVIDENCED, OR SECURED BY ANY OF THE LOAN DOCUMENTS REMAINS OUTSTANDING AND UNPAID, THE LESSOR SHALL NOT EXERCISE ANY RIGHTS OR REMEDIES WITH RESPECT TO THE COLLATERAL WITHOUT OBTAINING IN EACH INSTANCE THE PRIOR WRITTEN CONSENT OF THE LENDER**.

(j) **Entire Agreement Contained Herein**. The making, execution and delivery of this Ground Lease by the Lessee and the Lessor has not been induced by any representations, statements, covenants or warranties by either the Lessor or the Lessee except for those contained in this Ground Lease. This Ground Lease constitutes the full, complete and entire agreement between and among the parties hereto; no agent, employee, officer, representative or attorney of the parties hereto has authority to make, or has made, any statement, agreement, representation or contemporaneous agreement, oral or written, in connection herewith modifying, adding to or changing the provisions of this Ground Lease. No amendment of this Ground Lease shall be binding unless such amendment shall be in writing, signed by both parties hereto.

(k) **No Partnership or Agency**. Nothing in this Ground Lease is intended, or shall in any way be construed, so as to create any form of joint venture, partnership or agency relationship between the parties. The parties hereby expressly disclaim any intention of any kind to create any joint venture, partnership or agency relationship between themselves. Nothing in this Ground Lease shall be construed to make either party liable for any of the indebtedness of the other, except as specifically provided herein.

(l) **Recordation of Memorandum of Lease**. The Lessor and the Lessee have executed, acknowledged and delivered simultaneously with the execution of this Ground Lease, in recordable form, a Memorandum of Lease setting forth the basic terms hereof. The same shall be submitted for recording.

(m) **Counterparts**. This Ground Lease may be executed simultaneously in two or more counterparts, each of which shall be deemed original and all of which, when taken together, shall constitute one in the

same document. The signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

(n) **Reserved**

(o) **Lessor's Interest not Subject to Liens for Improvements by Lessee**. The Lessor's interest in the Property shall not be liable for or be subject to any Liens for any work, labor, services, tools, materials, fixtures, equipment, furnishing or appliances now or hereafter performed, provided, or furnished to or for the benefit of the Project, or in connection with the construction or installation of any improvements to the Land, or any alterations, additions, maintenance or repair of such improvements. No construction Lien or any other Lien for any work, labor, services, tools, materials, fixtures, equipment, furnishing or appliances shall apply to the Lessor's interest in the Property, but instead shall attach only to the interest of the Lessee under this Ground Lease, and Lessee shall not authority, oral or written, express or implied, to bind Lessor or make the Lessor liable to pay for any such any work, labor, services, tools, materials, fixtures, equipment, furnishing or appliances, performed, provided or furnished to the Project, by Lessee, pursuant to this Ground Lease or otherwise.

(p) **Operating Agreement**. University and Lessee expressly agree and acknowledge that, in connection with this Ground Lease, such parties shall, simultaneous with the entry into this Ground Lease, enter into an operating agreement which shall govern the relationship between Lessor and Lessee insofar as operating the Project, inclusive of (without limitation) terms such as licensing Lessor's intellectual property rights (the "**Operating Agreement**"). For the avoidance of doubt, the Operating Agreement shall be binding on the successors and assigns of the parties hereto and, for so long as this Ground Lease is in effect, the Operating Agreement shall likewise remain in effect.

(q) **No Presumption against Drafter.** Although the provisions of this Ground Lease drawn in parts by each of the Lessor, the Lessee and/or other Persons, they are the result of arms-length negotiations and accordingly shall not be construed for or against the Lessor, the Lessee and/or other Persons, but shall be interpreted in accordance with the general tenor of the language in an effort to reach the intended result.

(r) **No Implied Limitation of Remedies.** The failure of any party hereto to seek redress for violation of, or to insist upon the strict performance of, any covenant or condition of this Ground Lease, shall not prevent a subsequent act, which originally would have constituted a violation, from having all the force and effect of an original violation. The mention herein of any particular remedy shall not preclude any party here to from any other remedy it might have, either in law or in equity, provided that the Lessor's termination of this Ground Lease as a remedy shall be subject to Section 30(c). Any right or remedy of any party to this Ground Lease specified or any other right or remedy that it may have at law, in equity or otherwise upon breach of any covenant, agreement, term, provision or condition in this Ground Lease contained upon the part of the other party to be performed shall be distinct, separate and cumulative rights or remedies and no one of them whether exercised or not, shall be deemed to be in exclusion of any other, provided that the Lessor's termination of this Ground Lease as a remedy shall be subject to Section 30(c). No covenant, agreement, term, provision or condition of this Ground Lease shall be deemed to have been waived by any party hereto unless such waiver be in writing, signed by such party or its agent duly authorized in writing. Consent of any party hereto to any act or matter must be in writing and shall apply only with respect to the particular act or matter in which such consent is given and shall not relieve the other party hereto from the obligations wherever required under this Ground Lease to obtain any required consent to any other act or matter.

(s) **Force Majeure**. For the purpose of any of the provisions of this Ground Lease, neither Lessor nor Lessee, as the case may be, nor any successor in interest, shall be considered in breach of or default in any of its obligations, in the event of forced delay in the performance of such obligations, due to a Force Majeure Event. In the event of the occurrence of any Force Majeure Event, (i) the time or times for the performance of the covenants, provisions, and agreements of this Ground Lease shall be extended for the period of the Force Majeure Event (including any time reasonably required to recommence performance due to such Force Majeure Event); and (ii) the

affected party must give written notice to the other within ten (10) Business Days after such party's actual acknowledgment of the occurrence of the Force Majeure Event. The affected party shall use reasonable efforts, and take all reasonable steps, to remedy with all reasonable dispatch the cause or causes preventing it from carrying out its agreements. Notwithstanding the above (a) a party may not rely on its own acts or omissions as grounds for delay in its performance, (b) the absence of immediately available funds shall not be grounds for delay and (c) if the Force Majeure Event is able to be remedied or mitigated through the payment of money, to the extent such remedy or mitigation is deemed reasonable by the affected party, such Force Majeure Event shall not result in a delay of the commencement of the payment by Lessee of Gross Rent under Section 3(a). Further, to the extent a Force Majeure Event causes a delay in construction, Lessee shall take commercially reasonable steps to address, anticipate and mitigate potential construction delays, including, but not limited to, using commercially reasonable efforts to cause known long lead time items that are so delayed to be procured from alternate sources in a time and manner so as not to delay the performance of provided the cost of such alternate source is within is within budgeted parameters for the applicable item.

Section 38. Lessee's Right to First Offer to Develop Adjoining Parcels. Lessor agrees that, provided there is no uncured Event of Default under this Ground Lease, Lessee and its assigns who are approved by the Lessor shall have a right of first offer in the event the Lessor elects to redevelop the property along the westerly boundary of the Property which is currently the site of the western portion of the G-10 parking deck.

Section 39. Utility Easements. Lessee shall be entitled and is hereby authorized to enter into such leasehold easements or agreements with utility companies which are required in order to provide service to any improvements located on the Project. Lessor hereby consents to the execution of such leasehold easements and agreements by Lessee.

Section 40. Reserved.

Section 41. Financial and Compliance Requirements. The terms of this Ground Lease shall in all respects be subject to the State-required financial and compliance requirements set forth on **Exhibit D** attached hereto.

[Signatures and acknowledgments on following pages.]

[Signatures and acknowledgments for Ground Lease.]

IN WITNESS WHEREOF, the Lessor, the University and the Lessee have caused this Ground Lease to be p duly executed in duplicate counterparts each of which shall be deemed to be an original, the day and year first above written.

LESSOR:

STATE OF TENNESSEE, ON BEHALF OF THE UNIVERSITY OF TENNESSEE, ON BEHALF OF ITS KNOXVILLE CAMPUS

By:_____
Name: Andy T. Kidd
Title: Commissioner–Department of General Services

STATE OF TENNESSEE)
): ss.:
COUNTY OF _____)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that before me, the subscriber, personally appeared Andy T. Kidd, who I am satisfied is the person who executed the foregoing instrument, as Commissioner of the Department of General Services of the **STATE OF TENNESSEE,** the entity named in the foregoing instrument, and who acknowledged before me on this day that, being informed of the contents of the foregoing instrument, she, as such officer and with full authority, executed the same voluntarily for and as the act and deed of said State on behalf of the University of Tennessee, on behalf of its Knoxville Campus, for the purposes therein contained.

Given under my hand and official, notarial seal this _____ day of _____, 202___.

[SEAL]

_____
Notary Public
My commission expires: _____

APPROVED:

_____
Jonathan Skrmetti, Attorney General & Reporter

_____
Bill Lee, Governor

[Signatures and acknowledgments for Ground Lease.]

UNIVERSITY:

THE UNIVERSITY OF TENNESSEE,
ON BEHALF OF ITS KNOXVILLE CAMPUS

By:_____
Name: David L. Miller
Title: Senior Vice President and CFO

STATE OF TENNESSEE)
): ss.:
COUNTY OF _____)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that before me, the subscriber, personally appeared David L. Miller, who I am satisfied is the person who executed the foregoing instrument, as Senior Vice President & CFO of the **UNIVERSITY OF TENNESSEE, on behalf of its Knoxville campus,** the entity named in the foregoing instrument, and who acknowledged before me on this day that, being informed of the contents of the foregoing instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act and deed of said University for the purposes therein contained.

Given under my hand and official, notarial seal this _____ day of _____, 202___.

[SEAL]

_____
Notary Public
My commission expires: _____

[Signatures and acknowledgments for Ground Lease.]

WITNESSES:

_____

Print Name: _____

_____

Print Name: _____

LESSEE:

865 ENTERTAINMENT DEVELOPER LLC, a Delaware limited liability company

By:

By: _____

Name: _____

Title: _____

STATE OF _____

COUNTY OF _____

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that before me, the subscriber, personally appeared _____, who I am satisfied is the person who executed the foregoing instrument, as _____ of 865 Neyland Entertainment Developer, LLC, the entity named in the foregoing instrument, and who acknowledged before me on this day that, being informed of the contents of the foregoing instrument, she, as such officer and with full authority, executed the same voluntarily for and as the act and deed of the said Company for the purposes therein contained.

Given under my hand and official, notarial seal this _____ day of _____, 202__.

[SEAL]

_____

Notary Public

My commission expires:

EXHIBIT A

LEGAL DESCRIPTION OF LAND

Parking Project:

Situated in District No. Four (4) of Knox County, Tennessee and within Ward No. Ten (10) of the City of Knoxville, Tennessee and being more particularly described as follows.

From the **Point of Beginning, said point being** located South 29° 02' West, a distance of 794.24 feet from City of Knoxville Control Point #068; thence from said Point of Beginning along the western right-of-way of Neyland Drive the following four calls:

along a 1,462.00-foot radius curve to the left, said curve having an arc length of 150.92 feet and a chord bearing and distance of South 15° 29' West 150.86 feet to a point;

South 71° 32' East, a distance of 5.00 feet to a point;

along a 1,457.00- foot radius curve to the left, said curve having an arc length of 35.00 feet, a chord bearing and distance of South 16° 23' West 35.00 feet to a point;

along a 1,457.39-foot radius curve to the left, said curve having an arc length of 41.16 feet, a chord bearing and distance of South 14° 40' West 41.16 feet to a point;

Thence along the western right-of-way of Knoxville & Holston River Railroad the following two calls:

South 28°44' West, a distance of 65.41 feet to a point;

along a 1,555.67-foot radius curve to the left, said curve having an arc length of 223.88 feet, a chord bearing and distance of South 24° 36' West 223.69 feet to a point;

Thence along the southern western and northern lines of the UTK Garage Parcel described herein the following eleven calls:

North 68° 52' West, a distance of 186.02 feet to a point;

South 21°08' West, a distance of 11.92 feet to a point;

North 68°52' West, a distance of 14.99 feet to a point;

North 21°08' East, a distance of 114.45 feet to a point;

North 68°50' West, a distance of 2.20 feet to a point;

North 21°08' East, a distance of 44.97 feet to a point;

North 68°52' West, a distance of 13.10 feet to a point;

North 21°00' East, a distance of 125.03 feet to a point;

South 68°52' East, a distance of 15.79 feet to a point;

North 21°08’ East, a distance of 241.27 feet to a point;

Thence South 68°52’ East, a distance of 195.64 feet to a point; said point being the **Point of Beginning.**

Containing 109,021 square feet, or 2.50 acres, more or less.

Being bounded on the west by Neyland Stadium, a chainlink fence, by walls at multiple locations, on the north by Condotel Parcel and on the east by Neyland Drive and the Tennessee River.

Less and except the following three parcels on and above the garage structure on such premises and described as follows:

Parcel 1 (Condotel SIP Parcel):
Situated in District No. Four (4) of Knox County, Tennessee and within Ward no. Ten (10) of the City of Knoxville, Tennessee and lying above a horizontal plane having an elevation of 902.00 feet above sea level with no upper limit and lying within its horizontal boundaries projected vertically and being more particularly described as follows.

From the **Point of Beginning, said point being** located South 29° 02’ West, a distance of 794.24 feet from City of Knoxville Control Point #0586; thence from said Point of Beginning along the eastern and northern lines of the Garage Parcel described above the following two calls:

South 21° 08’ West, a distance of 129.75 feet to a point;

North 68° 52’ West, a distance of 116.81 feet to a point; thence along the western line of the Hotel SIP Parcel described herein, North 21° 08’ East, a distance of 129.75 feet to a point;

Thence along the southern line of the Hotel Parcel described above, South 68° 52’ East, a distance of 116.81 feet to a point; said point being the **Point of Beginning**.

Containing 15,156 square feet, or 0.35 acres, more or less.

Being bounded on the west by Neyland Stadium and south and southeast by the Entertainment District SIP Parcel, on the north by the Condotel Parcel.

Parcel 2 (Entertainment District SIP Parcel #1):

Situated in District No. Four (4) of Knox County, Tennessee and within Ward no. Ten (10) of the City of Knoxville, Tennessee and lying above a horizontal plane having an elevation of 882.00 feet above sea level with no upper limit and lying within its horizontal boundaries projected vertically and being more particularly described as follows.

The Point of Beginning being located South 27° 12’ West, a distance of 1010.58 feet from City of Knoxville Control Point No. 0586; thence along the eastern, southern and western lines of the Entertainment District SIP Parcel #1 described herein the following fourteen calls:

South 21° 08’ West, a distance of 27.00 feet to a point;

North 68° 52’ West, a distance of 2.78 feet to a point;

South 21° 08’ West, a distance of 253.83 feet to a point;

North 68° 52’ West, a distance of 10.39 feet to a point;

South 21° 08’ West, a distance of 14.75 feet to a point;

North 68° 52’ West, a distance of 170.10 feet to a point;

South 21° 08’ West, a distance of 11.92 feet to a point;

North 68° 52’ West, a distance of 14.99 feet to a point;

North 21° 08’ East, a distance of 114.45 feet to a point;

North 68° 50’ West, a distance of 13.98 feet to a point;

North 21° 08’ East, a distance of 147.96 feet to a point;

South 68° 52’ East, a distance of 2.14 feet to a point;

North 21° 08’ East, a distance of 20.42 feet to a point;

South 68° 52’ East, a distance of 12.10 feet to a point;

Thence along the southern line of Entertainment District SIP Parcel #2 the following five calls:

South 68° 41’ East, a distance of 169.06 feet to a point;

North 21° 08’ East, a distance of 17.38 feet to a point;

South 68° 52’ East, a distance of 16.00 feet to a point;

North 21° 08’ East, a distance of 7.78 feet to a point;

South 68° 52’ East, a distance of 1.23 feet to a point; thence along the Entertainment District SIP Parcel #1 described herein South 68° 55’ East, a distance of 11.73 feet to a point; said point being the **POINT OF BEGINNING.**

Containing 55,850 square feet or 1.28 acres, more or less.

The western boundary runs in part along an existing wall and chain link fence and Neyland Stadium. A gate is located on the western side of the parcel near the Condotel Parcel boundary.

The parcel is bounded on the north by the Entertainment District SIP Parcel #2 and on the east by the present right-of-way of Neyland Drive and the Tennessee River beyond.

Parcel 3 (Entertainment District SIP Parcel #2):

Situated in District No. Four (4) of Knox County, Tennessee and within Ward no. Ten (10) of the City of Knoxville, Tennessee and lying above a horizontal plane having an elevation of 901.00 feet above sea level with no upper limit and lying within its horizontal boundaries projected vertically and being more particularly described as follows.

From the **Point of Beginning, said point being** located South 29° 02’ West, a distance of 794.24 feet from City of Knoxville Control Point No. 0586; said point marking the northeastern corner of the Condotel SIP Parcel, thence leaving said Point of Beginning and along the southern line of the Condotel Parcel South 68° 52’ East, a distance of 70.00 feet to a point; thence along the Entertainment District SIP Parcel #2 described herein, South 21° 15’ West, a distance of 218.23 feet to a point; thence along the northern lines of the Entertainment District SIP Parcel #1 the following five calls:

North 68° 52’ West, a distance of 1.23 feet to a point;

South 21° 08’ West, a distance of 7.78 feet to a point;

North 68° 52’ West, a distance of 16.00 feet to a point;

South 21° 08’ West, a distance of 17.38 feet to a point;

North 68° 41’ West, a distance of 169.06 feet to a point;

Thence along the western line of the Entertainment District SIP #2 described herein, North 21° 06’ East, a distance of 113.14 feet to a point;

Thence along the southern and eastern lines of the Condotel SIP Parcel the following two calls:

South 68° 52’ East, a distance of 116.81 feet to a point;

North 21° 08’ East, a distance of 129.75 feet to a point; said point being the **POINT OF BEGINNING.**

Containing 29,897 square feet or 0.67 acres, more or less.

The western boundary runs in part along an existing wall and chain link fence and Neyland Stadium. A gate is located on the western side of the parcel near the Condotel Parcel boundary.

The parcel is bounded on the north by the Condotel SIP Parcel and Condotel Parcel, on the east by the present right-of-way of Neyland Drive and the Tennessee River beyond.

This description was prepared from a survey performed by Mark C. Tucker, Registered Land Surveyor, Tennessee License #1996, Robert G. Campbell & Associates, L.P., Knoxville, Tennessee, File No. 25014, dated March 27, 2026.

EXHIBIT A-1

LEGAL DESCRIPTION OF ENTERTAINMENT DISTRICT SITE

Parcel 1 (Entertainment District Sip Parcel #1):

Situated in District No. Four (4) of Knox County, Tennessee and within Ward no. Ten (10) of the City of Knoxville, Tennessee and lying above a horizontal plane having an elevation of 882.00 feet above sea level with no upper limit and lying within its horizontal boundaries projected vertically and being more particularly described as follows.

The Point of Beginning being located South 27° 12' West, a distance of 1010.58 feet from City of Knoxville Control Point No. 0586; thence along the eastern, southern and western lines of the Entertainment District SIP Parcel #1 described herein the following fourteen calls:

South 21° 08' West, a distance of 27.00 feet to a point;

North 68° 52' West, a distance of 2.78 feet to a point;

South 21° 08' West, a distance of 253.83 feet to a point;

North 68° 52' West, a distance of 10.39 feet to a point;

South 21° 08' West, a distance of 14.75 feet to a point;

North 68° 52' West, a distance of 170.10 feet to a point;

South 21° 08' West, a distance of 11.92 feet to a point;

North 68° 52' West, a distance of 14.99 feet to a point;

North 21° 08' East, a distance of 114.45 feet to a point;

North 68° 50' West, a distance of 13.98 feet to a point;

North 21° 08' East, a distance of 147.96 feet to a point;

South 68° 52' East, a distance of 2.14 feet to a point;

North 21° 08' East, a distance of 20.42 feet to a point;

South 68° 52' East, a distance of 12.10 feet to a point;

Thence along the southern line of Entertainment District SIP Parcel #2 the following five calls:

South 68° 41' East, a distance of 169.06 feet to a point;

North 21° 08' East, a distance of 17.38 feet to a point;

South 68° 52' East, a distance of 16.00 feet to a point;

North 21° 08' East, a distance of 7.78 feet to a point;

South 68° 52' East, a distance of 1.23 feet to a point; thence along the Entertainment District SIP Parcel #1 described herein South 68° 55' East, a distance of 11.73 feet to a point; said point being the **POINT OF BEGINNING.**

Containing 55,850 square feet or 1.28 acres, more or less.

The western boundary runs in part along an existing wall and chain link fence and Neyland Stadium. A gate is located on the western side of the parcel near the Condotel Parcel boundary.

The parcel is bounded on the north by the Entertainment District SIP Parcel #2 and on the east by the present right-of-way of Neyland Drive and the Tennessee River beyond.

This description was prepared from a survey performed by Mark C. Tucker, Registered Land Surveyor, Tennessee License #1996, Robert G. Campbell & Associates, L.P., Knoxville, Tennessee, File No. 25014, dated March 27, 2026.

Parcel 2 (Entertainment District SIP Parcel #2):

Situated in District No. Four (4) of Knox County, Tennessee and within Ward no. Ten (10) of the City of Knoxville, Tennessee and lying above a horizontal plane having an elevation of 901.00 feet above sea level with no upper limit and lying within its horizontal boundaries projected vertically and being more particularly described as follows.

From the **Point of Beginning, said point being** located South 29° 02’ West, a distance of 794.24 feet from City of Knoxville Control Point No. 0586; said point marking the northeastern corner of the Condotel SIP Parcel, thence leaving said Point of Beginning and along the southern line of the Condotel Parcel South 68° 52’ East, a distance of 70.00 feet to a point; thence along the Entertainment District SIP Parcel #2 described herein, South 21° 15’ West, a distance of 218.23 feet to a point; thence along the northern lines of the Entertainment District SIP Parcel #1 the following five calls:

North 68° 52’ West, a distance of 1.23 feet to a point;

South 21° 08’ West, a distance of 7.78 feet to a point;

North 68° 52’ West, a distance of 16.00 feet to a point;

South 21° 08’ West, a distance of 17.38 feet to a point;

North 68° 41’ West, a distance of 169.06 feet to a point;

Thence along the western line of the Entertainment District SIP #2 described herein, North 21° 06’ East, a distance of 113.14 feet to a point;

Thence along the southern and eastern lines of the Condotel SIP Parcel the following two calls:

South 68° 52’ East, a distance of 116.81 feet to a point;

North 21° 08’ East, a distance of 129.75 feet to a point; said point being the **POINT OF BEGINNING.**

Containing 29,897 square feet or 0.67 acres, more or less.

The western boundary runs in part along an existing wall and chain link fence and Neyland Stadium. A gate is located on the western side of the parcel near the Condotel Parcel boundary.

The parcel is bounded on the north by the Condotel SIP Parcel and Condotel Parcel, on the east by the present right-of-way of Neyland Drive and the Tennessee River beyond.

This description was prepared from a survey performed by Mark C. Tucker, Registered Land Surveyor, Tennessee License #1996, Robert G. Campbell & Associates, L.P., Knoxville, Tennessee, File No. 25014, dated March 27, 2026

.

EXHIBIT A-2

LEGAL DESCRIPTION OF CONDOTEL SITE

Parcel 1:

Situated in District No. Four (4) of Knox County, Tennessee and within Ward No. Ten (10) of the City of Knoxville, Tennessee and being more particularly described as follows.

From the **Point of Beginning, said point being** located South 32° 17' West, a distance of 486.80 feet from City of Knoxville Control Point #0586; thence from said Point of Beginning along the western right-of-way of Neyland Drive the following four calls:

South 29° 20' West, a distance of 17.49 feet to a point; thence

South 27° 01' West, a distance of 70.91 feet to a point; thence

along a 1,345.19-foot radius curve to the left, said curve having an arc length of 94.98 feet, a chord bearing and distance of South 24° 34' West 94.96 feet to a point;

along a 1,462.00-foot radius curve to the left, said curve having an arc length of 126.49 feet and a chord bearing and distance of South 20° 55' West 126.45 feet to a point;

Thence along the southern western and northern lines of the Condotel Parcel described herein the following twenty-one calls:

North 68° 52' West, a distance of 181.30 feet to a point;

South 21° 08' West, a distance of 12.29 feet to a point;

North 68° 52' West, a distance of 8.17 feet to a point;

North 21° 08' East, a distance of 12.29 feet to a point;

North 68° 52' West, a distance of 6.18 feet to a point;

North 21° 10' East, a distance of 124.86 feet to a point;

North 84° 08' East, a distance of 5.68 feet to a point;

North 05° 52' West, a distance of 53.33 feet to a point;

North 84° 14' East, a distance of 69.60 feet to a point;

North 18° 55' West, a distance of 28.95 feet to a point;

North 65° 44' East, a distance of 1.29 feet to a point;

North 21° 57' West, a distance of 6.67 feet to a point;

North 55° 31’ East, a distance of 24.16 feet to a point;

North 58° 10’ East, a distance of 12.47 feet to a point;

along a 40.00-foot radius curve to the right, said curve having an arc length of 39.89 feet, a chord bearing and distance of North 84° 12’ East 38.26 feet to a point;

South 68°40’ East, a distance of 54.16 feet to a point;

along a 3.00-foot radius curve to the right, said curve having an arc length of 4.40 feet, a chord bearing and distance of South 26° 50’ East 4.02 feet to a point;

along a 64.00-foot radius curve to the left, said curve having an arc length of 9.56 feet and a chord bearing and distance of South 10° 54’ West 9.55 feet to a point;

North 86° 49’ East, a distance of 35.54 feet to a point;

along a 26.02-foot radius curve to the right, said curve having an arc length of 35.07 feet and a chord bearing and distance of North 61° 29’ East 32.48 feet to a point;

South 69° 43’ East, a distance of 22.42 feet to a point; said point being the **Point of Beginning.**

Containing 53,788 square feet, or 1.23 acres, more or less.

Being bounded on the south by the present right-of-way of Neyland Drive and the Tennessee River, on the northeast by a stairway, on the east and southeast by gates, on the east by a sign, and on the west by a chainlink fence.

This description was prepared from a survey performed by Mark C. Tucker, Registered Land Surveyor, Tennessee License #1996, Robert G. Campbell & Associates, L.P., Knoxville, Tennessee, File No. 25014, dated March 27, 2026.

Parcel 2 (CONDOTEL SIP PARCEL)

Situated in District No. Four (4) of Knox County, Tennessee and within Ward no. Ten (10) of the City of Knoxville, Tennessee and lying above a horizontal plane having an elevation of 902.00 feet above sea level with no upper limit and lying within its horizontal boundaries projected vertically and being more particularly described as follows.

From the **Point of Beginning, said point being** located South 29° 02’ West, a distance of 794.24 feet from City of Knoxville Control Point #0586; thence from said Point of Beginning along the eastern and northern lines of the Garage Parcel described above the following two calls:

South 21° 08’ West, a distance of 129.75 feet to a point;

North 68° 52’ West, a distance of 116.81 feet to a point; thence along the western line of the Hotel SIP Parcel described herein, North 21° 08’ East, a distance of 129.75 feet to a point;

Thence along the southern line of the Hotel Parcel described above, South 68° 52’ East, a distance of 116.81 feet to a point; said point being the **Point of Beginning**.

Containing 15,156 square feet, or 0.35 acres, more or less.

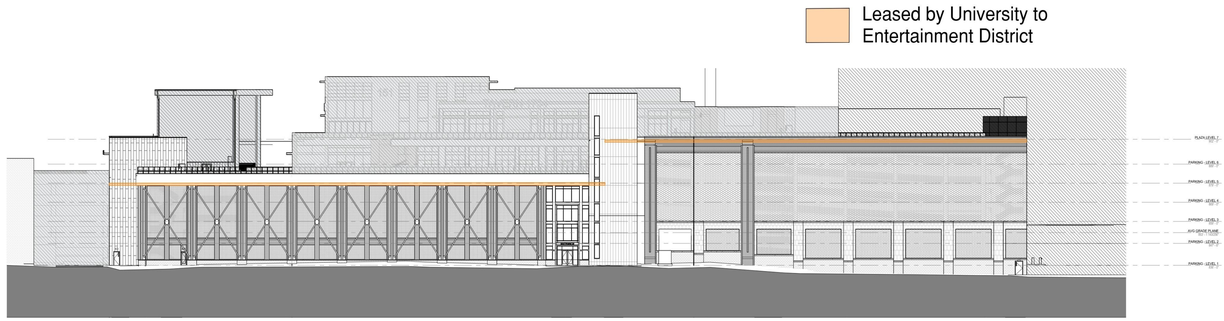
Being bounded on the west by Neyland Stadium and south and southeast by the Entertainment District SIP Parcel, on the north by the Condotel Parcel.

This description was prepared from a survey performed by Mark C. Tucker, Registered Land Surveyor, Tennessee License #1936, Robert G. Campbell & Associates, L.P., Knoxville, Tennessee, File No. 25014, dated March 27, 2026.

EXHIBIT A-3

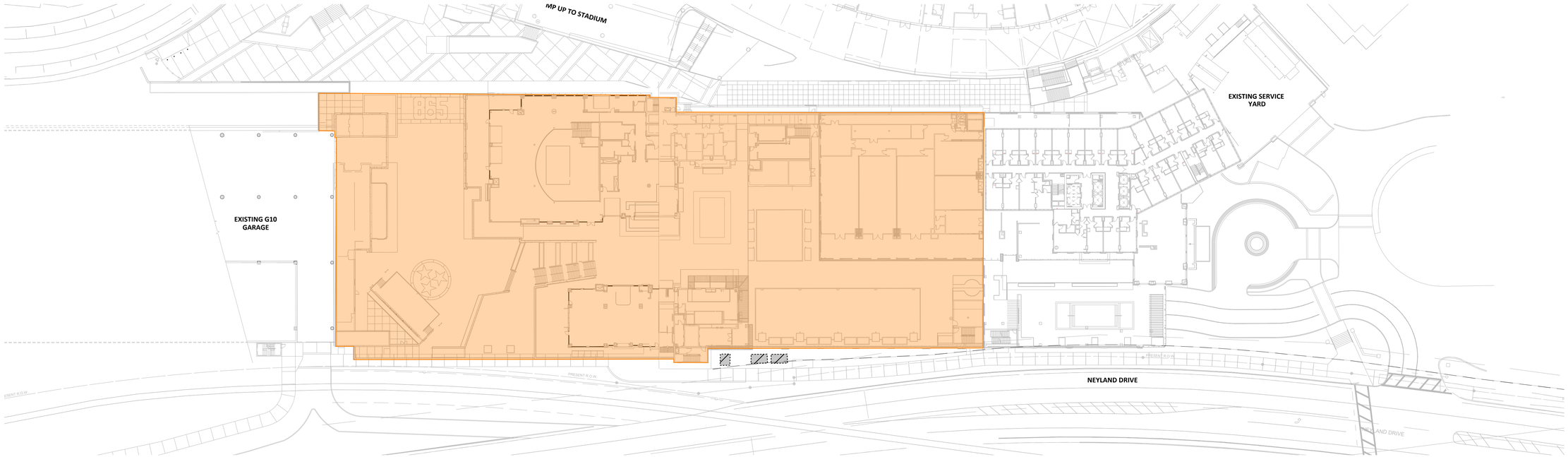
DRAWING DEPICTING THE PARKING STRUCTURE AND INCLUDING THE TOP FLOOR AS THE LOWER BOUNDARY OF THE LEASED PROPERTY

[*Attached*.]



NEYLAND ENTERTAINMENT DISTRICT

ELEVATION LEASE EXHIBIT



865 NEYLAND ENTERTAINMENT DISTRICT

OVERALL SITE

1"=40'

0 20' 40' 80' 120'

EXHIBIT B

PERMITTED EXCEPTIONS

1. All matters affecting title to all or any part of the Property and the areas in which any easements are located on the date of this Ground Lease, whether or not listed below or elsewhere in this Ground Lease, and whether or not appearing as exceptions or exclusions in any policy of title insurance, commitment for title insurance or title report.

2. All matters, exceptions and exclusions in any policy of title insurance obtained by Lessee or the Lender or any other Leasehold Mortgagee on or about the date of this Ground Lease, and any additional matters, exceptions or exclusions set forth in any subsequent endorsement or amendment to such policy (including any so-called "date down" or "continuation" endorsement) related to any of the following items in this Exhibit.

3. All matters that would be disclosed by an accurate and complete survey of the Land and the areas in which any easements are located (a) conducted prior to, or on or about, the date of this Ground Lease or (b) conducted thereafter and surveying any and all improvements constructed on the Land or in such easement areas, including the Project, provided that this clause does not constitute the consent of Lessor to any such matters.

4. Any and all defects, Liens, encumbrances, adverse claims or other matters created, suffered, assumed or agreed to by Lessee at any time (including any mechanic's Liens), provided that this clause does not constitute the consent of Lessor to any such defects, Liens, encumbrances, adverse claims or other matters.

5. The effects of any and all laws, ordinances, permits or Governmental Regulations, including those relating to building and zoning, now or hereafter existing, and all amendments thereof, or any consequences incurred due to any violations thereof, provided that this clause does not constitute the consent of Lessor to any such violations.

6. Any and all impositions or Taxes for or allocable to any and all periods on and after the date hereof, provided that this clause does not constitute the consent of Lessor to Lessee's failure to pay any of the same.

7. Any and all matters resulting from Lessee's or Lessor's performance of their respective obligations under this Ground Lease.

8. Any and all matters resulting from any breach by Lessee of any of its obligations under this Ground Lease, provided that this clause does not constitute the consent of Lessor to any such breach by Lessee.

EXHIBIT C

DESCRIPTION OF PROJECT

The Entertainment District Project consists generally of the following improvements:

On an elevated slab above and immediately adjacent to the top levels of the Parking Project will be approximately 110,000 square feet of improvements including approximately 50,000 square feet of interior restaurants and support space and 60,000 square feet of exterior plazas and performance venue.

EXHIBIT D

STATE OF TENNESSEE TERMS AND CONDITIONS

A. **Financial**:

1. PaymentWorks: Lessee must register as a vendor in the University's system, PaymentWorks.

B. **Compliance**:

1. Conflicts of Interest:

   i. Lessee states that no part of Lessee's compensation will be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to Lessee in connection with any work contemplated or performed under this Ground Lease.

   ii. Lessee states that this agreement is immediately void if Lessee is, or within the past 6 months has been, an employee of the State of Tennessee or if Lessee is an entity in which a controlling interest is held by an individual who is, or within the past 6 months has been, an employee of the State of Tennessee.

2. Iran Divestment Act: The requirements of Tenn. Code Ann. § 12-12-101 et. seq., addressing contracting with persons as defined at Tenn. Code Ann. §12-12-103(5) that engage in investment activities in Iran, are a material provision of this Ground Lease. Lessee hereby certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.

3. Illegal Immigrants: In compliance with the requirements of Tenn. Code Ann. § 12-3-309, Lessee hereby attests that it shall not knowingly utilize the services of an illegal immigrant in the United States in the performance of this Ground Lease and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the United States in the performance of this Ground Lease.

4. Anti-Israel Boycott: In compliance with the requirements of Tenn. Code Ann. § 12-4-119, Lessee hereby states that it is not currently engaged in, and will not for the duration of this Ground Lease engage in, a boycott of Israel.

5. Tennessee Department of Revenue: In compliance with the requirements of Tenn. Code Ann. § 12-3-306, Lessee hereby attests that it has registered with the State of Tennessee's Department of Revenue for the collection of Tennessee sales and use tax. This registration requirement is a material requirement of this Ground Lease.

6. Debarment:

   i. Lessee hereby attests that the following are true statements:
      a. Lessee is not currently debarred by the U.S. federal government.
      b. Lessee is not currently suspended by the U.S. federal government.
      c. Lessee is not currently named as an "excluded" supplier by the U.S. federal government.

ii. Lessee must notify Lessor within 2 business days if Lessee is debarred by any organization in the United States.

7. Use of Lessor and University Intellectual Property: Except as allowed in this Ground Lease, Lessee shall not use the Lessor's or University's name, marks, logos, or any other Lessor or University-owned intellectual property for any reason, without the written consent of an authorized official of the Lessor or University. During the term of this Ground Lease, Lessee may list the University's name in Lessee's list of Universities.

8. Non-Discrimination: No person on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal and/or Tennessee State Constitutional and/or statutory law shall be excluded from participation in, or denied benefits of, or be otherwise subjected to discrimination in the performance of this Ground Lease or in the employment practices of Lessee. Lessee shall, upon request, show proof of such non-discrimination, and shall post in conspicuous places, available to employees and applicants, notices of non-discrimination.

EXHIBIT E

PLANS AND SPECIFICATIONS

[*Attached*.]

Entertainment Building Drawing Log
Sheet Index - GMP Package 12/18/2025

Sheet#	Sheet Name	Sheet Issue Date	Submission
CS.01	COVER SHEET	12/18/2025	GMP Package
CS.02-2	DRAWING LIST - ENT. BLDG.	12/18/2025	GMP Package
LS101-2	OVERALL SITE MATERIALS PLAN	12/18/2025	GMP Package
LS102-2	SITE MATERIALS PLAN - PLAZA SOUTH	12/18/2025	GMP Package
LS103-2	SITE MATERIALS PLAN - PLAZA NORTH	12/18/2025	GMP Package
LS104-2	SITE MATERIALS PLAN - LEVEL 5	12/18/2025	GMP Package
LS105-2	SITE MATERIALS PLAN - LEVEL 7 SOUTH	12/18/2025	GMP Package
LS106-2	SITE MATERIALS PLAN - LEVEL 7 NORTH	12/18/2025	GMP Package
LS401-2	PLAN ENLARGEMENTS - PAVING	12/18/2025	GMP Package
LS501-2	SITE DETAILS	12/18/2025	GMP Package
LS502-2	SITE DETAILS	12/18/2025	GMP Package
LS503-2	SITE DETAILS	12/18/2025	GMP Package
LS504-2	SITE DETAILS	12/18/2025	GMP Package
LY101-2	OVERALL LAYOUT PLAN	12/18/2025	GMP Package
LY102-2	LAYOUT PLAN - PLAZA SOUTH	12/18/2025	GMP Package
LY103-2	LAYOUT PLAN - PLAZA NORTH	12/18/2025	GMP Package
LY104-2	LAYOUT PLAN - LEVEL 5	12/18/2025	GMP Package
LY105-2	LAYOUT PLAN - LEVEL 7 SOUTH	12/18/2025	GMP Package
LY106-2	LAYOUT PLAN - LEVEL 7 NORTH	12/18/2025	GMP Package
LG101-2	OVERALL GRADING PLAN	12/18/2025	GMP Package
LG102-2	GRADING PLAN - PLAZA SOUTH	12/18/2025	GMP Package
LG103-2	GRADING PLAN - PLAZA NORTH	12/18/2025	GMP Package
LG104-2	GRADING PLAN - LEVEL 5	12/18/2025	GMP Package
LG105-2	GRADING PLAN - LEVEL 7 SOUTH	12/18/2025	GMP Package
LG106-2	GRADING PLAN - LEVEL 7 NORTH	12/18/2025	GMP Package
LX101-2	OVERALL SOILS, PLANTING, & IRRIGATION PLAN	12/18/2025	GMP Package
LX102-2	SOILS PLAN - PLAZA AND LEVEL 5	12/18/2025	GMP Package
LX103-2	SOILS PLAN - LEVEL 7	12/18/2025	GMP Package
LP102-2	PLANTING PLAN - PLAZA AND LEVEL 5	12/18/2025	GMP Package
LP103-2	PLANTING PLAN - LEVEL 7	12/18/2025	GMP Package
LP500-2	OVERALL PLANTING SCHEDULE	12/18/2025	GMP Package
LP501-2	PLANTING DETAILS	12/18/2025	GMP Package
LI102-2	IRRIGATION PLAN - PLAZA AND LEVEL 5	12/18/2025	GMP Package
LI103-2	IRRIGATION PLAN - LEVEL 7	12/18/2025	GMP Package
A0.00-2	GENERAL PROJECT INFO - ENT BLDG	12/18/2025	GMP Package
A0.01	ARCHITECTURAL SITE PLAN	12/18/2025	GMP Package
A0.01-2	3D AXON VIEW	12/18/2025	GMP Package
A0.02-2	3D AXON VIEW	12/18/2025	GMP Package
A0.03-2	3D AXON VIEW	12/18/2025	GMP Package
A0.04-2	3D AXON VIEW	12/18/2025	GMP Package
A0.05-2	BUDGET ALIGNMENT DIAGRAMS	12/18/2025	GMP Package
A0.06-2	CODE ANALYSIS	12/18/2025	GMP Package
A0.07-2	CODE ANALYSIS (CONT.)	12/18/2025	GMP Package
A0.08-2	CODE ANALYSIS BUILDING SECTIONS - ENT. BLDG.	12/18/2025	GMP Package
A0.15-2	LIFE SAFETY PLAN - LOWER LEVEL - ENT. BLDG.	12/18/2025	GMP Package
A0.17-2	LIFE SAFETY PLAN - UPPER LEVEL - ENT. BLDG.	12/18/2025	GMP Package
A0.20-2	FLOOR / CEILING ASSEMBLY SCHEDULE	12/18/2025	GMP Package
A0.21-2	EXTERIOR WALL SCHEDULE	12/18/2025	GMP Package
A0.22-2	EXTERIOR WALL SCHEDULE	12/18/2025	GMP Package
A0.23-2	INTERIOR PARTITION SCHEDULE	12/18/2025	GMP Package
A0.25	AIR SEALING DETAILS & SOUND ATTENUATION DETAILS	12/18/2025	GMP Package
A1.05-2	GEOMETRY PLAN - LOWER LEVEL - ENT. BLDG.	12/18/2025	GMP Package
A1.07-2	GEOMETRY PLAN - UPPER LEVEL - ENT. BLDG.	12/18/2025	GMP Package
A2.05-2	OVERALL PLAN - LOWER LEVEL - ENT. BLDG.	12/18/2025	GMP Package
A2.05a-2	ENLARGED PLAN - LOWER LEVEL - PARTIAL A - ENT. BLDG.	12/18/2025	GMP Package
A2.05b-2	ENLARGED PLAN - LOWER LEVEL - PARTIAL B - ENT. BLDG.	12/18/2025	GMP Package
A2.07-2	OVERALL PLAN - UPPER LEVEL - ENT. BLDG.	12/18/2025	GMP Package
A2.07a-2	ENLARGED PLAN - UPPER LEVEL - PARTIAL A - ENT. BLDG.	12/18/2025	GMP Package
A2.07b-2	ENLARGED PLAN - UPPER LEVEL - PARTIAL B - ENT. BLDG.	12/18/2025	GMP Package
A2.08-2	OVERALL PLAN - ROOF LEVEL - ENT. BLDG.	12/18/2025	GMP Package
A2.08a-2	ENLARGED PLAN - ROOF LEVEL - PARTIAL A - ENT. BLDG.	12/18/2025	GMP Package
A2.08b-2	ENLARGED PLAN - ROOF LEVEL - PARTIAL B - ENT. BLDG.	12/18/2025	GMP Package
A3.04-2	RCP - PARKING LEVEL 4 - ENT. BLDG.	12/18/2025	GMP Package
A3.05-2	RCP - LOWER LEVEL - ENT. BLDG.	12/18/2025	GMP Package
A3.06-2	RCP - PARKING LEVEL 6 - ENT. BLDG.	12/18/2025	GMP Package

A3.07-2	RCP - UPPER LEVEL - ENT. BLDG.	12/18/2025	GMP Package
A4.01-2	OVERALL BUILDING ELEVATIONS - ENT. BLDG.	12/18/2025	GMP Package
A4.02-2	OVERALL PLAZA ELEVATIONS - ENT. BLDG.	12/18/2025	GMP Package
A4.03-2	ENLARGED BUILDING ELEVATIONS - ENT. BLDG.	12/18/2025	GMP Package
A4.04-2	ENLARGED BUILDING ELEVATIONS - ENT. BLDG.	12/18/2025	GMP Package
A4.05-2	ENLARGED BUILDING ELEVATIONS - ENT. BLDG.	12/18/2025	GMP Package
A5.01-2	BUILDING SECTIONS - ENT. BLDG.	12/18/2025	GMP Package
A5.10-2	WALL SECTIONS - ENT. BLDG.	12/18/2025	GMP Package
A5.11-2	WALL SECTIONS - ENT. BLDG.	12/18/2025	GMP Package
A5.20-2	SLAB DETAILS	12/18/2025	GMP Package
A5.21-2	SECTION DETAILS	12/18/2025	GMP Package
A5.22-2	SECTION DETAILS	12/18/2025	GMP Package
A5.23-2	ROOF DETAILS	12/18/2025	GMP Package
A5.24-2	PLAN DETAILS	12/18/2025	GMP Package
A5.30-2	RAILING DETAILS	12/18/2025	GMP Package
A5.31-2	TRANSITION DETAILS	12/18/2025	GMP Package
A5.32-2	COPING DETAILS	12/18/2025	GMP Package
A5.40-2	CANOPY KEY PLAN	12/18/2025	GMP Package
A5.41-2	CANOPY DETAILS	12/18/2025	GMP Package
A5.42-2	CANOPY DETAILS	12/18/2025	GMP Package
A5.43	ROOF & CANOPY DETAILS	12/18/2025	GMP Package
A5.43-2	CANOPY DETAILS	12/18/2025	GMP Package
A5.44-2	CANOPY DETAILS	12/18/2025	GMP Package
A5.50-2	BAR CANOPY	12/18/2025	GMP Package
A8.02-2	RESTAURANT #1 STAIR	12/18/2025	GMP Package
A8.03-2	RESTAURANT #2 STAIR	12/18/2025	GMP Package
A8.21-2	ENLARGED FLOOR PLAN - ENT. BLDG.	12/18/2025	GMP Package
A8.22a-2	RESTROOMS - ENT. BLDG.	12/18/2025	GMP Package
A8.22b-2	RESTROOMS - ENT. BLDG.	12/18/2025	GMP Package
A8.23-2	ANSI 2017 DETAILS PAGE 1	12/18/2025	GMP Package
A8.24-2	ANSI 2017 DETAILS PAGE 2	12/18/2025	GMP Package
A8.25-2	ENTERTAINMENT PLAZA STAIRS	12/18/2025	GMP Package
A8.27-2	PLATFORM - ENT BLDG	12/18/2025	GMP Package
A8.28-2	RETAIL KIOSK + BAR - ENT. BLDG.	12/18/2025	GMP Package
A9.01-2	DOOR SCHEDULE - ENT. BLDG.	12/18/2025	GMP Package
A9.02-2	DOOR HARDWARE SCHEDULE - ENT. BLDG.	12/18/2025	GMP Package
A9.03	DOOR DETAILS	12/18/2025	GMP Package
A9.03-2	STOREFRONT SCHEDULE - RESTAURANT #1 PLAZA LEVEL 5	12/18/2025	GMP Package
A9.04-2	STOREFRONT SCHEDULE - RESTAURANT #1 PLAZA LEVEL 7	12/18/2025	GMP Package
A9.05-2	STOREFRONT SCHEDULE - RESTAURANT #2	12/18/2025	GMP Package
A9.10-2	OPERABLE OPENING SCHEDULE	12/18/2025	GMP Package
A9.30-2	MATERIAL BOARD - ENT. BLDG.	12/18/2025	GMP Package
IDA0.00	ID COVER SHEET	12/18/2025	GMP Package
IDA0.01	INTERIORS SCOPING PLANS	12/18/2025	GMP Package
IDA0.02	OVERALL ENTERTAINMENT BLDG FLOOR PLANS	12/18/2025	GMP Package
IDA4.01	GENERAL - Exterior Entertainment - Restroom Plans & RCPS	12/18/2025	GMP Package
IDA4.02	GENERAL - Exterior Lower Level Entertainment - Restroom Elevations	12/18/2025	GMP Package
IDA4.03	GENERAL - Exterior Upper Level Entertainment - Restroom Elevations	12/18/2025	GMP Package
IDA5.01	GENERAL - CONSTRUCTION - Lower Level Entertainment - Bar A	12/18/2025	GMP Package
IDA5.01a	GENERAL - CONSTRUCTION - Lower Level Entertainment - Bar A	12/18/2025	GMP Package
IDA5.02	GENERAL - CONSTRUCTION DETAILS - Upper Level Entertainment - Bar K	12/18/2025	GMP Package
IDA5.02a	GENERAL - CONSTRUCTION DETAILS - Upper Level Entertainment - Bar K	12/18/2025	GMP Package
IDA5.03	GENERAL - CONSTRUCTION DETAILS - Bar Sections	12/18/2025	GMP Package
IDA5.04	GENERAL - CONSTRUCTION DETAILS - Exterior Restrooms	12/18/2025	GMP Package
IDA6.01	GENERAL - SCHEDULES	12/18/2025	GMP Package
IDB1.11	RST1 - OVERALL PLANS - Lower Level Entertainment - Finish & Details	12/18/2025	GMP Package
IDB1.12	RST1 - OVERALL PLANS - Upper Level Entertainment - Finish & Details	12/18/2025	GMP Package
IDB1.21	RST1 - OVERALL PLAN - Lower Level Entertainment - Furniture Power & MEP Coordination Plan	12/18/2025	GMP Package
IDB1.22	RST1 - OVERALL PLAN - Upper Level Entertainment - Furniture Power & MEP Coordination Plan	12/18/2025	GMP Package
IDB2.11	RST1 - OVERALL PLAN - Lower Level Entertainment - Construction RCP	12/18/2025	GMP Package
IDB2.12	RST1 - OVERALL PLAN - Upper Level Entertainment - Construction RCP	12/18/2025	GMP Package
IDB2.21	RST1 - OVERALL PLAN - Lower Level Entertainment - Lighting & Device RCP	12/18/2025	GMP Package
IDB2.22	RST1 - OVERALL PLAN - Upper Level Entertainment - Lighting & Device RCP	12/18/2025	GMP Package
IDB3.01	RST1 - INTERIOR ELEVATIONS	12/18/2025	GMP Package
IDB3.02	RST1 - INTERIOR ELEVATIONS	12/18/2025	GMP Package
IDB3.03	RST1 - INTERIOR ELEVATIONS	12/18/2025	GMP Package
IDB3.04	RST1 - INTERIOR ELEVATIONS	12/18/2025	GMP Package
IDB3.05	RST1 - INTERIOR ELEVATIONS	12/18/2025	GMP Package
IDB3.06	RST1 - INTERIOR ELEVATIONS	12/18/2025	GMP Package
IDB3.07	RST1 - INTERIOR ELEVATIONS	12/18/2025	GMP Package

IDB4.01	RST1 - ENLARGED RESTROOM PLANS & ELEVATIONS	12/18/2025	GMP Package
IDB4.02	RST1 - ENLARGED RESTROOM PLANS & ELEVATIONS - Lower Level	12/18/2025	GMP Package
IDB4.03	RST1 - ENLARGED RESTROOM PLANS & ELEVATIONS - Upper Level	12/18/2025	GMP Package
IDB5.00	RST1 - CONSTRUCTION DETAILS - Floor, Wall & Material Transitions	12/18/2025	GMP Package
IDB5.01	RST1 - CONSTRUCTION DETAILS - Typical	12/18/2025	GMP Package
IDB5.02	RST1 - CONSTRUCTION DETAILS - Ceiling Transitions	12/18/2025	GMP Package
IDB5.03	RST1 - CONSTRUCTION DETAILS - Ceiling Transitions	12/18/2025	GMP Package
IDB5.04	RST1 - CONSTRUCTION DETAILS - Lower Level Entertainment - Bar B	12/18/2025	GMP Package
IDB5.04a	RST1 - CONSTRUCTION DETAILS - Lower Level Entertainment - Bar B	12/18/2025	GMP Package
IDB5.05	RST1 - CONSTRUCTION DETAILS - Lower Level Entertainment - Bar C	12/18/2025	GMP Package
IDB5.05a	RST1 - CONSTRUCTION DETAILS - Lower Level Entertainment - Bar C	12/18/2025	GMP Package
IDB5.06	RST1 - CONSTRUCTION DETAILS - Lower Level Entertainment - Bar D	12/18/2025	GMP Package
IDB5.06a	RST1 - CONSTRUCTION DETAILS - Lower Level Entertainment - Bar D	12/18/2025	GMP Package
IDB5.07	RST1 - CONSTRUCTION DETAILS - Lower Level Entertainment - Broadcast Booth	12/18/2025	GMP Package
IDB5.08	RST1 - CONSTRUCTION DETAILS - Upper Level Entertainment - Bar G	12/18/2025	GMP Package
IDB5.08a	RST1 - CONSTRUCTION DETAILS - Upper Level Entertainment - Bar G	12/18/2025	GMP Package
IDB5.09	RST1 - CONSTRUCTION DETAILS - Upper Level Entertainment - Bar H	12/18/2025	GMP Package
IDB5.09a	RST1 - CONSTRUCTION DETAILS - Upper Level Entertainment - Bar H	12/18/2025	GMP Package
IDB5.10	RST1 - CONSTRUCTION DETAILS - Upper Level Entertainment - Bar J	12/18/2025	GMP Package
IDB5.11	RST1 - CONSTRUCTION DETAILS - Upper Level Entertainment - Bar J	12/18/2025	GMP Package
IDB5.12	RST1 - CONSTRUCTION DETAILS - Upper Level Entertainment - Bar J	12/18/2025	GMP Package
IDB6.01	RST1 - SCHEDULES - Finishes & Decorative Hardware	12/18/2025	GMP Package
IDB6.02	RST1 - SCHEDULES - Lighting, Plumbing & Toilet Accessories	12/18/2025	GMP Package
IDB7.01	RST1 - PRESENTATION - PLANS	12/18/2025	GMP Package
IDB7.02	RST1 - PRESENTATION - RENDERINGS	12/18/2025	GMP Package
IDB7.03	RST1 - PRESENTATION - RENDERINGS	12/18/2025	GMP Package
IDC1.11	RST2 - OVERALL PLANS - Lower Level Entertainment - Finish & Details	12/18/2025	GMP Package
IDC1.12	RST2 - OVERALL PLANS - Upper Level Entertainment - Finish & Details	12/18/2025	GMP Package
IDC1.21	RST2 - OVERALL PLAN - Lower Level - Furniture, Power & MEP Coordination Plan	12/18/2025	GMP Package
IDC1.22	RST2 - OVERALL PLAN - Upper Level - Furniture, Power & MEP Coordination Plan	12/18/2025	GMP Package
IDC2.11	RST2 - OVERALL RCP - Lower Level Entertainment - Construction RCP	12/18/2025	GMP Package
IDC2.12	RST2 - OVERALL RCP - Upper Level Entertainment - Construction RCP	12/18/2025	GMP Package
IDC2.21	RST2 - OVERALL RCP - Lower Level Entertainment - Lighting & Device RCP	12/18/2025	GMP Package
IDC2.22	RST2 - OVERALL RCP - Upper Level Entertainment - Lighting & Device RCP	12/18/2025	GMP Package
IDC3.01	RST2 - INTERIOR ELEVATIONS	12/18/2025	GMP Package
IDC3.02	RST2 - INTERIOR ELEVATIONS	12/18/2025	GMP Package
IDC3.03	RST2 - INTERIOR ELEVATIONS	12/18/2025	GMP Package
IDC3.04	RST2 - INTERIOR ELEVATIONS	12/18/2025	GMP Package
IDC3.05	RST2 - INTERIOR ELEVATIONS	12/18/2025	GMP Package
IDC4.01	RST2 - ENLARGED RESTROOM PLANS & ELEVATIONS	12/18/2025	GMP Package
IDC4.02	RST2 - ENLARGED RESTROOM PLANS & ELEVATIONS	12/18/2025	GMP Package
IDC5.00	RST2 - CONSTRUCTION DETAILS - Floor, Wall & Material Transitions	12/18/2025	GMP Package
IDC5.01	RST2 - CONSTRUCTION DETAILS - Typical	12/18/2025	GMP Package
IDC5.02	RST2 - CONSTRUCTION DETAILS - Typical	12/18/2025	GMP Package
IDC5.03	RST2 - CONSTRUCTION DETAILS - Typical	12/18/2025	GMP Package
IDC5.04	RST2 - CONSTRUCTION DETAILS - Typical	12/18/2025	GMP Package
IDC5.05	RST2 - CONSTRUCTION DETAILS - Typical	12/18/2025	GMP Package
IDC5.06	RST2 - CONSTRUCTION DETAILS - Ceiling Transitions	12/18/2025	GMP Package
IDC5.07	RST2 - CONSTRUCTION DETAILS - Lower Level Entertainment - Host Stand A, B & C	12/18/2025	GMP Package
IDC5.08	RST2 - CONSTRUCTION DETAILS - Lower Level Entertainment - Bar E	12/18/2025	GMP Package
IDC5.08a	RST2 - CONSTRUCTION DETAILS - Lower Level Entertainment - Bar E	12/18/2025	GMP Package
IDC5.08b	RST2 - CONSTRUCTION DETAILS - Lower Level Entertainment - Bar E	12/18/2025	GMP Package
IDC5.09	RST2 - CONSTRUCTION DETAILS - Lower Level Entertainment - Bar F	12/18/2025	GMP Package
IDC5.09a	RST2 - CONSTRUCTION DETAILS - Lower Level Entertainment - Bar F	12/18/2025	GMP Package
IDC5.09b	RST2 - CONSTRUCTION DETAILS - Lower Level Entertainment - Bar F	12/18/2025	GMP Package
IDC5.10	RST2 - CONSTRUCTION DETAILS - Upper Level Entertainment - Bar L	12/18/2025	GMP Package
IDC5.10a	RST2 - CONSTRUCTION DETAILS - Upper Level Entertainment - Bar L	12/18/2025	GMP Package
IDC5.11	RST2 - CONSTRUCTION DETAILS - Upper Level Entertainment - Bar M	12/18/2025	GMP Package
IDC5.12	RST2 - CONSTRUCTION DETAILS - Upper Level Entertainment - Bar M	12/18/2025	GMP Package
IDC6.01	RST2 - SCHEDULES - Finishes & Decorative Hardware	12/18/2025	GMP Package
IDC6.02	RST2 - SCHEDULES - Lighting, Plumbing & Toilet Accessories	12/18/2025	GMP Package
IDC7.01	RST2 - PRESENTATION - PLANS	12/18/2025	GMP Package
IDC7.02	RST2 - PRESENTATION - RENDERINGS	12/18/2025	GMP Package
IDC7.03	RST2 - PRESENTATION - RENDERINGS	12/18/2025	GMP Package
K1.0	EQUIPMENT SCHEDULE	12/18/2025	GMP Package
K1.1	EQUIPMENT PLAN FIRST FLOOR - BARS A + B	12/18/2025	GMP Package
K1.2	EQUIPMENT PLAN FIRST FLOOR - PLAZA BACK OF HOUSE	12/18/2025	GMP Package
K1.3	EQUIPMENT PLAN FIRST FLOOR - BARS C, D + KITCHEN	12/18/2025	GMP Package
K1.4	EQUIPMENT PLAN FIRST FLOOR - BARS E + F	12/18/2025	GMP Package
K1.5	EQUIPMENT PLAN SECOND FLOOR - BARS G,H + J	12/18/2025	GMP Package

K1.6	EQUIPMENT PLAN SECOND FLOOR - BAR J, BOH, BEER GARDEN, BAR K + ICE CREAM BAR	12/18/2025	GMP Package
K1.7	EQUIPMENT PLAN SECOND FLOOR - BAR L	12/18/2025	GMP Package
K2.0	ELECTRICAL SCHEDULE	12/18/2025	GMP Package
K2.1	ELECTRICAL PLAN FIRST FLOOR - BARS A + B	12/18/2025	GMP Package
K2.2	ELECTRICAL PLAN FIRST FLOOR - PLAZA BACK OF HOUSE	12/18/2025	GMP Package
K2.3	ELECTRICAL PLAN FIRST FLOOR - BARS C, D + KITCHEN	12/18/2025	GMP Package
K2.4	ELECTRICAL PLAN FIRST FLOOR - BARS E + F	12/18/2025	GMP Package
K2.5	ELECTRICAL PLAN SECOND FLOOR - BARS G, H + J	12/18/2025	GMP Package
K2.6	ELECTRICAL PLAN SECOND FLOOR - BAR J, BOH, BEER GARDEN, BAR K + ICE CREAM BAR	12/18/2025	GMP Package
K2.7	ELECTRICAL PLAN SECOND FLOOR - BAR L	12/18/2025	GMP Package
K3.0	PLUMBING SCHEDULE	12/18/2025	GMP Package
K3.1	PLUMBING PLAN FIRST FLOOR - BARS A + B	12/18/2025	GMP Package
K3.2	PLUMBING PLAN FIRST FLOOR - PLAZA BACK OF HOUSE	12/18/2025	GMP Package
K3.3	PLUMBING PLAN FIRST FLOOR - BARS C, D + KITCHEN	12/18/2025	GMP Package
K3.4	PLUMBING PLAN FIRST FLOOR - BARS E + F	12/18/2025	GMP Package
K3.5	PLUMBING PLAN SECOND FLOOR - BARS G,H + J	12/18/2025	GMP Package
K3.6	PLUMBING PLAN SECOND FLOOR - BAR J, BOH, BEER GARDEN, BAR K + ICE CREAM BAR	12/18/2025	GMP Package
K3.7	PLUMBING PLAN SECOND FLOOR - BAR L	12/18/2025	GMP Package
K4.0	WASTE SCHEDULE	12/18/2025	GMP Package
K4.1	WASTE PLAN FIRST FLOOR - BARS A + B	12/18/2025	GMP Package
K4.2	WASTE PLAN FIRST FLOOR - PLAZA BACK OF HOUSE	12/18/2025	GMP Package
K4.3	WASTE PLAN FIRST FLOOR - BARS C, D + KITCHEN	12/18/2025	GMP Package
K4.4	WASTE PLAN FIRST FLOOR - BARS E + F	12/18/2025	GMP Package
K4.5	WASTE PLAN SECOND FLOOR - BARS G,H + J	12/18/2025	GMP Package
K4.6	WASTE PLAN SECOND FLOOR - BAR J, BOH, BEER GARDEN, BAR K + ICE CREAM BAR	12/18/2025	GMP Package
K4.7	WASTE PLAN SECOND FLOOR - BAR L	12/18/2025	GMP Package
P0.00	PLUMBING COVER SHEET	12/18/2025	GMP Package
P2.04a-1	ENLARGED PLUMBING PLAN - LEVEL 4 - PARTIAL A - GARAGE	12/18/2025	GMP Package
P2.05a-1	ENLARGED PLUMBING PLAN - LEVEL 5 - PARTIAL A - ENT. BLDG.	12/18/2025	GMP Package
P2.06b-1	ENLARGED PLUMBING PLAN - LEVEL 6 - PARTIAL B - GARAGE	12/18/2025	GMP Package
P2.07a-1	ENLARGED PLUMBING PLAN - UPPER LEVEL - PARTIAL A - ENT. BLDG.	12/18/2025	GMP Package
P2.07b-1	ENLARGED PLUMBING PLAN - LEVEL 7 - PARTIAL B - ENT. BLDG.	12/18/2025	GMP Package
P2.08a-1	ENLARGED PLUMBING PLAN - ROOF - PARTIAL A - ENT. BLDG.	12/18/2025	GMP Package
P2.08b-1	ENLARGED PLUMBING PLAN - ROOF - PARTIAL B - ENT. BLDG	12/18/2025	GMP Package
P4.01	PLUMBING PART PLANS	12/18/2025	GMP Package
P4.02	PLUMBING PART PLANS	12/18/2025	GMP Package
P4.03	PLUMBING PART PLANS	12/18/2025	GMP Package
P7.01	PLUMBING DETAILS	12/18/2025	GMP Package
P7.02	PLUMBING DETAILS	12/18/2025	GMP Package
P8.01	PLUMBING SCHEDULES	12/18/2025	GMP Package
M0.00	MECHANICAL COVER SHEET	12/18/2025	GMP Package
M0.01	MECHANICAL COVER SHEET	12/18/2025	GMP Package
M2.05a-1	ENLARGED MECHANICAL PLAN - LOWER LEVEL - PARTIAL A - ENT. BLDG.	12/18/2025	GMP Package
M2.07a-1	ENLARGED MECHANICAL PLAN - UPPER LEVEL - PARTIAL A - ENT. BLDG.	12/18/2025	GMP Package
M2.07b-1	ENLARGED MECHANICAL PLAN - UPPER LEVEL - PARTIAL B - ENT. BLDG.	12/18/2025	GMP Package
M2.08a-1	ENLARGED MECHANICAL PLAN - ROOF - PARTIAL A - ENT. BLDG.	12/18/2025	GMP Package
M2.08b-1	ENLARGED MECHANICAL PLAN - ROOF - PARTIAL B - ENT. BLDG.	12/18/2025	GMP Package
M4.01a-1	MECHANICAL PARTS PLAN	12/18/2025	GMP Package
M4.02a-1	MECHANICAL PARTS PLAN	12/18/2025	GMP Package
M7.01	MECHANICAL DETAILS	12/18/2025	GMP Package
M7.02	MECHANICAL DETAILS	12/18/2025	GMP Package
M7.03	MECHANICAL DETAILS	12/18/2025	GMP Package
M8.01	MECHANICAL SCHEDULES	12/18/2025	GMP Package
M8.02	MECHANICAL SCHEDULES	12/18/2025	GMP Package
E0.00	ELECTRICAL LEGEND & ABBREVIATIONS	12/18/2025	GMP Package
E0.01	LIGHT FIXTURE SCHEDULE	12/18/2025	GMP Package
E2.05a-1	LIGHTING FLOOR PLAN - LEVEL 5 - PARTIAL A - ENTERTAINMENT BUILDING	12/18/2025	GMP Package
E2.07a-1	LIGHTING FLOOR PLAN - LEVEL 7 - PARTIAL A - ENTERTAINMENT BUILDING	12/18/2025	GMP Package
E2.07a-2	LIGHTING FLOOR PLAN - LEVEL 7 - PARTIAL B - ENTERTAINMENT BUILDING	12/18/2025	GMP Package
E3.05a-1	POWER FLOOR PLAN - LEVEL 5 - PARTIAL A - ENTERTAINMENT BUILDING	12/18/2025	GMP Package
E3.07a-1	POWER FLOOR PLAN - LEVEL 7 - PARTIAL A - ENTERTAINMENT BUILDING	12/18/2025	GMP Package
E3.07a-2	POWER FLOOR PLAN - LEVEL 7 - PARTIAL B - ENTERTAINMENT BUILDING	12/18/2025	GMP Package
E3.08a-1	POWER FLOOR PLAN - ROOF - PARTIAL A - ENTERTAINMENT BUILDING	12/18/2025	GMP Package
E3.08b-1	POWER FLOOR PLAN - ROOF - PARTIAL B - ENTERTAINMENT BUILDING	12/18/2025	GMP Package
E4.01	PART PLAN - POWER	12/18/2025	GMP Package
E4.02	PART PLAN - POWER	12/18/2025	GMP Package
E4.03	FOOD SERVICE PART PLAN - POWER	12/18/2025	GMP Package
E4.04	FOOD SERVICE PART PLAN - POWER	12/18/2025	GMP Package
E4.05	FOOD SERVICE PART PLAN - POWER	12/18/2025	GMP Package
E5.01	ELECTRICAL DETAILS	12/18/2025	GMP Package

E6.01	POWER RISER	12/18/2025	GMP Package
E7.01	HVAC SCHEDULE	12/18/2025	GMP Package
E7.02	PANEL SCHEDULES	12/18/2025	GMP Package
E7.03	PANEL SCHEDULES	12/18/2025	GMP Package
TA001	LOW VOLTAGE SYSTEMS ENTERTAINMENT BUILDING TITLESHEET	12/19/2025	GMP Package
TA107	OVERALL PLAN - LEVEL 5 - PLAZA	12/19/2025	GMP Package
TA107.1	FLOOR PLAN - LEVEL 5 - PLAZA AREA A	12/19/2025	GMP Package
TA107.2	FLOOR PLAN - LEVEL 5 - PLAZA AREA B	12/19/2025	GMP Package
TA108	OVERALL PLAN - LEVEL 7 - PLAZA	12/19/2025	GMP Package
TA108.1	FLOOR PLAN - LEVEL 7 - PLAZA AREA A	12/19/2025	GMP Package
TA108.2	FLOOR PLAN - LEVEL 7 - PLAZA AREA B	12/19/2025	GMP Package
TA108.3	FLOOR PLAN - LEVEL 7 - PLAZA AREA C	12/19/2025	GMP Package
TA207.1	RCP - LEVEL 5 - PLAZA AREA A	12/19/2025	GMP Package
TA207.2	RCP - LEVEL 5 - PLAZA AREA B	12/19/2025	GMP Package
TA208.1	RCP - LEVEL 7 - PLAZA AREA A	12/19/2025	GMP Package
TA208.2	RCP - LEVEL 7 - PLAZA AREA B	12/19/2025	GMP Package
TA208.3	RCP - LEVEL 7 - PLAZA AREA C	12/19/2025	GMP Package
TA301	LOW VOLTAGE SYSTEMS INFRASTRUCTURE DETAILS (1 OF 2)	12/19/2025	GMP Package
TA302	LOW VOLTAGE SYSTEMS INFRASTRUCTURE DETAILS (2 OF 2)	12/19/2025	GMP Package
TA501	ELECTRONIC ACCESS CONTROL DOOR DETAILS	12/19/2025	GMP Package
TA601	RACK ELEVATIONS	12/19/2025	GMP Package
TA602	RACK ROOM ENLARGED DETAILS	12/19/2025	GMP Package
TA701	INDOOR THEATRICAL LIGHTING SIGNAL FLOW	12/19/2025	GMP Package
TA702	OUTDOOR THEATRICAL LIGHTING SIGNAL FLOW	12/19/2025	GMP Package
TA703	PRODUCTION AUDIO SIGNAL FLOW	12/19/2025	GMP Package
TA704	INDOOR CONCERT PA SIGNAL FLOW	12/19/2025	GMP Package
TA705	OUTDOOR CONCERT PA SIGNAL FLOW	12/19/2025	GMP Package
TA706	ROCKY TOP AND TURF YARD PA SIGNAL FLOW	12/19/2025	GMP Package
TA707	VIDEO PRODUCTION SIGNAL FLOW	12/19/2025	GMP Package
TA708	DIRECT-VIEW LED VIDEO WALL SIGNAL FLOW	12/19/2025	GMP Package
TA709	MISCELLANEOUS AV ELEMENTS SIGNAL FLOW	12/19/2025	GMP Package
TA710	AUDIOVISUAL NETWORK & TYPICAL FLAT PANEL DISPLAY SIGNAL FLOW	12/19/2025	GMP Package

EXHIBIT F

OPERATING STANDARDS

Neyland Entertainment Initial District Operating Standards for Facilities

Lessee will cause its Manager and applicable Management Services (as referenced in Section 12 of the Lease) to operate the Entertainment District in accordance with the standards outlined in this exhibit.

1. General Overview
    a. These Operating Standards are important for the Entertainment District to reflect the values of the University and the Operations Committee.
    b. Manager shall furnish all supervision, personnel, equipment, supplies, tools and other equipment or technology for the operation and maintenance of all improvements within the Entertainment District.
    c. It will be the responsibility of the Manager to provide services to maintain and repair in alignment with the high standards of an educational institution from the perspectives of sanitation and protection of the physical facility. Services should be commensurate with a minimum APPA Level 2 Standards and strive for APPA Level 1 Standards as feasible, as further described below (recognizing that the Entertainment District is a high-volume, high-traffic venue). The Manager will ensure regular cleaning of all public and event spaces and require operators to maintain a clean and welcome environment.
2. Responsibilities of the Manager
    a. Personnel
        i. Manager will exclusively handle all matters pertaining to human resource issues. This will include but is not limited to recruitment, screening, hiring, and retention. These matters will be done in compliance with existing statutes, regulations and other laws pertaining to non-discrimination, wage and hour and any other stipulations germane to prudent personnel management.
        ii. The Manager is responsible for training personnel for duties required in the operations of the Entertainment District in compliance with all applicable laws and safety standards
        iii. All personnel will be dressed in a manner authorized by the Manager. All personnel will be neat and clean in appearance. Dress will be appropriate for a University campus that welcomes families and children. If an employee is failing to meet this dress standard, the Manager will enforce the standard with the employee upon being notified by the University of the situation. Uniforms may be appropriate for some personnel to identify them as part of the Manager's workforce.

    b. Manager's Representatives
        i. A representative of the Manager shall be appointed within 24 hours of execution of a management contract, and contact information will be provided to University members of the Operations Committee. This person shall be available to the University for the purpose of identifying and collaborating on issues and opportunities, and coordinating on matters day-to-day. The Manager's representative

does not need to be on-site, but should be focused on strategic-level cooperation and stewardship of the relationship between the Manager and the University.

ii. At least one on-site supervisor will be identified and contact information provided to University members of the Operations Committee. This person will be focused on addressing tactical issues regarding the operation of the Entertainment District in collaboration with University representatives day-to-day.

c. Safety

i. Manager will comply with and require operators to comply with all applicable environmental laws and regulations, and avoid use of toxic substances that violate environmental law.

ii. Manager will train all employees on application of chemicals and use of equipment relevant to their job.

d. Equipment & Supplies

i. Manager will maintain and procure all equipment necessary to operate the Entertainment District.

ii. The University shall not be responsible for any loss of equipment or supplies.

iii. MSDS Sheets will be maintained on the job site for all chemicals used. Manager will provide a copy of MSDS sheet to the UT Office of Environmental Health & Safety (EHS).

e. Events

i. Manager will require that events (and any event participants) have all permits in accordance with legal requirements.

ii. Manager will coordinate with the University in scheduling events to avoid disruption to University events and campus life.

1. Manager will recognize the academic and residential nature of the University campus. Manager will avoid scheduling loud events after operating hours that will negatively impact nearby residents, as well as avoid scheduling loud or disruptive events during designated University reading and finals periods. Notwithstanding the foregoing, it is recognized that the Entertainment District will host concerts including national musical acts involving large-scale productions and watch parties.

iii. The type of events scheduled by Manager will be generally appropriate for a University campus and shall strive to avoid events that would reasonably be considered offensive.

f. Emergencies

i. In preparation for foreseeable emergency events (hurricanes/severe storms, snow events, e.g.) Manager will coordinate with a contact person within the UT Office of Emergency Management.

ii. Manager and key personnel will monitor the UT Alert system and Safe at UT app and follow instructions from UT according to specific emergency situations.

iii. Weather-related cleanup, including snow removal and maintenance of safe conditions within the Entertainment District will be the responsibility of the Manager.

g. Trash & Recycling

i. Manager will provide appropriate levels of trash containers in public areas and for events with regular removal by licensed contractors.

ii. Manager will participate in the University recycling program in coordination with UTK Facilities Services.

h. APPA Standards

i. The following rating scale will be used to assess the facility conditions within the Entertainment District (taking into account the Entertainment District's nature as a high-volume, high-traffic event venue):

-
- APPA Level 1: Orderly Spotlessness – The highest standard. Floors shine, surfaces are free of any dust or fingerprints, and fixtures are pristine.
- APPA Level 2: Ordinary Tidiness – The typical institutional standard. Looks clean, though close observation may reveal minor dust or fingerprints (no more than two days' worth).
- APPA Level 3: Casual Inattention – Acceptable but inconsistent. Visible dust and some floor buildup in corners; trash is emptied but containers may show some marks.
- APPA Level 4: Moderate Dinginess – Clear signs of neglect. Surfaces have heavy dust and smudges; trash containers may smell sour, and up to 5% of lamps may be burned out.
- APPA Level 5: Unkempt Neglect – The lowest level. Heavy soil, trash overflowing, and obvious lack of routine maintenance; immediate attention is required for sanitation.

ii. The task frequency identified in the table below and commonly associated with APPA Level 2, will be the minimum cleaning standards maintained throughout the Entertainment District

Daily Tasks	5 days per week	Emptying trash, spot cleaning glass, sanitizing drinking fountains, and cleaning restrooms.
Weekly Tasks	1–2 days per week	Damping mopping entire floors, thorough furniture dusting, and cleaning stainless steel.
Periodic Tasks	Monthly / Quarterly	High/low dusting of vents, machine scrubbing floors, and cleaning ceiling panels.
Annual Tasks	1–2 times per year	Strip and refinish floors, full carpet extraction, and deep cleaning of window blinds.

OMNIBUS INSURANCE REQUIREMENTS

SCHEDULE 1

INSURANCE REQUIREMENTS

1. **Required Coverages**. It is the intent of the parties that all risk of loss for the Project be shifted to insurance to the maximum extent practicable. Accordingly, the Lessee shall maintain, or cause to be maintained, insurance covering the risks enumerated in this Schedule 1. Such insurance shall be written on an occurrence basis, but for errors and omissions insurance issued on a claims made basis, the Lessor may require the purchase of a tail policy for such errors and omissions insurance with such term and limits as the Lessor and the Lessee may reasonably determine appropriate. All insurance policies to be maintained by Lessee hereunder shall provide that (i) such insurance shall be primary coverage without reduction or right of offset or contribution on account of any insurance provided by the Lessor to itself or its officers, officials, or employees, and (ii) that such insurance shall name the Lessor and the University as additional insureds as their interest may appear to the extent available and permitted by applicable law. Notwithstanding anything else herein contained, the rights of the Lessor and/or the University to any insurance policies covering the Property or the Project (or any portion thereof) and any and all proceeds paid or payable thereunder shall be in all respects junior and subordinate to the rights of any Leasehold Mortgagee.

2. **Additional Insured; General**. With respect to liability insurance, the Lessor, and the University shall, to the fullest extent available and permitted by applicable law, be named as an additional insured in any such liability insurance policies. All insurance policies and endorsements required pursuant to this Schedule 1 shall be fully paid for, nonassessable and contain such provisions and expiration dates and be in such form and amounts as indicated above and shall be issued by an insurance company licensed or authorized to sell insurance in the State of Tennessee, and having an A.M. Best Company rating with respect to its financial strength of AVII or better. Without limiting the foregoing, Lessee shall use commercially reasonable efforts to obtain a policy that shall specifically provide that such policy may not be modified, altered, or cancelled except upon thirty (30) days' prior written notice to the Lessor, provided that if Lessee is unable to obtain such a clause in the policy, then Lessee shall provide Lessor such notice, and provided further, such policy shall provide that no act or thing done by the Lessee shall invalidate the policy as against the Lessor.

3. **Loss Payable clause**. Section 26 of the Ground Lease is incorporated herein by reference.

4. **Delivery of Evidence of Insurance**. Upon the commencement of this Ground Lease and at each policy renewal date, the Lessee shall furnish to the Lessor at the address set forth in Section 34 copies of policies and all endorsements, including additional insured endorsements, or enforceable evidences or binders of all insurance required to be carried by the Lessee, in accordance with this Ground Lease, listing the Lessor and the University as certificate holders. Such insurance evidence must document that the liability insurance coverage purchased by the Lessee includes contractual liability coverage to cover the insurable aspects of this Ground Lease and the General Construction Contract.

5. **Evidence of Payment of Premiums**. The Lessee shall within twenty (20) days of payment furnish to the Lessor duplicate receipts or satisfactory evidence of the payment of all premiums on any and all insurance required to be carried by the Lessee in accordance with this Ground Lease.

6. **Annual Certification**. In order to assure compliance with the ongoing insurance requirements herein, Lessee shall deliver or cause to be delivered annually, within ninety (90) days after the end of each Annual Period, beginning with the Annual Period ending December 31, 202_, a certificate certifying that such insurance policies are in full force and effect, that such policies comply with the provisions of this Section 1, and that all premiums then due have been paid.

7. **Lessee Coverage**. Coverage required specific to Lessee under the Ground Lease shall be as follows:

a. Public Liability. At all times during the Term, the Lessee under the Ground Lease shall maintain or cause to be maintained Commercial General Liability insurance with minimum limits of liability of $1,000,000 each occurrence for Bodily Injury and Property Damage, $1,000,000 each occurrence for Personal Injury liability, including $1,000,000 Contractual Liability and $2,000,000 Aggregate limit for Products and Completed Operations and a $2,000,000 General Aggregate applying separately to the Project. Coverage shall include: Premises and Operations, Products and Completed Operations, Contractual Liability, insuring indemnity obligations, Broad Form Property Damage (including completed operations), Explosion, Collapse and Underground hazards. Such policy shall include contractual liability coverage.

b. Insurance During Construction. The Lessee under the Ground Lease shall provide and maintain, or cause to be provided or maintained, during construction of the Project a builder's risk insurance policy to cover work in the course of construction which has been installed and has become a physical part of the Property. With respect to the initial Lessee under the Ground Lease or any person succeeding to the initial Lessee's interest by operation of the Leasehold Mortgage, maintenance of the insurance required by the Leasehold Mortgagee shall satisfy this requirement. Such insurance shall provide coverage on an "all risks of loss or damage basis" and shall cover direct physical loss of or damage to covered property, including perils of fire, lightning, wind, flood, and all other risks covered by the extended coverage endorsement then in use in the State. It shall also include debris removal and/or demolition occasioned by enforcement of any Governmental Regulations. Coverage must include provision to pay the reasonable extra costs of expediting temporary and/or permanent repairs to, or permanent replacement of, damaged property. This coverage shall include overtime wages and the extra costs of "express" or other means for rapidly transporting materials and supplies necessary for such repair or replacement. Such builders risk policy shall be written in the amount equal to one hundred percent (100%) of the replacement cost of the Project, subject to all reasonable and applicable sub-limits and annual aggregate limits of liability contained in the policy. The Lessee shall include the Lessor as additional insured on all construction-related insurance to the extent available and permitted by applicable law.

c. Insurance Upon Completion of Construction. Following Final Completion, the Lessee shall provide the applicable insurance below. With respect to the initial Lessee under the Ground Lease or any person succeeding to the initial Lessee's interest by operation of the Leasehold Mortgage, maintenance of the insurance required by the Leasehold Mortgagee shall satisfy this requirement. With respect to any other person succeeding to the initial Lessee's interest hereunder, the Lessee under the Ground Lease shall provide or cause to be provided the following insurance with respect to the common elements and limited common elements of the Project:

i. Property. Property insurance upon an all-risk / replacement basis in an amount of not less than one hundred percent (100%) of the then actual cost of replacement (subject to any applicable sub-limits and aggregate limits of liability) of the Project against loss or damage by risks covered by an "all risk of physical loss" form. This coverage, to the extent available at commercially reasonable rates and terms, will be for not less than one hundred percent (100%) of the replacement cost of the Project, less a reasonable deductible and subject to commercially reasonable sub limits, including a waiver of coinsurance provision, and landscape improvements coverage for the lesser of (i) one hundred percent (100%) of the replacement cost, or (ii) $1,000,000, whichever is greater;

ii. Business Interruption. Lessee shall maintain or cause to be maintained business interruption insurance covering loss of revenues or other income by the Lessee by reason of total or partial suspension of, or interruption in, the operation of the Project caused by

damage or destruction of the Project in an amount not less than the actual loss of revenue sustained as a result of and during the period of interruption;

iii. Working Compensation. Workers Compensation insurance coverage with limits of not less than that required by law;

iv. Employers Liability. Employers Liability insurance coverage in the amount of $1,000,000 each accident for Bodily Injury, $1,000,000 policy limit for Bodily Injury by Disease and $1,000,000 each employee for Bodily Injury by Disease;

v. Automobile Liability. Automobile Liability insurance including coverage for owned, hired and non-owned automobiles with limits of liability not less than $1,000,000 Combined Single Limit each accident for Bodily Injury and Property Damage; and

vi. Umbrella. Umbrella or Excess Liability insurance shall be required in the amount of at least $15,000,000 aggregate.

8. **Lessor Coverage; Lessee's Right to Insure**. Lessee shall have the right to require that Lessor carry Commercial General Liability insurance (or its equivalent) naming Lessee and Leasehold Mortgagee as additional insureds with minimum limits of liability of $1,000,000 each occurrence for Bodily Injury and Property Damage, $1,000,000 each occurrence for Personal Injury liability, including $1,000,000 Contractual Liability and $2,000,000 Aggregate limit for Products and Completed Operations and a $2,000,000 General Aggregate, with such limits to increase by five percent (5%) on every fifth (5th) anniversary of the Effective Date. The foregoing is subject to Lessee reimbursing Lessor for the insurance premium within thirty (30) days following receipt of an invoice therefor. In the event Lessor fails to place such insurance as required herein, Lessee shall have the right to do so on behalf of Lessor at Lessee's cost.

This instrument prepared by:

Dennis B. Ragsdale
Long, Ragsdale & Waters, P.C.
1111 N. Northshore Dr., Suite S-700
Knoxville, TN 37919

GROUND LEASE

(Hotel/Residential/Condo Hotel)

between

STATE OF TENNESSEE,
as Lessor
ON BEHALF OF THE
UNIVERSITY OF TENNESSEE,
ON BEHALF OF ITS
KNOXVILLE CAMPUS

and

865 HOSPITALITY DEVELOPER LLC
as Lessee

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Exhibit C – Intentionally Omitted

Exhibit D – State of Tennessee Terms and Conditions

Schedule 1 – Omnibus Insurance Requirements

Schedule 2 – List of Lessee Pre-Existing Environmental Condition Documents

GROUND LEASE

This **GROUND LEASE** (this "**Ground Lease**") is made and entered into as of [■], 2026 (the "**Effective Date**") between the **STATE OF TENNESSEE** (the "**Lessor**"), on behalf of the **UNIVERSITY OF TENNESSEE**, an instrumentality of the State of Tennessee (the "**University**"), on behalf of its **KNOXVILLE CAMPUS OF THE UNIVERSITY**, located at 1502 Cumberland Avenue, Knoxville, Tennessee 37996 (the "**Campus**"); and **865 HOSPITALITY DEVELOPER LLC** (the "**Lessee**"), a limited liability company organized and existing under the laws of the State of Delaware.

W I T N E S S E T H:

WHEREAS, the Lessor is the owner of certain real property (the "**Land**") located on the Campus of the University as more particularly described in **Exhibit A** attached hereto, incorporated in and by reference made a part hereof; and

WHEREAS, the Lessor and Lessee desire for the Lessee to develop, construct, and operate a mixed use project on the Land which is expected to include a mixed use facility of approximately 489,459 square feet containing hotel, residences, condo hotel residences and ancillary uses, as well as associated site infrastructure and various related amenities, utilities and improvements on the Land as more particularly described in this Ground Lease (collectively, the "**Project**"); and

WHEREAS, following completion of the Project, Lessee and Lessor intend to subject and submit the Ground Lease and the Property (as defined hereinbelow) to the Condominium Act and establish a leasehold condominium pursuant to a Master Declaration which will include a Hotel Unit, a Residential Unit, a Condo Hotel Unit (all as defined hereinbelow), and common elements and limited common elements.

NOW, THEREFORE, in consideration of the premises, the mutual covenants and agreements herein set forth by each party to be kept and performed, and for other good and valuable consideration, the receipt, adequacy, and sufficiency of which are hereby expressly acknowledged by each party hereto, the Lessor and the Lessee do hereby mutually covenant and agree as follows:

The Lessor does hereby lease, demise and let the Land unto the Lessee, and the Lessee does hereby take, lease and hire from the Lessor all right, title and interest of Lessor in the Land,

TOGETHER WITH all appurtenances, rights, privileges, and easements benefiting, belonging, or pertaining thereto, and together with the buildings, structures, and improvements erected or to be erected on the Land whether presently or in the future,

TO HAVE AND TO HOLD the Land for the term of years set forth herein unless this Ground Lease shall be sooner terminated as hereinafter provided.

This Ground Lease and all rights of the parties hereunder are expressly subject to the terms and conditions hereinafter set forth, all of which the parties hereto respectively agree to keep, abide by, and perform during the term hereof.

Section 1. Definitions. The following terms as used in this Ground Lease, shall have the following meanings, unless the context indicates otherwise.

"**Additional Rent**" shall have the meaning given in Section 3(d).

"**Affiliate**" means with respect to a specified Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with the specified Person. For the purpose of this definition, "**control**" means the ability to directly or indirectly, by voting securities, partnership or member interests, contract or otherwise, direct or cause the direction of the policies or management of the specified

Person. For purposes of Lessor only, any one or more of Lessor's affiliated foundations (*e.g.*, University of Tennessee Foundation, Inc.) shall be deemed to be an "Affiliate" of Lessor for purposes of this Ground Lease.

"**Annual Period**" means the twelve (12) month period commencing on January 1 of each calendar year and ending on December 31 of each calendar year.

"**Architect**" means M. Arthur Gensler Jr. and Associates, as architect under the terms and conditions of the Architect's Agreement, and its permitted successors and assigns.

"**Architect's Agreement**" means the agreement to be entered into between the Architect and the Lessee for the Design of the Project, and any and all modifications, supplements and amendments thereto.

"**Bankruptcy**" means, for any Person (a "**Bankrupt**"), (a) that such Person (i) applies for or consents to the appointment of a receiver or trustee, or the liquidation of such Person or of all or a substantial portion of its assets, (ii) files a voluntary petition in bankruptcy or admits in writing its inability to pay its debts as the same become due, (iii) makes an assignment for the benefit of its creditors, (iv) files a petition or an answer seeking a reorganization or an arrangement with its creditors or seeks to take advantage of any insolvency law; or (b) performs any other act of bankruptcy, or (c) files an answer admitting (or fails to timely dispute or object to) the material allegations of a petition filed against such Person in any bankruptcy, reorganization or insolvency proceedings; or (d) that an order, judgment or decree is entered by any court having jurisdiction adjudicating such Person as bankrupt or insolvent, approving a petition seeking such a reorganization, or appointing a receiver, trustee or liquidator of such Person or all or a substantial part of its assets and such order, judgment or decree is not stayed or dismissed within sixty (60) days from the entry thereof; or (e) that there is otherwise commenced with respect to such Person, or any of its assets, any proceeding under bankruptcy, reorganization, arrangement, insolvency, readjustment, receivership, or similar legal requirements, and such proceeding is not discharged, stayed or dismissed within sixty (60) days from the entry thereof.

"**Business Day**" or "**business day**" means any day except Saturday, Sunday, or any other day on which banking institutions are legally authorized to close in the City of Knoxville, Tennessee.

"**Campus**" shall have the meaning given in the introductory paragraph on the first page hereof.

"**Capital Expenditures**" means all costs for repairs, alterations, improvements, renewals or replacements to the Project's structure, roof, façade and all mechanical, electrical, heating, ventilating, air conditioning, plumbing or vertical transportation elements of the Project that are classified as "capital expenditures" under GAAP.

"Change Order" shall have the meaning given in Section 10(e)(i).

"**Closing**" shall have the meaning given in Section 23(c).

"**Code**" means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

"**Commencement Date**" means the Effective Date.

"**Condo Hotel Condominium Owner**" means an owner of a Condo Hotel Condominium Unit.

"**Condo Hotel Condominium Unit(s)**" means thirty (30) individual residential condominium units to be created within the Condo Hotel Unit pursuant to the Condo Hotel Declaration.

"**Condo Hotel Declaration**" means the declaration of condominium establishing the condominium for the Condo Hotel Unit within the Property, as the same may be amended and supplemented from time to time.

"**Condo Hotel Unit**" means the five (5) floors in the Project to be established by the Condo Hotel Declaration which will contain the Condo Hotel Condominium Units together with common elements and limited common elements.

"**Condominium Act**" means the Tennessee Condominium Act of 2008, Tenn. Code Ann. §§ 66-27-201, et seq., as amended.

"**Condominium Property**" shall have the meaning given in Section 21(a).

"**Construct**", "**Constructed**", "**Constructing**" or "**Construction**" means to Develop, improve, install, construct, demolish, renew, restore or perform any other work of similar nature in connection with locating, placing, replacing, restoring and installing the improvements, equipment or furnishings, comprising the Project.

"**Construction Areas**" shall have the meaning given in Section 10(k).

"**Construction Contracts**" means, collectively, the General Construction Contract, the Architect's Agreement, and any and all contracts entered into by Lessee for the engagement of architects, engineers, consultants, contractors, materialmen, and laborers from time to time in connection with the Construction of the Project or the provision of materials or labor in connection with the Design, Development, Construction, furnishing, equipping, management and operation of the Project.

"**Construction Lender**" means an institutional lender selected by Lessee that complies with the requirements of Section 30 of this Ground Lease.

"**Consumer Price Index**" means the Consumer Price Index for All Urban Consumers, all items (1982-84=100), published by the U.S. Department of Labor, Bureau of Labor Statistics (the "**BLS**") for Knox County, Tennessee. If the Consumer Price Index:

(a) is not published for a given calendar month, then the Consumer Price Index for that month shall be the Consumer Price Index published for the most recent prior calendar month or other period for which it is so published;

(b) hereafter uses a different standard reference base or is otherwise revised, an adjustment shall be made therein for the purposes of this Ground Lease, using the conversion factor, formula, or table for making that adjustment as is published by the BLS, or if the BLS does not publish the same, then as is published by Prentice-Hall, Inc., the Bureau of National Affairs, Commerce Clearing House, or any other nationally recognized publisher of similar statistical information, as selected by the Lessor;

(c) ceases to be published, then for the purposes of this Ground Lease there shall be substituted for it such other index as the parties may agree upon, or in the absence of such an agreement, the Consumer Price Index first issued for the month and year in question.

"**Declarant**" means the applicable declarant under the applicable Declaration.

"**Declarations**" means collectively, the Master Declaration, Condo Hotel Declaration and Residential Declaration.

"**Default Rate**" shall mean the lesser of (i) a per annum rate of interest equal to the sum of the Prime Rate plus four (4%) percent; or (ii) the maximum rate permitted by applicable Governmental Regulations.

"**Design**" means any and all design, planning, architectural or engineering activity required in connection with and for the Development and Construction of the Project.

"**Development**" or "**Develop**" or "**Developing**" means any acts reasonably necessary and appropriate to (a) obtain any required land use, zoning, environmental, building or other approvals and permits for the Design, Construction, operation and use of the Project, (b) obtain any required extension of public and private utility services for the Project, (c) obtain any required vehicular or pedestrian rights of way and access from or to the Project (including such rights granted herein), and (d) satisfy the Governmental Regulations and insurance requirements in connection with the Design or Construction of the Project.

"**Effective Date**" shall have the meaning given in the introductory paragraph on the first page hereof.

"Environmental Laws" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, Public Law No. 96-510, 94 Stat. 1613, the Resource Conservation and Recovery Act, the Clean Air Act, as amended (42 U.S.C. §§ 7401 et seq.), the Clean Water Act, as amended (33 U.S.C. §§ 1251 et seq.), including all amendments to such Acts, or any federal, state, or local statute, law, ordinance, code, rule, regulation, order, or decree, regulating, or other legal requirement relating to the protection of human health or the environment, including, but not limited to, any requirement pertaining to or imposing liability or standards of conduct concerning any petroleum, petroleum byproduct (including but not limited to, crude oil, diesel oil, fuel oil, gasoline, lubrication oil, oil refuse, oil mixed with other waste, oil sludge, and all other liquid hydrocarbons, regardless of specific gravity) natural or synthetic gas, products, and/or hazardous substance or material, toxic or dangerous waste, substance or material, pollutant, or contaminant, as may now or at any time hereafter be in effect.

"**Event of Default**" means each of the events specified in Section 20(a) and any other event defined elsewhere in this Ground Lease as an "Event of Default".

"**Exercise Notice**" shall have the meaning given in Section 23(b).

"**Final Completion**", "**Finally Complete**" or "**Finally Completed**" shall mean, with respect to the Project or a Unit, as the context may require, that Substantial Completion shall have occurred and all Punchlist Items with respect thereto have been fully completed.

"Force Majeure Event" means any of the following events, regardless of the location or duration of the events, but only to the extent that the same (i) materially and adversely interfere with a party's obligations under this Ground Lease beyond the reasonable control of the party whose performance is interfered with and (ii) could not reasonably have been prevented or mitigated by such party's use of reasonable care and anticipation: acts of nature; fires and explosions; acts of war, armed conflict or other hostile action; civil war, rebellion, revolution, insurrection or usurpation of sovereign power; riots or other civil unrest; terrorism; hijacking; chemical or biological events; nuclear events; epidemics, pandemics, contagions and disease related events; bombing; strikes, lockouts or other labor disturbances; embargoes or blockades; shortage of critical materials or supplies; action or inaction of Governmental Authorities (including restrictions wages or other material aspects of operation); restrictions on financial, transportation or information distribution systems; or the revocation or refusal to grant licenses or permits, where the revocation or refusal is not due to the fault of the party whose performance is to be excused for reasons of the event; or tariffs, embargoes, trade restrictions imposed by Governmental Authorities. A Force Majeure Event shall not include a downturn in the economy or financial markets or the effects thereof or any event resulting therefrom or any other systemic economic condition or event (whether local, state, national or global).

"**GAAP**" means generally accepted accounting principles, consistently applied.

"**General Construction Contract**" means that certain general construction contract to be entered into between the Lessee and the General Contractor pursuant to which the General Contractor has agreed to Construct the Project for a guaranteed maximum price, and any exhibits and plans and specifications attached thereto, and any modifications, amendments or supplements thereto in accordance with the terms thereof.

"**General Contractor**" means the general contractor selected by Lessee and reasonably acceptable to Lessor (such approval not to be unreasonably withheld, delayed or conditioned) under the terms and conditions of the General Construction Contract, and their permitted successors and assigns.

"**Governmental Authority**" means any federal, State, county, regional, or local government, political subdivision, any governmental agency, department, authority, instrumentality, bureau, commission, board, official, or officer, any court, judge, examiner, or hearing officer, any legislative, judicial, executive, administrative, or regulatory body or committee or official thereof or private accrediting body.

"**Governmental Regulations**" means any and all laws, statutes, codes, acts, ordinances, orders, judgments, case precedents, decrees, writs, injunctions, rules, regulations, restrictions, permits, plans, approvals, authorizations,

concessions, investigations, reports, guidelines and requirements or accreditation standards of any Governmental Authority having jurisdiction over Lessee, Lessor, University or the Land or affecting the Project, including all applicable Environmental Laws and the Americans with Disabilities Act of 1990, as amended.

"**Gross Operating Revenues**" shall mean all revenues and receipts of every kind (from both cash and credit transactions) derived from operating the Hotel Unit determined in accordance with GAAP and the Uniform System, subject to the following inclusions and exclusions.

Gross Operating Revenues include income from:

(a) Gross Room Sales;

(b) rental/sales for use of meeting rooms and event spaces;

(c) licenses, leases and concessions of any space (excluding gross receipts of licensees, lessees and concessionaires);

(d) equipment rental;

(e) vending machines;

(f) telecommunications services;

(g) parking;

(h) health/spa/leisure club membership dues (but excluding initiation fees),

(i) food and beverage sales from food and beverage outlets;

(j) wholesale and retail sales of merchandise;

Gross Operating Revenues exclude:

(1) gratuities or service charges paid over to Hotel Unit employees or other Persons;

(2) federal, state or local room, head, excise, goods and services, sales or use taxes or any other taxes or governmental charges collected directly from guests or other customers or included as part of the sales price of any goods or services;

(3) proceeds from the incidental sale of furniture, fixtures and equipment that is not part of Lessee's normal business activities;

(4) interest on bank accounts;

(5) any refunds, rebates, discounts and credits of a similar nature, given, paid or returned to guests or other customers in the course of obtaining Gross Operating Revenues or components thereof;

(6) no show revenue, early departure fees, and late check out fees;

(7) resort fees, destination fees, and mandatory surcharges for facilities;

(8) attrition or cancellation fees collected from unfulfilled reservations for guest rooms;

(9) any awards, judgments or settlements representing payment for loss of room sales;

(10) purchasing rebates; proceeds from any sale or refinancing of the Hotel Unit or Project;

(11) condemnation proceeds from a taking;

(12) insurance proceeds;

(13) working capital or other amounts funded by Hotel Unit Owner;

(14) key money;

(15) investment tax credits or other income tax benefits;

(16) any proceeds or other economic benefit of any equity raisings or borrowings or other financial accommodation;

(17) advance deposits from guests;

(18) any security deposits refundable to tenants, subtenants, licensees or concessionaires and any payments or reimbursements made by such tenants, subtenants, licensees or concessionaires for taxes, repairs, maintenance, replacements, and utilities and services provided at cost;

(19) all sums and credits received for lost or damaged property;

(20) dividends received and any other income derived from any securities or other property held for investment;

(21) gains arising from the sale or disposition of capital assets;

(22) gross receipts and certain other amounts collected or received by any tenant, licensee, lessee, concessionaire or third party operator of any portion of the Hotel Unit;

(23) payments received on behalf of outside vendors from guests or patrons that are not treated as Gross Operating Revenues under the Uniform System;

(24) payments (such as cash advances to guests or patrons or payments to a taxi or car service) reimbursed by guests or patrons;

(25) recoveries in legal actions for tortious conduct or awards for punitive damages;

(26) receipts from vending and coin operated machines to the extent such receipts are paid over to Persons owning such machines.

(27) initiation fees related to any membership programs whether for membership clubs or otherwise within the Project;

(28) proceeds from sales of Condo Hotel Condominium Units and Residential Condominium Units; and

(29) proceeds from any sponsorship revenues.

"**Gross Rent**" shall have the meaning given in Section 3(a).

"**Gross Room Sales**" means all revenues and receipts that accrue from (i) the rental of guest rooms in the Hotel Unit or (ii) rental of Condo Hotel Condominium Units participating in the Hotel Rental Program after payment to each Condo Hotel Condominium Owner of their share of revenues and any shared expenses under the Hotel Rental Program, with no reduction for charge backs, credit card service charges, or uncollectible amounts.

"**Ground Lease**" means this Ground Lease, as the same may be modified, amended and/or supplemented from time to time by written agreement of the parties hereto.

"**Guaranteed Completion Date**" shall be January 5, 2029, which date shall be extended for a Force Majeure Event.

"**Hazardous Materials**" means petroleum, petroleum byproducts (including but not limited to, crude oil, diesel oil, fuel oil, gasoline, lubrication oil, oil refuse, oil mixed with other waste, oil sludge, and all other liquid hydrocarbons, regardless of specific gravity), natural or synthetic gas products, and/or any hazardous substance or material, waste, pollutant, or contaminant, defined as such in (or for the purposes of) the Environmental Laws.

"**Hotel Brand**" means the brand name under which the Hotel Unit is operated from time to time whether pursuant to the Hotel Management Agreement, Hotel License Agreement or other arrangement.

"**Hotel Brand Owner**" means the owner of the Hotel Brand (i) licensed by Hotel Unit Owner for the branding of the Hotel Unit pursuant to the Hotel License Agreement from time to time in effect; or (ii) provided in connection with the operation of the Hotel Unit by Hotel Manager pursuant to the Hotel Management Agreement.

"**Hotel License Agreement**" means the agreement, if any, from time to time executed by Hotel Unit Owner, on the one hand, and the Hotel Brand Owner, on the other hand, providing for the use of the Hotel Brand and any related systems and services by the Hotel Unit.

"**Hotel Management Agreement**" means the management agreement, if any, from time to time executed by the Hotel Unit Owner and the Hotel Manager providing for the management of the Hotel Unit, and any and all modifications, amendments and supplements thereto.

"**Hotel Manager**" means the manager retained by the Hotel Unit Owner for the operation of the Hotel Unit pursuant to the Hotel Management Agreement.

"**Hotel Rental Program**" means any transient voluntary rental program which may be offered by the Hotel Unit for owners of the Condo Hotel Condominium Units, whereby such owners may permit their Condo Hotel Condominium Units to be rented as transient guest rooms by the Hotel Unit Owner.

"**Hotel Unit**" means the ten (10) floors in the Project to be established by the Master Declaration which will contain approximately one hundred eighty two (182) rooms, together with such other amenities and facilities as determined by Lessee which may include lobbies, ballrooms, back of house space, meeting space, fitness center, pool, private club, parking garage, rooftop amenity deck, the loading dock and other related amenities and facilities together with common elements and limited common elements.

"**Hotel Unit Owner**" means the owner of the Hotel Unit.

"**Initial Appraiser**" shall have the meaning given in Section 23(l)(i).

"**Initial ROFO PSA Draft**" shall have the meaning given in Section 12(c)(i).

"**Initial Valuation**" shall have the meaning given in Section 23(l)(ii).

"**Land**" shall have the meaning given in the initial Recitals of this Ground Lease.

"**Lease Year**" means each twelve (12) month period commencing on January 1 of each calendar year and ending on December 31 of the same calendar year, provided the first Lease Year shall commence on the Commencement Date and end on December 31, 2027.

"**Leasehold Condominium**" means that certain leasehold condominium established by the Master Declaration in order to subject and submit the Ground Lease and the Property to the Condominium Act.

"**Leasehold Mortgage**" means, with respect to all or any portion of the Property, a mortgage or any other instrument securing the payment of a debt that encumbers Lessee's interest, if any, in this Ground Lease or the Property, or a Unit Owner's interest in its Unit.

"**Leasehold Mortgagee**" means the Person to which all or any part of the interest of the Lessee in this Ground Lease and/or the Property, or a Unit Owner's interest in its Unit is transferred as security under a Leasehold Mortgage.

"**Lessee**" shall have the meaning given in the introductory paragraph of this Ground Lease, and its permitted successors and assigns.

"**Lessee Representative**" means the person or persons designated in writing by Lessee to serve as the Lessee's representatives in connection with this Ground Lease, who is authorized to represent Lessee, and any other person(s) designated in writing by the Lessee to the Lessor from time to time as person(s) who is(are) authorized to act on behalf of the Lessor under this Ground Lease.

"**Lessor**" shall have the meaning given in the introductory paragraph of this Ground Lease, and its permitted successors and assigns.

"**Lessor Indemnitees**" shall have the meaning given in Section 14(a).

"**Lessor Representative**" means the person or persons designated in writing by the Lessor to serve as the Lessor's representatives in connection with this Ground Lease, initially the Assistant Vice President, Office of Capital Projects of the University, who is authorized to represent Lessor, and any other person(s) designated in writing by the Lessor to the Lessee from time to time as person(s) who is(are) authorized to act on behalf of the Lessor under this Ground Lease.

"**Lien**" shall have the meaning given in Section 10(g).

"**Loan**" shall mean the construction loan obtained by Lessee from Construction Lender for the initial Design, Development, Construction, furnishing, equipping and opening of the Project.

"**Loan Agreement**" means that certain Loan Agreement between Construction Lender and Lessee and all amendments, modifications and supplements thereto evidencing the Loan.

"**Loan Documents**" means, collectively, the Loan Agreement, the Leasehold Mortgage for the Loan and any guaranties required to be delivered under the Loan Agreement, and all modifications, amendments and supplements to each such document in accordance with their terms.

"**Master Association**" means the condominium association created pursuant to the Master Declaration.

"**Master Declaration**" means the master declaration of condominium affecting the Property, as the same may be amended and supplemented from time to time.

"**Material Adverse Effect on the Brand**" means any event, occurrence, or series of events or occurrences that results, or could reasonably be deemed to result, in material harm to or diminishment of the brand, reputation, public image, community standing and/or perception of any (or all) of Lessor, the University, and/or the Campus, including any and all affiliated entities and/or programs of any of the foregoing in the reasonable discretion of the Chancellor.

"**Material Alteration**" shall have the meaning given in Section 10(g).

"**Material Change Order**" shall have the meaning given in Section 10(e)(i).

"**Material Leasehold Mortgage Default**" shall have the meaning given in Section 22(m).

"**Memorandum of Lease**" or **"Lease Memorandum"** means the Ground Lease Memorandum of even date herewith between Lessor and Lessee, which sets forth the basic terms of this Ground Lease, in recordable form, to be recorded in the records of Knox County, State of Tennessee.

"**Monthly Progress Reports**" means those reports received by Lessee from the General Contractor during the course of construction of the Project, including but not limited to any "work status reports", cost reports or progress reports or reports by any other name, which summarize the work performed and/or set forth the milestone dates achieved, problems encountered, if any, and proposed solutions.

"**New Lease**" shall have the meaning given in Section 22(e)(i)(i).

"**No-rebuild Vote**" shall have the meaning given in Section 16.

"**Opening Date**" means the first day on which Hotel Unit Owner admits paying overnight guests to the Hotel Unit, which date will be determined by Hotel Unit Owner and Hotel Manager.

"**Operating Expenses**" means all costs and expenses incurred by Hotel Unit Owner or by Hotel Manager on behalf of Hotel Unit Owner in operating the Hotel Unit and the Hotel Rental Program determined in accordance with GAAP and the Uniform System, including without limitation:

(a) cost of sales;

(b) salaries, wages, benefits and related administration costs (including employer contributions to retirement plans and stock incentive plans), relocation costs, employment agency fees, recruitment costs, payroll taxes and other costs related to employees who are working for the benefit of the Hotel Unit;

(c) departmental, administrative and general expenses;

(d) the costs of locally generated public relations, advertising, promotions and marketing programs;

(e) costs of utilities and computer line charges;

(f) routine repairs, routine maintenance and minor alterations;

(g) costs of inventories and fixed asset supplies;

(h) a reserve for uncollectible accounts receivable;

(i) costs incurred for technical consultants, professionals, operational experts or others performing services, in each case whether employees or third parties (including quality assurance inspections, architectural services, technical services, procurement services, tax consulting and legal services);

(j) all registration, travel, room, board and other costs, including salary and other compensation, of employees incurred in connection with training and development programs, conferences, meetings and other events;

(k) all management fees and other fees and charges paid to Hotel Manager;

(l) all royalty and licensing fees and other fees and charges;

(m) insurance costs and deductibles;

(n) any taxes, duties, levies, assessments or fees payable by or assessed against ownership or operation, including taxes, duties, levies, assessments or fees, if any, relating to employees;

(o) all real estate and personal property taxes, rates, levies, assessments, impact fees, imposts, stamp duties or taxes and similar charges imposed by any Governmental Authority having jurisdiction;

(p) assessments, charges or common expenses due under any Declarations;

(q) deposits into a furniture, fixture and reserve fund;

(r) costs incurred in complying with or contesting Governmental Regulations or contesting taxes;

(s) the costs and expenses of providing hotel amenities and services to the Condo Hotel Condominium Units and the Residential Condominium Units, if applicable;

(t) costs and expenses of operating the Hotel Rental Program;

(u) credit card fees and commissions; and

(v) costs of obtaining and maintaining all permits, licenses and other approvals;

(w) other costs reasonably necessary for the proper and efficient operation; and

(x) Rent.

"**Operating Expenses**" exclude the following items:

(1) debt service payments under any financing;

(2) payments in connection with equipment leases or other forms of financing obtained for the FF&E;

(3) depreciation on the Hotel Unit and amortization of good will on the Hotel Unit; and

(4) Capital Expenditures.

"**Owner**" means, Declarant, for so long as the Declarant owns any portion of the Project, the Hotel Unit Owner, Condo Hotel Condominium Owners, and Residential Condominium Owners, collectively and individually as the context requires.

"**Owner's Association(s)**" shall have the meaning given in Section 2(c)(iv)(C).

"**Percentage Rent**" shall have the meaning given in Section 3(b).

"**Permitted Encumbrances**" means, as of any particular time, (i) Liens for *ad valorem* taxes, special assessments, and other charges not then delinquent or for taxes, assessments, and other charges being contested in accordance with the terms of this Ground Lease, (ii) the Leasehold Mortgage, (iii) utility, access, and other easements and rights of way, restrictions, and exceptions of record, (iv) any mechanics' and materialmen's Liens which have been bonded or insured over (to Lessor's benefit) in accordance with the provisions of this Ground Lease, (v) this Ground Lease and the Lease Memorandum; (vi) statutory restrictions imposed on the improvement or use of the Land, (vii) the Permitted Exceptions, (viii) the effects of any and all laws, ordinances, permits and Governmental Regulations, including, zoning, land use and construction, or any violations thereof (provided that this clause does not constitute the consent of the Lessor to such violations); and (ix) any additional exceptions or encumbrances created or consented to in writing by the Lessor.

"**Permitted Exceptions**" means those exceptions to title to the Property more fully described on Exhibit B attached hereto and made a part hereof.

"Permittees" means all Persons from time to time entitled to the use and occupancy of any portion of the Project under any lease, sublease, license, concession, hotel booking or other similar agreement, and the officers, directors, members, employees, agents, contractors, customers, vendors, suppliers, visitors, guests, invitees, licensees, subtenants and concessionaires of occupants insofar as their activities relate to the intended development, use and occupancy of the Project.

"**Person**" means natural persons, firms, joint ventures, associations, trusts, partnerships, corporations, limited liability companies, public bodies, any government or any agency or political subdivision thereof or similar entities.

"**Personalty**" means all machinery, equipment, fixtures, appliances, furniture, and any other personal property of any kind or description owned by Lessee and used in connection with, the Project.

"**Plans and Specifications**" means the plans and specifications for the Construction of the Project, fully identifying and describing all mechanical, electrical, and plumbing systems, materials, design, colors of exterior paints, and other finishes of the Hotel Unit prepared by the Architect and Lessee's separate consultants, as amended from time to time in accordance with the terms of this Ground Lease, but specifically excluding any plans and specifications for the University Center within the Project.

"**Pre-Existing Unknown Conditions**" means any pre-existing Hazardous Materials existing on or about the Land or adjacent areas as of the Effective Date not disclosed in the reports set forth in Schedule 2 attached hereto and made a part hereof.

"**Primary Use**" means a mixed use facility of approximately 489,459 square feet containing hotel, residences, condo hotel residences, parking garage and ancillary uses, including without limitation. restaurants, bars, banquet, meeting and other public rooms, spa, pool, membership club, fitness center, retail shops, gift shop, vitrines, storage and service areas, and all systems, facilities and equipment necessary for the operation of a hotel, residences and condo hotel mixed use facility (including safety, heating, lighting, plumbing, sanitation, air conditioning, ventilation, laundry and dry cleaning and kitchen systems and facilities, elevators, escalators and all furniture, furnishings, fixtures and equipment required for the operation of a hotel room) and other uses that are customarily incident thereto.

"**Prime Rate**" means the "Prime Rate" of interest published from time to time for U.S. Dollars by the Bloomberg Press at http://www.bloomberg.com, or another nationally recognized website or publication publishing the prime rate of interest in the United States as Manager may reasonably determine.

"**Prohibited Person**" means any Person:

(a) that has failed to comply with all Governmental Regulations and as a result such Person has been convicted of, pleaded guilty to, or entered into a settlement in compromise of, a felony, fraud or securities violations or other felonious crime of moral turpitude within ten (10) years before the date of measurement;

(b) that is on the list of Specially Designated Nationals and Blocked Persons under any other U.S. Department of Treasury's Office of Foreign Assets Control regulation or executive order;

(c) that is organized in, or a citizen of, a country that is subject to any of the following (including, without limitation, any subsequently enacted legislation with similar effect, impact or intent to the following): (i) the Trading with the Enemy Act of 1917, 50 U.S.C. App. § 1, et seq., as amended; (ii) the International Emergency Economic Powers Act of 1976, 50 U.S.C. § 1701, et seq., as amended; and (iii) the Anti-Terrorism and Arms Export Amendments Act of 1989, codified at Section 6(j) of the Export Administration Act of 1979, 50 U.S.C. App. § 2405, as amended;

(d) that is blocked or subject to blocking pursuant to (i) Executive Order 13224 of September 23, 2001 Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001)); or (ii) any subsequently enacted legislation with similar effect, impact or intent to the foregoing;

(e) that is prohibited from owning or acquiring an interest in the Property under Tenn. Code Ann. § 66-2-301, et al. or by any Government Regulation, whether such Government Regulation is in effect as of the Effective Date or enacted after the Effective Date; or

(f) that is an Affiliate of any of the persons described in clauses (a) or (b) of this definition.

"**Project**" shall have the meaning given in the Recitals.

"**Project Schedule**" means the schedule for the Project detailing the Construction and Development activities necessary, together with the durations thereof, to achieve for Final Completion of the Project on or before the Guaranteed Completion Date.

"**Project Standard**" means a first class standard of architecture, design, landscaping, building, development, construction, operation, service and maintenance and in all cases not less than the standards required by the Master Declaration, and with respect to the Hotel Unit, consistent and compatible with other upscale hotels (as such designation is commonly used and understood in the hotel industry, including, without limitation as used and understood in the STR chain scales established by Costar to classify hotel brands of a similar average daily rates) of similar size, amenities and facilities. In the event Costar ceases to exist or ceases to utilize an upscale category within the STR chain scales, the term upscale shall refer to the designation commonly used and understood in the hotel industry without reference to Costar or STR chain scales.

"**Property**" means the Land, and any and all Project improvements hereafter constructed on and above the Land.

"**Punchlist Items**" means, individually and/or collectively, as the context may require, minor or insubstantial details of construction, decoration, mechanical adjustment or installation the non-completion of which does not prevent the use, occupancy or operation of the improvements for their intended purposes.

"**Purchase Date(s)**" shall have the meaning given in Section 23(a).

"**Purchase Price**" shall have the meaning given in Section 23(l).

"Qualified Assignee" means a Person that satisfies the following requirements: (i) such Person is a Qualified Sponsor or is controlled (directly or indirectly) by a Qualified Sponsor; or (ii) if not itself a Qualified Sponsor or is not controlled (directly or indirectly) by a Qualified Sponsor, a Qualified Sponsor owns (directly or indirectly), in the aggregate, at least ten percent (10%) of the ownership interests in such Person. No direct or indirect owner in a Qualified Assignee may be a Prohibited Person.

"**Qualified Replacement Developer**" means a Person that (i) is (or can reasonably be expected to be) licensed to operate in the State of Tennessee in connection with the development of mixed use projects and (ii) together with any affiliates that are not Prohibited Persons, (A) who has not less than five (5) years' experience in developing facilities similar to the Project, and (B) who has developed at least one mixed use project that is comparable or larger in scope to the Project.

"**Qualified Sponsor**" means any Person that is not a Prohibited Person, and who meets one of the following criteria: (i) currently controls, owns and/or manages at least one mixed use project with hotel and residential components that are comparable or larger in scope to the Project; (ii) is not, and/or is not controlled by, a Person who has been previously involved in a lawsuit or arbitration with Lessor or any agency or instrumentality of Lessor concerning any matter within the prior five (5) years; or (iii) is a Leasehold Mortgagee, or the nominee or designee of a Leasehold Mortgagee, or a successor or assign of a Leasehold Mortgagee.

"**Reinstated Lease**" shall have the meaning given in Section 22(e)(i)(ii).

"**Remediation**" means and includes but is not limited to any response, remedial, removal, or corrective action; any activity to cleanup, detoxify, decontaminate, contain or otherwise remediate any Hazardous Material; any

actions to prevent, cure or mitigate any release of any Hazardous Material; any action to comply with any Environmental Laws or with any permits issued pursuant thereto; any inspection, investigation, study, monitoring, assessment, audit, sampling and testing, laboratory or other analysis, or evaluation relating to any Hazardous Materials.

"**Rent**" means all rent payable under this Ground Lease, including but not limited to Gross Rent, Percentage Rent and Additional Rent.

"**Residential Condominium Owner**" means an owner of a Residential Condominium Unit.

"**Residential Condominium Units**" means approximately fifty-one (51) individual residential condominium units to be created within the Residential Unit pursuant to the Residential Declaration.

"**Residential Declaration**" means the declaration of condominium establishing the condominium for the Residential Unit within the Property, as the same may be amended and supplemented from time to time.

"**Residential Unit**" means the seven (7) floors in the Project to be established by the Master Declaration which will contain the Residential Condominium Units together with common elements and limited common elements.

"**ROFO Disposition Period**" shall have the meaning given in Section 12(c)(iv).

"**ROFO Exercise Date**" shall have the meaning given in Section 12(c)(iii).

"**ROFO Feasibility Period**" shall have the meaning given in Section 12(c)(iii).

"**ROFO Offer Notice**" shall have the meaning given in Section 12(c)(i).

"**ROFO Purchase Agreement**" shall have the meaning given in Section 12(c)(iii).

"**ROFO Response Period**" shall have the meaning given in Section 12(c)(i).

"**ROFO Right**" shall have the meaning given in Section 12(c)(iii).

"**State**" means the State of Tennessee.

"**Substantial Completion**" and "**Substantially Complete**" means the occurrence of each of the following with respect to the Project or a Unit, as the context may require: (i) the Development, Construction and equipping of the improvements shall have been completed in substantial accordance with the Plans and Specifications (excluding completion of the Punchlist Items) and in substantial accordance with Government Regulations; (ii) the issuance of either a certificate of occupancy of the Project, or a Unit as the context may require; and (iii) Lessor has received a certificate from Architect that the improvements have been substantially completed in accordance with the Plans and Specifications.

"**Tax Incentives**" shall have the meaning given in Section 4(a).

"**Taxes**" shall have the meaning given in Section 4(b).

"**Term**" shall have the meaning given in Section 2.

"**Third Appraiser**" shall have the meaning given in Section 23(l)(ii).

"**Third Valuation**" shall have the meaning given in Section 23(l)(ii).

"**Transfer**" shall have the meaning given in Section 12(a).

"**Termination Date**" means the date on which the Term ends by termination or expiration of this Ground Lease.

"**Uniform System**" means the then current edition of the Uniform System of Accounts for the Lodging Industry, as published by the American Hotel & Lodging Educational Institute, to the extent such edition has been, or is in the process of being, generally implemented within the hospitality industry.

"**Unit(s)**" shall mean the Hotel Unit, the Condo Hotel Condominium Unit(s) and/or the Residential Condominium Unit(s).

"**Unit Owner(s)**" shall mean the Hotel Unit Owner, the Condo Hotel Condominium Owner(s) and/or the Residential Condominium Owner(s).

"**University**" shall have the meaning given in the introductory paragraph on the first page hereof.

"**University Center**" means the approximately 4,880 square feet located on the 3rd floor of the Project to be subleased by the Lessee to the University for its operation of University related events, meetings and other functions consistent with University on-Campus meeting spaces.

"**University Center Contribution**" shall have the meaning given such term in Section 28(p).

"**Utility Services**" shall have the meaning given in Section 5(a).

"**Valuation Notice**" shall have the meaning given in Section 23(l)(i).

"**Valuation Period**" shall have the meaning given in Section 23(l)(i).

Section 2. Term and Use; Declaration.

(a) **Term**.

(i) The term of the leasehold estate of the Lessee in the Land created hereunder (the "**Term**") shall commence on the Commencement Date and shall expire at 12:00 midnight on the ninety-nineth (99th) anniversary of the Commencement Date unless otherwise extended or sooner expired or terminated in accordance with this Ground Lease or by operation of law. At the conclusion of the Term (inclusive of any extensions thereof as contemplated hereinabove), all improvements on the Land shall revert to the Lessor. Notwithstanding the foregoing, and if requested in writing by Lessor, at the conclusion of the Term and any extension thereof Lessee shall demolish the Project improvements and deliver a "pad-ready" site (as commonly used and understood in the construction industry) to Lessor which, for the avoidance of doubt, shall require the Land to be clear and devoid of any of the improvements and/or the remnants thereof.

(ii) Lessor and the Lessee, within thirty (30) days after written request of the other, shall confirm the then current Termination Date in writing, together with any other information contemplated by this Ground Lease, and if so requested, by an instrument in recordable form.

(b) **Use**. Lessee shall use and operate the Land for the sole and exclusive purpose of Developing and Constructing the Project and operating the Property in accordance with the Primary Use as described in this Ground Lease.

(c) **Leasehold Condominium**.

(i) Subject to compliance with the provisions of this Section 2(c)(i), Lessor acknowledges and agrees that Lessee may submit the Ground Lease and the Property to the provisions of the Condominium Act by recording the Declarations as required by the Condominium Act. Lessor shall promptly execute the Declarations for the purpose of evidencing its consent to the submission of the Ground Lease and

the Property to the Condominium Act (including the covenants in Tenn. Code Ann. § 66-27-306 (b) and (c)), provided Lessor shall have no obligation to consent to the recording of the Declarations or join in the execution of the Declarations, as the case may be, and Lessee shall not record the Declarations unless the following conditions shall have been satisfied:

(A) the Declarations shall have been approved, or deemed to have been approved by Lessor, such approval not to be unreasonably conditioned, delayed or withheld pursuant to the terms of Section 2(c)(ii) below;

(B) no Event of Default by Lessee shall have occurred and be continuing under this Ground Lease;

(C) Substantial Completion of the applicable Unit shall have occurred; and

(D) Lessee shall have delivered to Lessor a certificate from the Architect certifying the Substantial Completion of such construction of the applicable Unit has occurred in accordance with the Plans and Specifications.

(ii) Throughout the Term, within ten (10) Business Days after receipt of written request from Lessee, time being of the essence, Lessor will endeavor to promptly execute and join in any Declarations and any other grants, licenses, or easements within the Property for improvements and for electric, telephone, gas, water, sewer, and other public and private utilities and similar facilities necessary for the Development, Construction, alteration, operation, or maintenance or support of all or any part of the Project, as reasonably requested by Lessee. If Lessor fails to respond to Lessee's request for execution within ten (10) Business Days, then Lessee shall provide Lessor with a second written request. If Lessor fails to respond to the second written notice within five (5) Business Days after delivery by Lessee, Lessor shall be deemed to have approved the matters set forth in Lessee's request and Lessee shall have the right to execute the applicable submittals on Lessor's behalf; *provided, however*, in no event shall any matter be deemed approved by Lessor pursuant to the foregoing if the same would result in Lessor (or any of its Affiliates) incurring or becoming liable for any costs or financial obligations that are either (A) not contemplated herein or (B) in excess of/in addition to what is contemplated herein.

(iii) If, in connection with any of the Declarations and/or the condominium structure contemplated hereunder, Lessee needs the input, involvement, or signature of the fee owner of the Land, Lessee shall contact the Department of Capital Projects for the University of Tennessee System.

(iv) The entire leasehold condominium regime contemplated hereunder shall be subject to, and must comply with, the following provisions, and, for the avoidance of doubt, the following provisions shall be included in the applicable Declarations, in each case to the extent permitted by applicable laws:

(A) Ownership of Hotel Unit. The Hotel Unit shall not ever, at any time, be owned, occupied, and/or utilized by or licensed to a Prohibited Person.

(B) Ownership of Residential Condominium Units and Condo Hotel Condominium Units. Sales, re-sales and ownership of the Residential Condominium Units and Condo Hotel Condominium Units shall comply with all applicable laws and regulations, including without limitation, restrictions related to owning or acquiring an interest in property under Tenn. Code Ann. § 66-2-301, et al. or any other Government Regulations, whether such Government Regulation is in effect as of the Effective Date or enacted after the Effective Date. All purchase and sale agreements for the acquisition of Residential Condominium Units and Condo Hotel Condominium Units by individual purchasers shall include a representation by the purchaser that their acquisition and ownership of the unit complies with all applicable laws.

(C) Compliance with Governmental Regulations. Each owner's association contemplated in the Declarations, including, without limitation, the Master Association (collectively the "**Owner's Associations**" and each an "**Owner's Association**") and each owner, occupant, invitee, and/or licensee of any Unit shall all times during the Term conform to, obey, and comply with all Governmental Regulations. Upon request of Lessor, Lessee and/or the applicable Declarant shall provide to Lessor the name and address with respect to each Unit Owner that is publicly available and utilized for property tax bills.

(D) No Material Adverse Effect on the Brand. None of Lessee, Hotel Unit Owner, or any other Unit Owner shall intentionally take any action which is reasonably likely to cause a Material Adverse Effect on the Brand.

(E) No Displays. Each Declaration shall provide a content-neutral prohibition against any and all displays (including, without limitation, flags, signs, and banners of any kind) visible from the exterior of any Residential Condominium Unit or Condo Hotel Condominium Unit. The Hotel Unit may utilize interior and exterior displays in the normal course of its business (*e.g.*, seasonal décor) so long as such displays do not violate Section 2(c)(iv)(D).

(F) No Disruption, Interference or Nuisance. Each Declaration will incorporate customary anti-nuisance restrictions applicable to owners, occupants, invitees, and/or licensees of the Units which shall include restrictions regarding: (i) conduct that causes a disruption of or interference with (or constitutes a nuisance with respect to) any events hosted on the Campus, including, without limitation, sporting events, concerts, commencement ceremonies, and student body activities; (ii) the emission of (A) artificial light and/or (B) foul odors from a Unit, and (iii) unreasonably loud and/or distracting noises emitting from a Unit.

(G) Amendments to Bylaws and Declarations. In the event Declarant or the applicable Owner's Association shall endeavor to amend any Declarations and/or any bylaws of an Owner's Association in any material respect which would materially and adversely impact Lessor or the University, any such amendment shall require the prior written consent of Lessor, such consent not to be unreasonably withheld, conditioned or delayed.

(H) Enforcement. The Declarations shall provide, and this Ground Lease does hereby expressly provide, that, to the extent permitted under applicable laws, Lessor, the University and the Campus shall have the ability and authority to enforce the terms of this Ground Lease and the Declarations directly against any Unit Owner violating the same and/or engaging in conduct prohibited by the same (including, without limitation, this Ground Lease), exercising any and all remedies and rights provided herein, under the applicable Declaration(s), and at law and equity, whether such remedies and rights are afforded to Lessor, any Lessee's rights as declarant under any Declaration, or any Owner's Association.

(I) Resale of Residential Condominium Units and Condo Hotel Condominium Units. The Residential Declaration and the Condo Hotel Declaration shall each provide that, to the extent permitted under applicable law, if a Unit Owner intends to sell its Residential Condominium Unit or Condo Hotel Condominium Unit, as applicable, such Unit Owner shall provide the University with fifteen (15) days prior written notice (which notice shall include the purchase price) prior to listing the Unit for sale. During the fifteen (15) day period, the University may introduce the Unit Owner to a potential purchaser or the University may immediately waive the fifteen (15) day period by written notice to the Unit Owner. After the expiration of the fifteen (15) day period, unless the University's potential purchaser and Unit Owner execute a purchase and sale agreement at the requested purchase price (including the payment of an earnest money deposit), the Unit Owner may publicly list its Unit for sale. If such purchaser and Unit Owner execute a purchase and sale agreement and such purchaser thereafter fails to close on the purchase of the Unit within the time required by the purchase and sale agreement, the Unit Owner may thereafter publicly list its Unit for sale.

(d) **Licenses and Permits**. Whenever reasonably requested in writing by Lessee, Lessor shall execute and deliver to Lessee, in its capacity as fee owner of the Land, within ten (10) Business Days of Lessee's request therefor, plats, permit applications, building permit applications, liquor license applications, zoning and use related applications and any other type of application, that are reasonably necessary for or concerning the Property and/or the Development, Construction and/or operation of the Project.

Section 3. Gross Rent.

(a) **Gross Rent**. Lessee covenants and agrees to pay Lessor, during the Term, rent (herein the "**Gross Rent**") in the amount of Sixty-Two Thousand Five Hundred Dollars ($62,500.00) per month. Payment of Gross Rent hereunder shall commence on the earlier to occur of (i) the Opening Date or (ii) February 1, 2029. Monthly installments of Gross Rent shall be payable in advance on the fifth (5th) day of each month. Gross Rent for partial months at the beginning and end of the Term shall be prorated and payable on the first Gross Rent payment date following the end of such partial month. If any payment of Gross Rent is not made within fifteen (15) days written notice by Lessor, the Lessee shall pay the Lessor a later charge equal to five (5%) percent of such late payment.

(b) **Percentage Rent**. (i) In addition to the payment of the Gross Rent, for each Lease Year, Lessee shall pay to Lessor, as percentage rent ("**Percentage Rent**") calculated on a tiered, incremental basis as follows: (1) three percent (3.0%) of the portion of Gross Operating Revenues for such Lease Year in excess of the First Hurdle Floor up to (but not exceeding) the Second Hurdle Floor; (2) four percent (4.0%) of the portion of Gross Operating Revenues for such Lease Year in excess of the Second Hurdle Floor and up to (but not exceeding) the Third Hurdle Floor; and (3) five percent (5.0%) of Gross Operating Revenues for such Lease Year in excess of the Third Hurdle Floor.

(ii) As used herein: (1) "First Hurdle Floor" means Twenty-Five Million Dollars ($25,000,000.00); (2) "Second Hurdle Floor" means Forty Million Dollars ($40,000,000.00); and (5) "Third Hurdle Floor" means Fifty Million Dollars ($50,000,000.00). Each of the foregoing amounts is referred to herein as a "Hurdle Amount."

(iii) Lessee shall deliver to Lessor, within ninety (90) days following the end of such Lease Year, a statement showing Gross Operating Revenues for such Lease Year and the calculation of Percentage Rent. Any Percentage Rent due shall be paid within ninety (90) days following delivery of such statement. If Gross Operating Revenues for a Lease Year are less than the First Hurdle Floor, no Percentage Rent shall be due for such Lease Year.

(iv) The Percentage Rent provisions set forth in Section 3(b)(i) shall apply only to the first thirty (30) Lease Years, through and including the thirtieth (30th) Lease Year following the Lease Commencement Date. Commencing with the thirty-first (31st) Lease Year, and for each Lease Year thereafter, Percentage Rent shall be three percent (3.0%) of the portion of Gross Operating Revenues for such Lease Year in excess of the First Hurdle Floor.

(v) The following examples illustrate the calculation of Percentage Rent for any of the first thirty (30) Lease Years:

(A) If Gross Operating Revenues equal $28,000,000.00: Percentage Rent = 3.0% × ($28,000,000.00 − $25,000,000.00) = $90,000.00.

(B) If Gross Operating Revenues equal $42,000,000.00: Percentage Rent = [3.0% × ($40,000,000.00 - $25,000,000)] + [4.0% × ($42,000,000.00 − $40,000,000.00)] = $450,000.00 + $80,000.00 = $530,000.00.

(C) If Gross Operating Revenues equal $51,000,000.00: Percentage Rent = [3.0% × ($40,000,000.00 − $25,000,000.00)] + [4.0% × ($50,000,000.00 − $40,000,000.00)] + [5.0% × ($51,000,000.00− $50,000,000.00)] = $450,000.00 + $400,000.00.00+ $50,000.00 = $900,000.00.

(vi) The following examples illustrate the calculation of Percentage Rent for the thirty-first (31st) or any subsequent Lease Year:

(A) If Gross Operating Revenues equal $28,000,000.00: Percentage Rent = 3.0% × ($28,000,000.00 − $25,000,000.00) = $90,000.00.

(B) If Gross Operating Revenues equal $42,000,000.00: Percentage Rent = [3.0% × ($42,000,000.00 - $25,000,000)] = $510,000.

(c) **Right to Audit**. Lessee shall retain, in accordance with GAAP, all relevant records necessary for determining Gross Operating Revenues during the Term of this Ground Lease and for a period of at least five (5) years thereafter. The Lessor may cause an audit to be made of Lessee's records pertaining to the determination of Gross Operating Revenues. Such records shall be available at Lessee's business office during normal business hours upon seven (7) days' notice by Lessor. Said audit shall be at the expense of Lessor unless the same shall indicate a discrepancy in excess of three percent (3%) of the Gross Operating Revenues reported, in which event the Lessee shall bear the expense of said audit. In the event any such audit contemplated herein reveals such an aforementioned discrepancy and Lessee is not reasonably disputing such discrepancy, Lessee shall remit payment to Lessor for the same within thirty (30) days of receipt of written notice thereof. All records furnished to Lessor shall be confidential except that Lessor may furnish copies to (x) its attorneys, accountants, consultants and advisers, (y) any actual or potential lender or purchaser of the Lessor of all or part of the Land, and (z) as otherwise required by applicable law.

(d) **Additional Rent**. Lessee shall pay or cause to be paid directly to Lessor (or, subject to the Lessee's contest rights expressly set forth in this Ground Lease, to any third party entitled to such payment), as additional rent hereunder, all amounts (other than Gross Rent) payable by Lessee under this Ground Lease (collectively, "**Additional Rent**"), including those amounts designated in other provisions of this Ground Lease as "**additional rent**". For the avoidance of doubt, "Additional Rent" shall include the cost of any insurance coverage procured by the University at the request of Lessee to insure against losses in excess of the University's liability limits as established by the Tennessee Claims Commission Act (Tenn. Code Ann. § 9-8-301, et seq.). Each item of Additional Rent shall be paid by Lessee as and when due pursuant to the applicable provisions of this Ground Lease or the related legal or contractual obligation or, if not so specified, not later than thirty (30) days after receiving an invoice from any Person therefor (subject to the Lessee's contest rights expressly set forth in this Ground Lease as regards disputed payments to any third party). Lessor shall have, without limitation, all the same rights and remedies hereunder or under Governmental Regulations for Lessee's failure to pay any item of Additional Rent as Lessor has for Lessee's failure to pay any Gross Rent.

(e) **Payment of Rent**. Rent shall be paid in lawful currency of the United States of America to University at the address set forth in Section 25, or such other address as Lessee is notified by Lessor as the address for the payment of Rent, or by electronic transfer according to wiring instructions provided by Lessor to Lessee in writing. Lessee must register as a vendor in University's system, PaymentWorks.

(f) **Rent is Triple Net**. It is the general purpose and intent of the Lessor and the Lessee that Gross Rent payable hereunder shall be absolutely net to the Lessor so that this Ground Lease shall yield to the Lessor the Gross Rent specified, free of any charges, assessments, or impositions of any kind charged, assessed, or imposed on or against the Property, and without abatement, counterclaim, deduction, defense, deferment or set off by the Lessee, except as hereinafter specifically otherwise provided, and the Lessor shall not be expected or required to pay any such charge, assessment or imposition, or be under any obligation or liability hereunder except as herein expressly set forth, and that all costs, Operating Expenses and obligations of any kind relating to the maintenance and operation of the Property, including all alterations, repairs and replacements, that may arise or become due during the Term shall be paid by the Lessee.

(g) **Hotel Unit Owner**. Notwithstanding anything to the contrary contained in this Ground Lease, from and after the establishment of the Leasehold Condominium pursuant to the Master Declaration, Hotel Unit Owner shall have the sole responsibility under this Ground Lease for payment of the Gross Rent, Percentage Rent and Additional Rent to Lessor, and Lessor shall look solely to Hotel Unit Owner for payment of the same, including those obligations set forth in Sections Section 4, 5, 6 and 7 below.

Section 4. Taxes and Assessments.

(a) **Lessor Exemption**. The Lessor and the Lessee intend that Lessor's interest in the Property will be exempt from ad valorem property taxation and special assessments of the State, or any municipality, or other political subdivision of the State pursuant to Governmental Regulations. Lessee shall be solely responsible for paying any ad valorem property taxes and special assessments against its interest in the Project, and/or Property provided, however that Lessee may apply for property tax incentives or abatements, including, but not limited to tax increment financing and "payment in lieu of taxes" arrangement ("**Tax Incentives**"). The Lessor (in consultation with the University) and the Lessee shall in good faith identify and agree upon portions of the Project and/or Property and other community improvements consistent with the priorities and goals of the City of Knoxville to be funded through the Tax Incentives. Lessee will then apply for the Tax Incentives and Lessor will cooperate with Lessee at no cost to Lessor in such applications.

(b) **Lessee Taxes**. Notwithstanding the preceding Section 4(a) to the contrary, the Lessee shall pay any and all real property, personal property or other taxes, municipal service fees or other assessments or charges which are levied against Lessee or Lessee's leasehold estate and are payable with respect to any calendar or tax year or other period falling wholly or partly within the Term (all of which are hereinafter referred to collectively as "**Taxes**"), except that if any such tax, charge or assessment is levied with respect to a period beginning before the Commencement Date or ending after the Termination Date, the Lessee shall pay only that percentage thereof equaling the percentage of such period falling within the Term. The Lessee shall pay the Taxes as and when due and payable and before any interest, charge, fee or penalty is incurred for late payment thereof. The Lessee shall deliver to the Lessor the receipted bill for the payment of Taxes within ten (10) days after such payment is made.

(c) **Tax Contests**. If the imposition of any Tax shall be deemed by the Lessee or the Lessor to be improper, illegal, or excessive, the Lessee may, in its own name, dispute and contest the same and, in such event and to the extent permitted by law, any such Tax need not be paid until adjudged to be valid; provided, however, the Lessee shall in writing first notify the Lessor of such dispute and contest, and then in good faith and by appropriate proceedings in accordance with applicable Governmental Regulations contest the same; provided that such contest does not place the Project in danger of being seized or forfeited. Unless so contested, any Tax shall be paid by the Lessee within the time provided by law, and if contested, any such Tax shall be paid before the sale pursuant to any Lien for Taxes on the Property with respect thereto and evidence of the same reasonably satisfactory to Lessor is provided to Lessor. To the extent such cooperation is required by Governmental Regulations for such contest, Lessor shall cooperate in any such action or proceeding as reasonably requested in writing by Lessee, at Lessee's sole cost and expense, whether or not Lessor is joined pursuant thereto and Lessor agrees to take no action that would be adverse to Lessee in any such contest where Lessee seeks to reduce its obligation to pay Tax. Upon reasonable written request by Lessee, Lessor shall execute in its capacity as fee owner and promptly deliver to Lessee any documents or pleadings associated with such contest that Lessee may reasonably request in writing.

Section 5. Utility Services; Internet.

(a) **Utility Services**. The construction of the Project under this Ground Lease shall include the following utility services to the Property: gas, water (including water for domestic uses and for fire protection), sanitary sewer and electricity ("**Utility Services**"). Lessee will pay the cost of such Utility Services from the municipal utility provider, as and when due.

(b) **Internet**. At Lessee's reasonable written request, the University shall also provide its internet services to the Project. The cost of any upgrades to the systems required by Lessee shall be paid by Lessee. Lessee shall also be entitled to, at its sole expense, install separate internet service for the Project. The parties shall cooperate to coordinate internet services and transition of service to the Project and to any adjoining properties of the University.

(c) **Intentionally Omitted**.

(d) **Lessor Self Help**. In the event that any charge for any Utility Service supplied to the Project that is the responsibility of Lessee is not paid by the Lessee to the municipal utility supplier when due (subject to the following Section 5(e)), then the University or Lessor may (but shall not be obligated to) give Lessee written

notice of such failure, and if Lessee fails to pay the same within thirty (30) days after receipt of University's or Lessor's notice, University or Lessor may pay such charge for and on behalf of the Lessee, in which event the Lessee shall pay such amount to the University or Lessor within thirty (30) days after demand by the University or Lessor, together with interest thereon at the Default Rate, and shall constitute Additional Rent.

(e) **Utility Contests**. If the amount billed for any Utility Service shall be deemed by the Lessee to be improper, illegal or excessive, the Lessee may, in its own name, dispute and contest the same and, in such event and to the extent permitted by law and the applicable contract for the Utility Service, any such bill need not be paid until adjudged to be valid; provided, however, the Lessee shall in writing first notify the Lessor and University of such dispute and contest, and then in good faith and by appropriate proceedings in accordance with applicable Governmental Regulations and such contract contest the same; provided further that such contest does not place the Project in danger of being seized or forfeited, and the Utility Service shall not be terminated or suspended. Unless so contested, any such bill shall be paid by the Lessee within the time provided by law and such contract, and if contested, any such bill shall be paid before the imposition of a Lien on the Property with respect thereto, unless (within thirty (30) days after the imposition or occurrence of any such Lien) such Lien is bonded or insured over (to University or Lessor) in accordance with applicable Governmental Regulations and (if applicable) such contract.

Section 6. Payments for the Lessee. If the Lessee or following the establishment of the Leasehold Condominium, the Hotel Unit Owner or Master Association, as applicable, fails to procure the insurance required to be procured by the Lessee under this Ground Lease or fails to pay any premium of insurance, Tax, or any other sum in this Ground Lease required to be paid by the Lessee, the University may, after expiration of the applicable notice and cure period specified in Section 20(a), as applicable, or elsewhere in this Ground Lease, at the option of the University, either with or without declaring an Event of Default, procure on behalf of the Lessee any such insurance, and pay on behalf of the Lessee, any such payment or payments as may be necessary. Any sum(s) so paid or expended by the University shall be immediately due and payable by Lessee upon demand, together with interest thereon at the Default Rate, and shall constitute Additional Rent.

Section 7. Interest on Unpaid Amounts. Rent and other sums that are payable by the Lessee under this Ground Lease which are not paid within ten (10) days after the due date thereof shall bear interest at the Default Rate per annum from the due date thereof through the date payment of the same is made. If it becomes necessary for the Lessor to bring suit for collection of any Rent, the Lessee agrees to pay any and all such reasonable expenses and costs as the Lessor may incur, including, but not limited to, attorneys' fees actually incurred or reasonably determined to be the cost of legal services supplied by salaried employees of the Lessor, plus interest at the Default Rate on any amounts therefor expended by the Lessor, in the collection of such Rent.

Section 8. Compliance by the Lessee with Governmental Regulations. At all times during the Term, the Lessee shall conform to, obey, and comply in all material respects with all Governmental Regulations. The Lessee shall obtain and maintain in force during the Term all licenses, permits and governmental approvals necessary or required for the operation of the Project. The Lessee, in its own name and at its sole cost and expense, shall have the right to contest the validity of any applicable Governmental Regulation, provided that such contest does not place the Project in danger of being seized or forfeited, such contest will not result in civil or criminal penalties being imposed on the Lessee or the Lessor, such contest will not jeopardize the health, safety or welfare of the residents or other Persons, and such contest will not materially adversely affect the Lessee's ability to Finally Complete the Project by the Guaranteed Completion Date. In the event, at any time during the Term, as the result of the Lessee's acts or failure to act when under affirmative duty to do so, any addition, alteration, change, or repair or other work of any nature, structural or otherwise, be lawfully required or ordered by an applicable Governmental Authority or becomes reasonably necessary on account of any applicable Governmental Regulation, the entire expense thereof, regardless of when the same shall be incurred or become due, shall be paid by the Lessee, and in no event shall the University or Lessor be called upon to contribute thereto. Upon any failure of the Lessee to perform its obligations in this Section 8 for more than thirty (30) days after notice from the Lessor, the Lessor may perform the same at the Lessee's cost, in which event the Lessee shall reimburse the Lessor on demand, as Additional Rent, for all payments, costs and expenses incurred by the University and/or Lessor, in taking such actions, together with interest thereon at the Default Rate.

Section 9. Quiet Enjoyment. The Lessor represents that it owns fee simple, marketable title to the Property subject to no restrictions, Liens, or other encumbrances other than Permitted Encumbrances. The Lessor further covenants and agrees that, throughout the Term and so long as no Lessee Event of Default exists hereunder,

the Lessee and all Permittees may peaceably and quietly enjoy the Property subject, however, to applicable state laws and regulations, applicable zoning and land use restrictions, Permitted Encumbrances, and the terms and conditions of this Ground Lease. Lessor shall not, without the prior approval of Lessee, which approval Lessee may withhold in its reasonable discretion, encumber the Property with any easements, mortgages, liens or other encumbrances which materially impact Lessee's rights or obligations hereunder.

Section 10. Construction of Improvements.

(a) **Construction Contracts**. The Lessee shall enter into the General Construction Contract and the Architect's Agreement and such other Construction Contracts as the Lessee deems appropriate. In addition:

(i) The Lessee hereby covenants to the Lessor that the Lessee shall fully and timely pay undisputed amounts and perform all material covenants under the Construction Contracts.

(ii) Notwithstanding any provision of this Ground Lease to the contrary, and subject to Section 28(p) hereof, nothing in this Ground Lease (including the provisions of this Section) shall be deemed to require the Lessor to pay or perform any of the covenants, indemnities, liabilities and obligations of the Lessee (if any) under the Construction Contracts.

(iii) The Lessee hereby agrees to promptly give to the Lessor copies of any written default notice received or given by the Lessee under the General Construction Contract or Architect's Agreement.

(iv) If, before Final Completion of the Project, the General Contractor is dismissed or suspended for more than ninety (90) days or withdraws from such capacity, due to a default under the General Construction Contract, then the Lessee shall not enter into any replacement of the General Construction Contract and/or retain any replacement party to such General Construction Contract without the Lessor's prior written consent in each instance, such consent to be given in the Lessor's reasonable discretion.

(b) **Default in Construction**. If there shall be a material default (as defined under the applicable Construction Contract) by the General Contractor or the Architect in connection with the Design, Development and/or Construction of the Project (after expiration of any applicable notice and cure periods contained in their specific Construction Contracts), the Lessee shall exercise its business judgment in elections to exercise any rights and remedies available to the Lessee (if any) under the relevant Construction Contracts.

(c) **Commencement of Construction**. The Lessee shall commence and pursue to Final Completion the Construction of the Project on the Land and associated site development within the boundaries of the Land, in accordance with the General Construction Contract and in accordance with the Project Schedule.

(d) **Construction Approvals by the Lessor**. Lessor acknowledges receipt of a copy of the Plans and Specifications, which the Lessor hereby approves in all respects.

(e) **Change Orders**.

(i) The Lessee may order, authorize, or perform any change or substitute work or materials in prosecuting the construction of the improvements described in the Plans and Specifications or the Construction Contracts that Lessee deems reasonably appropriate for the Development and Construction of the Project (a **"Change Order**"), provided that any Change Order which may reasonably be expected to materially and adversely impact (a) the exterior appearance or aesthetics of the Project, including exterior components which may impact the University's brand or Campus aesthetics, or (b) the structural integrity of or access to University's adjoining properties (a "**Material Change Order**") shall be subject to Lessor's prior written approval (in consultation with the University), and Lessor agrees it will endeavor to promptly respond with its approval or disapproval within ten (10) Business Days after receipt. If the Lessor does not give notice of its approval or disapproval of such Material Change Orders within ten (10) Business Days after Lessee's written delivery of the Material Change Order to Lessor, the Lessee shall provide Lessor

with a second written notice of the Material Change Order. If the Lessor does not give notice of its approval or disapproval of such Material Change Orders within five (5) Business Days after Lessee's delivery of the second written notice, Lessor shall be deemed to have approved the Material Change Order; *provided, however*, in no event shall any matter be deemed approved by Lessor pursuant to the foregoing if the same would result in Lessor (or any of its Affiliates) incurring or becoming liable for any costs or financial obligations that are either (A) not contemplated herein or (B) in excess of/in addition to what is contemplated herein. Approval of Change Orders by the Lessor shall not relieve the Lessee from the obligation to obtain all other necessary approvals and permits required by various Governmental Authorities and from complying in all material respects with the Plans and Specifications, the General Construction Contract, and all applicable Governmental Regulations. The Lessor shall not unreasonably withhold, delay or condition the approval required by this subsection.

(ii) The Lessee will deliver to Lessor copies of all Change Orders which are not Material Change Orders promptly after Lessee's approval thereof.

(f) **Construction According to the Plans and Specifications**. To the extent reasonably possible, Development and Construction of the Project shall be done so as to minimize disruption of the University's Campus operations. All Construction activities shall be coordinated with Lessor who shall in turn coordinate with the appropriate departments of the University (such departments and representatives of those departments shall be identified in the preconstruction meeting). A mandatory preconstruction meeting shall be conducted by the Lessee prior to the start of any Construction activities for the purpose of reviewing security procedures, utility coordination, access to the Property, and Construction and traffic coordination issues. The meeting shall be attended, at a minimum, by the Lessor Representative, the Lessee Representative, and the General Contractor's representative. The Lessor reserves the right to reasonably monitor (through its agents, employees or its construction consultant) at Lessor's sole cost and expense the Lessee's Construction of the Project from its inception to its Final Completion, including attending Construction meetings contemplated by the General Construction Contract. Notwithstanding the foregoing, the University and Lessor shall not interfere with the orderly progression of Construction, shall not direct the General Contractor or any subcontractors, materialmen, laborers or Lessee's employees or representatives, shall observe all safety procedures imposed by the General Contractor, and shall provide reasonable advance notice of all site visits. At a minimum, the following restrictions are placed upon Construction activities, and the Lessee will provide for the incorporation of these restrictions in the General Construction Contract:

(i) access to the Construction site(s) on the Property will be subject to safety restrictions determined by the General Contractor;

(ii) the Lessee will use commercially reasonable efforts to notify the Lessor in writing at least seventy-two (72) hours in advance when coordination meetings requiring the Lessor's participation are required;

(iii) the Lessee will use commercially reasonable efforts to cause the General Contractor to be responsible for all Project site safety and access requirements set forth in the Construction Contract;

(iv) the Lessee, throughout the Construction period, shall be responsible for the enforcement of discipline and good order among the workers on the Construction site(s) on the Property;

(v) construction signage shall be in conformity with the Construction Contract;

(vi) the Lessee and the Lessee's contractors shall not bury or burn or otherwise dispose of Construction debris on the Land, the Property or any other part of the Campus; and

(vii) Construction activities will comply with all applicable Governmental Regulations.

(g) **All Liens and Rights are Subordinate to the Lessor**. The Lessee shall not create or permit to be created or to remain, and shall discharge, any Lien, encumbrance, or charge levied on account of any

mechanic's, laborer's, or materialman's Lien, or any security agreement, conditional bill of sale, title retention agreement, chattel mortgage, or otherwise (a "**Lien**") that might or does constitute a Lien, encumbrance, or charge upon the Property, or any part thereof, or the income therefrom, having a priority or preference over or ranking on a parity with the estate, rights, or interest of the Lessor in the Property or any part thereof, or the proceeds therefrom. Further, to the extent permitted by law, Lessee shall use commercially reasonable efforts to cause the rights of any Lien holder, to be and remain subordinate, inferior, and junior to the Lessor's title, interest, and estate in the Property and to attach only to Lessee's leasehold interest. Nothing in this Ground Lease shall be deemed or construed in any way as constituting the consent or request of the University or the Lessor, express or implied, by inference or otherwise, to the filing of any Lien against the Land, or Lessor's interest in the Property, by any contractor, subcontractor, laborer, materialman, architect, engineer, or other Person for the performance of any labor or the furnishing of any materials or services for or in connection with the Property or any part thereof, all such Lien rights being limited to the Lessee's leasehold interest in the Property. Lessee shall cause any Lien to be discharged (including by bond) or insured over to Lessor's benefit within fifteen (15) business days after receiving notice or knowledge thereof from any source or any shorter period of time as may be imposed by Governmental Regulations for discharge by bond. Notwithstanding the foregoing, Lessee shall be entitled to contest any such Lien, in good faith and by appropriate proceedings, as long as Lessee bonds or insures over in favor of Lessor such Lien.

(h) **Payment of Bills for Construction**. The Lessee covenants and agrees to pay or cause to be paid, currently as they become due and payable in accordance with the terms of the General Construction Contract, all bills for labor, materials, insurance, and bonds, and all fees of architects, engineers, contractors, and subcontractors and all other costs and expenses incident to any construction in or on the Project; provided, however, that the Lessee may, in good faith, in its own name, dispute and contest any such bill, fee, cost, or expense, in accordance with Section 10(g) above, and on condition that such contest will not adversely affect the Lessee's ability to Construct the Project or to Finally Complete the Project by the Guaranteed Completion Date, and in such event any such item need not be paid until adjudged to be valid. Unless so contested by the Lessee, all such items shall be paid by the Lessee within the time provided by law, and if contested, any such item shall be paid before the issuance of an execution on a final judgment with respect thereto.

(i) **Failure to Complete Construction**. The Lessee covenants and agrees that in the event (i) the Lessee shall fail to commence Construction of the Project within ninety (90) days of the Effective Date, (ii) once commenced, abandon or fail to continue Construction for a period of ninety (90) consecutive days, or (iii) fail to complete the Construction of the Project undertaken by the Lessee in each case in accordance with the requirements of this Ground Lease, the Lessor may, following sixty (60) days prior written notice of such failure and the Lessee's failure to cure the same, at its option elect to terminate this Ground Lease. Such option to terminate will be without any obligation to do so and without prejudice to any other rights the Lessor may have under this Ground Lease and in all cases will be subject to the rights of the Construction Lender.

(j) **Title to the Project**. The title to the Project and all other improvements now or hereafter Constructed or located on the Property, including those to be Constructed in accordance with the Plans and Specifications and the General Construction Contract, shall be vested in the Lessee or as otherwise provided pursuant to the Leasehold Condominium until the Termination Date, at which time all title to and ownership of the Project and all other improvements to or upon the Property or related to the Project shall automatically and immediately vest (without the necessity of any further action being taken by the Lessee or the Lessor or any instrument being executed and delivered by the Lessee to the Lessor) in the Lessor.

(k) **Construction Areas**. The Lessee shall confine its operations to the Land and shall not store any material or equipment or conduct any Construction work, preparation or staging on property of the Lessor, except as set forth herein or as approved in writing (in the Lessor's sole discretion) and subject to such conditions as may be reasonably specified and approved by the Lessor (the "**Construction Areas**"). The Lessee shall protect all work and shall use commercially reasonable efforts to keep and cause the General Contractor to use commercially reasonable efforts to keep the Construction Areas reasonably clean and free from waste materials and rubbish.

(l) **Reports and Information**. The Lessee shall provide Lessor and the University with Monthly Progress Reports in form and detail reasonably satisfactory to the Lessor demonstrating compliance with the Plans and Specifications for the previous month. In addition, reports as to compliance or noncompliance with the Project Schedule shall be updated at least monthly. The Lessee shall deliver or cause to be delivered to the Lessor and

the University copies of all soil reports, surveys, hazardous wastes or toxic materials reports, feasibility studies, and other similar written materials prepared for or delivered to the Lessee pursuant to the General Construction Contract with respect to the Property within ten (10) days after receipt by the Lessee.

(m) **Final Completion of Project**. As soon as practicable after the Substantial Completion of the Project (but in all events not later than the Guaranteed Completion Date), the Lessee shall furnish to Lessor and the University:

(i) one (1) complete set of final "as-built" plans and specifications of the completed improvements;

(ii) a current, accurate, properly labeled, and certified (by the hereafter stated surveyor or engineer), "as built" plat of survey prepared by a Tennessee registered land surveyor or professional engineer depicting to scale the location of the completed improvements, as the same have been Constructed; and-

(iii) to the extent delivered by the General Contractor, one (1) complete set of operations and maintenance manuals for all systems, equipment, furniture, and fixtures relating to the Project.

(n) **Lessee Access**. Notwithstanding anything to the contrary herein, the Lessee shall have access to the Property twenty-four (24) hours a day, seven (7) days a week, three hundred sixty-five (365) days a year.

(o) **Failure to Provide Project on Schedule**. The Lessee shall cause the Construction of the Project to be Finally Complete in substantial accordance with the Plans and Specifications and all Governmental Regulations, with all costs thereof fully paid, and all Liens fully paid or bonded, no later than the Guaranteed Completion Date. If Final Completion of the Project does not occur by the Guaranteed Completion Date, as the same may be modified or adjusted pursuant to the terms of this Ground Lease, the Lessee shall nevertheless commence payment of Gross Rent on the date established in Section 3(a)(ii) above.

(p) **Payment and Performance Bonds**. Prior to the commencement of Construction, the Lessee shall provide or cause to be provided to the Lessor payment and performance bonds and/or subcontractor default insurance to the extent required by the Construction Contracts and to the extent required to comply with State requirements and regulations. The bonds shall be multiple obligee surety bonds payable in favor of the Lessee, as primary obligee, and in favor of Construction Lender and the Lessor as additional obligees.

(q) **Guaranty of Completion; Assignment of Construction Contracts.** Lessee shall provide such guaranty of completion and assignment of construction contracts that is required by and satisfactory to the Construction Lender. Lessor shall be named as a subordinate beneficiary of such guaranty of completion and a secondary assignee of Lessee's rights under and to the Construction Contracts.

Section 11. Primary Use. The Project shall be used for the Primary Use. Any changes from the Primary Use must be reviewed and agreed upon by Lessor. The following uses shall be prohibited:

(a) Any "adult" business, including, without limitation, any store featuring or specializing in pornography, sexual books or sexual literature, sex toys or sexual paraphernalia.

(b) Any business featuring or specializing in recreational or illegal drugs, including legal THC products, books or products or clothing associated with recreational or illegal drugs.

(c) Any business promoting or selling firearms or weapons;

(d) Any bar, nightclub, liquor store or other business selling exclusively or primarily packaged (or by the drink) liquor, wine or beer for on-site consumption or take-out; provided that this shall exclude restaurants, bars, lounges, clubs, and sundries stores within the Hotel Unit or other businesses with liquor, wine or beer sales that are incidental to their sales of food or other permitted retail sales and in full compliance with relevant and applicable

ordinances, liquor laws, and Governmental Regulations. Further, businesses are prohibited from offering reduced price alcoholic beverage promotions that i) offer free alcoholic beverages for any purpose, ii) provide an unlimited number of alcoholic beverages for a fixed price, iii) discount alcoholic beverages more than fifty percent (50%) off the regular advertised price, or iv) discount alcoholic beverages based on gender.

(e) Any business selling exclusively or primarily cigar or cigarette or other tobacco products or e-cigarette or vaping products, and any business that permits the onsite use/ingestion of tobacco products (including, without limitation, cigarettes) within any portion of its premises (whether indoors or outdoors).

(f) Any sexually oriented massage parlor or "strip" club.

(g) Any restaurant/bar that features (i) servers in sexualized attire, such as a Hooters or Twin Peaks, and/or (ii) deliberately insulting and/or provocative service, such as a Dick's Last Resort.

(h) Businesses that offer tattoos or piercings or similar services.

(i) Businesses that permit patrons to place bets that are facilitated by the business.

(j) Convenience or grocery stores; provided that this shall exclude gift shops and sundries stores within the Hotel Unit.

(k) Businesses that offer second hand items or operate as clearance or firesale stores or similar retail establishments.

(l) Businesses that offer animals for sale.

(m) Any business or use that (i) creates strong unusual or offensive odors, fumes, dust or vapors (ii) is a public or private nuisance, (iii) emits noise or sounds that are objectionable due to intermittence, beat, frequency, shrillness or loudness, or (iv) has flashing lights or signs, strobe lights, search lights or loudspeakers.

Section 12. Assignment of Lease.

(a) **No Transfers without Lessor's Consent**. Except as otherwise expressly provided in this Ground Lease (including as permitted in this Section 12, Section 22 and Permitted Encumbrances), the Lessee, and its successors and assigns, shall not (and shall not have the right to) assign, sublease, pledge, mortgage, grant a security interest in, encumber or otherwise transfer or dispose of this Ground Lease or any interest herein or in the Property or any right or privilege appurtenant hereto, or lease, ground lease or sublease the Property or any portion thereof, or permit or suffer any of the same to occur (each, a "**Transfer**"), unless in each case the written consent of the Lessor is first obtained, such consent not to be unreasonably withheld; *provided, however*, and for the avoidance of doubt, the parties hereto expressly agree that any transfer of a direct or indirect ownership interest in Lessee that constitutes greater than twenty-five percent (25%) of the voting interests in Lessee shall be deemed a "Transfer" under this Ground Lease and, in accordance with this Section 12(a), require the prior written consent of the Lessor. Notwithstanding the foregoing, Lessor's consent shall not be required for (i) any Transfer after Final Completion of the Project if the proposed assignee is a Qualified Assignee, (ii) any proposed Transfer prior to Final Completion if the proposed assignee is a Qualified Replacement Developer, (iii) any proposed Leasehold Mortgage to a Leasehold Mortgagee, (iv) any Transfer of any direct or indirect ownership interest in any entity that holds a direct or indirect ownership interest in Lessee (each such entity, an "**Indirect Owner**"), to or among one or more Affiliates of such Indirect Owner or of Lessee, so long as no such Transfer results in a change in the control of Lessee and, prior to Final Completion, Lessee is (including, by having an Indirect Owner that is) or engages a Qualified Replacement Developer to oversee the Development of the Project, and (v) any transfer of a direct or indirect ownership interest in Lessee that constitutes twenty-five percent (25%) or less of the voting interests in Lessee. Any Transfer which is made without such written consent of the Lessor shall be void *ab initio*. **In all cases the proposed assignee or transferee must be a Qualified Assignee.**

(b) **Assignment; Assumption by Assignee**. No Transfer shall occur unless the assignee or transferee shall expressly, in writing, assume all the obligations of the assignor first arising under this Ground Lease from and after the date of the Transfer (and, if prior to Final Completion, the General Construction Contract and Architect's Agreement to which the Lessee is a party), such written instrument expressly to be for the benefit of, enforceable by and delivered to the Lessor.

(c) **Right of First Offer**.

(i) If, at any time during the Term, Lessee desires to sell, transfer, or convey its interests in the Hotel Unit, and no Event of Default by Lessor has occurred under this Ground Lease and is continuing beyond any and all applicable cure periods, Lessee shall provide Lessor with a written notice ("**ROFO Offer Notice**") containing the following terms: (1) a purchase price; (2) the payment terms for the proposed transaction (*i.e.*, cash or seller financing); (3) a draft of the purchase and sale agreement for the Hotel Unit (the "**Initial ROFO PSA Draft**") and access agreement for due diligence activities; and (4) identification of the escrow agent and title company for the transaction (which, for the avoidance of doubt, must be reasonably acceptable to Lessor) and a copy of any existing survey, title report, and third party reports in Lessee's possession related to the condition of the Hotel Unit that would otherwise be disclosed to a third party purchaser of the Hotel Unit. Lessor or one of Lessor's affiliated foundations (*e.g.*, The University of Tennessee Foundation, Inc.) may elect to purchase the Hotel Unit by delivering to Lessee a copy of the ROFO Offer Notice signed by Lessor within thirty (30) days following Lessor's receipt of the ROFO Offer Notice (the "**ROFO Response Period**"), and the sale and purchase of the Hotel Unit shall be consummated on the terms set forth in the ROFO Offer Notice and in accordance with Section 12(c)(iii). Lessor shall reasonably endeavor to provide Lessee a response to the ROFO Offer Notice as soon as is practicable; provided, however, that nothing contained herein shall require Lessor to provide a response prior to the expiration of the ROFO Response Period.

(ii) If Lessor fails to deliver a written acceptance notice within the ROFO Response Period, then Lessor shall be deemed to have rejected the ROFO Offer Notice and Lessee shall be permitted to sell the Hotel Unit subject to the limitations set forth in Section 12(c)(iv).

(iii) If Lessor or one of the Lessor's affiliated foundations (the "**ROFO Purchaser**") desires to exercise its right to purchase the Project under this Section (the "**ROFO Right**"), Lessor shall sign and return the ROFO Offer Notice to Lessee prior to the expiration of the ROFO Response Period (the "**ROFO Exercise Date**") and ROFO Purchaser shall deliver a non-refundable deposit in the amount of $1,000,000 to the escrow agent identified by Lessee in the ROFO Offer Notice, which non-refundable deposit shall be disbursed to Lessee if either the parties fail to enter into the ROFO Purchase Agreement or if the parties enter into the ROFO Purchase Agreement but the transaction fails to close for any reason other than Lessee's default. Within ten (10) days of ROFO Exercise Date, Lessee and ROFO Purchaser shall enter into an access agreement permitting ROFO Purchaser to commence due diligence activities in connection with its acquisition of the Hotel Unit for a period of ninety (90) days from the ROFO Exercise Date (the "**ROFO Feasibility Period**"). For the duration of the ROFO Feasibility Period, the parties shall use commercially reasonable efforts to negotiate, in good faith, a purchase and sale agreement in the form of the Initial ROFO PSA Draft on terms and conditions set forth in ROFO Offer Notice and as set forth herein (the "**ROFO Purchase Agreement**"). The parties hereto expressly agree and acknowledge that the ROFO Purchase Agreement shall be subject to the approval of all Governmental Authorities as required by applicable law. The ROFO Purchase Agreement will include the following terms: (i) the ROFO Purchaser will deposit with the escrow agent identified in the ROFO Offer Notice any additional earnest money in the amount set forth in the ROFO Offer Notice; (ii) the inspection period shall expire upon the expiration of the ROFO Feasibility Period, at which point the additional earnest money under the ROFO Purchase Agreement shall be non-refundable but applicable to the purchase price, absent a default by Lessee under the ROFO Purchase Agreement; (iii) the condition of the Hotel Unit will be "as-is, where-is" except for customary representations and warranties for similar projects in major markets located in the southeastern United States; (iv) both (A) final approval of the ROFO Purchase Agreement by all applicable Governmental Authorities and (B) the closing of the sale of the Hotel Unit under the ROFO Purchase Agreement shall each occur no later than sixty (60) days following the expiration of the ROFO Feasibility Period; and (v) such other terms and conditions as are customary for similar projects in the Knoxville, Tennessee. Once the parties enter into the ROFO

Purchase Agreement, the terms and conditions of the ROFO Purchase Agreement shall govern the sale of the Hotel Unit to ROFO Purchaser. If (1) ROFO Purchaser and Lessee, despite their good faith efforts, are unable to agree upon and execute the ROFO Purchase Agreement prior to the expiration of the ROFO Feasibility Period, (2) ROFO Purchaser terminates the ROFO Purchase Agreement prior to the expiration of the ROFO Feasibility Period or does not close on the acquisition of the Hotel Unit in accordance with the ROFO Purchase Agreement, or (3) Lessee terminates the ROFO Purchase Agreement as a result of a default by ROFO Purchaser under the ROFO Purchase Agreement, then Lessee may effect a disposition of the Hotel Unit subject to the limitations set forth in Section 12(c)(iv).

(iv) If Lessor does not elect or is deemed to have waived its right to purchase the Hotel Unit within the ROFO Response Period or a condition in Section 12(c)(iii)(1), (2) or (3) has occurred, then Lessee may sell the Hotel Unit to a Qualified Assignee at a purchase price equal not less than ninety-five percent (95%) of the purchase price set forth in the ROFO Offer Notice. The sale of the Hotel Unit must occur no later than three hundred sixty five (365) days after the expiration of the ROFO Response Period (the "**ROFO Disposition Period**"). If the closing of the sale of the Hotel Unit does not occur to a Qualified Assignee within the ROFO Disposition Period, or if the proposed purchase price is less than ninety-five percent (95%) of the purchase price set forth in the ROFO Offer Notice, Lessor's ROFO Right shall be reinstated and shall be in full force and effect with respect to the Hotel Unit, and Lessee shall again be required to comply with the requirements set forth in this Section 12(c).

(v) If Lessee closes a sale of the Hotel Unit following compliance with this Section 12(c) (subject to modifications approved or deemed approved by Lessor in accordance with Section 12(c)(iv)), then such sale shall be made free and clear of the ROFO Right; provided, however, that the Lessor shall retain the ROFO Right as to the transferee and the Hotel Unit from and after the date such transferee assumes the obligations of the Lessee under this Ground Lease and associated documents.

(vi) At Lessee's option, Lessee may elect to advise Lessor prior to the issuance of a formal ROFO Offer Notice that Lessee intends to issue a formal ROFO Offer Notice and request that Lessor provide Lessee with a non-binding indication of Lessor's interest. In such event, Lessor will have a period of ten (10) days to advise Lessee of whether it is interested in receiving the ROFO Offer Notice or to waive its right to receive the ROFO Offer Notice in which case Lessee shall be permitted to sell the Hotel Unit subject to the limitations set forth in Section 12(c)(iv) (which shall be interpreted as if the "ROFO Response Period" commences as of the date Lessor waives its right to receive the ROFO Offer pursuant to this Section 12(c)(iv)) but at a purchase price determined by Lessee.

(d) **Sales of Residential Condominium Units and Condo Hotel Condominium Units**. Notwithstanding anything this Ground Lease to the contrary and subject in all respects to Section 2(c)(iv)(B) of this Ground Lease, no consent shall be required from Lessor for the sale or mortgage of any individual Residential Condominium Units or any individual Condo Hotel Condominium Units following the establishment of the Leasehold Condominium.

(e) **Hotel Unit Subtenants**. Notwithstanding anything this Ground Lease to the contrary and subject in all respects to Section 2(c)(iv)(A) of this Ground Lease, Lessee or Hotel Unit Owner, as applicable, may enter into a sublease, license or other occupancy agreement at any time and from time to time during the Term for use of a portion of the Hotel Unit upon such terms and conditions as Lessee or Hotel Unit Owner, as applicable, shall, in its sole discretion, deem fit and proper, consistent and compatible with the Primary Use and Project Standard, including without limitation granting any use rights in a membership club located within the Hotel Unit to Permittees.

(f) **Residential Condominium Unit Subleases**. Notwithstanding anything this Ground Lease to the contrary and subject in all respects to Section 2(c)(iv)(B) of this Ground Lease, Residential Condominium Owners may enter into a sublease, license or other occupancy agreements at any time and from time to time during the Term with subtenants for use of their respective Residential Condominium Units to the extent permitted under, and in accordance with, the Declarations.

(g) **Condo Hotel Condominium Unit Subleases**. Notwithstanding anything this Ground Lease to the contrary and subject in all respects to Section 2(c)(iv)(B) of this Ground Lease, Condo Hotel

Condominium Owners may enter into sublease, license or other occupancy agreements at any time and from time to time during the Term with subtenants for use of their respective Condo Hotel Condominium Units to the extent permitted under, and in accordance with, the Declarations.

(h) **Hotel Manager and Hotel Licensor Non-disturbance and Attornment**. Lessor covenants and agrees with Lessee for the benefit of the Hotel Manager and Hotel Brand Owner that in the event of a termination of this Ground Lease where ownership of the Hotel Unit has reverted to Lessor, Lessor will recognize the rights of Hotel Manager and Hotel Brand Owner and their rights to operate and brand the Hotel Unit, as applicable, shall not be disturbed; provided Hotel Manager and Hotel Brand Owner shall then attorn to Lessor. In addition, Lessor covenants and agrees with Lessee that Lessor will, at the written request of Lessee made from time to time, enter into non-disturbance and attornment agreements with Hotel Manager and Hotel Brand Owner, which agreements shall be in commercially reasonable form that are reasonably acceptable to Lessor. Lessor shall execute and deliver to Hotel Manager, Hotel Brand Owner and Lessee such non-disturbance and attornment agreements or specify in writing its objections thereto within ten (10) Business Days after receipt of the form thereof from Lessee.

Section 13. Maintenance of Property.

(a) **Maintenance**. The Master Association as to the limited and common elements of the Project and the Lessee as to the Hotel Unit shall, at all times during the Term, keep and maintain the portions of the Property for which they are responsible or cause such portions of the Property to be kept and maintained, in good and clean condition and repair and in working order pursuant to the Project Standards, including but not limited to cleaning, painting, decorating, plumbing, carpentry, grounds care, replacement of Personalty, capital improvements and other maintenance, repair and replacement work as may be necessary, in order to maintain the Project in compliance with the Project Standard. In the event the Master Association or the Lessee, as applicable, fails to perform any of its obligations as required hereunder, within the notice and cure period set forth in Section 20(a)(i)(C) and Section 20(a)(ii)(C), as applicable, the Lessor may (but shall not be required to) perform and satisfy same, and the applicable party hereby agrees to reimburse the Lessor as an Operating Expense(s), for the reasonable cost thereof within twenty (20) days of receiving written demand (accompanied by documentation supporting such expenditures) from the Lessor which amounts shall constitute Additional Rent.

(b) **Alterations/Improvements**. Following Final Completion of the Project, Lessee may, at its sole cost, risk, and expense, make improvements or alterations to the Project in its discretion; *provided, however*, that any alteration or improvement which may reasonably be expected to materially and adversely impact (i) the exterior appearance or aesthetics of the Project, including exterior components which may impact the University's brand or Campus aesthetics, (ii) the structural integrity of the Parking Project, or (iii) the structural integrity of or access to the University's adjoining properties (a "**Material Alteration**") shall be subject to Lessor's prior written approval, and Lessor agrees it will endeavor to promptly respond with its approval or disapproval within ten (10) Business Days after receipt. If the Lessor does not give notice of its approval or disapproval of such Material Alteration within ten (10) Business Days after Lessee's written delivery of the Material Alteration to Lessor, the Lessee shall provide Lessor with a second written notice of the Material Alteration. If the Lessor does not give notice of its approval or disapproval of such Material Alteration within five (5) Business Days after Lessee's delivery of the second written notice, Lessor shall be deemed to have approved the Material Alteration; *provided, however*, in no event shall any matter be deemed approved by Lessor pursuant to the foregoing if the same would result in Lessor (or any of its Affiliates) incurring or becoming liable for any costs or financial obligations that are either (A) not contemplated herein or (B) in excess of/in addition to what is contemplated herein. Lessee's request for approval of a Material Alteration shall include a reasonably detailed description of the proposed Material Alteration, including a preliminary proposed schedule and preliminary plans and specifications, to the extent applicable. When available, Lessee shall provide to Lessor copies of the final plans and specifications related to the Material Alterations which shall be consistent with the information provided to Lessor in the approval notice. Approval of Material Alterations by the University shall not relieve the Lessee from the obligation to obtain all other necessary approvals and permits required by various Governmental Authorities and all applicable Governmental Regulations. For the avoidance of doubt, subsections (g), (h), and (k) of Section 10 shall be deemed restated in this Section 13(b) and must be complied with (as applicable) by Lessee in connection with any Material Alteration contemplated in this Section. The Lessor shall not unreasonably withhold, delay or condition the approval required by this subsection.

Section 14. Indemnification.

(a) **Indemnification by the Lessee**. The Lessee hereby agrees to defend, indemnify and hold harmless the Lessor and the University and all of their trustees, officers, employees, directors, agents, and consultants (hereinafter collectively referred to as the "**Lessor Indemnitees**") of and from any and all actual third party claims, demands, liabilities, losses, costs, or expenses for any loss (including expenses and reasonable attorneys' fees) arising out of, resulting from or due to (i) any intentional, reckless or negligent act or omission on the part of the Lessee, its agents or employees, or others working at the direction of the Lessee or on its behalf, or (ii) any violation of Governmental Regulations by the Lessee or such other Persons. This indemnification will also inure to the successors and assigns of the Lessor Indemnitees and will also be binding upon the successors and assigns of the Lessee, and this indemnification will survive the expiration or termination of this Ground Lease. This indemnification does not extend to claims to the extent arising out of the intentional, reckless or negligent act or omission of the Lessor, its agents or employees, or others working at the direction of the Lessor at the Project or claims exclusively between the undersigned parties arising from the terms or regarding the interpretation of this Ground Lease. The insurance required to be provided by the Lessee under the terms of this Ground Lease shall be security for but shall not be in satisfaction of the Lessee's indemnification obligations hereunder.

(b) **Lessor Liability**. Nothing herein shall be deemed to be a waiver by Lessee of any liability Lessor may have for the acts and omissions of Lessor, the University, UTK or their respective employees arising from or otherwise relating to this Ground Lease to the extent permitted by applicable law.

Section 15. Insurance.

(a) The Lessee shall provide or shall cause the Master Association to provide the insurance coverages set forth in Schedule 1.

(b) Lessor's general liability and professional liability coverage is provided through the State's self-insurance program. Lessee shall have the right to require that Lessor carry Commercial General Liability insurance (or its equivalent) naming Lessee as an additional insured with minimum limits of liability of $1,000,000 each occurrence for Bodily Injury and Property Damage, $1,000,000 each occurrence for Personal Injury liability, including $1,000,000 Contractual Liability and $2,000,000 Aggregate limit for Products and Completed Operations and a $2,000,000 General Aggregate, with such limits to increase by five percent (5%) on every fifth (5th) anniversary of the Effective Date. The foregoing is subject to Lessee reimbursing Lessor for the insurance premium within thirty (30) days following receipt of an invoice therefor. In the event Lessor fails to place such insurance as required herein, Lessee shall have the right to do so on behalf of Lessor at Lessee's cost. Upon the written request of Lessee, Lessor shall confirm that the policies maintained by Lessor pursuant to this Section 15(b) are in full force and effect, that such policies comply with the provisions of this Section 15(b) and that all premiums then due have been paid.

Section 16. Damage and Destruction.

In the event of damage or destruction to the Project following Substantial Completion and in the absence of a vote by the Unit Owners not to rebuild (a "**No-rebuild Vote**"), Lessee or the Master Association, as applicable, shall promptly secure or cause to be secured the area of damage or destruction to safeguard against injury to persons or property and, promptly thereafter, remediate any hazard and restore the Project thereon to a presentable condition whether by repair or by demolition, removal of debris and screening from public view. In the absence of a No-rebuild Vote, Lessee or the Master Association, as applicable, shall, to the extent allowed by Governmental Regulations promptly commence and thereafter proceed with reasonable diligence to repair, restore, replace or rebuild the Project as nearly as practicable to a condition substantially equivalent to that existing immediately prior to such damage or destruction (as the same may be modified by Lessee or the Master Association, as applicable, at the time of such repair or restoration, *provided* that such modification is of equal or greater value), whether done by application of insurance proceeds or other financial means. In the event of a "No-rebuild Vote", lack of sufficient insurance proceeds, or any such other event or circumstance outside of the control of the Hotel Unit Owner that prevents the restoration, replacement or rebuilding of the Project, Lessee, at the direction of the Hotel Unit Owner, shall have the right to elect to terminate this Ground Lease upon written notice to Lessor without payment or penalty; provided, however, in the event of a No-rebuild Vote Lessee shall not be released of its obligations under this Ground Lease until Lessee delivers a "pad-ready" site (as commonly used and understood in the construction industry) to Lessor which, for the avoidance of doubt, shall require the Land to be clear and devoid of any of the improvements and/or the remnants thereof. In the

event of any conflict between this Section 16 and the Condominium Act or the Declarations, the Condominium Act and the Declarations, as applicable, shall control.

Section 17. Condemnation.

(a) **Condemnation**. If, at any time during the Term, the Property or any part thereof shall be condemned and taken by the United States of America, the State or any other authority or Person having the power of eminent domain, then the provisions of this Section 17 shall apply to such condemnation proceedings and the distribution of any awards pertaining thereto. Lessee, Lessor and Leasehold Mortgagee shall each have the right, as its own expense, to appear in any condemnation proceeding and to participate in any and all hearings, trials and appeals therein. In the event Lessor or Lessee shall receive notification of any proposed or pending condemnation proceeding affecting the Property, the party receiving such notification shall promptly notify, by Notice, the other party.

(b) **Entire Leased Premises Taken by Eminent Domain/Partial Taking Resulting in Termination**. If the fee simple title in, or permanent possession of, all of the Property is taken by a governmental or other authority under the power of eminent domain, then this Ground Lease shall terminate (or be suspended for the duration of the temporary taking) as of the taking date, and all Rent shall be paid by Lessee to the date of such taking and shall be fully abated thereafter. In the event that less than all of the Property is taken by a governmental or the authority under the power of eminent domain and if reconstruction of the Project is not feasible, or if the Project remaining after such taking is no longer economically viable, in each case as determined by Lessee or the Master Association, as applicable, in its sole and absolute discretion within one year after the date of the taking, then this Ground Lease, at the election of Lessee, shall terminate as to the Property not so taken as of the date of such taking. The condemnation award shall be promptly paid as follows, in the following order of priorities:

(i) There shall be paid all expenses, if any, including reasonable attorneys' fees, incurred by Lessor and Lessee in such condemnation suit or conveyance (except that nothing contained in this Section 17 shall require payment to Lessor of costs and expenses it may incur in the event that Lessor is the condemning authority); and

(ii) The balance, if any, shall be applied and distributed to pay each Unit Owner or its Leasehold Mortgagee, as their interests may appear, any amount to which such Unit Owner is entitled under the Condominium Act and Declarations, up to the value of the respective Units prior to the taking; and

(iii) The balance, if any, shall be divided and paid fifty percent (50%) to Lessee and fifty percent (50%) to Lessor; *provided, however*, if the condemning authority is Lessor or Lessor has initiated the condemnation action, the entire balance shall be paid to Lessee.

(c) **Partial Taking of Leased Premises by Condemnation**. In the event that less than all of the Property (or only an interest therein) is taken for any public use or purpose by the exercise of the power of eminent domain, or shall be conveyed by the parties acting jointly to avoid proceedings of such taking, then, subject to the exceptions expressly set forth in Section 17(b) above for a partial taking where reconstruction of the Project is not feasible or where the Project remaining after such partial taking is no longer economically viable: (i) this Ground Lease and all the covenants, conditions, and provisions hereunder shall be and remain in full force and effect as to all of the Property not so taken or conveyed, and (ii) Lessee or the Master Association, as applicable, shall remodel, repair, and restore the Project as nearly as practicable to a condition substantially equivalent to that existing immediately prior to such taking, taking into consideration the fact of the condemnation. The condemnation award shall be promptly paid as follows, in the following order of priorities:

(i) There shall be paid all expenses, if any, including reasonable attorneys' fees, incurred by each party in such condemnation suit or conveyance (except that nothing contained in this Section 17 shall require payment of Lessor of costs and expenses it may incur in the event that Lessor is the condemning authority); and

(ii) The balance, if any, remaining shall be applied and distributed to the payment of any indebtedness secured by all Leasehold Mortgages to the extent that the Leasehold Mortgages require such payments; and

(iii) There shall be paid to Lessee or the Master Association, as applicable, out of the balance, if any, remaining, the amount required to enable Lessee to remodel, repair, and restore any improvements to such condition as Lessee determines in its sole and absolute discretion to be appropriate, taking into consideration the fact of the condemnation; and

(iv) The balance, if any, shall be applied and distributed to pay each Unit Owner any amount to which such Unit Owner is entitled under the Condominium Act and Declarations up to the amount their Units have been devalued by such taking; and

(v) The balance, if any, shall be divided and paid over fifty percent (50%) to Lessee and fifty percent (50%) to Lessor (except that nothing contained in this Section 17 shall require payment to Lessor in the event that Lessor is the condemning authority or has initiated the condemnation action).

(d) **Temporary Taking**. If the whole or any part of the Property or the Project or of Lessee's interest in this Ground Lease shall be taken in condemnation proceedings or by any right of eminent domain for a temporary use or occupancy, the Term shall not be reduced or affected in any way but Rent shall be abated until such time as the taking or condemnation ends. Except only to the extent that Lessee is prevented from so doing pursuant to the terms of any order of the condemning authority, Lessee or the Master Association, as applicable, shall continue to perform and observe all of the other covenants, agreements, terms and provisions of this Ground Lease as though such taking had not occurred.

(e) **Controlling Provisions**. In the event of any conflict between this Section 17 and the Condominium Act or the Declarations, the Condominium Act and the Declarations, as applicable, shall control.

Section 18. Estoppel Certificates.

(a) The Lessor, the University and the Lessee will execute, acknowledge and deliver to the other promptly upon request, but in any case, no later than ten (10) Business Days of such request, a certificate certifying as to the following, to the extent true and accurate (or stating modifications to make the same true and accurate):

(i) Validity of Lease: that this Ground Lease is unmodified and in full force and effect (or, if there have been modifications, that this Ground Lease is in full force and effect, as modified, and stating the modifications) and, if requested, attaching a copy of this Ground Lease and any and all modifications;

(ii) Defaults by the Lessee: that no notice has been given by the Lessor or the University to the Lessee of any failure to comply under this Ground Lease that has not been cured and to the best of its knowledge and belief no Event of Default exists (or, if there has been any notice given or an Event of Default exists, describing the same).

(iii) the amounts and dates of payment of Rent;

(iv) such reasonable information as may be requested about the Leasehold Mortgage;

(v) that the Lessee has no defenses, rights of setoff or counterclaims;

(vi) that the Lessee has no option to purchase the Property;

(vii) stating then applicable Termination Date; and

(viii) any other matters requested that are reasonably or typically required by landlords and tenants under similar ground leases.

(b) Certificates from the Lessor, the University and the Lessee pertaining to the same matters may be relied upon by Leasehold Mortgagee or any prospective mortgagee or by any prospective assignee of an interest under this Ground Lease or by any prospective Unit Owner as to all or any portion of the Project.

(c) Certificates provided pursuant to this Section 18 will be certified as to the actual, not imputed, knowledge of the signatory.

Section 19. Access to Property. The Lessor, the University and their authorized representatives, agents, employees, and attorneys may, but shall be under no duty to, enter the Hotel Unit at reasonable times and hours upon at least five (5) Business Days' notice, to inspect the Property in order to determine whether the Lessee is complying with its undertakings, duties, and obligations under this Ground Lease, provided that Lessor shall not unreasonably interfere with the operation of the Hotel Unit. The foregoing shall not be deemed to give the Lessor or the University the right to enter the Condo Hotel Condominium Units or the Residential Units, unless such entry is permitted under the Declarations, and Lessor is accompanied by a representative of the Master Association.

Section 20. Events of Default and Remedies.

(a) **Events of Default Defined**. The following shall be "**Events of Default**" under this Ground Lease, and the term "**Event of Default**" shall mean, whenever it is used herein, any one or more of the following events:

(i) As to Lessee, prior to the establishment of the Leasehold Condominium:

(A) The Lessee shall fail to pay any Gross Rent or Percentage Rent, as and when due, for more than ten (10) days after the Lessor shall have given written notice to the Lessee of such non-payment.

(B) The Lessee shall fail to pay any Additional Rent, if, as and when due, for more than twenty (20) days after the Lessor shall give written notice to the Lessee of such non-payment.

(C) The Lessee shall fail to perform or cause to be performed any term, covenant, condition, or provision hereof, other than referred to in Section 20(a)(i)(A) and 20(a)(i)(B) above and to correct such failure within thirty (30) days after written notice specifying such is given to the Lessee by the Lessor. In the case of any such failure that cannot with due diligence be corrected within such thirty (30) day period but can be wholly corrected within a period of time not materially detrimental to the rights of the Lessor, it shall not constitute an Event of Default if corrective action is instituted by the Lessee within the applicable period and diligently pursued until the failure is corrected, on condition that such failure is corrected.

(D) The Lessee shall be adjudicated a Bankrupt.

(E) A permanent receiver shall be appointed for the Lessee's interest in the Property and such receiver shall not be removed within ninety (90) days after notice from the Lessor to the Lessee to obtain such removal.

(F) The Lessee shall make a general assignment for benefit of creditors.

(G) The Property or the Lessee's effects or interests therein shall be levied upon or attached under process against the Lessee and the same shall not be satisfied or dissolved within ninety (90) days after notice from the Lessor to the Lessee to obtain satisfaction or dissolution thereof.

(H) Any intentional and willfully malicious action of the Lessee that results in material harm to Lessor's reputation and public image which is not corrected within thirty (30) days after written notice specifying such action is given by the Lessor. In the case of any such action or inaction that cannot with due diligence be corrected within such thirty (30) day period but can be corrected within an additional period of time, it shall not constitute an Event of Default if corrective action is instituted by the Lessee within the applicable period and diligently pursued until the failure is corrected, on condition that such failure is corrected.

(ii) As to Hotel Unit Owner, from and after the establishment of the Leasehold Condominium:

(A) Hotel Unit Owner shall fail to pay any Gross Rent or Percentage Rent, as and when due, for more than ten (10) days after the Lessor shall have given written notice to Hotel Unit Owner of such non-payment.

(B) Hotel Unit Owner shall fail to pay any Additional Rent, if, as and when due, for more than twenty (20) days after the Lessor shall give written notice to Hotel Unit Owner of such non-payment.

(C) Hotel Unit Owner shall fail to perform or cause to be performed any term, covenant, condition, or provision hereof, other than referred to in Section 20(a)(ii)(A) and 20(a)(ii)(B) above, and to correct such failure within thirty (30) days after written notice specifying such is given to Hotel Unit Owner by the Lessor. In the case of any such failure that cannot with due diligence be corrected within such thirty (30) day period but can be wholly corrected within a period of time not materially detrimental to the rights of the Lessor, it shall not constitute an Event of Default if corrective action is instituted by Hotel Unit Owner within the applicable period and diligently pursued until the failure is corrected, on condition that such failure is corrected.

(D) Hotel Unit Owner shall be adjudicated a Bankrupt.

(E) A permanent receiver shall be appointed for Hotel Unit Owner's interest in the Property and such receiver shall not be removed within ninety (90) days after notice from the Lessor to Hotel Unit Owner to obtain such removal.

(F) Hotel Unit Owner shall make a general assignment for benefit of creditors.

(G) The Property or Hotel Unit Owner's effects or interests therein shall be levied upon or attached under process against Hotel Unit Owner and the same shall not be satisfied or dissolved within ninety (90) days after notice from the Lessor to Hotel Unit Owner to obtain satisfaction or dissolution thereof.

(H) Hotel Unit Owner shall cease operating the Hotel Unit in accordance with the terms of this Ground Lease for any reason other than (i) a Force Majeure Event for a period in excess of ninety (90) days; or (ii) renovation or restoration projects which may result in closure all or part of the Hotel Unit.

(I) Any intentional and willfully malicious action of Hotel Unit Owner that results in material harm to Lessor's reputation and public image which is not corrected within thirty (30) days after written notice specifying such action is given by the Lessor. In the case of any such action or inaction that cannot with due diligence be corrected within such thirty (30) day period but can be corrected within an additional period of time, it shall not constitute an Event of Default if corrective action is instituted by the Hotel Unit Owner within the applicable period and diligently pursued until the failure is corrected, on condition that such failure is corrected.

(iii) Intentionally Omitted.

(iv) As to the Lessor:

(A) The Lessor shall be adjudicated a Bankrupt.

(B) A permanent receiver shall be appointed for the Lessor's interest in the Property and such receiver shall not be removed within ninety (90) days after notice from the Lessee to the Lessor to obtain such removal.

(C) The Lessor shall fail to perform or cause to be performed any term, covenant, condition, or provision hereof, other than referred to in subsections (A) and (B) above and to correct such failure within thirty (30) days after written notice specifying such is given to the Lessor by the Lessee. In the case of any such failure that cannot with due diligence be corrected within such thirty (30) day period but can be wholly corrected within a period of time not materially detrimental to the rights of the Lessee, it shall not constitute an Event of Default if corrective action is instituted by the Lessor within the applicable period and diligently pursued until the failure is corrected, on condition that such failure is corrected.

(D) The failure of Lessor to execute and deliver any document, agreement or instrument (such as a non-disturbance, attornment and subordination agreement, any estoppel certificate, any permit application, any subdivision plan, any agreement with any Leasehold Mortgagee or subtenant, etc.) requested by Lessee and required to be given by Lessor in accordance with the provisions of this Ground Lease and the continuation of such failure for twenty (20) days after written notice from Lessee specifying the nature and extent of such failure.

(b) **Remedies**. Subject to the provisions of Section 22, upon the occurrence of an Event of Default, the non-defaulting party may pursue one of the following remedies:

(i) If an Event of Default occurs by Lessee prior to the establishment of the Leasehold Condominium:

(A) Terminate this Ground Lease, by giving written notice of such termination to the Lessee which termination shall be effective as of the date given in the notice of termination, and the Term shall expire on such date;

(B) Reenter and repossess any or all of the Property;

(C) Perform, on behalf and at the expense of the Lessee, any obligation of the Lessee under this Ground Lease which the Lessee has failed to perform, the cost of which performance by the Lessor, together with interest thereon at the Default Rate from the date of such expenditure, shall be payable by the Lessee to the Lessor, upon demand;

(D) Enforce, on behalf of the Lessee, any and all rights and remedies with respect to the General Construction Contract, subject to the rights of any Leasehold Mortgagees;

(E) Cure such Event of Default in any other manner, the cost of which is cured by the Lessor, together with interest thereon at the Default Rate from the date of such expenditure, shall be payable by the Lessee to the Lessor, upon demand; and

(F) Pursue any combination and/or sequence of such remedies and/or any other right or remedy available to the Lessor in respect to the Lessee on account of such Event of Default under this Ground Lease or at law or in equity, at any time and from time to time.

(ii) If the Event of Default occurs by Hotel Unit Owner after the establishment of the Leasehold Condominium:

(A) Ownership of the Hotel Unit shall revert to Lessor or, in Lessor's sole discretion, to any one of Lessor's affiliated foundations (*e.g.*, University of Tennessee Foundation, Inc.);

(B) Reenter and repossess any or all of the Hotel Unit;

(C) Perform, on behalf and at the expense of the Hotel Unit Owner, any obligation of Hotel Unit Owner under this Ground Lease which Hotel Unit Owner has failed to perform, the cost of which performance by the Lessor, together with interest thereon at the Default Rate from the date of such expenditure, shall be payable by Hotel Unit Owner to the Lessor, upon demand;

(D) Cure such Event of Default in any other manner, the cost of which is cured by the Lessor, together with interest thereon at the Default Rate from the date of such expenditure, shall be payable by the Hotel Unit Owner to the Lessor, upon demand; and

(E) Pursue any combination and/or sequence of such remedies and/or any other right or remedy available to the Lessor in respect to Hotel Unit Owner on account of such Event of Default under this Ground Lease or at law or in equity, at any time and from time to time, except that in no event shall Lessor have the right to terminate this Ground Lease with respect to any Unit other than the Hotel Unit.

(iii) Intentionally Omitted.

(iv) If an Event of Default occurs by Lessor, Lessor shall only be responsible for the same to the extent permitted by applicable law as the same may be limited by Tenn. Code Ann. § 9-8-301, et seq. and other legal limitations relating to sovereign immunity.

(c) Without limiting the generality of the foregoing provisions of Section 20(b), the Lessor shall not be deemed to have accepted any abandonment or surrender by the Lessee or Hotel Unit Owner, as applicable, of any or all of the Property or the Lessee's or Hotel Unit Owner's leasehold estate under this Ground Lease unless the Lessor has so advised the Lessee or Hotel Unit Owner, as applicable, expressly and in writing, regardless of whether the Lessor has reentered or relet any or all of the Property or exercised any or all of the Lessor's other rights under this Section 20 or Governmental Regulations. No termination of this Ground Lease, or summary dispossession proceedings, abandonment, reletting, Bankruptcy, re-entry by the Lessor vacancy, or exercise of any of Lessor's rights and remedies shall relieve the Lessee of any of its liabilities and obligations under this Ground Lease (whether or not any or all of the Property is relet).

(d) Reserved.

(e) Notwithstanding anything to the contrary contained in this Ground Lease, following establishment of the Leasehold Condominium, Lessor shall not have the right to terminate the Ground Lease as to any portion of the Property, or reenter and repossess any or all of the Property for any reason other than retaking ownership of the Hotel Unit and/or reentry or repossession of the Hotel Unit following an Event of Default by Hotel Unit Owner as specifically set forth in Section 20(b)(ii)(A) and (B). In all cases, the Ground Lease shall remain in effect for the Leasehold Condominium until the expiration of the Term. It is understood that neither the Master Association nor any Unit Owner other than the Hotel Unit Owner shall have any liability for the payment of Rent due under the Ground Lease; *provided, however*, each Unit Owner shall continue to be liable for all sums, payments, and/or assessments due from/by it per the terms of the applicable Declaration.

Section 21. Expiration or Termination.

(a) **Extinguishment of the Lessee's Rights**. Upon the expiration of this Ground Lease, (a) all rights and interests of the Lessee, and all persons whomsoever claiming by, through or under the Lessee, shall immediately cease and terminate, and the Property (including, without limitation, and for the avoidance of doubt, all buildings, improvements, engines, machinery, dynamos, generators, boilers, furnaces, elevators, fire escapes, and all lifting, lighting, heating, cooling, refrigerating, air conditioning, ventilating, gas, electric and plumbing apparatus, any other fixtures attached to or within the Property, and any personal property which is surrendered at lease expiration) shall thence forward constitute and belong to and be the absolute property of the Lessor or the Lessor's successors and assigns, without further act or conveyance, and without liability to make such compensation to the Lessee or to anyone whomsoever, and free and discharged from all and every Lien, encumbrance, claim and charge of any character created or attempted to be created by the Lessee at any time. At the expiration of this Ground Lease, the Property shall be surrendered unto the Lessor, in good and clean condition, natural and normal wear and tear excepted. Notwithstanding the foregoing, and if requested in writing by Lessor, Lessee shall demolish the Project improvements and deliver a cleared pad at the conclusion of the Term and any extension thereof (whether by expiration of the Term or the earlier termination of this Ground Lease).

(b) **Prepaid Items Assigned**. Upon expiration of the Term, or upon the prior termination of this Ground Lease with respect to the Hotel Unit from any cause, all expense items prepaid by the Lessee with respect to Constructing, operating, maintaining, and protecting the Property, including, but not limited to, prepaid insurance premiums, any tax and utility deposits, shall inure to the benefit of and become the property of the Lessor, and the Lessee does hereby transfer, assign and convey any such prepaid expense items to the Lessor.

Section 22. Mortgaging the Leasehold. The Lessee, and every permitted successor and assign of the Lessee and each Unit Owner, shall have the right to encumber its leasehold interest in this Ground Lease or its respective Unit, as applicable, without the Lessor's consent, under any one or more Leasehold Mortgages to and for the benefit of the Leasehold Mortgagee. If, from time to time, the Lessee or the Lessee's successors and assigns shall encumber this Ground Lease or its Unit, as applicable, with a Leasehold Mortgage, the holder thereof shall, prior to its effectiveness, deliver to the Lessor an executed counterpart of such Leasehold Mortgage, together with each assignment and/or extension, modification or supplement thereof, certified by such holder to be true together with (i) all documents secured thereby or related thereto or to the loan secured thereby (including all promissory notes, Loan Agreements, guarantees and Loan Documents) and (ii) written notice specifying the name and address of such holder, the amount and repayment terms of the underlying loan, and, if applicable, the pertinent recording data with respect to such Leasehold Mortgage. In furtherance of the foregoing, the Lessor and Lessee agree that, anything in this Ground Lease to the contrary notwithstanding, the following provisions shall apply to each such Leasehold Mortgage:

(a) **Consent to Amendment**. There shall be no cancellation, surrender or modification of this Ground Lease by the Lessor or the Lessee without the prior written consent of the Leasehold Mortgagee. Notwithstanding the foregoing (but, in any event, subject to the Leasehold Mortgagee's curative rights set forth in this Section 22), nothing herein shall be deemed to prohibit the Lessor from terminating this Ground Lease in accordance with its terms.

(b) **Notices to Leasehold Mortgagees**. The Lessor, upon serving the Lessee with any notice of an Event of Default, failure to comply, or termination, shall simultaneously serve a copy of such notice on the Leasehold Mortgagee. In the event Lessor shall serve the Lessee with a notice of a failure to comply with any term, covenant, condition, or provision hereof, the Leasehold Mortgagee shall have the rights set forth in Section 22(j), and the Lessor shall accept performances by or at the instigation of the Leasehold Mortgagee as if it had been done by the Lessee. Any notice required to be given to the Leasehold Mortgagee shall be given in any manner permitted in Section 25 and addressed to the Leasehold Mortgagee at the address and to the attention of the person designated to the Lessor by such Leasehold Mortgagee to receive copies of such notices and shall be deemed to have been served as of the date the said notice is received or refused by such Leasehold Mortgagee.

(c) **Assignment**. The Lessor agrees that in the event of any foreclosure under any Leasehold Mortgage, either by judicial proceedings or under power of sale contained therein, or in the event of any conveyance by assignment of the leasehold under this Ground Lease in lieu of foreclosure, all right, title and interest encumbered by such Leasehold Mortgage may, without the consent of the Lessor, be assigned to and vested in the purchaser at such foreclosure sale or transferee under such deed in lieu of foreclosure, and may without the consent of the Lessor, subsequently be assigned in a bona fide sale by any such purchaser at such foreclosure sale or such transferee of such

assignment in lieu of foreclosure to any other Person, subject and subordinate, however, to the rights, title and interests of the Lessor; and, notwithstanding that the Lessor's consent to said assignment shall not have been obtained, any such assignee shall be vested by virtue of such assignment with any and all rights of the party whose estate was encumbered by such Leasehold Mortgage as though the Lessor had consented thereto. Notwithstanding the Lessor's consent to assignment not having been obtained, any such assignment (i) of this Ground Lease prior to the establishment of the Leasehold Condominium must be to a Qualified Replacement Developer; and (ii) of the Hotel Unit after to the establishment of the Leasehold Condominium must be to a Qualified Assignee.

(d) **Right of First Refusal**. It is agreed that any right of first refusal, right of first offer or the purchase option set forth in this Ground Lease does not apply to a sale in foreclosure of a Leasehold Mortgage or to an assignment in lieu of such foreclosure to the mortgagee thereunder as described in the preceding Section 22(c), but, notwithstanding any provision of this Ground Lease or any Leasehold Mortgage to the contrary, at all times after the consummation of any such foreclosure sale or assignment in lieu of foreclosure by the Leasehold Mortgagee, the Lessor shall continue to have the purchase option set forth in Section 23.

(e) **New Lease/Reinstatement of Lease**.

(i) The Lessor agrees that in the event of a termination of this Ground Lease with respect to the Property prior to the establishment of the Leasehold Condominium by reason of any Event of Default, the Leasehold Mortgagee shall have the option, but not the obligation, to enter into a new lease with the Lessor on the same terms and conditions as this Ground Lease ("**New Lease**"); provided:

(A) the Leasehold Mortgagee shall both elect (by notice to the Lessor) to and enter into a New Lease upon termination of this Ground Lease;

(B) all Events of Default shall have been cured no later than the execution and delivery of such New Lease; and

(C) the Leasehold Mortgagee shall perform and observe all covenants contained in the New Lease on the Lessee's part to be performed during such period of time commencing with the date of the execution of the New Lease until the Termination Date.

(ii) The Lessor agrees that in the event of a termination of this Ground Lease with respect to the Hotel Unit after to the establishment of the Leasehold Condominium by reason of any Event of Default, the Leasehold Mortgagee shall have the option, but not the obligation, to require that Lessor reinstate the Ground Lease with respect to the Hotel Unit on the same terms and conditions ("**Reinstated Lease**"); provided:

(A) the Leasehold Mortgagee shall both elect (by notice to the Lessor) to assume the reinstated Ground Lease;

(B) all Events of Default shall have been cured no later than the execution and delivery of such assumption and reinstatement; and

(C) the Leasehold Mortgagee shall perform and observe all covenants contained in the reinstated Ground Lease on the Hotel Unit Owner's part to be performed during such period of time commencing with the date of the reinstatement until the subsequent Termination Date.

(f) **Agreement Between the Lessor and Leasehold Mortgagee**. The Lessor, upon written request, shall execute, acknowledge, and deliver to each Leasehold Mortgagee an agreement, in form reasonably satisfactory to the Leasehold Mortgagee and the Lessor, by and among the Lessor, the Lessee, and the Leasehold Mortgagee (provided the same has been previously executed by the Lessee and Leasehold Mortgagee) agreeing to all of the provisions of this Section 22 but without any change to the provisions of this Section 22.

(g) **Limitation on Liability of Leasehold Mortgagee**. Notwithstanding any other provision of this Ground Lease, the Lessor agrees that the Leasehold Mortgagee shall in no manner or respect whatsoever be (i) liable or responsible for any of the Lessee's obligations or covenants under this Ground Lease, or (ii) required to cure any Event of Default; provided, however, that if such Leasehold Mortgagee (A) prior to the establishment of the Leasehold Condominium, becomes the owner of the leasehold estate created hereunder or becomes the lessee under a New Lease, then such Leasehold Mortgagee shall be responsible and liable for all obligations and covenants (x) accruing during such Leasehold Mortgagee's tenure as owner of such leasehold estate or as lessee under a New Lease and (y) to have been performed by Lessee prior thereto other than indemnification obligations; or (B) after the establishment of the Leasehold Condominium, becomes the owner of the Hotel Unit with this Ground Lease reinstated with respect thereto, then such Leasehold Mortgagee shall be responsible and liable for all obligations and covenants (x) accruing during such Leasehold Mortgagee's tenure as owner of the Hotel Unit; and (y) to have been performed by Lessee prior thereto other than indemnification obligations. Notwithstanding the foregoing, the liability of the Leasehold Mortgagee with respect to its obligations under this Ground Lease or any New Lease shall be "non-recourse" and, accordingly, the Lessor's source of satisfaction of such obligations shall be limited to (1) prior to the establishment of the Leasehold Condominium, the interest of the lessee under this Ground Lease, and (2) after the establishment of the Leasehold Condominium, the interest of the Leasehold Mortgage in the Hotel Unit, and in either case the Lessor shall not seek to obtain payment through any judicial process or otherwise from any person or entity comprising such Leasehold Mortgagee other than the foregoing interests.

(h) **No Merger**. So long as any Leasehold Mortgage is in existence, the fee title to the Property and the leasehold in the Property shall not merge but shall remain separate and distinct, notwithstanding the acquisition of said fee title and said leasehold by the Lessor or the Lessee or by a third party, by purchase or otherwise.

(i) **Lessor's Acceptance**. Lessor agrees to accept performance and compliance by any Leasehold Mortgagee of and with any term, covenant, agreement, provision, or limitation on Lessee's part to be kept, observed, or performed by Lessee hereunder.

(j) **Cure of Default**. Following an Event of Default by Lessee, Lessor will exercise no remedies under this Ground Lease unless it shall first give notice after the occurrence of any such Event of Default and stating the intention of Lessor, on a date specified in such notice, to exercise such remedies to (i) the Leasehold Mortgagee with respect to this Ground Lease if the Event of Default is prior to the establishment of the Leasehold Condominium, or (ii) the Leasehold Mortgagee with respect to the Hotel Unit if the Event of Default is after the establishment of the Leasehold Condominium. Notwithstanding such notice, Lessor shall not exercise any such remedies, if:

(i) such Event of Default can be cured by the payment of a fixed monetary amount and Leasehold Mortgagee shall make such payment within sixty (60) days after the date such notice was given: or

(ii) such Event of Default can be cured with the exercise of reasonable diligence by Leasehold Mortgagee after obtaining possession of the applicable portion of the Property and the improvements, and Leasehold Mortgagee or Leasehold Mortgagee's designee, within one hundred eighty (180) days after the date of such notice, obtains the interest of Lessee in this Ground Lease of the Hotel Unit, as applicable, or Leasehold Mortgagee commences such proceedings (including, but not limited to, the filing of a petition for the appointment of a receiver) as it may deem necessary to obtain such possession (except that if Leasehold Mortgagee is precluded, notwithstanding the filing of a petition to the bankruptcy court for a waiver, from instituting or proceeding with such foreclosure by reason of a bankruptcy or insolvency proceeding filed by or against Lessee, said one hundred eighty (180) day period shall be extended by a period of time equal to the period during which Leasehold Mortgagee is so precluded from instituting or proceeding with such foreclosure) and thereafter diligently prosecutes such action and promptly upon obtaining such possession (or promptly upon its designee obtaining such possession) thereupon promptly commences (or its designee commence); and thereafter diligently pursues, the curing of such Event of Default; or

(iii) such Event of Default is not capable of being cured by Leasehold Mortgagee, even if possession of the applicable portion of the Property and the improvements were obtained by Leasehold Mortgagee or its designee, and Leasehold Mortgagee, within one hundred eighty (180) days after the date

such notice is given, either obtains title to all of Lessee's right, title and interest in and to this Ground Lease or the Hotel Unit, as applicable (or Leasehold Mortgagee's designee obtains such interest) or publishes any required notice of foreclosure or institutes foreclosure proceedings, as the case maybe be, and thereafter proceeds with diligence to acquire (or have its designee acquire) the interest of Lessee in the Ground Lease or the Hotel Unit, as applicable (except that if Leasehold Mortgagee is precluded from instituting or proceeding with such foreclosure by reason of a bankruptcy or insolvency proceeding filed by or against Lessee, said one hundred eighty (180) day period shall be extended by a period of time equal to the period during which Leasehold Mortgagee is so precluded from instituting or proceeding with such foreclosure), and such Event of Default, to the extent that the same shall have occurred prior to such acquisition of the interest of Lessee in this Ground Lease by Leasehold Mortgagee or its designee, shall thereupon be deemed to have been waived.

(k) **Residential Condominium Units**. Each Residential Condominium Owner shall have the right at any time to encumber its Residential Condominium Unit by a mortgage or other encumbrance or Lien without the necessity of obtaining the consent of Lessor. Lessor shall treat a mortgagee of a Residential Condominium Unit in the same manner that it treats a Leasehold Mortgagee as to notice rights.

(l) **Condo Hotel Condominium Units**. Each Condo Hotel Condominium Owner shall have the right at any time to encumber its Condo Hotel Condominium Unit by a mortgage or other encumbrance or Lien without the necessity of obtaining the consent of Lessor. Lessor shall treat a mortgagee of a Condo Hotel Condominium Unit in the same manner that it treats a Leasehold Mortgagee as to notice rights.

(m) **Right to Repay and/or Purchase Lessee's Loan; Notice to Lessor of Default under Leasehold Mortgage**. Any Leasehold Mortgage shall provide that Leasehold Mortgagee shall deliver to Lessor written notice of any material default/event of default and/or notice of non-payment for which Leasehold Mortgagee intends to pursue foreclosure proceedings under the Leasehold Mortgage (each a "**Material Leasehold Mortgage Default**"), simultaneous with providing such notice to Lessee and/or Hotel Unit Owner, as applicable (*i.e.*, the borrower thereunder), pursuant to the terms of such Leasehold Mortgage. Lessee shall cause any Leasehold Mortgage to provide that following Lessee's failure to cure the Material Leasehold Mortgage Default yet prior to the initiation of a foreclosure process, either Lessor or one of its affiliated foundations (*e.g.*, The University of Tennessee Foundation, Inc.) may elect either to (i) repay (on the same repayment and/or pay-off terms afforded to Lessee under such Leasehold Mortgage) all secured loans for the outstanding principal balance accrued interest and any applicable prepayment premiums or yield maintenance requirements; or (ii) purchase or assume the applicable Leasehold Mortgagee's position under the underlying secured loan(s) on terms mutually agreeable between Lessor and the applicable Leasehold Mortgagee, but in any event without recourse to Leasehold Mortgagee (though including a representation and warranty from such Leasehold Mortgagee that it is the holder of the underlying note evidencing such Leasehold Mortgage), the result of which shall be Lessor becoming mortgagee under the applicable Leasehold Mortgage; *provided, however*, Lessee shall and does hereby expressly agree and acknowledge that, during the pendency of any Bankruptcy, Lessee shall not challenge Lessor's exercise of either the foregoing items (i) or (ii) as a violation of the automatic stay. For the avoidance of doubt, Lessor and Lessee hereby expressly agree and acknowledge that if Lessor exercises its right to repay Lessee's loan set forth above as item (i) of this Section, the same shall result in an immediate and uncurable Event of Default hereunder and shall afford Lessor the applicable remedies set forth in Section 20(b) (including, without limitation, subparagraphs (i)(A - B) and (ii)(A - B) thereunder). Lessee shall use commercially reasonable efforts to address these requests in subparagraphs (i) and (ii) hereinabove shall be reflected in the term sheet(s) with the potential Leasehold Mortgagees during such negotiations.

(n) **Leasehold Mortgagee's Requested Revisions; Mortgagee's Rights Agreement**. Lessor will not unreasonably withhold its consent to revisions to this Ground Lease that are requested by the Leasehold Mortgagee who has a Lien on this Ground Lease or the Hotel Unit, as applicable, provided that such revisions do not amend the Term, obligation to pay Rent, or the material terms of Lessee's obligations to construct, maintain and repair the Project. Notwithstanding the foregoing, any such revisions shall be subject to the approval of all Governmental Authorities as required by applicable law. Lessor covenants and agrees with Lessee that Lessor will, at the request of Lessee made from time to time and at any time, enter into a lender's rights agreement (on terms reasonably acceptable to Lessor) with any such Leasehold Mortgagee (or potential Leasehold Mortgagee) identified by Lessee, which lenders' rights agreement shall be consistent with the terms and provisions contained in this Section 22 that apply to Leasehold Mortgagees and Leasehold Mortgages. Within twenty (20) Business Days of Lessee's written request for

a Leasehold Mortgagee's rights agreement pursuant to the provisions of this Section 22, Lessor shall execute and deliver to Lessee such a lender's rights agreement benefiting the identified Leasehold Mortgagee (or potential Leasehold Mortgagee) and such Leasehold Mortgagee's Leasehold Mortgage (or potential Leasehold Mortgagee's potential Leasehold Mortgage), which executed Leasehold Mortgagee's rights agreement shall be commercially reasonable and in a form and substance that are reasonably acceptable to such Leasehold Mortgagee (or potential Leasehold Mortgagee) and Lessor and that is consistent with, and at the option of such Leasehold Mortgagee (or potential Leasehold Mortgagee) incorporates, the terms and provisions of this Section 22 that apply to Leasehold Mortgagees and Leasehold Mortgages (such as the Leasehold Mortgagee notice provisions and the Leasehold Mortgagee cure rights provisions of this Section 22).

Section 23. Lessor's Option to Purchase.

(a) Notwithstanding anything contrary in this Ground Lease, the Lessee, for additional good and valuable consideration, the receipt and sufficiency of which is hereby confirmed, hereby grants to the Lessor or its designee, an option to purchase the Hotel Unit Owner's right, title, and interest in and to the Hotel Unit on the terms and conditions provided in this Section 23. The Lessor's option to purchase shall be effective only as of the fiftieth (50th) anniversary of the Completion Date and on each ten-year anniversary thereafter ("**Purchase Dates**", each, a "**Purchase Date**") for the Purchase Price. Lessor may not acquire Hotel Unit Owner's interest in the Hotel Unit prior to the fiftieth (50th) anniversary of the Commencement Date except as described in Section 12(c).

(b) **Exercise Notice**. The Lessor or its designee may exercise such option to purchase the Hotel Unit Owner's right, title, and interest in and to the Hotel Unit by delivering written notice (the "**Exercise Notice**") of such exercise to the Hotel Unit Owner and any Leasehold Mortgagee at least twenty-four (24) months but not more than thirty-six (36) months prior to each Purchase Date and shall be subject to all required University and State of Tennessee approvals.

(c) **Closing**. The closing of the transfer of the Hotel Unit Owner's right, title, and interest in and to the Hotel Unit (the "**Closing**") shall be held on or before the date that is no more than ninety (90) days after the date of the Purchase Date, on such date and at such time and place as the Lessor or its designee shall specify in a notice to the Hotel Unit Owner.

(d) **Conveyance Documents**. At Closing, upon payment of the Purchase Price to the Hotel Unit Owner, the Hotel Unit shall be conveyed by assignment of Hotel Unit Owner's interest in the Ground Lease and, if applicable, special warranty deed. The parties shall enter into such bills of sale, assignments of contracts, permits and leases and other conveyance documents as required to transfer all of the improvements, inventories, supplies, licenses and permits (to the extent assignable), furniture, fixtures and equipment, leases, service contracts, leased property attributable to the Hotel Unit and any other tangible, intangible and intellectual property, but specifically excluding any property owned by Hotel Manager, Hotel Brand Owner, tenants, guests and other third parties.

(e) **Prorations**. The Purchase Price shall be subject to adjustments for normal and customary prorations related to the operation of the Hotel Unit.

(f) **As Is, Where is**. The sale of the Hotel Unit shall be on an AS IS, WHERE IS basis.

(g) **Assignment of Contracts**. For the avoidance of doubt, the transfer of all of the Lessee's interest in the Hotel Unit pursuant to this Section shall include an assignment to Lessor of Lessee's maintenance and service contracts in connection with the use and operation of the Hotel Unit, but only as to those certain contracts which Lessor elects (in writing) to assume; *provided, however*, in the event that Lessor does not elect to assume any of the aforementioned contracts and the same will result in a cancellation and/or termination fee, Lessor shall bear the cost of such fee.

(h) **Employees**. Lessor shall retain or cause the Hotel Unit manager to retain all employees and, if applicable, comply with all related WARN Act or similar applicable laws associated with the termination and rehiring of Hotel Unit employees, at Lessor's cost.

(i) **Title**. Upon payment of the Purchase Price, the Hotel Unit Owner's interest in the Hotel Unit shall be conveyed to the Lessor free and clear of any Leasehold Mortgage or other Liens, and shall be subject only to Permitted Encumbrances and to all matters of record affecting title to or use of the Hotel Unit as of the Closing.

(j) **Closing Costs**. The Hotel Unit Owner shall pay all recording fees for satisfaction of the Hotel Unit Owner's loans, Lessor shall pay all transfer taxes, if any, in connection with the sale of the Hotel Unit Owner's interest in the Hotel Unit and all personal property, and all recording fees in connection with recording of the deed and assignment and all expenses incurred by the Hotel Unit Owner in connection with the closing of the purchase of the Hotel Unit. The purchase price shall be paid in cash at Closing to the Leasehold Mortgagee on behalf of the Hotel Unit Owner to the extent of the outstanding balance secured by the Leasehold Mortgage with the balance to Hotel Unit Owner.

(k) **Release of Hotel Unit Owner**. Upon the transfer of all of the Hotel Unit Owner's interest in the Hotel Unit pursuant to this Section, the Hotel Unit Owner shall be released from, and relieved of, all of its obligations under this Ground Lease without any further action on the part of the Lessor, Lessee or the Hotel Unit Owner.

(l) **Appraisal Process**. The fair market value of the Hotel Unit determined by the following process shall be the "**Purchase Price**."

(i) The fair market value of the Hotel Unit shall be determined by the agreement of two (2) appraisers (each, an "**Initial Appraiser**"), one of which shall be selected by Lessor and the other of which shall be selected by Hotel Unit Owner. Lessor shall give Hotel Unit Owner notice of the identity of the Initial Appraiser selected and retained by Lessor and specifically identify such Initial Appraiser's name, address, phone number and qualifications as an appraiser, which must comply with subsection 23(l)(iii) below, within thirty (30) days following the Exercise Notice. Within ten (10) Business Days after receipt of notice of Lessor's Initial Appraiser, Hotel Unit Owner shall select its Initial Appraiser and give notice to Lessor of the name, address, electronic mail address, phone number and qualifications as an appraiser, which must comply with subsection (iii) below. Within five (5) calendar days after Lessor receives from Hotel Unit Owner such notice of Lessee's Initial Appraiser, each of Lessor and Hotel Unit Owner shall direct, in writing with a copy to the other party, its Initial Appraiser to work with the other party's Initial Appraiser to endeavor to determine and reach agreement upon the fair market value of the Hotel Unit, and thereafter to deliver in writing to Lessor and Hotel Unit Owner within thirty (30) calendar days (such 30-calendar day period, the "**Valuation Period**") the agreed-upon fair market value applicable to the Hotel Unit (the "**Valuation Notice**"). The costs and expenses of each Initial Appraiser shall be paid by the party selecting such Initial Appraiser.

(ii) If the Initial Appraisers are not able to reach agreement upon the fair market value of the Hotel Unit within the Valuation Period, within ten (10) calendar days after the end of the Valuation Period each Initial Appraiser shall deliver a written notice to Lessor, Hotel Unit Owner and the other Initial Appraiser setting forth (i) such Initial Appraiser's fair market value applicable to the Hotel Unit (each, an "**Initial Valuation**") and (ii) the name, address and qualifications of a third appraiser selected jointly by the Initial Appraisers (the "**Third Appraiser**"). The Initial Appraisers shall, in writing with a copy to Lessor and Hotel Unit Owner, direct the Third Appraiser (or substitute Third Appraiser) to determine the fair market value of the Hotel Unit and to deliver in writing to Lessor, Lessee and the Initial Appraisers such fair market value (the "**Third Valuation**") within thirty (30) calendar days of the date of the written direction retaining such Third Appraiser. The amount shall be the arithmetic mean of (A) the Third Valuation and (B) the Initial Valuation closest to the Third Valuation. If the Third Valuation is exactly between the two Initial Valuations, then the amount shall be the Third Valuation. If the Initial Appraisers are unable to agree upon the designation of a Third Appraiser within the requisite time period or if the Third Appraiser selected does not make a valuation within twenty (20) calendar days after being directed by the Initial Appraisers, then such Third Appraiser or a substitute Third Appraiser, as applicable, shall, at the request of Lessor or Hotel Unit Owner, be jointly appointed by the parties hereto based upon the mutual agreement of a principal from each of Lessor and Lessee. The costs and expenses of the Third Appraiser (and substitute Third Appraiser and the American Arbitration Association, if applicable) shall be divided evenly between, and paid for by, Lessor and Lessee. If a s of the date of the appointment of such Third Appraiser the American Arbitration Association does not

exist, either Lessor or Lessee shall apply to any state court in the State for appointment of such Third Appraiser.

(iii) All appraisers selected or appointed pursuant to this Section 23 shall be independent qualified appraisers with at least ten (10) years of experience in appraising commercial real estate and ground leases comparable to this Ground Lease as well as operating hotels located on ground leased property of similar caliber as the Hotel Unit. Such appraisers shall have no right, power or authority to alter or modify the provisions of this Ground Lease.

(iv) Notwithstanding the foregoing, if Lessor and Hotel Unit Owner are able to agree upon the fair market value for the Hotel Unit prior to the date on which Hotel Unit Owner receives notice of Lessor's Initial Appraiser, Lessor and Hotel Unit Owner shall execute an agreement setting forth such agreed-upon fair market value and waiving each party's right to have the fair market value determined in accordance with the procedures set forth above.

(v) The fair market value shall mean the price that a willing purchaser and willing seller would accept as the fair market value for the Hotel Unit as encumbered by the Ground Lease through expiration of its stated term, each party (i) being unaffiliated with each other and (ii) without a compulsion to purchase or sell, and such fair market value determined through an orderly marketing process. The fair market value for the Hotel Unit is to be determined giving effect to this Ground Lease including the Rent obligations of the Hotel Unit Owner.

Section 24. Environmental Condition of the Property.

(a) The Lessee shall not:

(i) Direct, suffer, or permit Lessee's employees or any other person on entity under the Lessee's control to handle, transport, use, manufacture or store any Hazardous Materials in or about the Property except as provided in Section 24(b) below; or

(ii) Suffer or permit (with or without negligence):

(A) Any Hazardous Materials to be used by any employee or third party in any manner not fully in compliance with all Environmental Laws;

(B) The Property or adjoining areas to become contaminated with any Hazardous Materials; or

(C) The escape, disposal or release of any Hazardous Materials.

(b) The Lessee may handle, store, use, or dispose of Hazardous Materials to the extent customary and necessary for the performance of the Development and Construction, provided same does not violate Environmental Laws and all disposal occurs offsite.

(c) The Lessee shall promptly provide the Lessor with copies of all disposal tickets for hazardous materials from Property that are disposed of off the Property to the extent disposal tickets are required by Government Regulations.

(d) The Lessee shall, at its sole cost and expense, promptly effectuate Remediation of any condition (including but not limited to a release of a Hazardous Material) in, on, above, under or from the Property as necessary to comply with any Environmental Law. In the event that the Lessee fails to perform said work after notice from the Lessor or the Tennessee Department of Environment and Conservation (TDEC), the Lessor may, as agent of the Lessee, perform same, and the Lessee agrees to promptly reimburse the Lessor for the cost of such Remediation, together with interest at the Default Rate.

(e) To the extent the Lessee has knowledge thereof, the Lessee shall immediately notify the Lessor in writing of (1) any presence or releases of Hazardous Materials in, on, above, under, from or migrating towards the Property in violation of any Environmental Laws, (2) any non-compliance with any Environmental Laws related in any way to the Property; (3) any actual or potential environmental Lien; (4) any required or proposed Remediation of environmental conditions relating to the Property; and (5) any material, non-privileged, written notice of which the Lessee becomes aware from any source whatsoever (including but not limited to a governmental entity) relating in any way to Hazardous Materials on the Property in violation of any Environmental Laws or any required Remediation thereof, or the possible liability of any person or entity pursuant to any Environmental Law in connection with the Property.

(f) Lessor represents to Lessee that, as of the date hereof, it has no actual knowledge of the presence of any Hazardous Materials on, under or adjacent to the Land in forms or concentrations that violate applicable Environmental Laws. Notwithstanding anything contained in this Section 24 or any other provision of this Ground Lease to the contrary, if Lessee discovers any Pre-Existing Unknown Conditions on the Land, Lessor shall be responsible to contribute to Lessee fifty percent (50%) of the costs required to resolve such Pre-Existing Unknown Conditions up to a cap of five hundred thousand dollars ($500,000) for both Pre-Existing Unknown Conditions discovered on the Land and Pre-Existing Unknown Conditions discovered on that certain adjacent Parking Project and Entertainment District site legally described on **Exhibit A-1** attached hereto. Lessee shall be responsible for the remaining costs required to resolve such Pre-Existing Unknown Conditions on the Land, but not the adjacent Parking Project and Entertainment District site. Lessor shall promptly fund such amounts upon written request by Lessee to permit Lessee to effectuate Remediation of any Pre-Existing Unknown Conditions in, on, above, under or from the Property as necessary to comply with any Environmental Law or any other federal, state or local law, statute, rule, regulation and/or ordinance. In the event the Remediation of any Pre-Existing Unknown Conditions impacts the Project Schedule for Construction and Development of the Project, any deadlines or dates regarding the same set forth in this Ground Lease shall be extended on a day for day basis until such time as the Remediation is completed.

Section 25. Notices.

(a) Each notice, request, and communication required under this Ground Lease shall be in writing. It will be deemed to have been received: (i) on personal delivery; (ii) on the second business day after its deposit for overnight delivery with a recognized overnight delivery service; or (iii) if mailed, on actual receipt (but only if sent by registered or certified or U.S. Express mail, with return receipt requested, addressed to the other party's address below):

If to the Lessee:	MBW Vela Knoxville Condotel LLC c/o MBW Knoxville LLC 225 North Columbus Drive, Suite 100 Chicago, Il 60601 Attn: J.R. Berger Email: jberger@magellandevelopment.com and 225 North Columbus Drive, Suite 100 Chicago, IL 60601 Attn: Kimberly J. Sharon, Esq. Email: ksharon@magellandevelopment.com and c/o Post Road Group LP 2 Landmark Square, Suite 207 Stamford, CT 06901 Attention: Taylor Gray Email: tgray@veladev.com

With a Copy to: **Kirkland & Ellis LLP**
Attention: Meghan Cocci, P.C.
2049 Century Park East, Suite 3700
Los Angeles, CA 90067
Email: meghan.cocci@kirkland.com

If to the Lessor: **STATE OF TENNESSEE**
Department of General Services
Attention: Commissioner
312 Rosa L. Parks Ave., 22nd Floor
Tennessee Tower
Nashville, TN 37243
Telephone: (615) 741-2081

With a Copy to: **University of Tennessee - Office of General Counsel**
Attention: General Counsel
1169 UT Tower
505 Summer Place – UTT 1169
Knoxville, TN 37902
Telephone: (865) 974-3245

If to University: **UNIVERSITY OF TENNESSEE**
Attention: CFO
1195 UT Tower
505 Summer Place – UTT 1195
Knoxville, TN 37902
Telephone: (865) 974-1763

With a Copy to: **Office of General Counsel**
Attention: General Counsel
1169 UT Tower
505 Summer Place – UTT 1169
Knoxville, TN 37902
Telephone: (865) 974-3245

(b) Either party hereto may, by notice given to each of the other, designate any additional or different addresses to which subsequent notices, certificates, demands, requests, or other communications shall be sent.

(c) Notwithstanding anything contained herein to the contrary, any notice required to be given by the Lessor or the Lessee hereunder shall be deemed to have been given and shall be effective as of the date such notice is received or refused reflected on said notice. All notices, certificates, demands, requests, or other communications made by either party to the other which are required or permitted by the provisions of this Ground Lease shall be in writing.

Section 26. Submission of Matters to the Lessor or University for Approval.

(a) Except as specified herein to the contrary, any matter which must be submitted to and consented to or approved in writing by the Lessor as required under this Ground Lease, shall be submitted to the Lessor or pursuant to Section 25 and shall either be approved or rejected by the Lessor within thirty (30) days after receipt unless a shorter period of time is expressly stated elsewhere herein. The Lessor shall inform the Lessee in writing of its rejection or approval of such submitted matter by notice to the Lessee as provided in Section 25. If the Lessor should fail to approve or reject any matter within such thirty (30) day period or other period as provided for herein, Lessee shall provide a second notice of such matter to Lessor. If Lessor does not approve or reject the matter within five (5) Business Days after receipt of the second notice, the Lessor's approval shall be assumed to have been

unconditionally granted and the Lessee shall have the right to proceed on such matter so submitted; *provided, however*, in no event shall any matter be deemed approved by Lessor pursuant to the foregoing if the same would result in Lessor (or any of its Affiliates) incurring or becoming liable for any costs or financial obligations that are either (i) not contemplated herein or (ii) in excess of/in addition to what is contemplated herein.

(b) Any review by the Lessor of any matter submitted to the Lessor is for the Lessor's own convenience and purpose only. By undertaking such review, the Lessor does not obtain or have any liability to the Lessee or any other person, including the insurers.

(c) Any and all consents, approvals, determinations, elections or selections, or the withholding, denial or refusal of same, by Lessor hereunder shall and may be made by Lessor in Lessor's sole and absolute discretion, except only as and where this Ground Lease expressly provides otherwise.

Section 27. Holding Over by the Lessee. The Lessee shall not use or remain in possession of the Property after the termination of this Ground Lease. Any holding over, or continued use or occupancy by the Lessee after the termination of this Ground Lease, without the written consent of the Lessor, shall not constitute a tenant-at-will interest in behalf of the Lessee, but the Lessee shall become a tenant-at-sufferance and liable for Rent and all other expenses, obligations and payments in effect for the immediately preceding year of the Term. There shall be no renewal whatsoever of this Ground Lease by operation of law.

Section 28. Miscellaneous.

(a) **No Waiver of Rights**. No failure of party to exercise any power given the party hereunder or to insist upon strict compliance by the other party with its undertakings, duties and obligations hereunder, and no custom or practice of the parties hereto at variance with the provisions hereof shall constitute a waiver of such party's right to demand exact compliance with the provisions contained in this Ground Lease.

(b) **Rights are Cumulative**. All rights, powers, and privileges conferred herein upon both parties hereto shall be cumulative, unless otherwise expressly provided for herein.

(c) **Provisions are Binding Upon Assigns and are Real Covenants**. It is mutually covenanted, understood and agreed by and between the parties hereto, that each of the provisions of this Ground Lease shall apply to, extend to, be binding upon and (subject to the restrictions in Section 12 as regards Lessee) inure to the benefit of not only the parties hereto, but also the legal representatives, successors and assigns of the Lessor and the Lessee hereto, and shall be deemed and treated as real covenants running with the Property during the Term. The parties further acknowledge and agree that Leasehold Mortgagee and its successors and assigns shall be deemed third party beneficiaries of such provisions herein that are for their express benefit. Except as set forth in the preceding sentence, the provisions of this Ground Lease are solely and exclusively for the benefit of the parties hereto, and no other Person shall, under any circumstances, be deemed to be a beneficiary of or entitled to enforce this Ground Lease. Whenever a reference to the parties hereto is made, such reference shall be deemed to include (subject to the restrictions in Section 12) the legal representatives, successors and assigns of said party, the same as if in each case expressed.

(d) **Applicable Law**. This Ground Lease shall be governed, construed, performed and enforced in accordance with the laws of the State of Tennessee without regard to conflicts of law principles. All claims against the Lessor and/or the University are subject to Tenn. Code Ann. § 9-8-307.

(e) **All Genders and Numbers Included; Interpretation**. Whenever the singular or plural number, or masculine, feminine, or neuter gender is used in this Ground Lease, it shall equally apply to, extend to, and include the other. The words "**including**", "**inclusive**" and the like shall be interpreted as if they were followed by the phrase "without limitation" except only where expressly provided otherwise. References herein to "**Sections**", "**Paragraphs**", "**Exhibits**", "**Schedules**" and the like shall mean Sections, Paragraphs, Exhibits or Schedules of this Ground Lease except where expressly provided otherwise.

(f) **Invalidity of Provision or Part Thereof**. In the event any provision, or any portion of any provision of this Ground Lease is held invalid, the other provisions of this Ground Lease and the remaining portion of said provision, shall not be affected thereby and shall continue in full force and effect.

(g) **Time is of the Essence**. All time limits stated in this Ground Lease are of the essence of this Ground Lease.

(h) **Section Captions are to be Disregarded**. The captions of the numbered sections of this Ground Lease are for purposes of identification and convenience only and are to be completely disregard in construing this Ground Lease.

(i) **Entire Agreement Contained Herein**. The making, execution and delivery of this Ground Lease by the Lessee and the Lessor has not been induced by any representations, statements, covenants or warranties by either the Lessor or the Lessee except for those contained in this Ground Lease. This Ground Lease constitutes the full, complete and entire agreement between and among the parties hereto; no agent, employee, officer, representative or attorney of the parties hereto has authority to make, or has made, any statement, agreement, representation or contemporaneous agreement, oral or written, in connection herewith modifying, adding to or changing the provisions of this Ground Lease. No amendment of this Ground Lease shall be binding unless such amendment shall be in writing, signed by both parties hereto.

(j) **No Partnership or Agency**. Nothing in this Ground Lease is intended, or shall in any way be construed, so as to create any form of joint venture, partnership or agency relationship between the parties. The parties hereby expressly disclaim any intention of any kind to create any joint venture, partnership or agency relationship between themselves. Nothing in this Ground Lease shall be construed to make either party liable for any of the indebtedness of the other, except as specifically provided herein.

(k) **Recordation of Memorandum of Lease**. The Lessor and the Lessee have executed, acknowledged and delivered simultaneously with the execution of this Ground Lease, in recordable form, a Memorandum of Lease setting forth the basic terms hereof. The same shall be submitted for recording. Furthermore, if required in connection with the formation of the Leasehold Condominium or otherwise by applicable Governmental Regulations, Lessee shall have the right to record this Ground Lease among the land records.

(l) **Counterparts**. This Ground Lease may be executed simultaneously in two or more counterparts, each of which shall be deemed original and all of which, when taken together, shall constitute one in the same document. The signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

(m) **Force Majeure**. For the purpose of any of the provisions of this Ground Lease, neither Lessor nor Lessee, as the case may be, nor any successor in interest, shall be considered in breach of or default in any of its obligations, in the event of forced delay in the performance of such obligations, due to a Force Majeure Event. In the event of the occurrence of any Force Majeure Event, (i) the time or times for the performance of the covenants, provisions, and agreements of this Ground Lease shall be extended for the period of the Force Majeure Event (including any time reasonably required to recommence performance due to such Force Majeure Event); and (ii) the affected party must give written notice to the other within ten (10) Business Days after such affect party's actual knowledge of the occurrence of the Force Majeure Event. The affected party shall use reasonable efforts, and take all reasonable steps, to remedy with all reasonable dispatch the cause or causes preventing it from carrying out its agreements. Notwithstanding the above (a) a party may not rely on its own acts or omissions as grounds for delay in its performance, (b) the absence of immediately available funds shall not be grounds for delay, and (c) if the Force Majeure Event is able to be remedied or mitigated through the payment of money, to the extent such remedy or mitigation is deemed reasonable by the affected party, such Force Majeure Event shall not result in a delay of the commencement of the payment by Lessee of Gross Rent under Section 3(a). Further, to the extent a Force Majeure Event causes a delay in Construction, Lessee shall take commercially reasonable steps to address, anticipate and mitigate potential Construction delays, including, but not limited to, using commercially reasonable efforts to cause known long lead time items that are so delayed to be procured from alternate sources in a time and manner so as not to delay the performance of provided the cost of such alternate source is within is within budgeted parameters for the applicable item.

(n) **Lessor's Interest not Subject to Liens for Improvements by Lessee**. The Lessor's interest in the Property shall not be liable for or be subject to any Liens for any work, labor, services, tools, materials, fixtures, equipment, furnishing or appliances now or hereafter performed, provided, or furnished to or for the benefit of the Project, or in connection with the construction or installation of any improvements to the Land, or any alterations, additions, maintenance or repair of such improvements. No construction Lien or any other Lien for any work, labor, services, tools, materials, fixtures, equipment, furnishing or appliances shall apply to the Lessor's interest in the Property, but instead shall attach only to the interest of the Lessee under this Ground Lease, and Lessee shall not authority, oral or written, express or implied, to bind Lessor or make the Lessor liable to pay for any such any work, labor, services, tools, materials, fixtures, equipment, furnishing or appliances, performed, provided or furnished to the Project, by Lessee, pursuant to this Ground Lease or otherwise.

(o) **No Presumption against Drafter**. Although the provisions of this Ground Lease drawn in parts by each of the Lessor, the Lessee and/or other Persons, they are the result of arms-length negotiations and accordingly shall not be construed for or against the Lessor, the Lessee and/or other Persons, but shall be interpreted in accordance with the general tenor of the language in an effort to reach the intended result.

(p) **University Center.** Lessor or one of its Affiliates shall pay to Lessee an amount initially estimated to be no more than $4,000,000 to cover all costs associated with the design, buildout, construction management, furnishing, finishing and equipping of the University Center (the "**University Center Contribution**"). In exchange for the University Center Contribution, Lessee shall design, buildout, furnish, finish, equip, and deliver the University Center (simultaneous with its development and construction of the Project) at the location and in the condition set forth in the final plans and specifications for the University Center approved by Lessor (which shall provide that utilities serving the University Center shall be separately metered to the extent reasonably possible); *provided, however*, that if the costs of construction and delivery of the University Center are in excess of the University Center Contribution, Lessor shall bear the costs of such overage. Lessor shall have approval over the designer, contractor and final construction contract for the work necessary to complete the University Center, and Lessee will work in good faith with Lessor to help manage revisions to the design to meet the approved budget should there be an overage. Payment of the University Center Contribution will occur based on a schedule to be approved by both Lessor and Lessee. The University shall sublease the University Center from the Hotel Unit Owner pursuant to a sublease agreement acceptable to both parties that provides (i) further detail on the construction process for the University Center, (ii) a term to commence upon substantial completion of the University Center; and (iii) annual rent charged to the University of $1, plus the reasonably allocated operating expenses, common area maintenance, insurance and property taxes associated with the occupancy thereof, initially estimated to be $11 per square foot, expenses and common area maintenance costs (as more specifically defined in the sublease) with increases to be capped at three percent (3%) per annum on a cumulative and compounding basis.

(q) **No Implied Limitation of Remedies**. The failure of any party hereto to seek redress for violation of, or to insist upon the strict performance of, any covenant or condition of this Ground Lease, shall not prevent a subsequent act, which originally would have constituted a violation, from having all the force and effect of an original violation. The mention herein of any particular remedy shall not preclude any party hereto from any other remedy it might have, either in law or in equity, provided that the Lessor's termination of this Ground Lease as a remedy shall be subject to Sections 20(c) and 20(e). Any right or remedy of any party to this Ground Lease specified or any other right or remedy that it may have at law, in equity or otherwise upon breach of any covenant, agreement, term, provision or condition in this Ground Lease contained upon the part of the other party to be performed shall be distinct, separate and cumulative rights or remedies and no one of them whether exercised or not, shall be deemed to be in exclusion of any other, provided that the Lessor's termination of this Ground Lease as a remedy shall be subject to Sections 20(c) and 20(e). No covenant, agreement, term, provision or condition of this Ground Lease shall be deemed to have been waived by any party hereto unless such waiver be in writing, signed by such party or its agent duly authorized in writing. Consent of any party hereto to any act or matter must be in writing and shall apply only with respect to the particular act or matter in which such consent is given and shall not relieve the other party hereto from the obligations wherever required under this Ground Lease to obtain any required consent to any other act or matter.

Section 29. Utility Easements. Lessee shall be entitled and is hereby authorized to enter into such leasehold easements or agreements with utility companies which are required in order to provide service to any improvements located on the Project. Lessor hereby consents to the execution of such leasehold easements and agreements by Lessee.

Section 30. Initial Financing of the Project.

(a) **Financing**. On or before the Effective Date, Lessee represents and warrants to Lessor that Lessee has obtained the debt and equity financing required for the Design, Development, Construction, furnishing, equipping and initial operations of the Project (collectively, the "**Financing**"). Lessee agrees to promptly provide Lessor and the University with copies of term sheets and/or commitment letters and thereafter from time to time as Lessee deems reasonably necessary (given the progression of negotiations) drafts of the Loan Documents for Lessor and the University to confirm the inclusion of those certain provisions required pursuant to the terms of this Ground Lease. The proceeds of the Loan obtained by Lessee as part of the Financing shall be used to pay for the design, development, construction, furnishing, equipping and initial operations of the Project and such other costs and the establishment of such other funds and accounts as are set forth in the Loan Agreement. Lessee shall deliver final copies of the Loan Documents to Lessor.

(b) **Investors**. Any Person having an equity interest in Lessee, as of the Effective Date and for the Term, shall be in substantial compliance with Government Regulations applicable to owning an equity investment in the Property, including but not limited to Section 31 hereof. No Prohibited Person may have an equity interest in Lessee that creates a property interest in this Ground Lease. Investment funds or similar entities that are registered with the Securities and Exchange Commission and are not Prohibited Persons ("**Registered Funds**") may hold an ownership interest in Lessee. No foreign entity may have an investment that exceeds ten percent (10%) of the ownership interest in Lessee without disclosure to Lessor and no foreign entity may have an investment that exceeds twenty-five percent (25%) of the ownership interest in Lessee without disclosure to and approval (in writing) by the University; provided, however, the foregoing disclosure and approval requirements shall not apply to (i) any foreign entity that is a Registered Fund or (ii) any foreign entity investment in Lessee that complies with applicable (1) state and federal "Freedom of Information Act" (FOIA) requirements and (2) lawful "know your customer" (KYC) disclosure and reporting requirements of the Leasehold Mortgagee, as applicable, is acceptable, subject to the disclosure requirements provided herein.

(c) **No Lessor or University Responsibility to Pay Loans**. The Lessee acknowledges and agrees that neither the Lessor nor the University shall have any obligation whatsoever, under any circumstances, (x) to pay any Operating Expenses, (y) to pay any interest, principal or any other amounts due on the Loan or under the Loan Documents, or (z) to make any payment of any item described in the Loan Agreement or the other Loan Documents (including without limitation any account, fund or reserve described in the Loan Agreement or the other Loan Documents), except only to the extent the Lessor (or a designee of the Lessor) may expressly elect, in its sole determination, to assume any such obligations of the Lessee pursuant to other provisions of this Ground Lease.

Section 31. Financial and Compliance Requirements. The terms of this Ground Lease shall in all respects be subject to the State-required financial and compliance requirements set forth on Exhibit D attached hereto.

[Signatures and acknowledgments on following pages.]

[Signatures and acknowledgments for Ground Lease.]

IN WITNESS WHEREOF, the Lessor, the University and the Lessee have caused this Ground Lease to be duly executed in duplicate counterparts each of which shall be deemed to be an original, the day and year first above written.

LESSOR:

STATE OF TENNESSEE, ON BEHALF OF THE UNIVERSITY OF TENNESSEE, ON BEHALF OF ITS KNOXVILLE CAMPUS

By:_____
Name: Andy T. Kidd
Title: Commissioner–Department of General Services

STATE OF TENNESSEE)
): ss.:
COUNTY OF _____)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that before me, the subscriber, personally appeared Andy T. Kidd, who I am satisfied is the person who executed the foregoing instrument, as Commissioner of the Department of General Services of the **STATE OF TENNESSEE,** the entity named in the foregoing instrument, and who acknowledged before me on this day that, being informed of the contents of the foregoing instrument, she, as such officer and with full authority, executed the same voluntarily for and as the act and deed of said State on behalf of the University of Tennessee, on behalf of its Knoxville Campus, for the purposes therein contained.

Given under my hand and official, notarial seal this _____ day of _____, 202___.

[SEAL]

_____
Notary Public
My commission expires:

APPROVED:

_____
Jonathan Skrmetti, Attorney General & Reporter

_____
Bill Lee, Governor

[Signatures and acknowledgments for Ground Lease.]

UNIVERSITY:

THE UNIVERSITY OF TENNESSEE,
ON BEHALF OF ITS KNOXVILLE CAMPUS

By:_____
Name: David L. Miller
Title: Senior Vice President and CFO

STATE OF TENNESSEE)
): ss.:
COUNTY OF _____)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that before me, the subscriber, personally appeared David L. Miller, who I am satisfied is the person who executed the foregoing instrument, as Senior Vice President & CFO of the **UNIVERSITY OF TENNESSEE, on behalf of its Knoxville campus,** the entity named in the foregoing instrument, and who acknowledged before me on this day that, being informed of the contents of the foregoing instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act and deed of said University for the purposes therein contained.

Given under my hand and official, notarial seal this _____ day of _____, 202___.

[SEAL]

_____
Notary Public
My commission expires:

[Signatures and acknowledgments for Ground Lease.]

WITNESSES:

_____

Print Name:

_____

Print Name:

LESSEE:
865 HOSPITALITY DEVELOPER LLC, a Delaware limited liability company

By:

By:
Name: _____
Title: _____

STATE OF _____

COUNTY OF _____

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that before me, the subscriber, personally appeared _____, who I am satisfied is the person who executed the foregoing instrument, as _____ of _____, the entity named in the foregoing instrument, and who acknowledged before me on this day that, being informed of the contents of the foregoing instrument, she, as such officer and with full authority, executed the same voluntarily for and as the act and deed of the said Company for the purposes therein contained.

Given under my hand and official, notarial seal this _____ day of _____, 2026.

[SEAL]

_____
NOTARY PUBLIC
MY COMMISSION EXPIRES:

EXHIBIT A

LEGAL DESCRIPTION OF LAND

Parcel 1:

Situated in District No. Four (4) of Knox County, Tennessee and within Ward No. Ten (10) of the City of Knoxville, Tennessee and being more particularly described as follows.

From the **Point of Beginning, said point being** located South 32° 17' West, a distance of 486.80 feet from City of Knoxville Control Point #0586; thence from said Point of Beginning along the western right-of-way of Neyland Drive the following four calls:

South 29° 20' West, a distance of 17.49 feet to a point; thence

South 27° 01' West, a distance of 70.91 feet to a point; thence

along a 1,345.19-foot radius curve to the left, said curve having an arc length of 94.98 feet, a chord bearing and distance of South 24° 34' West 94.96 feet to a point;

along a 1,462.00-foot radius curve to the left, said curve having an arc length of 126.49 feet and a chord bearing and distance of South 20° 55' West 126.45 feet to a point;

Thence along the southern western and northern lines of the Condotel Parcel described herein the following twenty-one calls:

North 68° 52' West, a distance of 181.30 feet to a point;

South 21° 08' West, a distance of 12.29 feet to a point;

North 68° 52' West, a distance of 8.17 feet to a point;

North 21° 08' East, a distance of 12.29 feet to a point;

North 68° 52' West, a distance of 6.18 feet to a point;

North 21° 10' East, a distance of 124.86 feet to a point;

North 84° 08' East, a distance of 5.68 feet to a point;

North 05° 52' West, a distance of 53.33 feet to a point;

North 84° 14' East, a distance of 69.60 feet to a point;

North 18° 55' West, a distance of 28.95 feet to a point;

North 65° 44' East, a distance of 1.29 feet to a point;

North 21° 57' West, a distance of 6.67 feet to a point;

North 55° 31' East, a distance of 24.16 feet to a point;

North 58° 10' East, a distance of 12.47 feet to a point;

along a 40.00-foot radius curve to the right, said curve having an arc length of 39.89 feet, a chord bearing and distance of North 84° 12’ East 38.26 feet to a point;

South 68°40’ East, a distance of 54.16 feet to a point;

along a 3.00-foot radius curve to the right, said curve having an arc length of 4.40 feet, a chord bearing and distance of South 26° 50’ East 4.02 feet to a point;

along a 64.00-foot radius curve to the left, said curve having an arc length of 9.56 feet and a chord bearing and distance of South 10° 54’ West 9.55 feet to a point;

North 86° 49’ East, a distance of 35.54 feet to a point;

along a 26.02-foot radius curve to the right, said curve having an arc length of 35.07 feet and a chord bearing and distance of North 61° 29’ East 32.48 feet to a point;

South 69° 43’ East, a distance of 22.42 feet to a point; said point being the **Point of Beginning.**

Containing 53,788 square feet, or 1.23 acres, more or less.

Being bounded on the south by the present right-of-way of Neyland Drive and the Tennessee River, on the northeast by a stairway, on the east and southeast by gates, on the east by a sign, and on the west by a chainlink fence.

This description was prepared from a survey performed by Mark C. Tucker, Registered Land Surveyor, Tennessee License #1996, Robert G. Campbell & Associates, L.P., Knoxville, Tennessee, File No. 25014, dated March 27, 2026.

Parcel 2 (CONDOTEL SIP PARCEL)

Situated in District No. Four (4) of Knox County, Tennessee and within Ward no. Ten (10) of the City of Knoxville, Tennessee and lying above a horizontal plane having an elevation of 902.00 feet above sea level with no upper limit and lying within its horizontal boundaries projected vertically and being more particularly described as follows.

From the **Point of Beginning, said point being** located South 29° 02’ West, a distance of 794.24 feet from City of Knoxville Control Point #0586; thence from said Point of Beginning along the eastern and northern lines of the Garage Parcel described above the following two calls:

South 21° 08’ West, a distance of 129.75 feet to a point;

North 68° 52’ West, a distance of 116.81 feet to a point; thence along the western line of the Hotel SIP Parcel described herein, North 21° 08’ East, a distance of 129.75 feet to a point;

Thence along the southern line of the Hotel Parcel described above, South 68° 52’ East, a distance of 116.81 feet to a point; said point being the **Point of Beginning**.

Containing 15,156 square feet, or 0.35 acres, more or less.

Being bounded on the west by Neyland Stadium and south and southeast by the Entertainment District SIP Parcel, on the north by the Condotel Parcel.

This description was prepared from a survey performed by Mark C. Tucker, Registered Land Surveyor, Tennessee License #1936, Robert G. Campbell & Associates, L.P., Knoxville, Tennessee, File No. 25014, dated March 27, 2026.

EXHIBIT A-1

LEGAL DESCRIPTION OF PARKING PROJECT AND ENTERTAINMENT DISTRICT SITE

Parking Project:

Situated in District No. Four (4) of Knox County, Tennessee and within Ward No. Ten (10) of the City of Knoxville, Tennessee and being more particularly described as follows.

From the **Point of Beginning, said point being** located South 29° 02' West, a distance of 794.24 feet from City of Knoxville Control Point #068; thence from said Point of Beginning along the western right-of-way of Neyland Drive the following four calls:

along a 1,462.00-foot radius curve to the left, said curve having an arc length of 150.92 feet and a chord bearing and distance of South 15° 29' West 150.86 feet to a point;

South 71° 32' East, a distance of 5.00 feet to a point;

along a 1,457.00- foot radius curve to the left, said curve having an arc length of 35.00 feet, a chord bearing and distance of South 16° 23' West 35.00 feet to a point;

along a 1,457.39-foot radius curve to the left, said curve having an arc length of 41.16 feet, a chord bearing and distance of South 14° 40' West 41.16 feet to a point;

Thence along the western right-of-way of Knoxville & Holston River Railroad the following two calls:

South 28°44' West, a distance of 65.41 feet to a point;

along a 1,555.67-foot radius curve to the left, said curve having an arc length of 223.88 feet, a chord bearing and distance of South 24° 36' West 223.69 feet to a point;

Thence along the southern western and northern lines of the UTK Garage Parcel described herein the following eleven calls:

North 68° 52' West, a distance of 186.02 feet to a point;

South 21°08' West, a distance of 11.92 feet to a point;

North 68°52' West, a distance of 14.99 feet to a point;

North 21°08' East, a distance of 114.45 feet to a point;

North 68°50' West, a distance of 2.20 feet to a point;

North 21°08' East, a distance of 44.97 feet to a point;

North 68°52' West, a distance of 13.10 feet to a point;

North 21°00' East, a distance of 125.03 feet to a point;

South 68°52' East, a distance of 15.79 feet to a point;

North 21°08' East, a distance of 241.27 feet to a point;

Thence South 68°52’ East, a distance of 195.64 feet to a point; said point being the **Point of Beginning.**

Containing 109,021 square feet, or 2.50 acres, more or less.

Being bounded on the west by Neyland Stadium, a chain-link fence, by walls at multiple locations, on the north by Condotel Parcel and on the east by Neyland Drive and the Tennessee River.

Less and except the following three parcels on and above the garage structure on such premises and described as follows:

Parcel 1 (Condotel SIP Parcel):

Situated in District No. Four (4) of Knox County, Tennessee and within Ward no. Ten (10) of the City of Knoxville, Tennessee and lying above a horizontal plane having an elevation of 902.00 feet above sea level with no upper limit and lying within its horizontal boundaries projected vertically and being more particularly described as follows.

From the **Point of Beginning, said point being** located South 29° 02’ West, a distance of 794.24 feet from City of Knoxville Control Point #0586; thence from said Point of Beginning along the eastern and northern lines of the Garage Parcel described above the following two calls:

South 21° 08’ West, a distance of 129.75 feet to a point;

North 68° 52’ West, a distance of 116.81 feet to a point; thence along the western line of the Hotel SIP Parcel described herein, North 21° 08’ East, a distance of 129.75 feet to a point;

Thence along the southern line of the Hotel Parcel described above, South 68° 52’ East, a distance of 116.81 feet to a point; said point being the **Point of Beginning**.

Containing 15,156 square feet, or 0.35 acres, more or less.

Being bounded on the west by Neyland Stadium and south and southeast by the Entertainment District SIP Parcel, on the north by the Condotel Parcel.

Parcel 2 (Entertainment District SIP Parcel #1):

Situated in District No. Four (4) of Knox County, Tennessee and within Ward no. Ten (10) of the City of Knoxville, Tennessee and lying above a horizontal plane having an elevation of 882.00 feet above sea level with no upper limit and lying within its horizontal boundaries projected vertically and being more particularly described as follows.

The Point of Beginning being located South 27° 12’ West, a distance of 1010.58 feet from City of Knoxville Control Point No. 0586; thence along the eastern, southern and western lines of the Entertainment District SIP Parcel #1 described herein the following fourteen calls:

South 21° 08’ West, a distance of 27.00 feet to a point;

North 68° 52’ West, a distance of 2.78 feet to a point;

South 21° 08’ West, a distance of 253.83 feet to a point;

North 68° 52’ West, a distance of 10.39 feet to a point;

South 21° 08’ West, a distance of 14.75 feet to a point;

North 68° 52’ West, a distance of 170.10 feet to a point;

South 21° 08’ West, a distance of 11.92 feet to a point;

North 68° 52’ West, a distance of 14.99 feet to a point;

North 21° 08’ East, a distance of 114.45 feet to a point;

North 68° 50’ West, a distance of 13.98 feet to a point;

North 21° 08’ East, a distance of 147.96 feet to a point;

South 68° 52’ East, a distance of 2.14 feet to a point;

North 21° 08’ East, a distance of 20.42 feet to a point;

South 68° 52’ East, a distance of 12.10 feet to a point;

Thence along the southern line of Entertainment District SIP Parcel #2 the following five calls:

South 68° 41’ East, a distance of 169.06 feet to a point;

North 21° 08’ East, a distance of 17.38 feet to a point;

South 68° 52’ East, a distance of 16.00 feet to a point;

North 21° 08’ East, a distance of 7.78 feet to a point;

South 68° 52’ East, a distance of 1.23 feet to a point; thence along the Entertainment District SIP Parcel #1 described herein South 68° 55’ East, a distance of 11.73 feet to a point; said point being the **POINT OF BEGINNING.**

Containing 55,850 square feet or 1.28 acres, more or less.

The western boundary runs in part along an existing wall and chain link fence and Neyland Stadium. A gate is located on the western side of the parcel near the Condotel Parcel boundary.

The parcel is bounded on the north by the Entertainment District SIP Parcel #2 and on the east by the present right-of-way of Neyland Drive and the Tennessee River beyond.

Parcel 3 (Entertainment District SIP Parcel #2):

Situated in District No. Four (4) of Knox County, Tennessee and within Ward no. Ten (10) of the City of Knoxville, Tennessee and lying above a horizontal plane having an elevation of 901.00 feet above sea level with no upper limit and lying within its horizontal boundaries projected vertically and being more particularly described as follows.

From the **Point of Beginning, said point being** located South 29° 02’ West, a distance of 794.24 feet from City of Knoxville Control Point No. 0586; said point marking the northeastern corner of the Condotel SIP Parcel, thence leaving said Point of Beginning and along the southern line of the Condotel Parcel South 68° 52’ East, a distance of 70.00 feet to a point; thence along the Entertainment District SIP Parcel #2 described herein, South 21° 15’ West, a distance of 218.23 feet to a point; thence along the northern lines of the Entertainment District SIP Parcel #1 the following five calls:

North 68° 52’ West, a distance of 1.23 feet to a point;

South 21° 08’ West, a distance of 7.78 feet to a point;

North 68° 52’ West, a distance of 16.00 feet to a point;

South 21° 08’ West, a distance of 17.38 feet to a point;

North 68° 41’ West, a distance of 169.06 feet to a point;

Thence along the western line of the Entertainment District SIP #2 described herein, North 21° 06’ East, a distance of 113.14 feet to a point;

Thence along the southern and eastern lines of the Condotel SIP Parcel the following two calls:

South 68° 52’ East, a distance of 116.81 feet to a point;

North 21° 08’ East, a distance of 129.75 feet to a point; said point being the **POINT OF BEGINNING.**

Containing 29,897 square feet or 0.67 acres, more or less.

The western boundary runs in part along an existing wall and chain link fence and Neyland Stadium. A gate is located on the western side of the parcel near the Condotel Parcel boundary.

The parcel is bounded on the north by the Condotel SIP Parcel and Condotel Parcel, on the east by the present right-of-way of Neyland Drive and the Tennessee River beyond.

This description was prepared from a survey performed by Mark C. Tucker, Registered Land Surveyor, Tennessee License #1996, Robert G. Campbell & Associates, L.P., Knoxville, Tennessee, File No. 25014, dated March 27, 2026.

Entertainment District Parcels:

Parcel 1 (Entertainment District SIP #1):

Situated in District No. Four (4) of Knox County, Tennessee and within Ward no. Ten (10) of the City of Knoxville, Tennessee and lying above a horizontal plane having an elevation of 882.00 feet above sea level with no upper limit and lying within its horizontal boundaries projected vertically and being more particularly described as follows.

The Point of Beginning being located South 27° 12’ West, a distance of 1010.58 feet from City of Knoxville Control Point No. 0586; thence along the eastern, southern and western lines of the Entertainment District SIP Parcel #1 described herein the following fourteen calls:

South 21° 08’ West, a distance of 27.00 feet to a point;

North 68° 52’ West, a distance of 2.78 feet to a point;

South 21° 08’ West, a distance of 253.83 feet to a point;

North 68° 52’ West, a distance of 10.39 feet to a point;

South 21° 08’ West, a distance of 14.75 feet to a point;

North 68° 52’ West, a distance of 170.10 feet to a point;

South 21° 08’ West, a distance of 11.92 feet to a point;

North 68° 52’ West, a distance of 14.99 feet to a point;

North 21° 08’ East, a distance of 114.45 feet to a point;

North 68° 50’ West, a distance of 13.98 feet to a point;

North 21° 08’ East, a distance of 147.96 feet to a point;

South 68° 52’ East, a distance of 2.14 feet to a point;

North 21° 08’ East, a distance of 20.42 feet to a point;

South 68° 52’ East, a distance of 12.10 feet to a point;

Thence along the southern line of Entertainment District SIP Parcel #2 the following five calls:

South 68° 41’ East, a distance of 169.06 feet to a point;

North 21° 08’ East, a distance of 17.38 feet to a point;

South 68° 52’ East, a distance of 16.00 feet to a point;

North 21° 08’ East, a distance of 7.78 feet to a point;

South 68° 52’ East, a distance of 1.23 feet to a point; thence along the Entertainment District SIP Parcel #1 described herein South 68° 55’ East, a distance of 11.73 feet to a point; said point being the **POINT OF BEGINNING.**

Containing 55,850 square feet or 1.28 acres, more or less.

The western boundary runs in part along an existing wall and chain link fence and Neyland Stadium. A gate is located on the western side of the parcel near the Condotel Parcel boundary.

The parcel is bounded on the north by the Entertainment District SIP Parcel #2 and on the east by the present right-of-way of Neyland Drive and the Tennessee River beyond.

This description was prepared from a survey performed by Mark C. Tucker, Registered Land Surveyor, Tennessee License #1996, Robert G. Campbell & Associates, L.P., Knoxville, Tennessee, File No. 25014, dated March 27, 2026.

Parcel 2 (Entertainment District SIP #2):

Situated in District No. Four (4) of Knox County, Tennessee and within Ward no. Ten (10) of the City of Knoxville, Tennessee and lying above a horizontal plane having an elevation of 901.00 feet above sea level with no upper limit and lying within its horizontal boundaries projected vertically and being more particularly described as follows.

From the **Point of Beginning, said point being** located South 29° 02’ West, a distance of 794.24 feet from City of Knoxville Control Point No. 0586; said point marking the northeastern corner of the Condotel SIP Parcel, thence leaving said Point of Beginning and along the southern line of the Condotel Parcel South 68° 52’ East, a distance of 70.00 feet to a point; thence along the Entertainment District SIP Parcel #2 described herein, South 21° 15’ West, a distance of 218.23 feet to a point; thence along the northern lines of the Entertainment District SIP Parcel #1 the following five calls:

North 68° 52’ West, a distance of 1.23 feet to a point;

South 21° 08’ West, a distance of 7.78 feet to a point;

North 68° 52’ West, a distance of 16.00 feet to a point;

South 21° 08’ West, a distance of 17.38 feet to a point;

North 68° 41’ West, a distance of 169.06 feet to a point;

Thence along the western line of the Entertainment District SIP #2 described herein, North 21° 06’ East, a distance of 113.14 feet to a point;

Thence along the southern and eastern lines of the Condotel SIP Parcel the following two calls:

South 68° 52’ East, a distance of 116.81 feet to a point;

North 21° 08’ East, a distance of 129.75 feet to a point; said point being the **POINT OF BEGINNING.**

Containing 29,897 square feet or 0.67 acres, more or less.

The western boundary runs in part along an existing wall and chain link fence and Neyland Stadium. A gate is located on the western side of the parcel near the Condotel Parcel boundary.

The parcel is bounded on the north by the Condotel SIP Parcel and Condotel Parcel, on the east by the present right-of-way of Neyland Drive and the Tennessee River beyond.

This description was prepared from a survey performed by Mark C. Tucker, Registered Land Surveyor, Tennessee License #1996, Robert G. Campbell & Associates, L.P., Knoxville, Tennessee, File No. 25014, dated March 27, 2026.

EXHIBIT B

PERMITTED EXCEPTIONS

1. All matters affecting title to all or any part of the Property and the areas in which any easements are located on the date of this Ground Lease, whether or not listed below or elsewhere in this Ground Lease, and whether or not appearing as exceptions or exclusions in any policy of title insurance, commitment for title insurance or title report.

2. All matters, exceptions and exclusions in any policy of title insurance obtained by Lessee on or about the date of this Ground Lease, and any additional matters, exceptions or exclusions set forth in any subsequent endorsement or amendment to such policy (including any so-called "date down" or "continuation" endorsement) related to any of the following items in this Exhibit.

3. All matters that would be disclosed by an accurate and complete survey of the Land and the areas in which any easements are located (a) conducted prior to, or on or about, the date of this Ground Lease or (b) conducted thereafter and surveying any and all improvements constructed on the Land or in such easement areas by or on behalf of Lessee and other elements of the Project, provided that this clause does not constitute the consent of Lessor to any such matters.

4. Any and all defects, Liens, encumbrances, adverse claims or other matters created, suffered, assumed or agreed to by Lessee at any time (including any mechanic's Liens), provided that this clause does not constitute the consent of Lessor to any such defects, Liens, encumbrances, adverse claims or other matters.

5. The effects of any and all laws, ordinances, permits or Governmental Regulations, including those relating to building and zoning, now or hereafter existing, and all amendments thereof, or any consequences incurred due to any violations thereof, provided that this clause does not constitute the consent of Lessor to any such violations.

6. Any and all impositions or Taxes for or allocable to any and all periods on and after the date hereof, provided that this clause does not constitute the consent of Lessor to Lessee's failure to pay any of the same.

7. Any and all matters resulting from Lessee's or Lessor's performance of their respective obligations under this Ground Lease.

8. Any and all matters resulting from any breach by Lessee of any of its obligations under this Ground Lease, provided that this clause does not constitute the consent of Lessor to any such breach by Lessee.

EXHIBIT C

INTENTIONALLY OMITTED

EXHIBIT D

STATE OF TENNESSEE TERMS AND CONDITIONS

A. **Financial**:

1. PaymentWorks: Lessee must register as a vendor in the University's system, PaymentWorks.

B. **Compliance**:

1. Conflicts of Interest:

   i. Lessee states that no part of Lessee's compensation will be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to Lessee in connection with any work contemplated or performed under this Ground Lease.

   ii. Lessee states that this Ground Lease is immediately void if Lessee is, or within the past 6 months has been, an employee of the State of Tennessee or if Lessee is an entity in which a controlling interest is held by an individual who is, or within the past 6 months has been, an employee of the State of Tennessee.

2. Iran Divestment Act: The requirements of Tenn. Code Ann. § 12-12-101 et. seq., addressing contracting with persons as defined at T.C.A. §12-12-103(5) that engage in investment activities in Iran, are a material provision of this Ground Lease. Lessee hereby certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.

3. Illegal Immigrants: In compliance with the requirements of Tenn. Code Ann. § 12-3-309, Lessee hereby attests that it shall not knowingly utilize the services of an illegal immigrant in the United States in the performance of this Ground Lease and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the United States in the performance of this Ground Lease.

4. Anti-Israel Boycott: In compliance with the requirements of Tenn. Code Ann. § 12-4-119, Lessee hereby states that it is not currently engaged in, and will not for the duration of this Ground Lease engage in, a boycott of Israel.

5. Tennessee Department of Revenue: In compliance with the requirements of Tenn. Code Ann. § 12-3-306, Lessee hereby attests that it has registered with the State of Tennessee's Department of Revenue for the collection of Tennessee sales and use tax. This registration requirement is a material requirement of this Ground Lease.

6. Debarment:

   i. Lessee hereby attests that the following are true statements:
      a. Lessee is not currently debarred by the U.S. federal government.
      b. Lessee is not currently suspended by the U.S. federal government.
      c. Lessee is not currently named as an "excluded" supplier by the U.S. federal government.

   ii. Lessee must notify Lessor within 2 business days if Lessee is debarred by any organization in the United States.

7. Use of Lessor and University Intellectual Property: Except as allowed in this Ground Lease, Lessee shall not use the Lessor's or University's name, marks, logos, or any other Lessor or University-owned

intellectual property for any reason, without the written consent of an authorized official of the Lessor. During the term of this Ground Lease, Lessee may list the University's name in Lessee's list of Universities.

8. Non-Discrimination: No person on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal and/or Tennessee State Constitutional and/or statutory law shall be excluded from participation in, or denied benefits of, or be otherwise subjected to discrimination in the performance of the contract or in the employment practices of Lessee/contractor. Lessee shall, upon request, show proof of such non-discrimination, and shall post in conspicuous places, available to employees and applicants, notices of non-discrimination.

SCHEDULE 1

INSURANCE REQUIREMENTS

1. **Required Coverages**. It is the intent of the parties that all risk of loss for the Project be shifted to insurance to the maximum extent practicable. Accordingly, the Lessee or the Master Association (and/or a sub-condominium association) shall maintain, or cause to be maintained, insurance covering the risks enumerated in this Schedule 1. Such insurance shall be written on an occurrence basis, but for errors and omissions insurance issued on a claims made basis, the Lessor may require the purchase of a tail policy for such errors and omissions insurance with such term and limits as the Lessor and the Lessee may reasonably determine appropriate. All insurance policies to be maintained by Lessee or the Master Association (and/or a sub-condominium association) hereunder shall provide that (i) such insurance shall be primary coverage without reduction or right of offset or contribution on account of any insurance provided by the Lessor to itself or its officers, officials, or employees, and (ii) that such insurance shall name the Lessor and the University as additional insureds as their interest may appear to the extent available and permitted by applicable law. Notwithstanding anything else herein contained, the rights of the Lessor and/or the University to any insurance policies covering the Property or the Project (or any portion thereof) and any and all proceeds paid or payable thereunder shall be in all respects junior and subordinate to the rights of any Leasehold Mortgagee and the provisions of the Declarations.

2. **Additional Insured; General**. With respect to liability insurance, the Lessor, and the University shall, to the fullest extent available and permitted by applicable law, be named as an additional insured in any such liability insurance policies. All insurance policies and endorsements required pursuant to this Schedule 1 shall be fully paid for, nonassessable and contain such provisions and expiration dates and be in such form and amounts as indicated above and shall be issued by an insurance company licensed or authorized to sell insurance in the State of Tennessee, and having an A.M. Best Company rating with respect to its financial strength of AVII or better. Without limiting the foregoing, Lessee shall use commercially reasonable efforts to obtain a policy that shall specifically provide that such policy may not be modified, altered, or cancelled except upon thirty (30) days' prior written notice to the Lessor, provided that if Lessee is unable to obtain such a clause in the policy, then Lessee shall provide Lessor such notice, and provided further, such policy shall provide that no act or thing done by the Lessee shall invalidate the policy as against the Lessor.

3. **Loss Payable clause**. Section 16 of the Ground Lease is incorporated herein by reference.

4. **Delivery of Evidence of Insurance**. Upon the commencement of this Ground Lease and at each policy renewal date, the Lessee or the Master Association (and/or a sub-condominium association), as applicable, shall furnish to the Lessor at the address set forth in Section 25 copies of policies and all endorsements, including additional insured endorsements, or enforceable evidences or binders of all insurance required to be carried by the Lessee or the Master Association (and/or a sub-condominium association), as applicable, in accordance with this Ground Lease, listing the Lessor and the University as certificate holders. Such insurance evidence must document that the liability insurance coverage purchased by the Lessee or the Master Association (and/or a sub-condominium association), as applicable, includes contractual liability coverage to cover the insurable aspects of this Ground Lease and the General Construction Contract.

5. **Evidence of Payment of Premiums**. The Lessee or the Master Association (and/or a sub-condominium association), as applicable, shall within twenty (20) days of payment furnish to the Lessor duplicate receipts or satisfactory evidence of the payment of all premiums on any and all insurance required to be carried by the Lessee or the Master Association (and/or a sub-condominium association), as applicable, in accordance with this Ground Lease.

6. **Annual Certification**. In order to assure compliance with the ongoing insurance requirements herein, Lessee or the Master Association (and/or a sub-condominium association), as applicable, shall deliver

or cause to be delivered annually, within ninety (90) days after the end of each Annual Period, beginning with the Annual Period ending December 31, 2027, a certificate certifying that such insurance policies are in full force and effect, that such policies comply with the provisions of this Section 15, and that all premiums then due have been paid.

7. **Lessee Coverage**. Coverage required specific to Lessee under the Ground Lease (which may be satisfied by the provision of the same insurance by the Master Association (and/or a sub-condominium association) upon the recordation of the Declaration) shall be as follows:

(a) Public Liability. At all times during the Term, the Lessee under the Ground Lease or the Master Association (and/or a sub-condominium association) upon the recordation of the Declaration shall maintain or cause to be maintained Commercial General Liability insurance with minimum limits of liability of $1,000,000 each occurrence for Bodily Injury and Property Damage, $1,000,000 each occurrence for Personal Injury liability, including $1,000,000 Contractual Liability and $2,000,000 Aggregate limit for Products and Completed Operations and a $2,000,000 General Aggregate applying separately to the Project. Coverage shall include: Premises and Operations, Products and Completed Operations, Contractual Liability, insuring indemnity obligations, Broad Form Property Damage (including completed operations), Explosion, Collapse and Underground hazards. Such policy shall include contractual liability coverage.

(b) Insurance During Construction. The Lessee under the Ground Lease or the Master Association (and/or a sub-condominium association) upon the recordation of the Declaration shall provide and maintain, or cause to be provided or maintained, during construction of the Project a builder's risk insurance policy to cover work in the course of construction which has been installed and has become a physical part of the Property. With respect to the initial Lessee under the Ground Lease or any person succeeding to the initial Lessee's interest by operation of the Leasehold Mortgage, maintenance of the insurance required by the Leasehold Mortgagee shall satisfy this requirement. Such insurance shall provide coverage on an "all risks of loss or damage basis" and shall cover direct physical loss of or damage to covered property, including perils of fire, lightning, wind, flood, and all other risks covered by the extended coverage endorsement then in use in the State. It shall also include debris removal and/or demolition occasioned by enforcement of any Governmental Regulations. Coverage must include provision to pay the reasonable extra costs of expediting temporary and/or permanent repairs to, or permanent replacement of, damaged property. This coverage shall include overtime wages and the extra costs of "express" or other means for rapidly transporting materials and supplies necessary for such repair or replacement. Such builders risk policy shall be written in the amount equal to one hundred percent (100%) of the replacement cost of the Project, subject to all reasonable and applicable sub-limits and annual aggregate limits of liability contained in the policy. The Lessee shall include the Lessor as additional insured on all construction-related insurance to the extent available and permitted by applicable law.

(c) Insurance Upon Completion of Construction. Following Final Completion, the Lessee under the Ground Lease or the Master Association (and/or a sub-condominium association) upon the recordation of the Declaration with respect to the common elements and limited common elements of the Project and Hotel Unit Owner with respect to the Hotel Unit shall provide the applicable insurance below. With respect to the initial Lessee under the Ground Lease or any person succeeding to the initial Lessee's interest by operation of the Leasehold Mortgage, maintenance of the insurance required by the Leasehold Mortgagee shall satisfy this requirement. With respect to any other person succeeding to the initial Lessee's interest hereunder, the Lessee under the Ground Lease or the Master Association or the Master Association (and/or a sub-condominium association) upon the recordation of the Declaration shall provide or cause to be provided the following insurance with respect to the common elements and limited common elements of the Project and Hotel Unit Owner shall provide or cause to be provided the following insurance with respect to the Hotel Unit:

(i) Property. Property insurance upon an all-risk / replacement basis in an amount of not less than one hundred percent (100%) of the then actual cost of replacement (subject to any

applicable sub-limits and aggregate limits of liability) of the Project against loss or damage by risks covered by an "all risk of physical loss" form. This coverage, to the extent available at commercially reasonable rates and terms, will be for not less than one hundred percent (100%) of the replacement cost of the Project, less a reasonable deductible and subject to commercially reasonable sub limits, including a waiver of coinsurance provision, and landscape improvements coverage for the lesser of (i) one hundred percent (100%) of the replacement cost, or (ii) $1,000,000, whichever is greater;

(ii) Business Interruption. Following establishment of the Leasehold Condominium, at all times during the Term, the Hotel Unit Owner shall maintain or cause to be maintained business interruption insurance covering loss of revenues or other income by the Hotel Unit Owner by reason of total or partial suspension of, or interruption in, the operation of the Hotel Unit caused by damage or destruction of the Hotel Unit in an amount not less than the actual loss of revenue sustained as a result of and during the period of interruption;

(iii) Working Compensation. Workers Compensation insurance coverage with limits of not less than that required by law, but only with respect to the Hotel Unit Owner after establishment of the Leasehold Condominium;

(iv) Employers Liability. Employers Liability insurance coverage in the amount of $1,000,000 each accident for Bodily Injury, $1,000,000 policy limit for Bodily Injury by Disease and $1,000,000 each employee for Bodily Injury by Disease, but only with respect to the Hotel Unit Owner after establishment of the Leasehold Condominium;

(v) Automobile Liability. Automobile Liability insurance including coverage for owned, hired and non-owned automobiles with limits of liability not less than $1,000,000 Combined Single Limit each accident for Bodily Injury and Property Damage, but only with respect to the Hotel Unit Owner after establishment of the Leasehold Condominium; and

(vi) Umbrella. Umbrella or Excess Liability insurance shall be required in the amount of at least $15,000,000 aggregate.

SCHEDULE 2

LESSEE PRE-EXISTING CONDITIONS DOCUMENTS LIST

1. Proposed ESA Phase I dated 2/4/26

    a. Prepared by Streamline Environmental 2/4 (FBO 865 Neyland, LLC, University of Tennessee, State of Tennessee, and Arctos)

2. Updated Geotechnical Reports dated 2/19/26

    a. Prepared by UES Professional Solutions 2/17/26

3. Appendices from Geotechnical reports

    a. Appendix A (12/15/25 Geotech) – Prepared by UES, received 2/5/26

    b. Appendix B (G10 Parking Garage) – Prepared by GEOS, received 2/5/26

    c. Appendix C (Exploration Data) – prepared by S&ME, Inc., received 2/5/26

    d. Appendix D (Subsurface) – Prepared by Professional Engineers, Inc., received 2/5/26

    e. Geotechnical Design Memo – Prepared by KCI Technologies, Inc., dated 12/18/25

UNIVERSITY OF TENNESSEE KNOXVILLE

PARKING PROJECT DEVELOPMENT AGREEMENT

dated as of the ____day of _____, 2026

by and between

THE UNIVERSITY OF TENNESSEE

and

865 NEYLAND PARKING DEVELOPER, LLC

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UNIVERSITY OF TENNESSEE KNOXVILLE PARKING DEVELOPMENT AGREEMENT

PREAMBLE

This University of Tennessee Knoxville Parking Development Agreement (this "Agreement") is made as of the ____ day of ____, 2026 (the "Effective Date") by 865 NEYLAND PARKING DEVELOPER, LLC, a Delaware limited liability company ("Developer"), and The University of Tennessee, an instrumentality of the State of Tennessee (the "University") (each a "Party", together the "Parties").

RECITALS

A. The University issued a request for proposals with respect to the financing, development, design and construction of a project consisting of multiple components (the "Total Project"), (i) a parking project ("Parking Project"), (ii) retail, food service and public space facilities on and above the top floor of the Parking Project ("Entertainment District"), and (iii) a multi-story facility containing a parking garage, hotel space, residential/hotel condominium units and residential condominium units (the "Condotel"), each with associated infrastructure and amenities.

B. Pursuant to a competitive process, the University selected 865 Neyland, LLC, a Tennessee limited liability company ("Neyland"), which is an affiliate of Developer, for the Total Project and entered into a Pre-Development Agreement dated May 14, 2025 ("Pre-Development Agreement,") under which Neyland preformed certain services in preparation for the Total Project.

C. The Parking Project will be located on certain real property (the "Project Site") owned by the University located on the Knoxville campus of the University ("UTK Campus") as more particularly described in **Exhibit 1** attached hereto, incorporated in and by reference made a part hereof;

D. The Parking Project will involve the demolition of the portion of the current garage on the Project Site and the reconstruction of that garage to include approximately 1,300 parking spaces and a top floor structure on which the Entertainment District will be built. The site for the Entertainment District at the top of the Parking Project and associated air rights are subject to a Ground Lease dated of even date herewith (the "Ground Lease") between University and 865 Entertainment Developer, LLC, an affiliate of Developer (the "District Lessee").

E. The Parking Project is to be financed with the proceeds of Tennessee State School Bond Authority ("TSSBA") issued financing ("Construction Financing").

F. Subject to the terms of this Agreement, Developer shall cause the Parking Project to be substantially completed by the applicable Substantial Completion Date (defined herein) and to be constructed for total cost not to exceed the Total Development Budget Amount (as defined herein), as the same may be modified pursuant to the terms of this Agreement.

G. The Parties wish to enter into this Agreement to evidence their respective rights and obligations concerning the Parking Project.

H. Capitalized terms used, and not otherwise defined herein, shall have the meanings assigned thereto in Schedule A.

NOW, THEREFORE, in consideration of the mutual covenants and agreements in this Agreement, the Parties agree as follows:

I. Introduction.

The Preamble, Recitals, Schedule A and **Exhibits 1** through **19** are parts of this Agreement and are incorporated herein by reference.

II. The Parking Project.

A. The "Parking Project" is generally described and defined in **Exhibit 2**, and includes the demolition of existing facilities and the design, development, equipping, renovation, and construction of a new parking structure and related infrastructure together, which shall be designed and developed to have a useful life of not less than 99 years as based upon and subject to the design criteria and the maintenance recommendations set forth in the letter dated November 18, 2025, from David W. McLaren of KCI Technologies, Inc. to Hord Coplan Macht, a copy of which is attached as **Exhibit 3** (the "Engineer's Design/Maintenance Report").

B. The current iteration of the Construction Documents approved by the University are attached as **Exhibit 6**. Certain components of the Parking Project will be built to a higher standard to accommodate the Entertainment District for the benefit of the Developer and are described and depicted on **Exhibit 7** (the "Developer Portion"). The Development Budget as approved by the University is attached as **Exhibit 8** and does not include costs for the Developer Portion, which costs shall be borne directly and wholly by the Developer. The Project Schedule as approved by the University is attached as **Exhibit 9**. It is hereby acknowledged by the Parties hereto that any reference to an approval by the University of any of the Construction Documents hereunder shall constitute only an approval by the University of the conformance of such Construction Documents to the University's programmatic requirements and shall in no event be construed as an approval of the technical adequacy of such Construction Documents, it being acknowledged that Developer (or its Consultants) shall be responsible for technical adequacy of the Construction Documents. The current iteration of Construction Documents are the basis of the Guaranteed Maximum Price and set forth Developer's obligations for construction Services to be performed hereunder. In the event that the University requires changes to the Construction Documents for reasons other than errors or omission of Developer, or any Contractor, Consultant or Supplier or other person or entity within the control of Developer, that cause either an increase in the cost (including to Developer Portion) or time of the performance of the Services, or extend the Substantial Completion Date, then such changes shall be effected pursuant to Article VI by Project Change

Order and there shall be an equitable increase in the Development Budget, an adjustment of the Project Schedule as the case may be and if such change impacts the Developer Portion, reimbursement from the University for the actual increased cost of the Developer Portion on account of the University's change. Upon termination of this Agreement, Developer agrees to assign or otherwise transfer the Construction Documents and Construction Drawings to the University upon University's request.

C. The University may inspect or monitor the Parking Project and the Services at all reasonable times, provided however, that the University must conduct such inspections or monitoring in a manner that does not delay, hinder or interfere with Developer's performance of the Services in any material manner. When conducting inspections or monitoring at the Project Site, the University shall (i) sign in with Developer at its offices, (ii) follow the General Contractor's safety regulations and instructions, (iii) not (and its representatives shall not) give any instructions or directions directly to the General Contractor, provided that the University may raise issues concerning safety and environmental issues with the Developer which shall address such concerns with the General Contractor to the University's reasonable satisfaction, (iv) coordinate such visits with Developer, (v) ensure that such visits shall take place during the hours of construction operation as determined by Developer, and (vi) permit Developer to accompany University and all other personnel during each visit.

Developer shall submit requests for any sidewalk or parking lot closures not less than five business days prior to the effective time of the closure, and such closures must be approved by the University. Requests must be submitted to the Vice Chancellor for Real Estate and Operations for UTK or written designee. If there is an urgent need, the University will work reasonably to accommodate. Throughout the Term hereof, the Developer shall use commercially reasonable efforts to minimize material adverse impact that the construction and Services may have on the flow of foot and vehicular traffic through, around, and in the UTK Campus, with a particular emphasis on limiting any such impact on any and all "special event days" for the University, including, without limitation, football, basketball and graduation events.

D. The Developer has directed, or to the extent not yet engaged, will direct, to its engineers, designers and contractors (including, without limitation, all of the Developer's Consultants, as applicable) to design and construct the Parking Project with an anticipated useful life of not less than 99 years as reflected in and conditioned upon the University and Entertainment District Ground Lessee adhering to the maintenance recommendation in the Engineer's Design/Maintenance Report.

III. Developer's Services.

A. Developer shall provide the Services generally described in **Exhibit 10**. **Exhibit 10** provides general descriptions of all planning services and deliverables for the Parking Project Site, development, design, demolition, abatement and all associated construction Services required to be performed to complete the Parking Project, including, but not limited to, the following:

1. Preparation for approval by University of the Construction Documents; and

2. Construction of the improvements in accordance with the approved Construction Documents.

Subject to the terms of this Agreement, these Services shall include all demolition, design, development, construction work and services necessary to complete the Parking Project pursuant to the approved Construction Documents.

B. Developer shall contract with qualified Consultants to perform any one or more of the Services set forth on **Exhibit 10A**; provided, however, that the Developer shall not contract with a party with whom the University reasonably objects in writing thereto. Prior to engaging a Consultant to perform any Services, Developer shall, from time to time, furnish to the University a list of Consultants to be utilized in connection with the Parking Project. The University shall have five (5) business days to raise an objection to a Consultant. Developer shall replace any Consultant to which University timely raises a reasonable objection.

C. Developer shall perform or cause to be performed the Services in accordance with the standard of care and expertise normally employed by companies performing the same or similar types of services in connection with the development of comparable projects in the southeastern United States and particularly on the UTK Campus (the "Standard of Care"), and all duties under this Agreement shall be measured and interpreted in accordance with such Standard of Care, as well as by compliance with all applicable building codes and governing ordinances, regulations and laws.

D. Developer warrants to the University that the contract with the General Contractor will include warranties that materials and equipment furnished under this Agreement will be of good quality and new unless otherwise permitted by the Construction Documents and approved by the University, that the Services and Construction Work will be completed free of liens and encumbrances, and that the Construction Work will be free from defects, and that the Construction Work will conform to the requirements of this Agreement and the Construction Documents. Developer will provide the University a list of warranties included in the contract with the General Contractor at Substantial Completion. Developer's warranty excludes remedy for (i) damage or defect not caused by Developer or its Consultants or its subcontractors of any tier, (ii) modifications not executed by Developer or its Consultants or its subcontractor of any tier, or (iv) by normal wear and tear and normal usage. Developer or the General Contractor shall furnish satisfactory evidence as to the kind and quality of the materials and equipment specified and furnished, as reasonably required by the University. Developer agrees to either enforce or assign to the University, as appropriate, any warranties, benefits, or rights that accrue to Developer under the Developer's agreements with the Architect and its General Contractor that relate to such agreements.

E. With the exception of any offsite improvements identified in the Construction Documents, the Developer shall confine its operations to the Project Site and shall not store any materials or equipment or conduct any construction work, preparation or staging on property of the University, except as approved in advance in writing by University (in its reasonable discretion) and subject to such conditions as may be reasonably specified and approved by University (in its reasonable discretion). Developer shall use commercially reasonable efforts, subject to the Standard of Care, to (i) protect all work and shall at all times keep and (ii) cause the General Contractor and all Consultants to keep the Project Site reasonably clean and free from waste materials and rubbish.

F. When on the University's campus for the purpose of performing the Services, the Developer shall comply with the applicable sections of the University of Tennessee Code of Conduct, particularly those provisions regarding the General Principles for Ethical and Responsible Conduct (the "University Standards"). A copy of the University Standards is attached hereto as **Exhibit 11**. Developer shall include a similar provision in the contracts of the General Contractor and Consultants.

IV. The Term; Time of Essence, Liquidated Damages.

A. The term of this Agreement begins on the Effective Date and ends on the Termination Date or otherwise as provided in this Agreement (the "Term"); *provided, however*, the parties expressly agree and acknowledge that the covenants and representations of Developer set forth in Section III(E) hereof shall survive for a period of one (1) year from Substantial Completion.

B. Time is of the essence in the performance of this Agreement and Developer and University shall perform their respective obligations hereunder pursuant to the terms hereof. Developer shall use commercially reasonable efforts, subject to the Standard of Care to perform the Services in accordance with the Project Schedule. Developer may from time to time modify interim construction schedules, including sequences of activities or activity durations shown on the Project Schedule, in order to address or react to events or circumstances occurring on the Project Site. Subject to Section XVII.A, the Substantial Completion Date of the Parking Project may be modified only by written Project Change Directive or Project Change Order executed in accordance with this Agreement or as otherwise set forth herein. Modifications to the construction schedules that would cause a material delay to the Substantial Completion Date require the prior written approval of the University (in its reasonable discretion).

C. Provided that the parties have obtained all State approvals and signatures, Developer and University shall effect a concurrent financial close for the Total Project.

D. Provided that the parties have obtained all State approvals and signatures, the Construction Financing is in place and other requirements to commence construction are fully complete in order to enable construction (the "Commencement Conditions") on or before July 8, 2026, the date to achieve Substantial Completion of the Project

shall be on or before October 8, 2027 (the "Parking Substantial Completion Date" or the "Substantial Completion Date"). Developer acknowledges that the failure to achieve Substantial Completion of the Parking Project on or before the Substantial Completion Date, as the same may be adjusted for Force Majeure, the University's failure to respond to Change Order Requests on a timely basis under Section VI.A., and other causes pursuant to the terms of this Agreement (collectively, "Approval Delays"), will result in substantial damages, losses and harm to the University the amount of which would be difficult to calculate and ascertain. In the event of the failure to achieve Substantial Completion of the Parking Project by the Substantial Completion Date caused by Developer, the University and Developer have stipulated a measure of liquidated damages therefor, which the Parties agree is a reasonable estimate of the University's probable loss caused by such failure, as set forth hereinbelow. Notwithstanding anything herein to the contrary, the Substantial Completion Date shall be extended by one (1) day for each day from July 8, 2026 until the date on which the Commencement Conditions are satisfied.

E. Liquidated Damages: Temporary Parking Costs.

1. If Substantial Completion of the Parking Project does not occur by the Substantial Completion Date, subject Approval Delays, Developer, shall cause the General Contractor to pay the University liquidated damages equal to five thousand dollars ($5,000.00) per day.

2. Intentionally Omitted.

3. Payment of any liquidated damages shall be University's sole remedy on account of Developer's failure to achieve Substantial Completion of the Parking Project by the Substantial Completion Date. In no event shall the terms and conditions of this Section IV(E) be construed as a waiver by the University, or limitation, of any other claim or right of action against Developer under this Agreement, at law or in equity or under the Ground Lease.

F. Intentionally Omitted.

G. Developer, Consultants and their respective contractors, subcontractors, subconsultants, agents, employees and others supplying labor, equipment or material by or through them to the Parking Project shall:

1. Not make any expenditure or incur any obligation on behalf of the University unless otherwise permitted by this Agreement without the University's prior written consent; or

2. Use commercially reasonable efforts to reduce the risk of potential impact on the heath, safety, security, or welfare of persons and

property on the campus or the University's students, faculty, staff and guests or other occupants of the Parking Project.

3. Cure or cease any action that UT notifies the Developer in writing jeopardizes the tax-exempt status of the Construction Financing as provided in Section XA.

Notwithstanding Section VI.G above, Developer may act, if Developer in its reasonable, good faith judgment considers that such action is necessary, to address the following: (1) preserve the structural integrity of the Parking Project; (2) protect the safety and welfare of people or property; or (3) comply with the requirements of a governmental authority (each individually and collectively an "Exigency"). If Developer takes such action in the event of an Exigency, Developer will promptly, after the Exigency has ended, notify the University in writing of the action taken and, if appropriate, a Project Change Order shall be issued in connection with such Exigency action.

V. Development Team.

A. Developer shall supply qualified staff and engage qualified and appropriately licensed Consultants to perform Services in a prompt and timely manner. University may require removal of any individual whose conduct is reasonably deemed inappropriate or inconsistent with University policies (including, without limitation, the University Standards).

B. Throughout the performance of the Services, Developer shall maintain and assign (or cause the General Contractor and/or Consultants to maintain and assign) to the Parking Project sufficient qualified and competent staff to perform Developer's responsibilities and obligations under this Agreement pursuant to the Standard of Care. Developer has assigned to the Parking Project the following persons (collectively referred to herein as "Key Personnel"), who shall be available to the University for consultation at reasonable times:

NAME
Dixon Greenwood
Taylor Gray
Joseph Stein
Andin Faison

Developer shall notify the University's Associate Vice President of Capital Projects of any changes to Key Personnel. Initially, "Developer's Representative" shall be Taylor Gray.

C. Developer's Representative shall be the liaison and coordinator between the University and Developer, shall be the principal person responsible to the University for the management of the Parking Project and shall have the full authority to bind

Developer hereunder, including the authority to negotiate and execute Project Change Orders and Project Change Directives.

D. The Key Personnel shall provide such time commitments as may be reasonably necessary so that the Services are properly performed in accordance with this Agreement and the Standard of Care. Developer agrees that it shall not replace any of the Key Personnel (that remains employed by Developer) without prior approval of the University, which approval shall not be unreasonably conditioned, withheld or delayed. In the event that Key Personnel become unavailable to perform due to circumstances beyond the control of Developer, candidates for substitute Key Personnel shall be reasonably agreed upon between the University and Developer.

E. Developer and Consultants shall have and keep all required or necessary licenses and permits. Developer and its Consultants shall maintain (and shall cause its Consultants to maintain) the necessary insurance coverages required hereunder.

VI. Development Budget.

The Parties have negotiated the Development Budget. It is the total budget for all costs related to the Parking Project's design, development, demolition, equipping and construction, except for the Developer Portion. Developer may approve and authorize Project Change Orders that do not materially affect the design of the Parking Project or change the Substantial Completion Date, or University's cost under the Development Budget without the consent of the University. Developer shall not approve or authorize any Project Change Order which increases the University's cost or which extends the Substantial Completion Date without the consent of the University. Developer shall submit to the University's Associate Vice President of Capital Projects in care of Austin Oakes at 400 W. Summit Hill Drive, UT Tower 946, Knoxville, TN 37902, aoakes1@tennessee.edu, 865 974-2553 (or to such other person designated from time to time by the University) as representative of the University any Project Change Order Requests (including the information required in Article XX.B3) required for the completion of the Parking Project which require University approval pursuant to this Section. The University will endeavor to act on Project Change Orders within 10 business days, and act on Project Change Orders designated by Developer as "priority" as fast as possible. Developer shall instruct the General Contractor to maintain a log of all Project Change Orders which shall be available to the University upon request. Any costs or expenses incurred by Developer or amounts expended by Developer in excess of the Guaranteed Maximum Price as modified by Project Change Orders or Project Change Directives less any unused portion of the Subsurface Contingency in performing the Services shall be to the Developer's account and shall be Developer's sole and exclusive liability and responsibility, except those Project Change Orders or Project Change Directives expressly requested or approved by the University. Except for savings in the Subsurface Contingency and UTK Contingency Fund, any savings in any component line item of the Development Budget shall automatically be reallocated to increase the Project Contingency and may be used for any of the purposes set forth in Section VI.B below. For the avoidance of doubt, savings under the Total Construction Budget Amount shall be allocated to increase the Project Contingency.

A. Developer has included a "Project Contingency" in the Development Budget which shall not be used inconsistent with the provisions in Section X below.

1. The initial amount of the "Project Contingency" shall be $2,702,766 which amount may be used for costs incurred in performing the Services that are not included in a specific line item of the Development Budget or form the basis for a Project Change Order under the Construction Documents. By way of example, and not as a limitation, such costs include costs incurred or to be incurred for acceleration, correcting design errors, and design omissions, costs incurred in correcting defective, damaged, or nonconforming work, unless such defective, damaged or nonconforming work is attributable to the negligent acts or omissions of the Developer.

2. In the event Developer utilizes Project Contingency as approved by the University, to correct defective, damaged or nonconforming work, Developer shall, after consultation with the University, where commercially reasonable to do so, attempt to recoup such costs from the General Contractor, or other responsible party and shall replenish such Project Contingency with any amounts recovered by Developer less Developer's documented and commercially reasonable third party expenses incurred in connection with the recovery of same.

3. Except as otherwise expressly set forth herein, the Project Contingency is not available to the University for any reason (including changes in the scope or any other item which might cause the Development Budget to be exceeded) until a final accounting of all construction costs and final payment have been delivered to Developer; provided, however, that if, at any time before such final accounting and final payment it can reasonably be ascertained by University and Developer that any portion of the Project Contingency would be payable to the University upon such final accounting, the University may request and, if the Developer consents (which consent shall not be unreasonably withheld), Developer shall promptly release such portion to the University.

4. In addition, Developer has included in the Development Budget, a UTK Contingency Fund in the amount of $1,000,000 (the "UTK Contingency Fund"). The UTK Contingency Fund shall be for the University's exclusive use and shall not be included for purposes of calculating any Project Savings.

5. In addition, Developer has included in the Development Budget, a $1,000,000 contingency for addressing subsurface conditions ("Subsurface Contingency"). The Subsurface Contingency is

limited for use to address subsurface conditions that are discovered after initiation of construction and after disclosure to the University. The Subsurface Contingency shall be excluded for purposes of calculating any Project Savings and unused amounts shall inure exclusively to the University.

B. Upon Final Completion of the Parking Project, the Developer shall submit to the University a final accounting of the Actual Development Costs for the Parking Project. To the extent the Actual Development Costs plus the Development Fee are less than the Total Development Budget, the difference shall be considered Project Savings and shall be shared between the University and the Developer in accordance with Section XV.E.

VII. The Project Development and Retainage Accounts.

A. Within ten (10) days after the execution of this Agreement, Developer shall open and thereafter keep open one operating account (the "Project Development Account") and one retainage account held in accordance with the requirements of Tenn. Code Ann. § 66-34-104 (the "Project Retainage Account"). The Project Development Account and the Project Retainage Account shall be held by a party that is acceptable to the University and the General Contractor and may be the University if approved by the General Contractor (the "Escrow Agent"). The Project Development Account shall be in the name of the Developer for the benefit of the University, and the University shall be an authorized signatory thereon. The Project Retainage Account shall be held by the Escrow Agent for the benefit of the General Contractor with interest accruing to the benefit of the General Contractor pursuant to an Escrow Agreement among Developer, General Contractor and the Escrow Agent. The University shall have a secured possessory interest in the Project Development Account, permitting University to take control of the Project Development Account in the event of a termination of, or Event of Default under, this Agreement. The Parties shall sign and give to the bank where the Project Development Account is held, at the time of establishing the Project Development Account, a deposit account control agreement providing for an assignment of the Project Development Account to University in the event of a termination of, or Event of Default under, this Agreement.

B. The Draws and Development Fee installments requisitioned from the University shall be deposited into the Project Development Account within 45 days after receipt of Draw Requests satisfying the requirements of Article VIII. Retainage amounts reflected in Draw Requests will be deposited in the Project Retainage Account in accordance with Tenn. Code Ann. § 66-34-104 within 45 days after receipt of Draw Requests.

C. Provided University properly deposits amounts due under this Agreement, Developer shall make all Parking Project payments to itself, General Contractor, Consultants and Suppliers from the Project Development Account and/or the Project Retainage Account as applicable in accordance with the Draw Requests and the Development Budget.

D. Developer shall make, keep, and furnish to the University upon request accurate records of all deposits and withdrawals from the Project Development Account and the Project Retainage Account. Each withdrawal record made by Developer shall indicate the associated Draw Request, the payee, the amount, the date, and the type of Development Cost involved.

E. Developer shall send to the University complete and accurate copies of each month's Project Development Account and Project Retainage Account statements showing all deposits, payments and withdrawals from the respective accounts.

F. All funds in the Project Development Account and Project Retainage Account shall be separate from all other funds of Developer and University. Developer and University may not commingle any of their respective funds with funds in the Project Development Account or Project Retainage Account.

VIII. Draw Requests and Draws.

A. Developer shall make all requests ("Draw Requests") for payments ("Draws") of Development Costs in writing to the University. The first Draw Request shall include amounts advanced by the Developer to pay Development Costs. The Draws shall be made under the following:

1. Only one Draw shall be made in any 30-day period.

2. Each Draw shall be paid by the University not later than forty five (45) days after the University receives the Draw Request, so long as such Draw Request is in compliance with the requirements hereof, provided that the University will endeavor to make payment within twenty one (21) days but shall not be obligated to do so.

3. Prior to submitting its initial Draw Request, Developer shall provide a schedule of values for the Parking Project which includes the Project Contingency and the UTK Contingency Fund and submit it to the University for approval, such approval not to be unreasonably withheld, delayed or conditioned (upon approval, the "Schedule of Values"). The Schedule of Values shall itemize all Development Costs in sufficient detail to permit the University to properly analyze Developer's Draw Requests. Once approved, the Schedule of Values will be submitted with each Draw Request. Developer shall update the approved Schedule of Values. The Developer shall cause the General Contractor to clearly identify its usage of any construction contingency amounts or amounts incurred with respect to any allowance item set forth in the Construction Contract for tracking and monitoring by the University.

4. Draws may be used only to pay for Development Costs associated with this Parking Project.

5. Draw Requests shall reflect retainage as follows:

(a) With respect to each Construction Budget line item (identified in the AIA Documents G702 and G703) in the Draw Request, the amount payable with respect to such line item shall be reduced by a retainage amount equal to five percent (5%) of the total completed Services for such line item until the Services are Substantially Complete.

(b) Upon achieving Substantial Completion of the Services, University will release the previously retained amounts less an amount equal to the value of the costs reasonably estimated by the University, Developer and Architect necessary to correct or complete any outstanding, incomplete or defective work (the "Punch-List Work"). After the completion of the Punch-List Work, University will release the remaining retained amounts.

(c) Notwithstanding the foregoing, retainage of five percent (5%) shall be withheld on fees owed to the General Contractor (pursuant to the applicable Construction Contract) until Final Completion of the entire Construction Work has been achieved.

(d) All remaining retained amounts shall be paid on Final Completion of the Parking Project provided that the Developer and its General Contractor are in compliance with their respective obligations relative to the Parking Project.

(e) Retainage shall be deposited in in the Project Retainage Account.

(f) Notwithstanding anything herein to the contrary, all withholding and release of retainage shall be consistent with the terms of the Construction Contract that is approved by the University.

B. Draw Requests shall include the following and any other information reasonably required by the University:

1. Summary Report: A listing, by Development Budget line item, of Development Costs incurred, in the form and specificity reasonably required by the University.

2. Detail Report: A listing by vendor (that is, Developer, Consultant, Contractor, subcontractor or Supplier) for each of the Development Budget line items listed in the Summary Report, in the form and specificity reasonably required by the University.

(a) Supporting Documentation:

1. An Application and Certificate of Payment (AIA Document G702) of the General Contractor, which has been certified and notified by the Architect, or other document reasonably acceptable to the University. That document shall include the Schedule of Values and certifications by the General Contractor and Architect that, to the best of their respective knowledge, construction through the date of the Draw Request is in substantial accordance with the Construction Documents.

2. Interim lien waivers and lien waivers from all subcontractors and Suppliers in contractual privity with the General Contractor, as well as applications for payment from the General Contractor's subcontractors and material Suppliers. The Developer shall also provide interim lien waivers for any work contracted for directly by Developer. The lien waivers shall be in the forms attached hereto as **Exhibit 12** or as may be acceptable to the title company.

3. Other Supporting Documentation – All other documents and information reasonably required by the University to support the Development Costs to be paid by the Draw.

4. Reasonably detailed backup for all soft costs.

(b) Statement of Cash Receipts and Disbursements – A listing of all sources and uses of cash from the date of the most recent Draw Request to the date of the current Draw Request.

(c) An itemization of charges against the Project Contingency.

1. A copy of the most recently updated Project Schedule shall be furnished to the University and its representatives on a monthly basis at the University/Developer/Architect/Contractor ("OAC") meeting.

C. In the event the University disputes Draw Requests and portions of Draw Requests, the funding of such Draw Request shall be subject to the following:

1. The University may withhold, in full or part, payment of amounts requested in a Draw Request for the grounds specified in this Agreement, including, but not limited to Section VIIIC.3 below. If the University intends to withhold payment of amounts in dispute or intends to either partially approve or reject in its entirety a Draw Request, the University will notify Developer in writing of the reasons for such withholding, partial approval or rejection within twenty one (21) days receipt of the applicable Draw Request. The Parties acknowledge and agree that notice concerning Draws and Draw Requests may be made by email correspondence (addressed

and delivered to the parties identified in this Agreement) in an email that clearly identifies University's purpose, labeled as "RESPONSE TO DRAW REQUEST" and is separate from any other request, update, or other interim, status type communications.

2. In the event the University withholds disputed amounts or either partially approves or rejects in its entirety a Draw Request, Developer may immediately provide any additional information or documentation to satisfy or eliminate the reasons supporting the withholding, partial approval or rejection of the Draw Request. Under no circumstances shall the University withhold payment of undisputed amounts due and owing the Developer, except as set forth in subparagraph 3 below.

3. In addition to any other grounds set forth in this Agreement, the University may withhold the whole or a part of any payment of a Draw requested by Developer to such extent reasonably necessary to protect the University from loss on account of any of the following circumstances, irrespective of when such circumstances are discovered: defective Services not remedied provided that the University has given Developer notice and the applicable opportunity to cure: failure of Developer to make proper payments to its Consultants; material damage to the University, a separate contractor or a third party caused by Developer or those for when Developer is reasonably responsible; liquidated damages due and owing under this Agreement and any material breach or Event of Default under this Agreement.

IX. Developer Records.

A. Developer shall provide to the University all subcontracts that it receives from the General Contractor within two (2) weeks after receipt from the General Contractor and shall provide in the Construction Contract with the General Contractor that the General Contractor shall provide copies of its subcontracts to Developer within two (2) weeks after execution.

B. Developer shall make and keep records and accounts on an accrual basis. They shall be sufficient for financial statements in accordance with generally accepted accounting principles, consistently applied, to be prepared from them.

C. All books and records made or kept by Developer pertaining to the Parking Project shall be accessible or present at Developer's office in Stamford, Connecticut and, with respect to any of the Construction Documents on the Project Site:

1. Unless protected by the attorney client privilege, such documents shall be available for and subject to audit, inspection and copying

by the University during normal business hours, after reasonable written notice; and

2. Within 5 business days, unless emergent circumstances reasonably require otherwise, after the University's request for books and records, Developer shall make available originals or copies of those books and records to the University at the Developer's office in Stamford, Connecticut or electronically at University's request. Copies of such documents shall be made at the expense of the University.

3. The University may, at its option and expense, and during normal business hours but no more than two (2) times in any twelve month period, and within 5 business days of reasonable written notice, unless emergent circumstances reasonably require otherwise, conduct internal audits of the books, bank accounts, records and accounts of the Developer directly relating to the Parking Project or the Services. Audits may be made on either a continuous or a periodic basis or both, and may be conducted by employees of the University, by independent auditors retained by the University, but any and all such audits shall be conducted without materially, unreasonably or unnecessarily interrupting or interfering with the normal conduct of business affairs of the Developer. The University shall keep all work papers, including all books and records of the Developer and its agents, employees, consultants, contractors and vendors confidential and further keep the results of any such audits confidential except as required by rules and regulations of the University and by applicable law.

4. Notwithstanding the foregoing, in the event the Developer and or its Consultants are utilizing a project management software to manage documents and communication (i.e. Procore, Newforma, etc.), the Developer shall provide view only access to the project management portal upon the request of the University to enable to review approved Project Change Orders, current schedules, submitted Draw Requests and the like. Nothing set forth herein, however, shall be construed to permit or require the disclosure of any proprietary or privileged information.

X. Protecting Tax-Exempt Status of Parking Tax-Exempt Bonds.

A. The University is financing the Development Budget using proceeds of the Construction Financing, which may include tax-exempt bonds. University shall advise Developer, in writing, on how Developer shall not act or allow others within its control to act in any way that would cause the tax-exempt status of the tax-exempt bonds to be revoked. Provided University so advises Developer, Developer shall use

commercially reasonable efforts not act or allow others within its control to act in any way that would cause the tax-exempt status of the tax-exempt bonds to be revoked.

B. All Services Agreements executed by Developer shall comply with Section 141 of the Internal Revenue Code of 1986, as amended, the Income Tax Regulations promulgated by the Department of Treasury thereunder, and Revenue Procedure 2017-13.

XI. Project Site Safety.

A. Developer, through its General Contractor, will have full and exclusive responsibility for Project Site safety during the course of performance of this Agreement.

B. Developer shall cause the General Contractor and all parties performing any part of the Services or the Construction Work to comply with the University's rules and regulations regarding traffic, parking and on-campus activities related to construction. Such rules and regulations are included as a part of the University Standards attached hereto as **Exhibit 11**.

XII. Developer Insurance.

A. Unless otherwise required elsewhere in the Agreement, including any applicable Exhibits throughout the Term, Developer shall acquire and maintain in force "Developer Insurance" as provided in **Exhibit 13** and the Developer shall cause the Consultants shall maintain insurance as provided in **Exhibit 14**.

B. Pursuant to **Exhibit 13**, the University and Developer waive all rights of subrogation against each other for damages caused by fire or any other peril to the extent covered by any property insurance obtained, or required to be obtained, pursuant to this Agreement.

XIII. Environmental Matters.

A. The University represents that, as of the date hereof, it has no actual knowledge of the presence of any Hazardous Materials on, under or adjacent to the Project Site in forms or concentrations that violate applicable Environmental Laws. The Developer has obtained the environmental reports and studies listed on **Exhibit 17**. If the Developer determines Hazardous Materials on the Project Site require remediation, the University will contribute 50% of the cost of remediation required by law in excess of such costs paid under applicable Developer-procured insurance policies up to a cap of $500,000 for the University's total contribution for remediation of the Project Site, the Entertainment District site and the Condotel lease site in aggregate.

B. Except for its employees, Consultants, and Contractors fully qualified and licensed to do so, Developer may not:

1. Direct, suffer or permit any of its Parking Project employees, Consultants or Contractors to handle, use, manufacture, store, or

dispose of any Hazardous Materials in any manner not fully in compliance with Environmental Laws; or

2. Suffer or permit (a) any Hazardous Materials to be used, handled, manufactured, stored, remediated, abated or disposed of by its employees, Consultants, Contractors or by any third party in any manner not fully in compliance with all Environmental Laws, however the foregoing provision shall not prohibit the use, manufacturing, storage, remediation, abatement or disposal within, the Project Site and in the Parking Project of substances customarily used in the business or activity expressly permitted to be undertaken in the Project Site and the Parking Project hereunder so long as (i) such substances shall be used and maintained only in such quantities as are reasonably necessary for the Services provided hereunder and the ordinary course of the provision of the Services strictly in accordance with all applicable laws, highest prevailing standards, and the manufacturers' instructions therefor, (ii) such substances shall not be disposed of, released or discharged in, on, at, upon or about the Project Site and the Parking Project, and shall be transported to and from the Project Site and the Parking Project in compliance with all applicable Laws, and (iii) any such substances shall be completely, properly and lawfully removed from the Project Site and the Parking Project; or (b) the Project Site or adjacent areas to become contaminated with any Hazardous Materials as a result of the Services provided by Developer, its employees, Consultants or General Contractor.

C. For purposes of this Agreement, the term "Hazardous Materials" shall mean flammables, explosives, radioactive materials, lead based paint, asbestos, hazardous wastes or materials, toxic wastes or materials or other similar substances, petroleum products or derivatives, or any substance whose use in the construction of buildings is prohibited by Environmental Laws at the time of construction.

D. For purposes of this Agreement, the term "Environmental Laws" shall mean all federal, state, and local laws and ordinances relating to the protection of the environment or the keeping, use, abatement, remediation, disposal or disposition of Hazardous Materials, substances or wastes, presently in effect or adopted after the Effective Date. This includes all amendments to Environmental Laws and all rules and regulations under any Environmental Laws.

E. Subject to the terms of this Agreement, Developer may, in compliance with all Environmental Laws, handle, store, use or dispose of Hazardous Materials to the extent necessary for the performance of the Services. To perform the Services, Developer shall contract with Consultants and Contractors or employ personnel specifically licensed and trained to handle, store, use and dispose of Hazardous Materials in a safe and lawful manner that complies with all Environmental Laws. Developer shall take such precautions as are reasonably necessary to (1) prevent

Hazardous Materials that were brought onto the Project Site by Developer, or its employees, Consultants or Contractors, from contaminating the land or the environment of the Project Site or adjacent property and (2) prevent a violation by Developer, or employees, Consultants or Contractors, of any Environmental Laws and other applicable laws, regulations or ordinances of any federal, state or local governmental authority having jurisdiction over the Parking Project.

F. Developer shall promptly provide the University with complete and accurate copies of all disposal tickets for materials (hazardous or not) from the Project Site that are disposed of off the Project Site. Hazardous Materials removed from the Project Site and disposed in a remote location shall be disposed in landfills or disposal sites trained and licensed to receive and dispose the particular Hazardous Material disposed.

G. In the event that the Developer (or its Contractor or Consultants) encounters on the Project Site a material reasonably believed to be a Pre-Existing Condition which has not been rendered harmless, the Developer shall immediately stop Services in the area affected and report the condition to the University in writing ("Pre-Existing Condition Notice"). The Developer shall, however, only stop Services in the affected area and shall re-deploy the Services in the areas of the Parking Project that are not affected by such Pre-Existing Condition. The suspected hazardous or toxic materials shall be examined by a qualified specialist. Should the examination confirm the presence of a Pre-Existing Condition, any clean-up or abatement shall be performed by a separate contractor retained by the Developer's insurance, and if necessary, the Developer and University as specified in XIII(A) above. The Services in the affected area shall recommence when the qualified specialist has certified that any required remediation or removal has been completed or that the material identified by the Developer does not require any remediation or special procedure for removal. To the extent that remediation is in a critical path of work, Developer shall receive a day for day extension of the Substantial Completion Date for each day from the Pre-Existing Condition Notice until the qualified specialist has certified that any required remediation or removal has been completed or that the material identified by the Developer does not require any remediation or special procedure for removal.

XIV. Indemnities; Liability.

A. Developer will indemnify, defend and hold harmless the University and its representatives, officers, directors, shareholders, agents and employees (respectively, the "University Indemnified Parties") from and against any and all claims, demands, actual losses, liabilities, actions, lawsuits and other proceedings, judgments, awards, costs and expenses (including reasonable attorneys' fees and disbursements) related to the Parking Project that arise out of or relate to personal injury, death or property damage occasioned by or arising out of the performance of the Services, but only to the extent caused by Developer or its Contractors. Developer shall include an indemnity clause in its contract with the General Contractor to the terms of the General Contractor indemnifying, defending and holding harmless the University Indemnified Parties.

B. The University's liability shall be expressly limited to claims paid by the Board of Claims or Claims Commission pursuant to Tenn. Code Ann. § 9-8-301, et seq. The provisions of this Article shall survive the termination and expiration of this Agreement and Final Completion of the Parking Project and all Services and other activities contemplated by this Agreement, as permitted by law.

XV. Compensation.

A. Under this Agreement, Developer shall perform the Services in their entirety in exchange for payment in the amount of the Actual Development Costs in an amount not to exceed the Total Development Budget Amount less any unused portions of the Subsurface Contingency or the UTK Contingency Fund, as modified from time to time by Project Change Orders or Project Change Directives in accordance with Article XX of this Agreement

B.

1. Developer acknowledges that University has informed Developer that the Project Site is in a geographic area that is prone to subsurface caves, and rock formations. Developer has conducted due diligence, including subsurface testing, and Developer has allowed for any difficulties or problems with the physical conditions at the Project Site or other local conditions under which the Services will be performed, provided that such difficulties, problems and physical conditions are visually observable without measurements or have been revealed by the results of tests and inspections delivered to or conducted by or on behalf of Developer. Developer reasonably believes, in its business judgment, that the Guaranteed Maximum Price reflects such conditions and includes the Subsurface Contingency and the Project Contingency to address the same.

2. The Guaranteed Maximum Price equals $79,864,768.

C. The "Development Fee" is $2,934,977.00 and is comprised of the Development Services Fee ($733,719.00) and the Project Management Fee ($2,201,158.00). The Development Fee is a fixed lump sum and will be paid monthly in accordance with the percentage of completion shown on the Draw Requests.

D. Development Fee Payments may be delayed or withheld in whole or in part if:

1. Intentionally Omitted.

2. Default has occurred and is continuing, provided however, University has given Developer prior written notice of Developer's failure pursuant to this clause and Developer shall have been given a reasonable time within which to cure its failure to diligently and timely render Services under this Agreement after written notice from the University.

3. There is a delay in the Project Schedule caused by Developer (and provided there has been no concurrent delay by the University) which is reasonably likely to materially limit the ability to complete the Parking Project on the Substantial Completion Date, Development Fee installments may be withheld by the University until a revised project schedule (to reflect the recovery of delay) is prepared by Developer which meets the Substantial Completion Date (upon approval by the University, the "Revised Development Schedule") The Development Fee installment schedule will be recalculated based on the Revised Development Schedule.

E. The difference between Actual Development Costs plus the Development Fee, on the one hand, and the Total Development Budget Amount, on the other hand, shall constitute Project Savings, which shall be divided between the University and the Developer and the General Contractor with 90% of such Project Savings allocated to the University and 10% such Project Savings being allocated to the Developer and/or the General Contractor. Any savings or unused portion of the UTK Contingency Fund and Subsurface Contingency (as defined in Section VI.B.5.) shall inure to the sole benefit of the University.

XVI. Payment Bonds and Performance Bonds.

A. Developer shall require the General Contractor to provide a Performance Bond and a Payment Bond in the form attached as **Exhibit 15**. The penal sums of the Performance Bond and the Payment Bond shall each equal the Total Construction Budget Amount as set forth in **Exhibit 8** and as adjusted to add Project Change Orders and Project Change Directives that are not covered by the Project Contingency or the UTK Contingency Fund. Each such bond shall name the General Contractor as principal and the Performance Bond shall include a multiple rider naming the Developer, the University, as obligees. All such bonds shall be written by a surety

that is licensed to do business in the State of Tennessee and is satisfactory to both the Developer and the University.

XVII. Force Majeure; Termination; Default.

A. "Force Majeure Event" means the following events, regardless of the location of the events, but only to the extent that the same (i) materially and adversely interfere with a party's obligations under this Agreement beyond the reasonable control of the party whose performance is interfered with and (ii) could not reasonably have been prevented or mitigated by such party's use of reasonable care and anticipation; acts of nature that prevent work to safely continue; fires and explosions; acts of war, armed conflict or other hostile action; civil war, rebellion, revolution, insurrection or usurpation of sovereign power; riots or other civil unrest; terrorism; hijacking; chemical or biological events; nuclear events; epidemics, pandemics, contagions and disease related events; bombing; strikes; lockouts or other labor disturbances; embargoes or blockades; shortage of critical materials or supplies; action or inaction of governmental authorities (including restrictions on wages or other material aspects of operation); restrictions on financial, transportation or information distribution systems; or the revocation or refusal to grant licenses or permits, where the revocation or refusal is not due to the fault of the party whose performance is to be excused for reasons of the event; or tariffs, embargoes, trade restrictions imposed by governmental authorities. A Force Majeure Event shall not include (a) a downturn in the economy or financial markets or the effects thereof or any event resulting therefrom or any other systemic economic condition or event (whether local, state, national or global) or (b) an event or circumstance that can be remedied or mitigated through the payment of money, to the extent such mitigation is deemed reasonable by Developer and University, and University approves such payment in a Project Change Directive or Project Change Order on a timely basis.

B. For the purpose of any of the provisions of this Agreement, neither University nor Developer, as the case may be, nor any successor in interest, shall be considered in breach of or default in any of its obligations, in the event of forced delay in the performance of such obligations due to a Force Majeure Event. In the event of the occurrence of any Force Majeure Event (i), the time or times for the performance of the covenants, provisions, and agreements of this Agreement shall be extended for the period of the Force Majeure Event (including any time reasonably required to recommence performance due to such Force Majeure Event); and (ii) the Party affected by such Force Majeure Event must give written notice to the other Party withing ten (10) Business Days after the occurrence of the same. The affected Party shall use reasonable efforts and take all reasonable steps to remedy with all reasonable dispatch the cause or causes preventing it from carrying out its agreements. Notwithstanding the above, (a) a Party may not rely on its own acts or omissions as grounds for delay in its performance and (b) the absence of immediately available funds shall not be grounds for delay. Further, to the extent a Force Majeure Event causes a delay in construction, Developer shall take commercially reasonable steps to address, anticipate and mitigate potential construction delays, including, but

not limited to, using commercially reasonable efforts to cause known long lead time items that are delayed to be procured from alternate sources in a time and manner so as not to delay the Substantial Completion Date, provided the cost of such alternate source is within budgeted parameters for the applicable item.

C. Adjustments to the Project Schedule that arise out of or occur as a consequence of Force Majeure events shall not entitle the Developer to an adjustment in the Total Construction Budget Amount, provided that adjustments to the Project Schedule which result in direct increases of cost to the General Contractor (including by way of example but not limitation to additional costs for rent of equipment for an extended period) shall be covered by an adjustment to the Total Construction Budget Amount which shall be paid first from available Project Contingency then under a Project Change Order.

D. If the Developer is delayed at any time in the commencement or progress of the Services by an act or neglect of the University or by changes ordered by the University in the Services, the Project Schedule and (if necessary) the Development Budget shall be adjusted by Project Change Order or as otherwise agreed by the Parties, subject to further proceedings and determinations made pursuant to the dispute resolution provisions hereof.

E. This Agreement will remain in effect until Developer fulfills all of the Services and its obligations under this Agreement, and the Parking Project is Finally Completed (including any Punch List Work), or as otherwise provided in this Agreement.

F. The University may terminate this Agreement upon the occurrence of an Event of Default. A default ("Default") by Developer (a Default, after expiration of the applicable grace or cure period set forth in Section G below, shall constitute an "Event of Default"), is any one or more of the following:

1. Developer files a voluntary proceeding under any bankruptcy or insolvency laws, or is the subject of an order of relief under any present or future law relating to bankruptcy, insolvency or other relief for debtors;

2. Developer seeks, consents to or acquiesces in the issuance of an order of relief, appointment of any trustee, receiver, custodian, conservator or liquidator of Developer, for all or any substantial part of its properties ("acquiesce" includes the failure to file a petition or motion to vacate or discharge any order of relief, judgment or decree providing for that appointment within the time specified by law);

3. A court of competent jurisdiction enters an order of relief, judgment or decree approving an involuntary bankruptcy proceeding filed against Developer;

4. Developer seeks any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future law relating to bankruptcy, insolvency or other relief for debtors, or Developer consents to or acquiesces (as defined above) in the entry of an order of relief, judgment or decree, or it is not vacated and not stayed for an aggregate of 60 days after its entry;

5. Any trustee, receiver, custodian, conservator or liquidator of Developer or of all or any substantial part of its properties is appointed without the consent or acquiescence of Developer and that appointment is not vacated and not stayed for an aggregate of 30 days;

6. Developer fails to remove, discharge or bond, within thirty (30) days of filing, a lien, encumbrance or security interest affecting the Project Site filed by a claimant asserting such claim through or under Developer or those in contractual privity with Developer, General Contractor or any Consultant or subcontractor, provided that University is not in default for failing to pay any undisputed amounts in the Draw Requests;

7. Developer, materially fails or refuses to provide any of the Services or to perform any other material obligation under this Agreement in the manner and within the time required by this Agreement;

8. Developer or a Consultant commits or permits a material breach of any of Developer's duties, liabilities or obligations under this Agreement without full and timely cure or remedy, as stipulated in Section XVII.G; and/or

9. The Developer fails to remain in compliance with all applicable laws, rules, and regulations in connection with the construction of the Parking Project and delivery of the Services.

G. The University shall provide Developer with written notice of any Default that describes the nature of the Default. Upon receipt of such notice, Developer will have thirty (30) days to cure the Default. If a Default cannot reasonably be cured within thirty (30) days, such Default shall not be an Event of Default if Developer begins the cure promptly upon receipt of the University's written notice of Default and then diligently and continuously pursues the cure thereof to completion to the reasonable satisfaction of the University.

H. Upon termination of this Agreement by University, University shall be entitled to complete the Parking Project in accordance with this Agreement and shall be entitled to immediate control of the Project Development Account, upon which Developer

shall no longer be a signatory nor have any interest. If University's actual costs to complete this Agreement, exceed the remaining unpaid portion of the Guaranteed Maximum Price, then Developer shall be liable to University for payment of the excess amount provided however, Developer shall have no liability for additional costs resulting from changes in the plans or scope of the work made by the University. If University's costs to complete this Agreement are less than the Guaranteed Maximum Price, then no additional payment shall be due to either University or Developer hereunder. Notwithstanding anything herein to the contrary, all of University's rights under this Agreement shall be in addition and cumulative to all rights University has under applicable law and under any applicable insurance policy, payment or performance bond. Developer shall assign to the University all of Developer's right, title and interest in the Construction Contracts and the Construction Documents so that in the event of termination of this Agreement by University, University may utilize and have the rights of Developer under the Construction Contracts and the Construction Drawings in completing the Parking Project.

I. If Developer has submitted a Draw Request in the manner prescribed in Article VIII hereof and such Draw, to the extent approved by the University, is not paid within sixty (60) days of the date such Draw Request was submitted by Developer to University, the Developer may notify the University in writing of its intent to terminate this Agreement. Upon receipt of such notice, the University shall have twenty (20) days to make payment of the amount(s) then due and payable. If payment is not made to the Developer within such twenty (20) day period, then the Developer may terminate this Agreement. In addition, the Developer shall have the right to pursue remedies to the extent provided in Section XIV.B and shall be entitled to recover the balance of the Development Fee. In the event Developer does not terminate this Agreement, Developer shall have the right to obtain a Project Change Order extending the Substantial Completion Date by the number of days of any work stoppage resulting from the University's failure to make payment within such twenty (20) day period.

XVIII. Project Completion.

A. For purposes of this Agreement, the process by which Substantial Completion shall be determined shall be as follows:

1. When Developer considers that the construction Services for the Parking Project are Substantially Complete, the Developer shall so notify the Architect and University.

2. Upon receipt of such notification by Developer, the University, together with the Architect and the Developer, shall make an inspection to determine whether the construction Services for the Parking Project are Substantially Complete and can be utilized for their respective intended purposes. During such inspection, the parties shall prepare a list (the "Punch-List"), which enumerates

the Punch List Work and the estimated costs of the same before the Parking Project can be considered Finally Complete. Developer shall, before the Parking Project is considered Finally Complete, complete or correct such item(s) identified on the Punch-List.

3. When the construction Services for the Parking Project are Substantially Complete, the Architect will prepare, subject to University's approval, which cannot be unreasonably withheld or delayed, a Certificate of Substantial Completion, in a form substantially similar to AIA Document G704, which shall establish the date of Substantial Completion, shall establish responsibilities of the University and Developer for security, maintenance, heat, utilities, damage to the work and insurance, and shall fix the time within which Developer shall finish all Punch-List Work attached to the AIA Document G704. The Certificate of Substantial Completion, once executed by the University and Developer, shall establish each Party's acceptance of the responsibilities assigned to it in the certificate. Upon execution by the Parties, the University shall make payment of retainage as set forth in Section VII.A. Warranties required by the Construction Documents and this Agreement shall commence on the date of Substantial Completion of the construction Services for the Parking Project or designated portion thereof unless otherwise provided in this Agreement or the Certificate of Substantial Completion. University's approval of Substantial Completion shall not waive nor compromise any rights University has under this Agreement or applicable law in the event of any subsequently discovered defaults or as to any conditions not included in the Punch-List.

4. Substantial Completion shall not be deemed to have occurred until such time as the governing authority having jurisdiction over the Parking Project has issued all necessary approvals and certificates of occupancy such that the University can utilize the Parking Project for its intended purpose. A temporary certificate of occupancy shall not on its own satisfy Substantial Completion.

5. Intentionally Omitted.

B. For purposes of this Agreement, the Parking Project will be deemed finally complete ("Finally Complete" or "Final Completion" shall be deemed to have occurred) when:

1. All Services are fully performed and the Parking Project's improvements are constructed in accordance with the Construction Documents, (including completion of all items appearing on the Punch-List referenced in Section XVIII(A)(2) above); and

2. Developer has delivered to the University the Architect's signed statement that the Parking Project has been completed in substantial accordance with all Construction Documents as approved (or deemed approved) by the University and no item on the Punch-List remains incomplete; and

3. All required final certificates of occupancy are issued; and

4. The Parking Project is free from all liens of Consultants, Contractors, Suppliers and Parking Project laborers (as evidenced in part by Developer's delivery to the University of final, fully and properly executed lien waivers and releases from all such persons in the form attached hereto as **Exhibit 12**); and

5. The Developer has delivered to the University an ALTA "as built" survey, in form and substance reasonably acceptable to the University; and

6. All governmental authorities having jurisdiction over the Parking Project, including the State Fire Marshal, have given their final approval of the Parking Project; and

7. Developer has delivered to the University all operation and maintenance manuals for materials, equipment and systems incorporated into the Parking Project, and provided all warranties and related items required by the Construction Documents.

Developer has delivered construction record drawings outlined in the University standards to incl ude As-Built Record drawings, CAD files, and BIM drawings. In the event any of the above listed items are not or cannot be completed as a result of an act or omission of the University and the item or items are not completed within fourteen calendar days from the date of University's receipt of written notice from the Developer pertaining thereto, such item shall be deemed to have been completed for purposes of determining that the Parking Project is Finally Complete.

C. The University shall provide reasonable assistance in submitting required forms or applications typically required of an owner to obtain certificates of occupancy (including temporary certificates of occupancy) and such other governmental approvals as are required for use of the Parking Project for the parking of vehicles.

XIX. Related Contracts.

A. Developer shall include in all Services Agreements and contracts it executes in connection with the Parking Project indemnity provisions requiring the other contracting party to indemnify, defend and save harmless the University Indemnified Parties, in proportion to the degree of fault attributable to the contracting party, from and against all claims, losses, liabilities costs and expenses (including court costs, attorneys' fees and disbursements) caused by, occasioned by, in connection with, or

arising out of the performance of the Services or work of the contracting party, that result in personal injury, death or property damage.

B. Before allowing any Consultant to enter the Project Site to begin any of the Services, and for the duration of the Term, Developer shall obtain and deliver to the University a certificate of insurance evidencing Consultant's insurance in compliance with the "Principal Consultants' Insurance" as required in **Exhibit 14**.

C. The District Lessee will cause the Entertainment District to be constructed on the top floor of the Parking Project as provided in the Ground Lease. Such construction activities will be undertaken while the Parking Project is in operation.

XX. Other Development; Project Change Orders, Project Change Directives and Requests for Project Change Order.

A. The University may request modifications to the Parking Project. Developer may raise reasonable timely objection to any such requested change that would materially adversely impact (i) areas shared by the Parking Project and the Entertainment District, (ii) mechanical, electrical, plumbing, fire protection, structural systems, (iii) the costs to maintain the Entertainment District, (iv) the Project Schedule or the completion date of the Parking Project or (v) the cost of the Parking Project in a manner which is not funded by the University. If University and Developer cannot agree on whether such changes would have a material adverse impact, such proposed changes shall be referred to dispute resolution hereunder. If the parties agree or the dispute resolution resolves that the change will have a material adverse impact, the request will be withdrawn by the University and will not be implemented. If the parties agree the requested change will not have a material adverse impact, then the Developer shall cause its Contractor or Architect to prepare the appropriate Project Change Order to include appropriate modifications to the cost, time, scope of work, or compensation provisions of this Agreement, as the case may be. The cost of any Project Change Order shall be paid from the UTK Contingency Fund. If a Project Change Order will exceed the amount available in the UTK Contingency Fund, the University will have the option to pay for the Project Change Order or decline to proceed with the requested change. If the Parking Project is thus modified, Developer will perform the Parking Project as changed, change the Construction Documents as needed, and consent to and execute any modifications of this Agreement and the Services Agreements related to it as may be reasonably required.

B. Project Change Orders issued by the Developer shall be implemented in accordance with the following:

1. The University will use a Project Change Directive for Developer to proceed with changes in the Services or Parking Project. The parties may adopt, by mutual written agreement, and informal submittal and approval process for changes which do not affect time, cost, or which do not otherwise constitute a Project Change Order requiring University approval under Section VI hereof.

2. Each Project Change Order Request shall be initiated by the General Contractor or Developer in a format reasonably acceptable to the University, containing all information necessary to evaluate the proposed change. Each Change Order Request for time, cost, or both shall be submitted by Developer to the representative of the University within 30 days after the occurrence of the event that prompts the request, and the University shall respond within the time, and the process established in Section VI.A. The Developer will use a Project Change Order Request to proceed with changes in Services or Parking Project.

3. Developer shall include with each Project Change Order Request the following information.

(a) State the proposed change in any component of Development Costs (if any).

(b) State the proposed change (if any) in the Substantial Completion Date. If the request is for an extension of time, Developer shall provide a critical path schedule indicating the Substantial Completion Date before the change, identifying activities impacted by the change and the new date of Substantial Completion. Developer shall also provide a recovery plan indicating methods and costs for maintaining the dates of Substantial Completion.

(c) Include supportive information for cost and time, including reasonably detailed, itemized proposals from all affected Consultants. Information shall be broken down into the following components:

1. Labor classification, rate, and hours.

2. Equipment rate and hours.

3. Material quantities and costs.

4. Applicable taxes, insurance, and bond.

5. Credit for work deleted (similarly documented).

6. Overhead and profit.

7. Justification for any change in time, as described above.

XXI. Developer's Duties in Case of Loss.

A. Developer shall promptly notify the University of any fire or other material damage to the Parking Project or any portion of the Project Site. The Party procuring the applicable insurance coverage will arrange for an insurance adjuster to promptly view

the Project Site or the Parking Project before repairs are started. Developer may not settle any losses, complete loss report, adjust losses, or endorse loss drafts without the University's prior written consent, which consent shall not be unreasonably withheld, delayed or conditioned.

B. Developer shall promptly notify the University of any personal injury, death or property damage occurring to the Parking Project or on the Project Site.

XXII. Taxes and Contributions.

A. Developer has full and exclusive responsibility and liability for withholding and paying, as may be required by law:

1. All federal, state and local taxes and contributions concerning or related to the performance of the Services, including those assessed against, or measured by:

(a) Developer's earnings under this Agreement, and

(b) Salaries, other contributions, or benefits paid or made available to anyone employed by Developer in connection with the Services.

2. All other taxes and contributions applicable to the Services for which Developer may be responsible.

B. Developer shall file all returns and reports related to Developer or the Services performed by Developer required in connection with all federal, state and local laws, taxes, contributions and benefits.

C. Developer shall, at no additional cost to Developer, reasonably assist and cooperate with the University in the University's preparation of federal, state or local governmental tax or other corporate or non-profit reports or forms.

XXIII. Ownership of Information and Materials.

A. Upon Substantial Completion, all work product of the Architects and their Consultants shall be considered the property of the University and may be used again by the Architect only for the benefit of the State and upon authority of the State Building Commission. Originals of these documents may remain in the files of the Architect.

B. The Developer shall obtain from the Architect and deliver to the University paper copies of all design documents and electronic copies of a record set of Construction Documents, defined as a complete set of Construction Documents updated with all Project Change Orders, Project Change Directives and all other changes in the Parking Project from the original set of Construction Documents, and the final ALTA "as built" survey, which the University shall be entitled to use as stated herein.

XXIV. Notices.

A. Each notice, request and communication required under this Agreement shall be in writing. It will be deemed to have been received: (i) on personal delivery; (ii) upon receipt via overnight delivery from a recognized overnight delivery service; (iii) reserved; (iv) if by email, on actual receipt (but only if recipient acknowledges receipt of the email in writing (which may be by return email)), or (v) if mailed, on actual receipt (but only if sent by registered or certified mail, with return receipt requested, addressed to the other Party's address below):

If to the Developer:	**865 Neyland Parking Developer, LLC** c/o Vela Development Partners, LLC 1 Landmark Square, Suite 2200 Stamford, CT 06907 Attn: Taylor Gray Email: tgray@veladev.com
With a Copy to:	**Long, Ragsdale & Waters, P.C.** Attention : Dennis B. Ragsdale 1111 N. Northshore Drive, Suite S-700 Knoxville, TN 37919 Telephone: (865) 584-4040 Email: dragsdale@lrwlaw.com
If to University:	**UNIVERSITY OF TENNESSEE** Attention: David L. Miller, Sr. VP & CFO 1195 UT Tower 505 Summer Place – UTT 1195 Knoxville, TN 37902 Telephone: (865) 974-1763
With a Copy to:	**Office of General Counsel** Attention: Ryan Stinnett, GC 1169 UT Tower 505 Summer Place – UTT 1169 Knoxville, TN 37902 Telephone: (865) 974-3245

XXV. Independent Contractor.

In providing Services, Developer shall be an independent contractor.

XXVI. Severability.

Each part of this Agreement is intended to be severable. If a court of competent jurisdiction finds any part of this Agreement to be unenforceable or invalid for any reason, that finding will not invalidate or adversely affect the rest of this Agreement.

XXVII. Waiver; Consents.

No consent or waiver to a Default may be deemed or construed to be a consent or waiver to any other Default.

XXVIII. Governing Law.

This Agreement is entered into in the State of Tennessee and is governed by its laws, without regard to its principles of conflicts of laws. The Tennessee law provisions contained in **Exhibit 16** hereto are incorporated by reference.

XXIX. Assignment.

All of the rights, benefits, duties, liabilities and obligations of the Parties will inure to the benefit of and be binding on their respective successors and assigns. Neither Party shall assign its rights or obligations under this Agreement without the prior written consent of the other Party, provided, however, that Developer shall be permitted to collaterally assign its interests in the Development Fees and other amounts payable to Developer hereunder to its lender and University shall be permitted to collaterally assign or transfer its right, title and interest in and to this Agreement to an affiliated foundation.

XXX. Modification of Agreement.

To be effective, any modification of this Agreement shall be in writing and signed by both Parties.

XXXI. Headings.

The headings are inserted for convenience only. They may not affect the construction or meaning of anything in this Agreement.

XXXII. Interpretation.

"Include" and "including" each refers to all other items or matters that could reasonably fall within the broadest possible scope of the general statement, term, or matter appearing before it, but shall not be construed as introducing an exhaustive list. All references to Articles, Paragraphs, Clauses, Recitals, Preamble and Exhibits mean designated parts of this Agreement. Both parties participated in the negotiation of this Agreement so no part of this Agreement shall be construed more favorably in favor of one Party or the other.

XXXIII. Further Assistance.

Each Party will execute other documents and take other actions as may be reasonably required by the other Party to carry out the purposes of this Agreement.

XXXIV. Counterparts.

This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same instrument.

XXXV. Entire Agreement.

This Agreement and its Exhibits contain the entire agreement between the Parties concerning its subject matter. Neither Party nor its agents have made representations or promises concerning this Agreement except as expressly stated in this Agreement. No claim or liability may arise for any representations or promises not expressly stated in this Agreement.

XXXVI. Electronic Signatures.

The Parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such Party and shall be effective to bind such Party to this Agreement. For purposes hereof: (i) "electronic signature" means a manually signed original signature that is then transmitted by electronic means or a digital signature of an authorized representative of any Party provided by AdobeSign or DocuSign (or such other digital signature provider as specified by such Party) in English; and (ii) "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a portable document format ("pdf") or other replicating image attached to an electronic mail or internet message, then such signature is a valid and binding signature of the authorized representative of such party.

XXXVII. Dispute Resolution.

The parties shall resolve disputes under this Agreement using the process described on **Exhibit 19**.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

Effective on the first date set forth above.

THE UNIVERSITY OF TENNESSEE	865 NEYLAND PARKING DEVELOPER, LLC
By:_____	By:_____
Print Name: _____	Print Name: _____
Title: _____	Title: _____

SCHEDULE A
DEFINED TERMS

A. The "Actual Development Costs" are the actual costs and expenses incurred by Developer in the design, development, demolition and construction of the Parking Project.

B. The "Agreement" is defined in the Preamble.

C. "Approvals" are defined in Paragraph A of **Exhibit __**.

D. The "Architect" is the Parking Project's architect selected by Developer.

E. The "Construction Budget" is the portion of the Development Budget identified as such in **Exhibit 8**.

F. The "Construction Contracts" are defined in Paragraph J of **Exhibit __**.

G. The "Construction Documents" are the plans, Construction Drawings, specifications and Project Change Orders prepared by Developer, the Architect or other Consultants and approved by the University for the construction of the Parking Project and any changes, modifications or supplements to them. The Construction Documents are listed as **Exhibit 6** and set forth Developer's obligations relative to the construction of the Parking Project. Developer shall have no obligation for constructing improvements other than those shown on the Construction Documents.

H. "Construction Drawings" are the drawings, including schematic drawings, design development drawings and construction drawings, prepared by Developer, the Architect or other Consultants and approved by the University, and any changes, modifications or supplements to them.

I. "Construction Work" is the work, services and materials to be provided and performed by the General Contractor pursuant to the Construction Contracts.

J. "Consultant" is any company, entity, firm, attorney, person, individual or advisor that contracts with and is paid by or charges a fee to Developer, the General Contractor or both of them, to perform any duties or services (including any Services) relating to Parking Project design, development, demolition, renovation or construction and are on the list provided to and approved by UT and as amended over time according to Section III C and **Exhibit 10A**. The Architect and the General Contractor are Consultants and "Principal Consultants". Contractors and Suppliers are Consultants.

K. "Contractor" is any of the General Contractor, subcontractors and sub-subcontractors providing work, labor, equipment or materials under the Development Budget, each of whom shall be appropriately licensed.

L. "Default" is defined in Article XVIII.

M. "Developer" is defined in the Preamble.

N. "Developer Insurance" is attached as **Exhibit 10**.

O. "Project Contingency" is the sum of the Hard Costs Contingency (Developer) and Soft Costs Contingency (Developer) indicated as such in the Development Budget, as such amounts may be increased in accordance with Paragraph VII. B.

P. "Developer's Representative" is the person designated in writing by Developer as its agent and contact for all purposes under this Agreement. The initial Developer's Representative are set forth in Section V B.

Q. The "Development Budget" is **Exhibit 8**.

R. "Development Costs" are the component line-item costs comprising the Total Construction Budget Amount and the Total Soft-Cost Budget Amount. Such costs include any costs incurred in good faith by the Developer to complete the Services hereunder.

S. The "Development Fee" is defined in Article XV.

T. "Draw" is defined in Article IX.

U. "Draw Requests" are defined in Article IX.

V. The "Effective Date" is defined in the Preamble.

W. "Exigency" is defined in Paragraph V(C).

X. "Environmental Laws" are defined in Paragraph XIV(C).

Y. "Event of Default" is defined in Article XVII.

Z. "Finally Complete" and "Final Completion" are defined in Article XVIII.

AA. "Force Majeure" is defined in Article XVII.

BB. "General Contractor," is though expressed singularly, shall be interpreted in both singular and plural forms and shall be the Parking Project's general contractor(s) selected by Developer, specifically including Layton Construction Company, LLC.

CC. The "General Ledger Detail Report" is defined in Paragraph IX(B).

DD. "Ground Lease" is the Ground Lease Agreement of even date herewith, by and between the STATE OF TENNESSEE (the "Lessor"), on behalf of the UNIVERSITY OF

TENNESSEE (the "University"), on behalf of its KNOXVILLE CAMPUS ("UTK"); and 865 Entertainment Developer, LLC a Delaware limited liability company (the "Lessee")

EE. "Guaranteed Maximum Price" is the sum of the Total Construction Budget Amount and the Total Soft-Cost Budget Amount.

FF. "Hazardous Materials" are defined in Paragraph XIV(B).

GG. "Key Personnel" is defined in Paragraph VI(B).

HH. "The University Indemnified Parties" are defined in Article XV.

II. "The Project Development Account" is defined in Article VIII.

JJ. "The University's Representative" is the person designated in writing by the University as its agent and contact for all purposes under this Agreement. The initial University's Representative Austin Oakes or his designee.

KK. "Monthly Progress Reports" is defined in Paragraph M of **Exhibit 6**.

LL. "Party" and "Parties" are defined in the Recitals.

MM. "Performance Bond and Payment Bond" are the performance bond and payment bond required by this Agreement, the forms of which (AIA Documents A312) are attached as **Exhibit 12**.

NN. "Pre-Existing Condition" means any preexisting Hazardous Materials existing on or about the Land or adjacent areas as of the Effective Date not disclosed in Lessee's Phase I ESA as referenced in Exhibit 17 hereof.

OO. "Principal Consultants" means, collectively, the Architect and the General Contractor.

PP. "Principal Consultants' Insurance" is the insurance described in **Exhibit 11**.

QQ. The "Parking Project" is generally described and defined in **Exhibits 3, 5 and 6**.

RR. "Project Change Directive" is a written order issued by the University that changes the Services as described in Article XXI and is paid from the UTK Contingency Fund

SS. "Project Change Order" is a written order agreed to by the University and Developer that changes the Services as described in Article XXI and is paid from the Project Contingency.

TT. "Project Change Order Request" is a written request for a Project Change Order described in Article XXI.

UU. "Project Savings" is generally described and defined in Paragraphs IX(A) and XVI(D) and **Exhibit 15**.

VV. The "Project Schedule" is a schedule prepared and updated by Developer. It sets forth the Developer's best estimate of the timetable required to complete the Parking Project. The initial Project Schedule is attached as **Exhibit 9**.

WW. The "Project Site" is the real property identified in **Exhibit 1**.

XX. "RFI" is a request for information or clarification of the Construction Drawings.

YY. The "Services" are the services described in **Exhibit 6**.

ZZ. "Services Agreements" is defined in Paragraph B of **Exhibit 6**.

AAA. "Substantial Completion" is defined in Article XVIII.

BBB. "Subsurface Contingency" is defined in Article VI (B) (1).

CCC. "Summary Report" is defined in Paragraph IX(B).

DDD. "Suppliers" are suppliers of materials to the Parking Project, each of whom shall be selected by Developer.

EEE. "Supporting Documentation" is defined in Paragraph IX(B).

FFF. "Term" is defined in Paragraph IV(A).

GGG. The "Termination Date" is the date that is the earlier of: (i) 12 months after the issuance of any required certificates of occupancy from the State Fire Marshal and from the City or County (as applicable), or other authority having jurisdiction for the lawful occupancy of the entire Parking Project, (ii) the termination of the Ground Lease(s), if any (iii) (iii) termination of the Agreement by the University or the Developer in accordance with this Agreement, or (iv) another date mutually agreed in writing by the University and Developer.

HHH. The "Total Construction Budget Amount" is the amount indicated as such in **Exhibit 8**.

III. The "Total Development Budget Amount" is the amount equal to the Guaranteed Maximum Price plus the Development Fee, as shown in **Exhibit 8**.

JJJ. The "Total Soft-Cost Budget Amount" is the amount indicated as such in **Exhibit 8**.

KKK. "University" is the University of Tennessee, Knoxville, a Tennessee public institution of higher education.

LLL. "UTK Contingency Fund" is defined in Article VI (A)(5).

EXHIBIT 1
DESCRIPTION OF THE PROJECT SITE

Situated in District No. Four (4) of Knox County, Tennessee and within Ward No. Ten (10) of the City of Knoxville, Tennessee and being more particularly described as follows.

From the **Point of Beginning, said point being** located South 29° 02’ West, a distance of 794.24 feet from City of Knoxville Control Point #068; thence from said Point of Beginning along the western right-of-way of Neyland Drive the following four calls:

along a 1,462.00-foot radius curve to the left, said curve having an arc length of 150.92 feet and a chord bearing and distance of South 15° 29’ West 150.86 feet to a point;

South 71° 32’ East, a distance of 5.00 feet to a point;

along a 1,457.00- foot radius curve to the left, said curve having an arc length of 35.00 feet, a chord bearing and distance of South 16° 23’ West 35.00 feet to a point;

along a 1,457.39-foot radius curve to the left, said curve having an arc length of 41.16 feet, a chord bearing and distance of South 14° 40’ West 41.16 feet to a point;

Thence along the western right-of-way of Knoxville & Holston River Railroad the following two calls:

South 28°44’ West, a distance of 65.41 feet to a point;

along a 1,555.67-foot radius curve to the left, said curve having an arc length of 223.88 feet, a chord bearing and distance of South 24° 36’ West 223.69 feet to a point;

Thence along the southern western and northern lines of the UTK Garage Parcel described herein the following eleven calls:

North 68° 52’ West, a distance of 186.02 feet to a point;

South 21°08’ West, a distance of 11.92 feet to a point;

North 68°52’ West, a distance of 14.99 feet to a point;

North 21°08’ East, a distance of 114.45 feet to a point;

North 68°50’ West, a distance of 2.20 feet to a point;

North 21°08’ East, a distance of 44.97 feet to a point;

North 68°52’ West, a distance of 13.10 feet to a point;

North 21°00’ East, a distance of 125.03 feet to a point;

South 68°52’ East, a distance of 15.79 feet to a point;

North 21°08’ East, a distance of 241.27 feet to a point;

Thence South 68°52’ East, a distance of 195.64 feet to a point; said point being the **Point of Beginning.**

Containing 109,021 square feet, or 2.50 acres, more or less.

Being bounded on the west by Neyland Stadium, a chainlink fence, by walls at multiple locations, on the north by Condotel Parcel and on the east by Neyland Drive and the Tennessee River.

This description was prepared from a survey performed by Mark C. Tucker, Registered Land Surveyor, Tennessee License #1996, Robert G. Campbell & Associates, L.P., Knoxville, Tennessee, File No. 25014, dated March 27, 2026.

EXHIBIT 2
THE PARKING PROJECT

The Parking Project consists generally of the following improvements:

The demolition of a portion of the existing G-10 garage and the new construction of a 1316 space garage containing approximately 471,752 square foot parking garage.

EXHIBIT 3
COPY OF THE KCI LETTER DATED NOVEMBER 18, 2025

[Attached]

McLaren
KCI A DIVISION OF KCI

Structural | Civil + Site | Marine + Coastal
Bridge, Highway + Rail | Entertainment | Geotechnical
Facade + Building Envelope | Construction Engineering
Forensic Investigation | Surveying + Mapping

November 18, 2025

Hord Coplan Macht
700 East Pratt Street, Suite 1200
Baltimore, MD 21202

Attn: Brian Gobell, AIA
Principal

Email: bgobell@hcm2.com

Re: UTK Neyland Entertainment District – G-10 Garage Durability
865 Neyland Boulevard
Knoxville, TN

At the request of Mr. Taylor Gray, we have prepared the following summary that describes the durability characteristics of the replacement G-10 garage structure so that it can be shared with the University to help their understanding of how to maintain this garage structure to keep it functioning for the full 99 years of their ground lease agreement.

The most important element that contributes to longevity of a garage is the type of construction and the G-10 garage is designed using the most durable type of construction, post-tensioned cast-in-place concrete. The G-10 garage has been designed in accordance with the most stringent requirements of the latest editions of the American Concrete Institute's (ACI) code committee reports that pertain to concrete parking structures which include:

1. ACI 362.1 - Guide for the Design of Durable Parking Structures
2. ACI 318 - Building Code Requirements for Structural Concrete

The key design elements that impact concrete parking structure durability as recommended by ACI in the above referenced documents include (we have shown what we are providing in **bold**):

1. Type of Construction
    a. **cast-in-place post-tensioned**,
    b. precast pre-topped,
    c. precast field topped,
    d. cast-in-place conventionally reinforced,
2. Durability Zone (defined by ACI based on frequency of need for use of de-icing salts)
    a. Zone I – represents the mildest conditions where freezing is rare and de-icing salts are not used
    b. **Zone II** – represents areas where freezing occurs and deicing salts are rarely used
    c. Zone III – represents the areas where freezing and deicing salts are common.
3. Concrete Quality
    a. Strength (4,000 psi minimum recommended. We are providing **5,000 psi**)
    b. Concrete Permeability (**we have provided the W/C ratio and Air-entrainment as recommended**)

Licensed and Operating in 50 States
www.mgmclaren.com
MGMcLaren@mgmclaren.com

KCI Technologies, Inc.
601 E Pratt Street, Suite 302
Baltimore, MD 21202
T. 410.243.8787 | F. 410.243.4956

4. Protection of Reinforcing Steel
    a. Concrete Cover (**we have provided as recommended**)
    b. Coating on Steel (**we have provided the recommended sheathing & encapsulated ends**)
    c. Admixtures to Concrete (**we have provided the recommended air entrainment to mitigate risk of freeze-thaw cycles**)
    d. Coating on top of concrete (**We have provided pozzolans to reduce permeability as recommended**)

For reference, the oldest garage that has been designed by our office that followed these codes and guidelines (and was in the more aggressive Zone III climate) was completed in 1984 and still has had no need for structural repairs and only routine maintenance has been performed.

The routine maintenance that is recommended for parking structures is described in detail in ACI 362.2-21 – Parking Structure Structural Maintenance - Guide (Table 5.2 which is found on page 16 of the document included below for your convenience)

Table 5.2—Parking structure maintenance tasks and frequencies

Task	Frequency		Procedure
	Recommended	Minimum	
Sweep	W	M	Powersweep, vacuum, or handsweep.
Wash down structure*	S	A	Hose down deck, bottoms of columns and walls, beam ledges, and overhead pockets.
Touch-up deck sealer*†	AR	AR	Reapply sealer as necessary (refer to Section 3.3 for evaluation methods).
Check for and evaluate cracks‡	AR	A	Check for leaks. Rout and fill with sealant. Determine if structural or nonstructural.
Check joint sealants†§	AR	A	Review for leaks, adhesive or cohesive failure, tears, and adjacent concrete failures. Repair on a spot-basis as required.
Check isolation and expansion joint seals†§	AR	A	Review for leaks, nosing or gland damage, tears, and punctures. Repair as required.
Check traffic-bearing membrane†§	AR	A	Review for wear, tear, cracks, blisters, delamination, and leaks. Repair on a spot-basis as required.
Repaint structural steel or exposed metal	AR	A	Review for chips, peeling, and rust. Repaint on spot-basis. Use special coatings if required.
Check for concrete deterioration‡	AR	A	Review for cracks, spalls, scaling, and delaminations. Repair on a spot-basis as required. Consult with a licensed design professional (LDP) if deterioration is extensive, or if cracking is present in or around supporting elements.
Check for water leakage†‡	AR	A	Identify location and source. Take corrective action as required.
Inspect deck drain function	M	S	a) Deck drains—remove debris and clean out drain b) Drain lines—check for and repair leaks and damage c) Inspect joint sealant at top of drain, if any; repair on a spot-basis
Check for ponded areas	AR	A	Clean and flush existing drains and drain lines or install new drains if required.
Perform visual observation of parking structure‡	AR	A	Note the condition of items in checklist in Appendix C. Take corrective action as required.
Obtain condition assessment by qualified LDP	A	AR	Do periodically, as required by conditions.

*As weather permits.

†Select a maintenance frequency appropriate for this particular element in the structure. Perform local repairs or replace as needed. Special attention should be paid to areas receiving direct sun exposure or high wear, such as entries/exits, ramps, turning areas, and roof decks.

‡Review by LDP if uncertain about structural effect.

§This element should be maintained under warranty or service contract. Check with the manufacturer or authorized representative for terms of coverage.

Notes: Frequency: W is weekly; M is monthly; S is semiannually; A is annually; AR is as required.

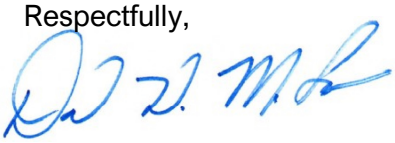
Provided the G-10 garage is maintained in accordance with the contents of this 26-page document, based on my experience, I have a high degree of confidence that the G-10 garage structure will successfully last for the full duration of the 99-year ground lease.

This document is available on ACI's website as a "Protected PDF/Web View" which means you have to tie it to a specific user's computer (It does not appear to be available any longer in hard copy format). The URL for this document is as follows:

https://www.concrete.org/store/productdetail.aspx?ItemID=362221&Format=PROTECTED_PDF&Language=English&Units=US_AND_METRIC

I hope this provides some clarity on the expected durability of this garage. If you have any further questions, do not hesitate to contact me.

Respectfully,



David W. McLaren, P.E.
Vice President | Regional Practice Leader – Structures

Cc: Taylor Gray, VeLa Development (tgray@veladev.com)

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EXHIBIT 4
INTENTIONALLY OMITTED

EXHIBIT 5
INTENTIONALLY OMITTED

EXHIBIT 6
CONSTRUCTION DOCUMENTS

[Attached]

G10 Garage Drawing Log
Sheet Index - Permit Submission 02/06/2026

Sheet#	Sheet Name	Sheet Issue Date	Submission
CS.01-1	COVER SHEET	2/6/2026	Permit Submission
CS.02-1	DRAWING LIST - GARAGE	2/6/2026	Permit Submission
C-000	COVER SHEET	2/10/2026	Permit Submission
C-001	GENERAL NOTES	2/10/2026	Permit Submission
C-100	OVERALL EXISTING CONDITIONS	2/10/2026	Permit Submission
C-101	ENLARGED EXISTING CONDITIONS	2/10/2026	Permit Submission
C-102	ENLARGED EXISTING CONDITIONS	2/10/2026	Permit Submission
C-103	OVERALL DEMOLITION PLAN	2/10/2026	Permit Submission
C-104	ENLARGED DEMOLITION PLAN	2/10/2026	Permit Submission
C-105	ENLARGED DEMOLITION PLAN	2/10/2026	Permit Submission
C-200	OVERALL SITE PLAN	2/10/2026	Permit Submission
C-201	ENLARGED SITE PLAN	2/10/2026	Permit Submission
C-202	ENLARGED SITE PLAN	2/10/2026	Permit Submission
C-300	OVERALL GRADING PLAN	2/10/2026	Permit Submission
C-301	ENLARGED GRADING PLAN 1	2/10/2026	Permit Submission
C-302	ENLARGED GRADING PLAN 2	2/10/2026	Permit Submission
C-303	OVERALL DRAINAGE PLAN	2/10/2026	Permit Submission
C-304	ENLARGED DRAINAGE PLAN	2/10/2026	Permit Submission
C-305	ENLARGED DRAINAGE PLAN	2/10/2026	Permit Submission
C-306	DRAINAGE PROFILES	2/10/2026	Permit Submission
C-307	DRAINAGE PROFILES	2/10/2026	Permit Submission
C-308	DRAINAGE PROFILES	2/10/2026	Permit Submission
C-400	INITIAL SWPPP	2/10/2026	Permit Submission
C-401	INTERMEDIATE SWPPP	2/10/2026	Permit Submission
C-402	FINAL SWPPP	2/10/2026	Permit Submission
C-500	SANITARY SEWER NOTES	2/10/2026	Permit Submission
C-501	OVERALL SANITARY SEWER PLAN	2/10/2026	Permit Submission
C-502	ENLARGED SANITARY SEWER PLAN	2/10/2026	Permit Submission
C-503	ENLARGED SANITARY SEWER PLAN	2/10/2026	Permit Submission
C-504	SANITARY SEWER PROFILES	2/10/2026	Permit Submission
C-600	WATERLINE NOTES	2/10/2026	Permit Submission
C-601	OVERALL WATERLINE PLAN	2/10/2026	Permit Submission
C-602	ENGLARGED WATERLINE PLAN	2/10/2026	Permit Submission
C-603	ENGLARGED WATERLINE PLAN	2/10/2026	Permit Submission
C-604	WATERLINE PROFILES	2/10/2026	Permit Submission
C-605	WATERLINE PROFILES	2/10/2026	Permit Submission
C-606	OVERALL DRY UTILITY PLAN	2/10/2026	Permit Submission
C-700	SWPPP DETAILS	2/10/2026	Permit Submission
C-701	SITE DETAILS	2/10/2026	Permit Submission
C-702	DRAINAGE DETAILS	2/10/2026	Permit Submission
C-703	SANITARY SEWER DETAILS	2/10/2026	Permit Submission
C-704	WATERLINE DETAILS	2/10/2026	Permit Submission
LS101	OVERALL SITE MATERIALS PLAN	2/6/2026	Permit Submission
LS102	SITE MATERIALS PLAN	2/6/2026	Permit Submission
LS103	SITE MATERIALS PLAN	2/6/2026	Permit Submission
LS501	SITE DETAILS	2/6/2026	Permit Submission
LS502	SITE DETAILS	2/6/2026	Permit Submission
LY101	OVERALL LAYOUT PLAN	2/6/2026	Permit Submission
LY102	LAYOUT PLAN	2/6/2026	Permit Submission
LY103	LAYOUT PLAN	2/6/2026	Permit Submission
LG101	OVERALL GRADING PLAN	2/6/2026	Permit Submission
LG102	GRADING PLAN	2/6/2026	Permit Submission
LG103	GRADING PLAN	2/6/2026	Permit Submission
LP101	OVERALL PLANTING PLAN	2/6/2026	Permit Submission

LP102	PLANTING PLAN	2/6/2026	Permit Submission
LP103	PLANTING PLAN	2/6/2026	Permit Submission
LP501	PLANTING DETAILS & SCHEDULE	2/6/2026	Permit Submission
LI101	OVERALL IRRIGATION PLAN	2/6/2026	Permit Submission
S0.01-1	GENERAL N ABBREVIATION & SHEET INDEX	2/6/2026	Permit Submission
S0.02-1	STRUCTURAL NOTES & SYMBOL LEGEND	2/6/2026	Permit Submission
S1.01-1	LEVEL 1 FOUNDATION PLAN	2/6/2026	Permit Submission
S1.02-1	LEVEL 2 FRAMING PLAN	2/6/2026	Permit Submission
S1.03-1	LEVEL 3 FRAMING PLAN	2/6/2026	Permit Submission
S1.04-1	LEVEL 4 FRAMING PLAN	2/6/2026	Permit Submission
S1.05-1	LEVEL 5 FRAMING PLAN	2/6/2026	Permit Submission
S1.06-1	LEVEL 6 FRAMING PLAN	2/6/2026	Permit Submission
S1.07-1	LEVEL 7 FRAMING PLAN	2/6/2026	Permit Submission
S1.50-1	PARTIAL PLANS	2/6/2026	Permit Submission
S2.00-1	COLUMN SCHEDULE	2/6/2026	Permit Submission
S2.10-1	SCHEDULES	2/6/2026	Permit Submission
S2.11-1	SCHEDULES	2/6/2026	Permit Submission
S2.12-1	SCHEDULES	2/6/2026	Permit Submission
S3.00-1	TYPICAL FOUNDATION DETAILS	2/6/2026	Permit Submission
S3.01-1	TYPICAL FOUNDATION DETAILS	2/6/2026	Permit Submission
S3.02-1	PILE CAP DETAILS	2/6/2026	Permit Submission
S3.20-1	TYPICAL DETAILS	2/6/2026	Permit Submission
S3.21-1	TYPICAL DETAILS	2/6/2026	Permit Submission
S3.22-1	TYPICAL DETAILS	2/6/2026	Permit Submission
S3.30-1	CONCRETE STAIR DETAILS	2/6/2026	Permit Submission
S4.00-1	SECTIONS	2/6/2026	Permit Submission
A0.00-1	GENERAL PROJECT INFO - GARAGE	2/6/2026	Permit Submission
A0.01	ARCHITECTURAL SITE PLAN	2/6/2026	Permit Submission
A0.02-1	BUDGET ALIGNMENT DIAGRAMS	2/6/2026	Permit Submission
A0.03-1	CODE ANALYSIS	2/6/2026	Permit Submission
A0.04-1	CODE ANALYSIS (CONT.)	2/6/2026	Permit Submission
A0.05-1	CODE ANALYSIS BUILDING SECTIONS - GARAGE	2/6/2026	Permit Submission
A0.11-1	LIFE SAFETY PLAN - LEVEL 1 - GARAGE	2/6/2026	Permit Submission
A0.12-1	LIFE SAFETY PLAN - LEVEL 2 - GARAGE	2/6/2026	Permit Submission
A0.13-1	LIFE SAFETY PLAN - LEVEL 3 - GARAGE	2/6/2026	Permit Submission
A0.14-1	LIFE SAFETY PLAN - LEVEL 4 - GARAGE	2/6/2026	Permit Submission
A0.15-1	LIFE SAFETY PLAN - LEVEL 5 - GARAGE	2/6/2026	Permit Submission
A0.16-1	LIFE SAFETY PLAN - LEVEL 6 - GARAGE	2/6/2026	Permit Submission
A0.20-1	FLOOR / CEILING ASSEMBLY SCHEDULE	2/6/2026	Permit Submission
A0.21-1	EXTERIOR WALL SCHEDULE	2/6/2026	Permit Submission
A0.22-1	EXTERIOR WALL SCHEDULE	2/6/2026	Permit Submission
A0.23-1	INTERIOR PARTITION SCHEDULE	2/6/2026	Permit Submission
A0.30	UL DETAILS - P561	2/6/2026	Permit Submission
A0.31	UL DETAILS - P711 & U905	2/6/2026	Permit Submission
A1.01-1	GEOMETRY PLAN - LEVEL 1 - GARAGE	2/6/2026	Permit Submission
A1.02-1	GEOMETRY PLAN - LEVEL 2 - GARAGE	2/6/2026	Permit Submission
A1.03-1	GEOMETRY PLAN - LEVEL 3 - GARAGE	2/6/2026	Permit Submission
A1.04-1	GEOMETRY PLAN - LEVEL 4 - GARAGE	2/6/2026	Permit Submission
A1.05-1	GEOMETRY PLAN - LEVEL 5 - GARAGE	2/6/2026	Permit Submission
A1.06-1	GEOMETRY PLAN - LEVEL 6 - GARAGE	2/6/2026	Permit Submission
A1.07-1	GEOMETRY PLAN - LEVEL 7 - GARAGE	2/6/2026	Permit Submission
A2.01-1	OVERALL PLAN - LEVEL 1 - GARAGE	2/6/2026	Permit Submission
A2.01a-1	ENLARGED PLAN - LEVEL 1 - PARTIAL A - GARAGE	2/6/2026	Permit Submission
A2.01b-1	ENLARGED PLAN - LEVEL 1 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
A2.02-1	OVERALL PLAN - LEVEL 2 - GARAGE	2/6/2026	Permit Submission
A2.02a-1	ENLARGED PLAN - LEVEL 2 - PARTIAL A - GARAGE	2/6/2026	Permit Submission
A2.02b-1	ENLARGED PLAN - LEVEL 2 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
A2.03-1	OVERALL PLAN - LEVEL 3 - GARAGE	2/6/2026	Permit Submission
A2.03a-1	ENLARGED PLAN - LEVEL 3 - PARTIAL A - GARAGE	2/6/2026	Permit Submission

A2.03b-1	ENLARGED PLAN - LEVEL 3 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
A2.04-1	OVERALL PLAN - LEVEL 4 - GARAGE	2/6/2026	Permit Submission
A2.04a-1	ENLARGED PLAN - LEVEL 4 - PARTIAL A - GARAGE	2/6/2026	Permit Submission
A2.04b-1	ENLARGED PLAN - LEVEL 4 - PARITAL B - GARAGE	2/6/2026	Permit Submission
A2.05-1	OVERALL PLAN - LEVEL 5 - GARAGE	2/6/2026	Permit Submission
A2.05a-1	ENLARGED PLAN - LEVEL 5 - PARTIAL A - GARAGE	2/6/2026	Permit Submission
A2.05b-1	ENLARGED PLAN - LEVEL 5 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
A2.06-1	OVERALL PLAN - LEVEL 6 - GARAGE	2/6/2026	Permit Submission
A2.06a-1	ENLARGED PLAN - LEVEL 6 - PARTIAL A - GARAGE	2/6/2026	Permit Submission
A2.06b-1	ENLARGED PLAN - LEVEL 6 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
A2.07-1	OVERALL PLAN - LEVEL 7 - GARAGE	2/6/2026	Permit Submission
A2.07a-1	ENLARGED PLAN - LEVEL 7 - PARTIAL A - GARAGE	2/6/2026	Permit Submission
A2.07b-1	ENLARGED PLAN - LEVEL 7 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
A3.01-1	RCP - LEVEL 1 - GARAGE	2/6/2026	Permit Submission
A3.02-1	RCP - LEVEL 2 - GARAGE	2/6/2026	Permit Submission
A3.03-1	RCP - LEVEL 3 - GARAGE	2/6/2026	Permit Submission
A3.04-1	RCP - LEVEL 4 - GARAGE	2/6/2026	Permit Submission
A3.05-1	RCP - LEVEL 5 - GARAGE	2/6/2026	Permit Submission
A3.06-1	RCP - LEVEL 6 - GARAGE	2/6/2026	Permit Submission
A4.01-1	OVERALL AND ENLARGED BUILDING ELEVATIONS - SOUTH & EAST - GARAGE	2/6/2026	Permit Submission
A4.01b-1	ENLARGED BUILDING ELEVATIONS - SOUTH - GARAGE	2/6/2026	Permit Submission
A4.02-1	OVERALL BUILDING ELEVATIONS - NORTH & WEST - GARAGE	2/6/2026	Permit Submission
A4.02b-1	ENLARGED BUILDING ELEVATIONS - NORTH - GARAGE	2/6/2026	Permit Submission
A5.01-1	BUILDING SECTIONS - GARAGE	2/6/2026	Permit Submission
A5.02-1	BUILDING SECTIONS - GARAGE	2/6/2026	Permit Submission
A5.03-1	BUILDING SECTIONS - GARAGE	2/6/2026	Permit Submission
A5.04-1	BUILDING SECTIONS - GARAGE	2/6/2026	Permit Submission
A5.10-1	WALL SECTIONS - GARAGE	2/6/2026	Permit Submission
A5.11-1	WALL SECTIONS - GARAGE	2/6/2026	Permit Submission
A5.12-1	WALL SECTIONS - GARAGE	2/6/2026	Permit Submission
A5.13-1	WALL SECTIONS - GARAGE	2/6/2026	Permit Submission
A5.15	SCREEN DETAILS	2/6/2026	Permit Submission
A5.16	BRICK DETAILS	2/6/2026	Permit Submission
A5.17	STONE DETAILS	2/6/2026	Permit Submission
A5.18	OVERHANG DETAILS	2/6/2026	Permit Submission
A5.19	METAL PANEL DETAILS	2/6/2026	Permit Submission
A5.20	FIBER CEMENT PANEL DETAILS & EXPANSION JOINT	2/6/2026	Permit Submission
A5.21	COPING DETAILS	2/6/2026	Permit Submission
A5.41	EXOSKELETON DETAILS	2/6/2026	Permit Submission
A5.43	ROOF & CANOPY DETAILS	2/6/2026	Permit Submission
A5.44	WATERPROOFING DETAILS	2/6/2026	Permit Submission
A8.01	STAIR 1	2/6/2026	Permit Submission
A8.02	STAIR 2	2/6/2026	Permit Submission
A8.03	STAIR 3	2/6/2026	Permit Submission
A8.04	STAIR 4	2/6/2026	Permit Submission
A8.05	STAIR 5	2/6/2026	Permit Submission
A8.06	STAIR 6	2/6/2026	Permit Submission
A8.07	STAIR 7	2/6/2026	Permit Submission
A8.10	ELEV 1&2	2/6/2026	Permit Submission
A8.11	ELEV 3&4	2/6/2026	Permit Submission
A8.12	ELEV 5&6	2/6/2026	Permit Submission
A8.13	ELEV 7	2/6/2026	Permit Submission
A8.20	RAMPS & STAIRS DETAILS	2/6/2026	Permit Submission
A8.21	ELEVATOR DETAILS	2/6/2026	Permit Submission
A9.01-1	DOOR & DOOR HARDWARE SCHEDULE - GARAGE	2/6/2026	Permit Submission
A9.03-1	STOREFRONT ELEVATIONS - GARAGE	2/6/2026	Permit Submission
A9.04-1	OPENING ELEVATIONS - GARAGE	2/6/2026	Permit Submission
A9.30-1	MATERIAL BOARD - GARAGE	2/6/2026	Permit Submission
A9.32-1	INTERIOR FINISH SCHEDULE - GARAGE	2/6/2026	Permit Submission

IDG0.00	ID COVER SHEET	2/6/2026	Permit Submission
IDG0.01	INTERIOR SCOPING PLANS	2/6/2026	Permit Submission
IDG1.11	GARAGE - OVERALL PLANS	2/6/2026	Permit Submission
IDG1.12	GARAGE - OVERALL PLANS	2/6/2026	Permit Submission
IDG1.13	GARAGE - OVERALL PLANS	2/6/2026	Permit Submission
IDG4.01	GARAGE - ENLARGED STAIR AND ELEVATOR PLANS	2/6/2026	Permit Submission
IDG4.02	GARAGE - ENLARGED ELEVATOR PLANS	2/6/2026	Permit Submission
IDG4.03	GARAGE - ENLARGED ELEVATOR PLANS	2/6/2026	Permit Submission
IDG4.04	GARAGE - ENLARGED ELEVATOR PLANS	2/6/2026	Permit Submission
IDG4.05	GARAGE - ENLARGED ELEVATOR PLANS	2/6/2026	Permit Submission
IDG8.01	GARAGE - SCHEDULES	2/6/2026	Permit Submission
P0.00	PLUMBING COVER SHEET	2/6/2026	Permit Submission
P0.01	FIRE RPOTECTION PLANS	2/6/2026	Permit Submission
P0.02	STORM WATER CALCULATIONS	2/6/2026	Permit Submission
P2.00a-1	ENLARGED PLUMBING PLAN - SUBSLAB - PARTIAL A - GARAGE	2/6/2026	Permit Submission
P2.00b-1	ENLARGED PLUMBING PLAN - SUBSLAB - PARTIAL B - GARAGE	2/6/2026	Permit Submission
P2.01a-1	ENLARGED PLUMBING PLAN - LEVEL 1 - PARTIAL A - GARAGE	2/6/2026	Permit Submission
P2.01b-1	ENLARGED PLUMBING PLAN - LEVEL 1 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
P2.02a-1	ENLARGED PLUMBING PLAN - LEVEL 2 - PARTIAL A - GARAGE	2/6/2026	Permit Submission
P2.02b-1	ENLARGED PLUMBING PLAN - LEVEL 2 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
P2.03a-1	ENLARGED PLUMBING PLAN - LEVEL 3 - PARTIAL A - GARAGE	2/6/2026	Permit Submission
P2.03b-1	ENLARGED PLUMBING PLAN - LEVEL 3 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
P2.04a-1	ENLARGED PLUMBING PLAN - LEVEL 4 - PARTIAL A - GARAGE	2/6/2026	Permit Submission
P2.04b-1	ENLARGED PLUMBING PLAN - LEVEL 4 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
P2.05a-1	ENLARGED PLUMBING PLAN - LEVEL 5 - PARTIAL A - ENT. BLDG.	2/6/2026	Permit Submission
P2.05b-1	ENLARGED PLUMBING PLAN - LEVEL 5 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
P2.06b-1	ENLARGED PLUMBING PLAN - LEVEL 6 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
P6.01	PLUMBING RISERS	2/6/2026	Permit Submission
P6.02	PLUMBING RISERS	2/6/2026	Permit Submission
P6.03	PLUMBING RISERS	2/6/2026	Permit Submission
P6.04	PLUMBING RISERS	2/6/2026	Permit Submission
P7.01	PLUMBING DETAILS	2/6/2026	Permit Submission
P7.02	PLUMBING DETAILS	2/6/2026	Permit Submission
P8.01	PLUMBING SCHEDULES	2/6/2026	Permit Submission
M0.00	MECHANICAL COVER SHEET	2/6/2026	Permit Submission
M2.01a-1	ENLARGED MECHANICAL PLAN - LEVEL 1 - PARTIAL A - GARAGE	2/6/2026	Permit Submission
M2.01b-1	ENLARGED MECHANICAL PLAN - LEVEL 1 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
M2.02a-1	ENLARGED MECHANICAL PLAN - LEVEL 2 - PARTIAL A - GARAGE	2/6/2026	Permit Submission
M2.02b-1	ENLARGED MECHANICAL PLAN - LEVEL 2 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
M2.03a-1	ENLARGED MECHANICAL PLAN - LEVEL 3 - PARTIAL A - GARAGE	2/6/2026	Permit Submission
M2.03b-1	ENLARGED MECHANICAL PLAN - LEVEL 3 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
M2.04a-1	ENLARGED MECHANICAL PLAN - LEVEL 4 - PARTIAL A - GARAGE	2/6/2026	Permit Submission
M2.04b-1	ENLARGED MECHANICAL PLAN - LEVEL 4 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
M2.05b-1	ENLARGED MECHANICAL PLAN - LEVEL 5 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
M2.06b-1	ENLARGED MECHANICAL PLAN - LEVEL 6 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
M4.01	MECHANCIAL PARTS PLAN	2/6/2026	Permit Submission
M7.01	MECHANICAL DETAILS	2/6/2026	Permit Submission
M8.01	MECHANICAL SCHEDULES	2/6/2026	Permit Submission
E0.00	ELECTRICAL LEGEND & ABBREVIATIONS	2/6/2026	Permit Submission
E0.01	LIGHT FIXTURE SCHEDULE	2/6/2026	Permit Submission
E0.02	LIGHTING - ELECTIRCAL COMCHECK COMPLIANCE SHEET #1 -LIGHTING	2/6/2026	Permit Submission
E0.03	LIGHTING - ELECTIRCAL COMCHECK COMPLIANCE SHEET #2 -LIGHTING	2/6/2026	Permit Submission
E2.01a-1	ELECTRICAL FLOOR PLAN - LEVEL 1 - PARTIAL A - GARAGE	2/6/2026	Permit Submission
E2.01b-1	ELECTRICAL FLOOR PLAN - LEVEL 1 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
E2.02a-1	ELECTRICAL FLOOR PLAN - LEVEL 2 - PARTIAL A - GARAGE	2/6/2026	Permit Submission
E2.02b-1	ELECTRICAL FLOOR PLAN - LEVEL 2 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
E2.03a-1	ELECTRICAL FLOOR PLAN - LEVEL 3 - PARTIAL A - GARAGE	2/6/2026	Permit Submission
E2.03b-1	ELECTRICAL FLOOR PLAN - LEVEL 3 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
E2.04a-1	ELECTRICAL FLOOR PLAN - LEVEL 4 - PARTIAL A - GARAGE	2/6/2026	Permit Submission

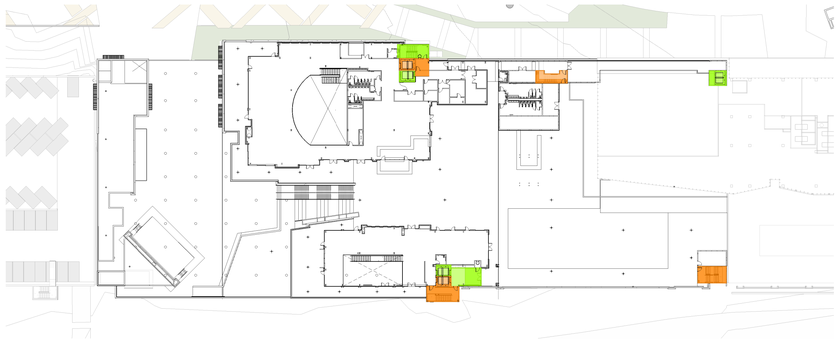
E2.04b-1	ELECTRICAL FLOOR PLAN - LEVEL 4 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
E2.05b-1	ELECTRICAL FLOOR PLAN - LEVEL 5 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
E2.06b-1	ELECTRICAL FLOOR PLAN - LEVEL 6 - PARTIAL B - GARAGE	2/6/2026	Permit Submission
E4.01	PART PLAN - POWER	2/6/2026	Permit Submission
E4.02	PART PLAN - POWER	2/6/2026	Permit Submission
E5.01	ELECTRICAL DETAILS	2/6/2026	Permit Submission
E6.01	POWER RISER	2/6/2026	Permit Submission
E7.01	HVAC SCHEDULE	2/6/2026	Permit Submission
E7.02	PANEL SCHEDULES	2/6/2026	Permit Submission
AL-001	ARCH. LIGHTING NOTES AND KEYS	2/10/2026	Permit Submission
AL-101	ARCH. LIGHTING FLOOR PLANS	2/10/2026	Permit Submission
AL-102	ARCH. LIGHTING PLAZA RCP	2/10/2026	Permit Submission
AL-102A	ARCH. LIGHTING PLAZA RCP	2/10/2026	Permit Submission
AL-110	ARCH. LIGHTING PLANS	2/10/2026	Permit Submission
AL-110A	ARCH. LIGHTING PLANS	2/10/2026	Permit Submission
AL-110B	ARCH. LIGHTING PLANS	2/10/2026	Permit Submission
AL-110C	ARCH. LIGHTING PLANS	2/10/2026	Permit Submission
AL-201A	ARCH. LIGHTING ELEVATIONS	2/10/2026	Permit Submission
AL-201	ARCH. LIGHTING ELEVATIONS	2/10/2026	Permit Submission
AL-501	ARCH. LIGHTING DETAILS	2/10/2026	Permit Submission
AL-511	ARCH. LIGHTING CONTROL RISERS	2/10/2026	Permit Submission
AL-512	ARCH. LIGHTING CONTROL RISERS	2/10/2026	Permit Submission
AL-601	ARCH. LIGHTING SCHEDULES	2/10/2026	Permit Submission
TA001.1	LOW VOLTAGE SYSTEMS GARAGE TITLESHEET	2/6/2026	Permit Submission
TA002	LOW VOLTAGE SYSTEMS GARAGE RISER DIAGRAM	2/6/2026	Permit Submission
TA010	LOW VOLTAGE SYSTEMS GARAGE TELECOM 112 ENLARGED DETAILS	2/6/2026	Permit Submission
TA101	OVERALL PLAN - LEVEL 1 - GARAGE	2/6/2026	Permit Submission
TA102	OVERALL PLAN - LEVEL 2 - GARAGE	2/6/2026	Permit Submission
TA103	OVERALL PLAN - LEVEL 3 - GARAGE	2/6/2026	Permit Submission
TA104	OVERALL PLAN - LEVEL 4 - GARAGE	2/6/2026	Permit Submission
TA105	OVERALL PLAN - LEVEL 5 - GARAGE	2/6/2026	Permit Submission
TA106	OVERALL PLAN - LEVEL 6 - GARAGE	2/6/2026	Permit Submission

EXHIBIT 7
DEVELOPER PORTION OF THE WORK ON PLANS

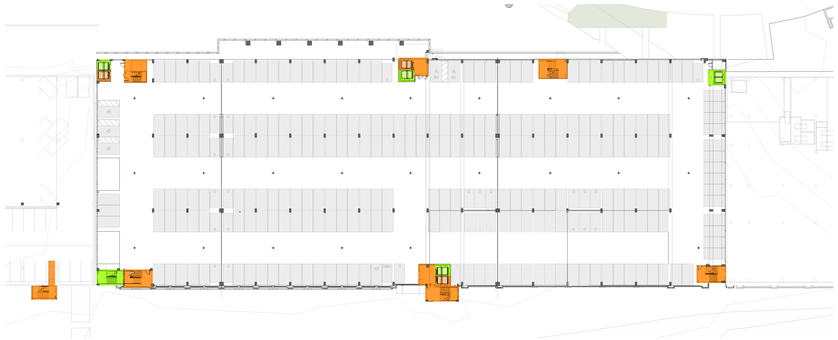
The cost of the work on the plans for enhancements to elevators, stairs and structure related to the Entertainment District and plazas that is Developer's responsibility and has been excluded from the Development Budget.



GARAGE - LEVEL 4



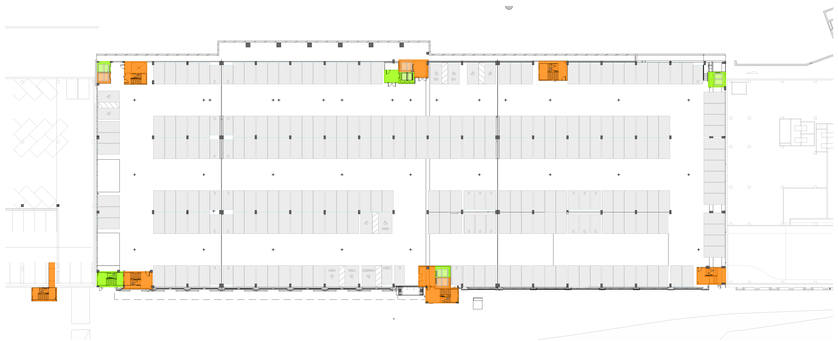
GARAGE - LEVEL 7



GARAGE - LEVEL 3



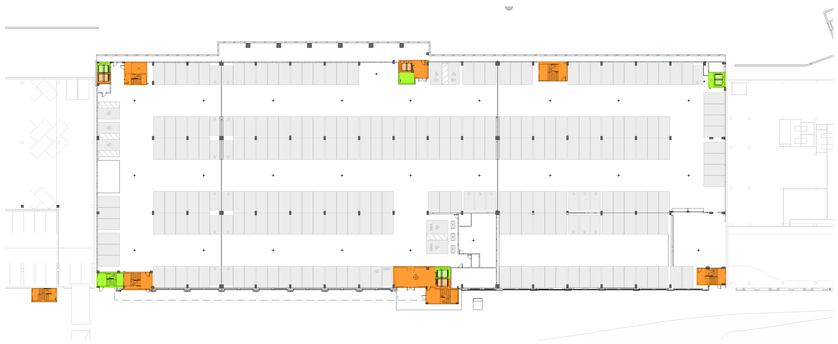
GARAGE - LEVEL 6



GARAGE - LEVEL 2



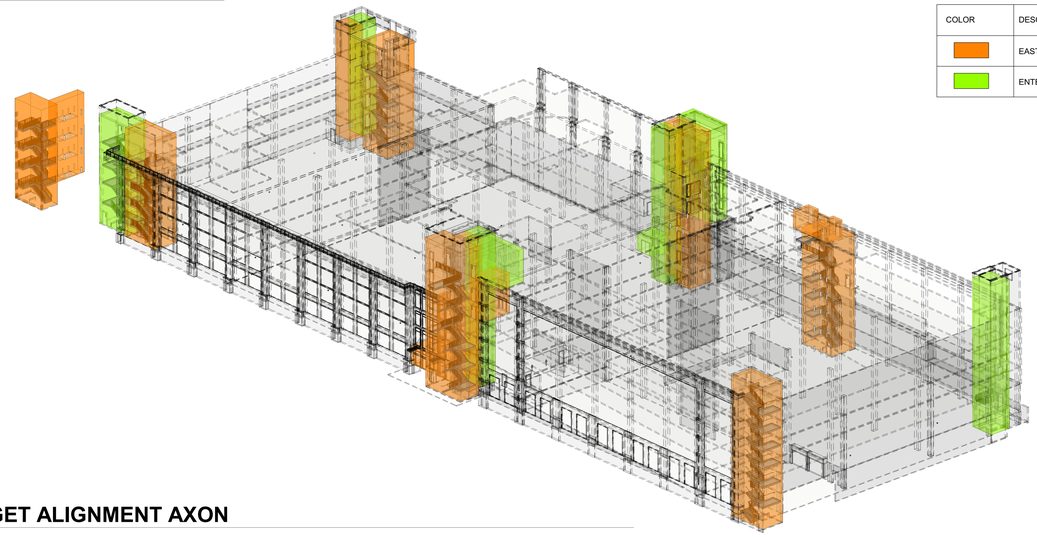
GARAGE - LEVEL 5



GARAGE - LEVEL 1

LEGEND

COLOR	DESCRIPTION
	EAST G10 GARAGE SCOPE
	ENTERTAINMENT BUILDINGS



BUDGET ALIGNMENT AXON

ARCHITECT / LANDSCAPE / INTERIORS
Hord Coplan Macht, Inc.
1942 East 7th Street — Charlotte, NC 28204
p. 252.401.9415 — f. 410. 837. 6530

STRUCTURAL ENGINEER
McLaren Engineering Group
600 E Pratt Street — Baltimore, MD 21202
p. 410.243.8787

M/E/P ENGINEER
Bowman
300 E Joppa Road — Towson, MD 21286
p. 410.494.1111

CIVIL ENGINEER
Robert G Campbell & Assoc.
7523 Taggart Lane — Knoxville, TN 37938
p. 865.947.5996

A/V DESIGN
Convergent Technologies Design Group, Inc.
6501 York Rd — Baltimore, MC 21212
p. 410.532.2395 — f. 410.532.2396

FOOD SERVICE
KaTom
305 KaTom Drive — Kodak, TN 37764
p. 888.213.1004

865 NEYLAND, LLC

865 NEYLAND ENTERTAINMENT DISTRICT - ENTERTAINMENT BUILDINGS

865 NEYLAND DRIVE

hord | coplan | macht

ARCHITECTURE
LANDSCAPE ARCHITECTURE
PLANNING
INTERIOR DESIGN

PROFESSIONAL CERTIFICATION: I CERTIFY THAT THESE DOCUMENTS WERE PREPARED OR APPROVED BY ME, AND THAT I AM A DULY LICENSED ARCHITECT UNDER THE LAWS OF THE STATE OF TENNESSEE
LICENSE NUMBER:
EXPIRATION DATE:

no.	date	revision

Project Name
865 NEYLAND ENTERTAINMENT DISTRICT - ENTERTAINMENT BUILDINGS

Project Number
225030

Date
07.23.2025

Scale
As indicated

Drawing
BUDGET ALIGNMENT DIAGRAMS

A0.02-1

DD SET

© Hord Coplan Macht, Inc.

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Autodesk Docs://225029 Velo UTK Entertainment Building/225029-R24-A-Velo UTK Entertainment Building.rvt

EXHIBIT 8
DEVELOPMENT BUDGET

	Total
Construction Budget:	
General Contractor Contract – On-site	$59,648,152
Micropiles	$1,750,000
Subsurface Contingency	$1,000,000
General Contractor Insurance	$1,434,000
General Contractor Fee	$1,700,000
General Contractor Contingency	$1,137,000
Neyland Drive Entry and Paint Existing G10 Garage	$700,000
PGS, Guardian, Security	$2,100,000
Signage	$200,000
Hard Costs Contingency (Developer)	$2,702,766
A = Total Construction Budget Amount	**$72,371,918**
Soft Cost Budget:	
Architecture, MEP&S Eng., Interiors/FF&E, LA	$860,000
Impact Fees	$1,500,000
Payment & Performance Bonds	$700,000
Design Consultation and Consultants	$326,000
Civil Engineering	$185,000
Surveying	$15,000
Geo-Tech	$150,000
Special Inspections	$200,000
Vehicular Entry Modification	$80,000
Project Insurance Program	$750,000
Recording Fees	$10,000
Building Permits & Miscellaneous	$255,000
Door Hardware	$3,000
Technology/Low Voltage	$18,000
Traffic Study	$75,000
Cleaning	$50,000
Legal Fees	$250,000
Soft Costs Contingency (Developer)	$275,850
UTK Contingency Fund	$1,000,000
Financing Costs	$690,000
B = Total Soft Cost Budget Amount	**$7,492,850**
C = Guaranteed Maximum Price (A + B)	**$79,864,768**
D = Development Fee	
Developer Fee	$733,719
Project/Construction Management Fee	$2,201,158
E = Total Development Budget Amount (C + D)	**$82,799,645**
TOTAL	**$82,799,645**

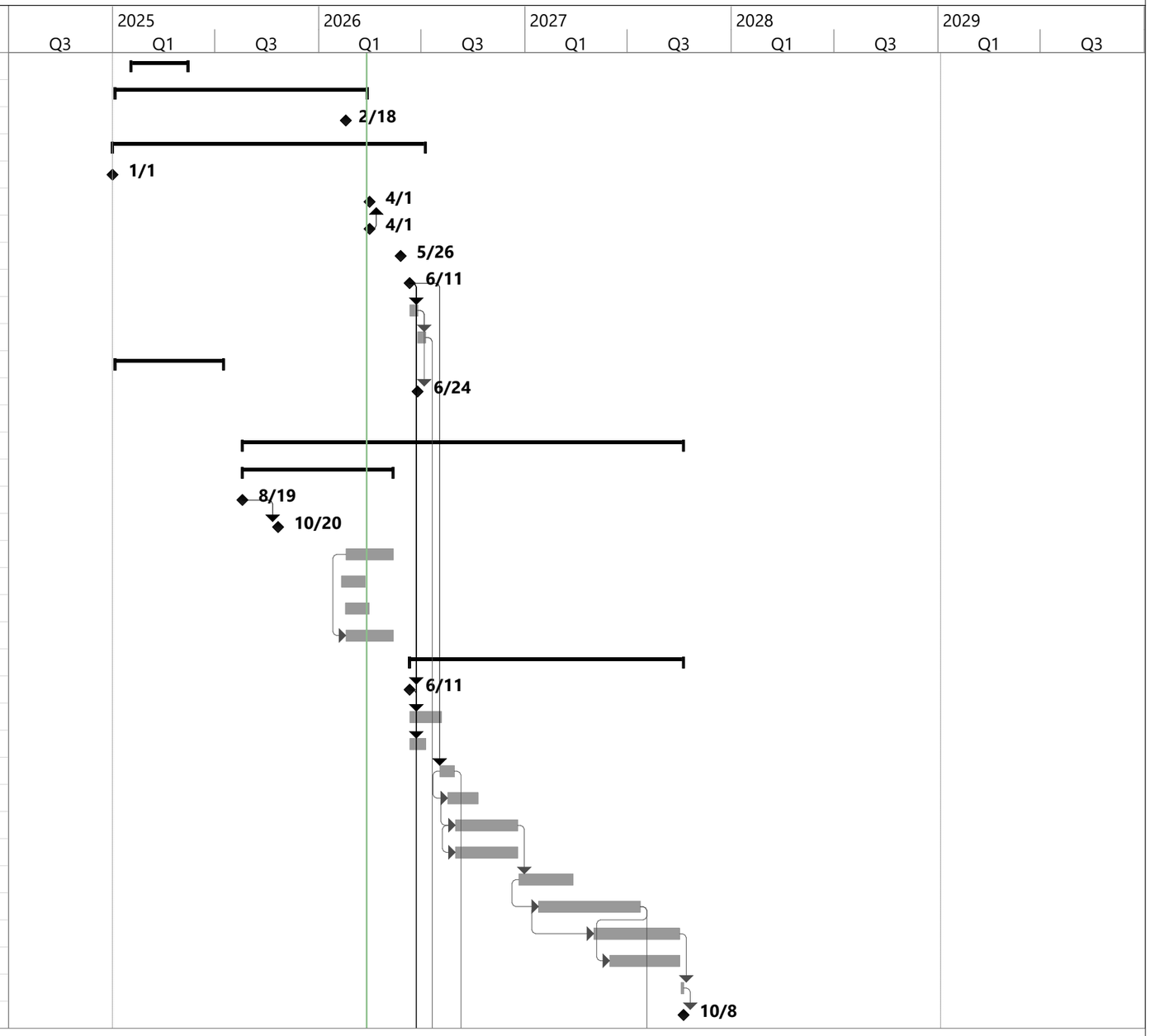
EXHIBIT 9
PROJECT SCHEDULE

[Attached]

UTK Neyland District - Master Development Schedule
LEASE EXHIBIT

Revised 03/27/26

ID	Task Name	Start	Finish	Duration
1	PDA	Mon 2/3/25	Wed 5/14/25	73 days
5	PRE-DEVELOPMENT	Mon 1/6/25	Fri 3/27/26	320 days
36	Form of Guaranty submission	Wed 2/18/26	Wed 2/18/26	0 days
37	**GROUND LEASE EXECUTION**	**Wed 1/1/25**	**Wed 7/8/26**	**396 days**
38	**SPECIAL BOT MEETING**	Wed 1/1/25	Wed 1/1/25	0 days
39	Submission to SBC	Wed 4/1/26	Wed 4/1/26	0 days
40	Submission to TSSBA	Wed 4/1/26	Wed 4/1/26	0 days
41	TSSBA Meeting	Tue 5/26/26	Tue 5/26/26	0 days
42	SBC Meeting (Approval)	Thu 6/11/26	Thu 6/11/26	0 days
43	**Lease Execution**	**Thu 6/11/26**	**Wed 6/24/26**	**2 wks**
44	Financial Closing	Thu 6/25/26	Wed 7/8/26	2 wks
45	Project Schedule & Pro-Forma (4.1f)	Mon 1/6/25	Wed 7/16/25	138 days
51	**PRE-DEVELOPMENT COMPLETION**	**Wed 6/24/26**	**Wed 6/24/26**	**0 days**
52				
53	**SITE ENABLING & GARAGE CONSTRUCTION**	**Tue 8/19/25**	**Fri 10/8/27**	**559 days**
54	Design / Permitting	Tue 8/19/25	Tue 5/12/26	191 days
55	100% CD Submission	Tue 8/19/25	Tue 8/19/25	0 days
56	**GMP Submission to UT**	**Mon 10/20/25**	**Mon 10/20/25**	**0 days**
57	**UT DESIGN / GMP APPROVAL**	**Wed 2/18/26**	**Tue 5/12/26**	**60 days**
58	Demolition Permitting	Tue 2/10/26	Mon 3/23/26	6 wks
59	G10 W Egress Stair Drive Aisle Permitting	Tue 2/17/26	Mon 3/30/26	6 wks
60	Procurement	Wed 2/18/26	Tue 5/12/26	60 days
61	**Construction**	**Thu 6/11/26**	**Fri 10/8/27**	**347 days**
62	Preconstruction Meeting	Thu 6/11/26	Thu 6/11/26	0 days
63	Egress stair and Drive Aisle construction	Thu 6/11/26	Wed 8/5/26	8 wks
64	Demolition Mobilization / Fence	Thu 6/11/26	Wed 7/8/26	4 wks
65	Garage Demolition	Mon 8/3/26	Fri 8/28/26	4 wks
66	Material Sorting/ Hauling	Mon 8/17/26	Fri 10/9/26	8 wks
67	Deep Foundations	Mon 8/31/26	Fri 12/18/26	16 wks
68	SOE Wall construction	Mon 8/31/26	Fri 12/18/26	16 wks
69	Garage Foundations	Mon 12/21/26	Fri 3/26/27	14 wks
70	Garage Structure	Mon 1/25/27	Fri 7/23/27	26 wks
71	Elevators & MEP	Mon 5/3/27	Fri 10/1/27	22 wks
72	Exterior finishes	Mon 5/31/27	Fri 10/1/27	18 wks
73	Operational Setup	Mon 10/4/27	Fri 10/8/27	1 wk
74	**Opening**	**Fri 10/8/27**	**Fri 10/8/27**	**0 days**



UTK Neyland District - Master Development Schedule
LEASE EXHIBIT

Revised 03/27/26

ID	Task Name	Start	Finish	Duration
75				
76	**ENTERTAINMENT DISTRICT EXECUTION (ANTICIPATED)**	**Wed 1/1/25**	**Fri 5/26/28**	**888 days**
77	Design / Permitting	Wed 1/1/25	Wed 11/25/26	496 days
78	100% DD Submission	Wed 1/1/25	Mon 12/15/25	249 days
79	50% CD Submission	Wed 8/27/25	Wed 8/27/25	0 days
80	GMP Submission	Thu 12/18/25	Thu 12/18/25	0 days
81	**Form of Guaranty Submission to UTK**	**Wed 2/18/26**	**Wed 2/18/26**	**0 days**
82	UT DESIGN / GMP APPROVAL	Wed 2/18/26	Tue 3/31/26	30 days
83	Permitting	Thu 6/11/26	Wed 11/25/26	6 mons
84	Procurement	Thu 6/11/26	Wed 11/25/26	6 mons
85	Financing Secured	Wed 7/8/26	Wed 7/8/26	0 days
86	**Construction**	**Mon 6/28/27**	**Fri 8/19/28**	**418 days**
87	Pre-construction Meeting	Mon 6/28/27	Mon 6/28/27	0 days
88	Entertainment District Construction	Tue 7/6/27	Fri 6/30/28	12 mons
89	Plaza Construction	Tue 1/30/28	Fri 6/30/28	5 mons
90	Operational Setup	Mon 7/1/28	Sat 8/12/28	6 wks
91	**Opening**	**Fri 8/18/28**	**Fri 8/18/28**	**0 days**
92				
93	**CONDO/HOTEL EXECUTION (ANTICIPATED)**	**Thu 5/15/25**	**Fri 1/5/29**	**952 days**
94	Design / Permitting	Thu 5/15/25	Wed 7/8/26	300 days
95	Schematic Design	Thu 5/15/25	Fri 10/17/25	22.4 wks
96	SD Submission	Fri 10/17/25	Fri 10/17/25	0 days
97	DD Submission	Fri 1/30/26	Fri 1/30/26	0 days
98	50% CD Submission	Mon 3/30/26	Mon 3/30/26	0 days
99	GMP Set Submission	Fri 4/24/26	Fri 4/24/26	0 days
100	**Form of Guaranty Submission to UTK**	**Wed 2/18/26**	**Wed 2/18/26**	**0 days**
101	Financing Secured	Wed 7/8/26	Wed 7/8/26	0 days
102	Permitting	Tue 3/31/26	Mon 7/6/26	14 wks
103	**Construction**	**Thu 4/9/26**	**Fri 1/5/29**	**717 days**
104	Procurement	Thu 4/9/26	Wed 8/5/26	17 wks
105	Preconstruction Meeting	Mon 7/6/26	Mon 7/6/26	0 days
106	Construction	Mon 8/31/26	Fri 12/15/28	30 mons
107	Operational Setup	Mon 12/18/28	Fri 1/5/29	3 wks
108	**Opening**	**Fri 1/5/29**	**Fri 1/5/29**	**0 days**

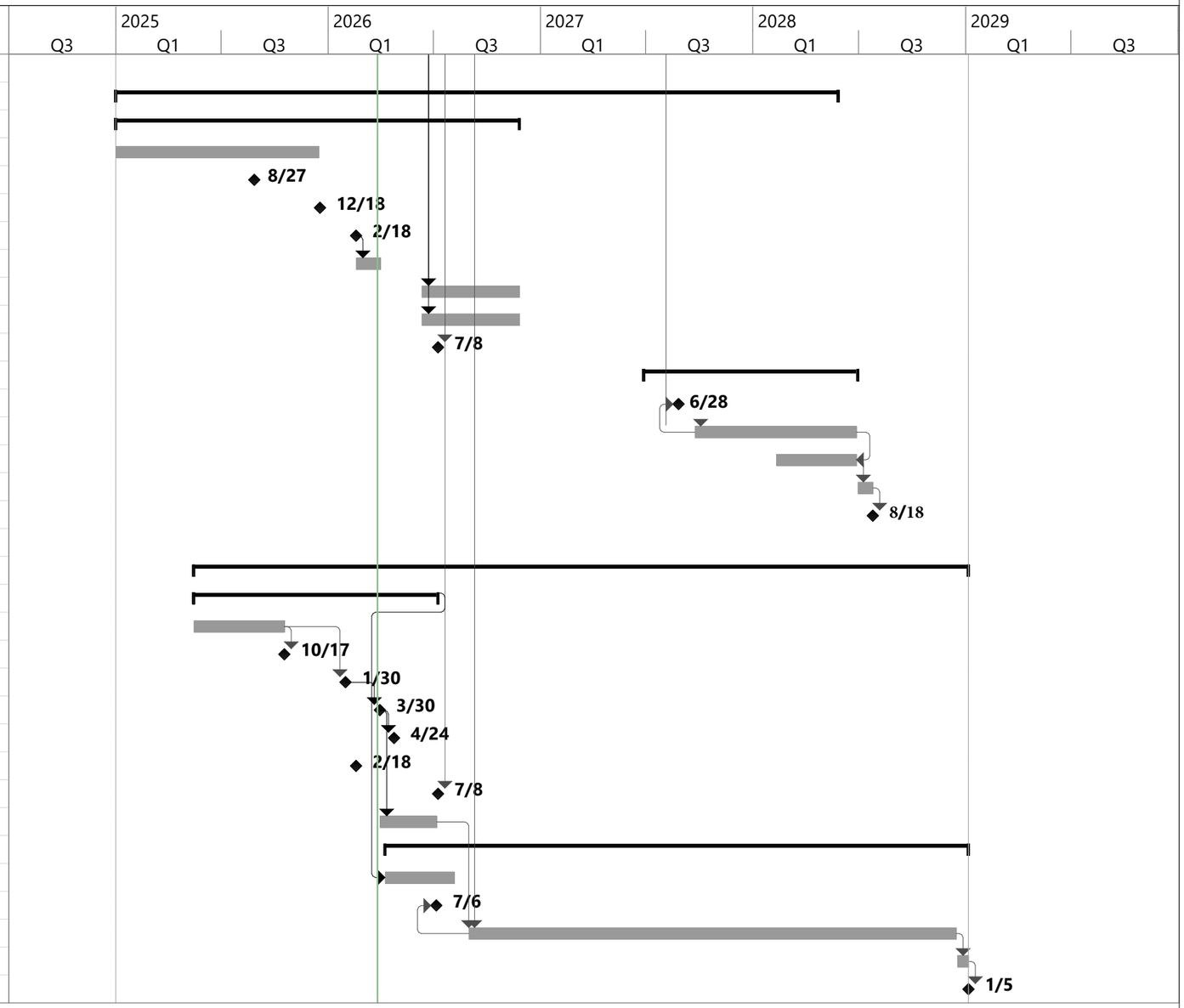


EXHIBIT 10
DEVELOPER'S SERVICES

Except as otherwise provided in this Agreement, the Services include the design, development, demolition and construction work and other services reasonably required or necessary to complete the Parking Project, as provided herein and such other services customarily and reasonably within the general scope of such services and responsibilities pursuant to the Standard of Care, and other services reasonably agreed to from time to time by the University and Developer,.

Among other things, the Services include the following:.

A. Obtain and pay, to be reimbursed as a cost of the Services, for all necessary land use approvals, environmental approvals, approvals of historical renovation (if any) and new construction in protected historical areas (if any); entitlements, and building and other permits, other fees (excluding impact fees, which, for purposes of this Agreement, are defined as any such fees imposed on the Parking Project by any municipality for the new infrastructure that must be built or increased due to new property development, which fees are oftentimes designed to offset the impact of additional development and residents on the municipality's infrastructure and services, which include the city's water and sewer network, police and fire protection services, schools and libraries), and licenses for the lawful construction, use, and operation of the Parking Project (collectively, the "Approvals"), and execute documents directly related to the development of the Parking Project that are approved by the University; and coordinate with the Architect any changes required by those documents.

B. Execute all agreements, purchase orders, amendments and supplements related to Parking Project design, development, demolition, and construction:

1. Subject to the terms of the Agreement, these include but are not limited to all survey, architectural, environmental, geotechnical, and other testing or consulting service agreements, the Architect's agreement, the Construction Contract, and all other agreements, amendments, and supplements for the furnishing of services, supplies, materials, machinery, or equipment required for Parking Project design, development, demolition, and construction (collectively, "the Services Agreements").

2. The Services Agreements shall be consistent with the Development Budget, as amended from time to time pursuant to this Agreement.

C. Manage and coordinate the Architect's services and activities in developing the Construction Documents, and all related submissions to the University or any governmental or historical (if any) agencies or bodies.

D. Submit all Construction Documents and related design specifications to the University for approval, not to be unreasonably withheld, delayed or conditioned.

E. Provide oversight and direction to the Architect in developing the design and function of the Parking Project and specifications for equipment required for the use and operation of the Parking Project.

F. Require the General Contractor to obtain bids from subcontractors. Require General Contractor to submit with each Application for Payment a buyout summary.

G. Obtain a full and complete estimate of the cost of Parking Project construction from the General Contractor, based on the approved schematic drawings; and, on that information, coordinate with the Architect potential design changes that could result in a positive cost benefit to the University without sacrificing quality or materials as specified, in writing, by University. The final estimate of the cost of Parking Project construction and any design changes made to achieve that estimate are subject to University's approval and consent not to be unreasonably withheld, delayed or conditioned

H. Negotiate a construction contract for the Parking Project with the General Contractor(s) (the "Construction Contract").

I. Diligently manage and monitor the General Contractor's construction and demolition. Provide value-engineering services and assistance to the University.

J. Intentionally Omitted.

K. Establish and implement appropriate administrative and financial controls for Parking Project, including:

1. Manage, coordinate and work with the Architect, Contractors, and Consultants employed or retained in connection with Services;

1. administer the Services Agreements in connection with or relating to Parking Project design, development, demolition and construction;

2. monitor compliance by the responsible party with: all Ground Lease terms applicable to the Developer or the Parking Project; approvals required or obtained for the lawful construction or use and operation of the Parking Project; approvals; any recorded covenant, condition, or restriction affecting the Parking Project; and conditions contained in any insurance policy or surety bond affecting or covering the Parking Project; all applicable historical development conditions (if any); and all applicable governmental codes, rules and regulations;

3. keep the University fully informed of Parking Project progress on a regular basis by filing written progress reports on a monthly basis ("Monthly Progress Reports") including reports required by this Agreement or reasonably requested by the University (including those generally requested or expected of developers of similar projects);which

shall be in a form reasonably acceptable to the University and shall, at a minimum, include status updates of: Parking Project progress against the Project Schedule in the form of a schedule update; the Development Budget, including projected cost to complete the Parking Project; Developer's efforts to let contracts to complete the Services; and

4. Deliver an updated Project Schedule to the University on a monthly basis along with the Monthly Progress Reports.

L. Monitor Services, work, equipment, materials and labor used on the Parking Project so that Developer will have a reasonable basis:

1. To approve (or, to the extent not appropriate for approval, to disapprove and return to the party requesting payment therefor) before forwarding to the University all requests for payment made by the Architect, Consultants, General Contractor, and any other parties with respect to Parking Project design, development, demolition, renovation or construction, and

2. To determine that the Parking Project is being designed, demolished, renovated, constructed and completed in accordance with this Agreement and the Construction Documents or, if construction is not being so completed, to promptly notify the University.

M. As needed, attend job meetings and conferences under this Agreement or called by the University or University, the Architect, General Contractor, any Contractor, any other Consultant, or any Supplier. Require the General Contractor's applicable representative or the Architect to prepare complete and accurate written minutes for all such meetings summarizing the issues discussed, positions taken by attendees and results of such meetings or conferences.

N. Review the results of, and inform the University of actions to remedy, testing by and inspections made by the Architect, Consultants, or any governmental or historical (if any) agencies or bodies having jurisdiction over the Parking Project.

O. Prepare, file and execute on the University's behalf any notices of commencement and notices of completion required or permitted to be filed on completion of the Parking Project. Act as reasonably needed to obtain any certificates of occupancy or equivalent documents required for the occupancy of Parking Project improvements (and provide copies to the University).

P. Following Substantial Completion of the Parking Project, coordinate the compilation of record Construction Drawings for the Parking Project, and operating and maintenance manuals for the Parking Project. Deliver to the University one set of as-built Construction Drawings (with one of them in reproducible form), plus one electronic copy of as-built Construction Drawings and all remaining warranties. Assist the University in preparing punch-list items.

Q. Process and complete on the University's behalf any punch list items, defect notices, or warranty claims.

R. Provide the following services:

1. Regularly observe development, demolition, renovation and construction-related activities at the Project Site during the Construction Phase

2. Manage and administer compliance with contractual requirements of Consultants and other parties with whom Developer has contracted in connection with Parking Project development, demolition, and construction. Notify the University promptly in writing in the event that any such material requirements are not being met;

3. Use diligent efforts to maintain a cooperative attitude among the General Contractor, Consultants, Suppliers, and University;

4. Require the General Contractor to maintain on a current basis a written log or diary to record job conditions, the status of work in progress, and the size and character of the work force used to perform the work. The written log shall be available to Developer, the University, and the University's Representative for review and copying upon request. The log will also include daily weather conditions, unusual conditions encountered or unusual activities occurring on the Parking Project, a list of important visitors or officials to the Project Site, and progress and activities on the Project Site;

5. Require the General Contractor to keep, on behalf of the General Contractor and Developer, available for inspection by the University at any time, in the field office, a complete set of all Construction Documents, including all Project Change Orders, Project Change Directives, written instructions directing minor changes to the work, RFIs, supplementary drawings, current as-built Construction Drawings, clarifications, contracts, and purchase orders with Consultants and Suppliers;

6. In collaboration with the Architect and the General Contractor, use procedures to expedite the processing and approval of shop drawings;

7. Require the Architect to maintain on a current basis logs of approvals of RFIs, submittals, and shop drawings to make sure all such information and drawings have been properly approved by the Architect, Developer, or University (where required), before starting related work. Developer shall have authority to approve all submittals, shop drawings, samples, and substitutions that are in conformance with, or are greater or equivalent to, without an increase in the Guaranteed Maximum Price or Project Schedule, the requirements and standards set forth in the Construction Documents;

8. Use diligent efforts to have the Architect receive material samples furnished at the Project Site by Consultants and Suppliers, record the date the samples (or copies) are received and from whom, and notify the University of the availability of the samples for examination. (Developer shall use diligent efforts to have the Architect maintain custody of copies of approved samples);

9. Require the Architect to promptly review and respond to and approve RFIs, as necessary, and see that proper clarifications are issued, with all clarifications noted in the Construction Drawings, dated, and initialed by the issuing party;

10. Attend Parking Project meetings and conferences held in connection with this Agreement or called by the Architect, other Consultants, or Suppliers, and report on such conferences to the University;

11. Attend all construction meetings and conferences and require the General Contractor's Construction Manager to prepare complete and accurate written minutes for all such meetings summarizing the issues discussed, positions taken by attendees and results of such meetings or conferences;

12. Coordinate the processing of Project Change Orders, Project Change Directives, written minor revisions to the Services, and other submissions for approval;

13. Perform Project Site supervision and observations of Parking Project work in progress as a basis for determining conformance of such work, including incorporated materials, systems and equipment, with the Construction Documents;

14. Cause Architect to verify and confirm the progress of the work and the amounts requested by the General Contractor for payment;

15. Review and report to the University concerning any Project Change Orders and their costs, as well as any circumstances which might increase the Guaranteed Maximum Price or Project Schedule;

16. Cause General Contractor to coordinate Project Site safety with the University;

17. Reasonably assist the University in the transition of the Parking Project from the construction phase to the opening of the parking garage and commencement of operations; and

18. Upon Substantial Completion, deliver to the University all available warranties concerning the Parking Project (including without limitation any of the Services) extended by the General Contractor, Consultants, and Suppliers, fully assigned to the University.

EXHIBIT 10 A

SERVICES TO BE PERFORMED BY CONSULTANTS

Design Consultant Services

1. Feasibility & Planning

- Site analysis
- Conceptual layouts (ramp systems, stall counts)

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2. Architectural Design

- Garage layout optimization
- Aesthetic integration with surrounding buildings
- Facade treatments, lighting design, and wayfinding
- Pedestrian access and safety design

---

3. Structural & Civil Engineering

- Structural system selection (precast concrete, cast-in-place, steel)
- Load analysis and durability planning
- Drainage, grading, and stormwater management
- Foundation design

---

4. Traffic & Circulation Design

- Entry/exit placement and queuing analysis
- Ramp geometry and internal circulation
- ADA accessibility compliance
- Integration with nearby roads and intersections

---

5. Technology Integration

- Parking guidance systems (sensors, digital signage)
- License plate recognition (LPR)

---

6. Safety & Security Planning

- Lighting levels and placement
- CCTV and emergency call stations
- Fire protection systems

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7. Compliance

- Ventilation systems
- Local code and regulatory compliance

EXHIBIT 11
UNIVERSITY STANDARDS

(https://conduct.tennessee.edu/)

EXHIBIT 12
LIEN WAIVERS

CONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

Project: **[ENTER PROJECT NAME]**

Job No.: **[ENTER PROJECT NUMBER]**

Upon receipt of a progress payment in the sum of **$**_____ for all labor, services, equipment or material furnished to the jobsite or to **[ENTER OWNER NAME]**on the job of **[ENTER PROJECT NAME]** located at **[ENTER PROJECT LOCATION/ADDRESS]** the undersigned does hereby release any Mechanic's Lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the above referenced project to the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to the jobsite or to **[ENTER OWNER NAME]** through _____ only and does not cover any retention or Owner change orders currently under negotiation.

The undersigned warrants that he either has already paid or will use the monies he receives from this progress payment to promptly pay in full all of his laborers, subcontractors, material, men and suppliers for all work, materials, equipment or service provided for or to the above referenced project up to the date of this waiver.

Date: _____ **Layton Construction Company, LLC**
Undersigned

By _____

Name _____

Title _____

State of _____
§
County of _____

On this _____ day of _____, in the year _____, before me _____, a notary public, personally appeared _____, proved on the basis of satisfactory evidence to be the person whose name is subscribed to in this document, and acknowledge he executed the same.

_____
Notary Signature

UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

Project: [ENTER PROJECT NAME]

The undersigned has been paid and has received payments totaling **$_____** for all labor, services, equipment or material furnished to the jobsite or to **[ENTER OWNER NAME]** on the job of **[ENTER PROJECT NAME]** located at **[ENTER PROJECT LOCATION/ADDRESS]**and does hereby release any Mechanic's Lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the above referenced project to the following extent. This release covers payment for all labor, services, equipment or materials furnished to the jobsite or to **[ENTER OWNER NAME]** through _____ only and does not cover any retention or Owner change orders currently under negotiation.

The undersigned warrants that he either has already paid or will use the monies he receives from this progress payment to promptly pay in full all of his laborers, subcontractors, material, men and suppliers for all work, materials, equipment or service provided for or to the above referenced project up to the date of this waiver.

Date: _____ **Layton Construction Company, LLC**
Undersigned

By _____

Name _____

Title _____

State of _____

§

County of _____

On this _____ day of _____, in the year _____, before me _____, a notary public, personally appeared _____, proved on the basis of satisfactory evidence to be the person whose name is subscribed to in this document, and acknowledge he executed the same.

_____
Notary Signature

UNCONDITIONAL WAIVER AND RELEASE ON FINAL PAYMENT

Project: **[ENTER PROJECT NAME]**

Job No.: **[ENTER PROJECT NUMBER]**

The undersigned has been paid and has received payments for all labor, services, equipment or material furnished to **[ENTER OWNER NAME]** or to the jobsite of **[ENTER PROJECT NAME]** located at **[ENTER PROJECT LOCATION/ADDRESS]** and does hereby release any Mechanic's Lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the above referenced project to the following extent.

The undersigned Contractor, or Subcontractor, or Supplier hereby subordinates, waives, releases, and relinquishes the effective priority date of his/her/its statutory lien to the construction lender's deed of trust recorded against the Job Site for all his/her/its labor upon, equipment used on, or all material to said Job Site.

In consideration of the payments received, the undersigned hereby waives, releases and forever discharges [**ENTER OWNER NAME**], and their surety from all liens, actions, causes of action, claims, and demands that the undersigned, his heirs, legal representatives, and assignees may now have or that might subsequently accrue to the undersigned arising out of or in any manner connected with, directly or indirectly, labor performed, materials furnished, or any other work performed on the above referenced project.

Date: _____ **Layton Construction Company, LLC**
Undersigned

By _____

Name _____

Title _____

State of _____

§

County of _____

On this _____ day of _____, in the year _____, before me _____, a notary public, personally appeared _____, proved on the basis of satisfactory evidence to be the person whose name is subscribed to in this document, and acknowledge he executed the same.

_____
Notary Signature

EXHIBIT 13
DEVELOPER INSURANCE

1. Developer shall provide and maintain insurance in force throughout the performance of the Services, and for such longer periods as may be required hereunder, with responsible companies having a Best Policyholders Rating of "A-" or better, having a financial size rating of Class VII or larger, being licensed by the Tennessee Insurance Commissioner to transact the business of insurance in the State of Tennessee for the applicable line of insurance, and otherwise satisfactory to the University. Developer shall provide and maintain the following minimum insurance coverages:

   (a) Worker's Compensation (statutory amount) if applicable;

   (b) Employer's Liability ($1,000,000 per accident or disease); $1,000,000.00 per employee and $1,000,000.00 policy limit;

   (c) Commercial General Liability (most recent ISO Occurrence Form or equivalent) (occurrence basis);

   With coverage for premises-operations, independent contractors' protective, products-completed operations contractual liability (three years), bodily injury including accidental death, personal injury (employment exclusion deleted), sudden or accidental pollution and road form property damage (including coverage for demolition of any building or structure, explosion, collapse, blasting, excavation, damages to property below the surface of the ground (XCU) and underground hazards)

   per occurrence $1,000,000;

   annual aggregate $2,000,000;

   Products/Completed Ops. Aggregate……. $2,000,000;

   Medical Expense Limit …….. $ 10,000;

   Property Damage to Premises Rented to You …… $ 300,000;

   The policy shall not include CO 22 94 or CO 22 95. Notwithstanding this provision, the Developer shall indemnify and hold harmless Owner, Designer and Designer's consultants for any claims resulting from the performance or non-performance of the Developer, Contractor, Subcontractors, and/or their failure to be properly insured. The policy will contain a Waiver of Subrogation endorsement in favor of the Owner.

Commercial General Liability shall include vehicle coverage issued to the contractor providing protection from all claims for personal injury, including death, and all claims for destruction or damage to property, arising out of or in connection with any operations under the Development Agreement, whether such operations be by the Developer, Contractor, or by a Subcontractor, or anyone directly or indirectly employed by the Contractor or by a Subcontractor under the Contractor as follows:

All damages arising out of bodily injury, including death, at any time resulting therefrom sustained by any one person in any one accident..... $1,000,000;

Aggregate limit of liability for any such damages sustained by two or more persons in one accident …….. $2,000,000;

Limit of liability for all property damage sustained by any one person in any one accident
……
$1,000,000;

Aggregate for any such damage sustained by two or more persons in any one accident
……
$2,000,000;

(d) Commercial Business Automobile Liability

(owned, non-owned, and hired vehicles) (occurrence basis):

combined single limit (each occurence) $1,000,000;

(e) Contractor's Pollution Liability

Each Occurrence ……
$2,000,000;

Annual Aggregate
……...$4,000,000.

Coverage will commence prior to the beginning of the work and will be maintained until the applicable statute of repose has expired. The policy will be written on a primary and non-contributory basis and will name the Owner as an additional insured for both on-going and completed operations. Coverage will apply to all construction operations, transit and disposal of material at non-owned disposal sites performed by or on behalf of the Developer. The policy shall not contain coverage exclusions related to asbestos, lead, silica or mold/microbial matter. The policy will contain a Waiver of Subrogation endorsement in favor of the Owner;

(f) Commercial Excess Liability (occurrence basis):

per occurrence $50,000,000;

aggregate .....$50,000,000.

(g) Errors & Omissions/Professional Liability Insurance:

per claim ……$3,000,000;

annual aggregate ……$5,000,000.

and

(g) Builders Risk.....The Total Construction Budget

2. The Commercial General Liability and Umbrella Excess Liability policies shall include contractual liability coverage for liabilities assumed by Developer under this Agreement, subject to standard policy stipulations. The Commercial General Liability, Commercial Business Automobile Liability and Commercial Umbrella Excess Liability policies shall include a deductible provision not to exceed $100,000.00 per occurrence. The cost of all insurance required under this Agreement is agreed to be included in the Development Fee. The Commercial General Liability, Commercial Business Automobile Liability and Commercial Umbrella Excess Liability policies shall include endorsements naming the University as additional insureds. All insurance policies of Developer shall be primary and non-contributing.

3. The University shall be furnished a Certificate(s) of Insurance with respect to said insurance upon execution of this Agreement and shall, upon request, be entitled to copies of all applicable policies, binders, endorsements and riders. Developer will provide the University with 30 days' prior written notice of cancellation, expiration or modification. All insurance policies shall not be subject to invalidation as to any insured by reason of any act or omission of another insured or any of its officers, employees, agents or other representatives. University shall be an additional named insured, by binder, rider or endorsement to the policy and not just by a certificate of insurance, on all commercial general liability obtained by the Developer .

4. The Developer shall require all Consultants and Contractors to obtain an insurance certificate showing proof of (a) Workers' Compensation insurance that complies with the statutory limits established by the laws of the State of Tennessee; and (b) Employer's Liability Insurance coverage. Developer shall provide such certificates to the University prior to permitting such Consultants and Contractors to perform work or Services on the Parking Project.

5. Developer shall bear all costs of all deductibles for Developer's Insurance and shall be held responsible for any and all damages as may result from an Event of Default.

6. The Commercial General Liability Insurance, Commercial Automobile Liability Insurance and Commercial Umbrella Excess Liability Insurance shall provide coverage for Developer's acts or omissions and the acts or omissions its Consultants.

7. Developer shall not violate or knowingly permit any violation of any conditions or terms of the policies of insurance required of Developer under this Agreement. In the event Developer neglects, refuses or fails to provide or maintain any of the insurance required under this Agreement or if such insurance is canceled, ceases or expires for any reason, the University shall have the right, but not the duty, after five (5) days written notice to Developer, to procure or maintain the same. In the event the University does procure or maintain such insurance, the University shall have, in addition to any and all other available remedies, the right to recover from Developer (including the right of set-off against sums otherwise due Developer) all of the costs associated with procuring or maintaining such insurance.

8. The University may require Developer at any time, and from time to time, during the Term of this Agreement, to obtain and maintain in force additional insurance with coverage or limits in addition to those above-described. The additional premium cost of any such additional insurance required by the University, however, shall be borne by the University, and Developer shall arrange to have such costs billed separately and directly to the University by the insuring carrier or carriers.

9. The University may purchase and maintain such other insurance as it may deem appropriate. No purchase of any insurance by the University shall in any way be deemed to alter or amend the rights or responsibilities of the University or Developer under this Agreement.

10. The Developer shall purchase, as a Project cost, and maintain or cause to be purchased and maintained builder's risk property insurance upon the Parking Project for the full cost of replacement at the time of loss and written on a most recent Causes of Loss - Special Form, or its equivalent. This insurance shall include as insureds the University, Developer, and the General Contractor, and shall insure against loss from the perils of fire (with extended coverage) and physical loss or damage, including theft, vandalism, malicious mischief, collapse, flood, earthquake, windstorm (flood, earthquake and windstorm subject to reasonable sublimits), falsework, testing and startup, temporary buildings and debris removal including demolition occasioned by enforcement of any applicable legal requirements and the value of related soft costs as confirmed by the Developer's insurance administrator.

11. The builder's risk policy shall be endorsed as follows:

> "The following may occur without diminishing, changing, altering or otherwise affecting the coverage and protection afforded the insured under this policy:
>
> (i) Intentionally Omitted;

(ii) Partial or complete occupancy by the University, if any; and

(iii) Performance of work in connection with construction operations insured by the Developer, by agents or sublessees or other contractors of the Developer, or by contractors of the Developer."

12. The policies shall provide for such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

13. A loss insured under the Developer's builder's risk insurance shall be adjusted by the Developer and made payable to the University for the insureds as their interests may appear The Developer and General Contractor will pay the Consultants and Contractors their just share of insurance proceeds received by each of them. The Developer shall have the power to adjust and settle a loss with insurers subject to University's prior written approval and consent, not to be unreasonably withheld, delayed or conditioned. Any dispute arising therefrom shall be resolved in accordance with **Exhibit 14**.

EXHIBIT 14
PRINCIPAL CONSULTANTS' INSURANCE

Developer shall require the Principal Consultants to provide and maintain insurance in force throughout the performance of the Services, and for such longer periods as may be required hereunder, with responsible companies having a Best Policyholders Rating of "A-" or better, having a financial size rating of Class VII or larger, being licensed by the Tennessee Insurance Commissioner to transact the business of insurance in the State of Tennessee with respect to the applicable line of insurance, and otherwise reasonably satisfactory to the University. The Principal Consultants shall provide and maintain the following minimum insurance coverages:

(a) Errors and Omissions Professional Liability Insurance having minimum limits of $2,000,000 per claim and $4,000,000 in the aggregate (including excess coverage), with a deductible not in excess of $250,000 per occurrence and in the aggregate (claims made basis);

(b) Worker's Compensation (in an amount that complies with the statutory limits established by the laws of the State of Tennessee);

(c) Employer's Liability ($1,000,000 per accident or disease) if applicable; $1,000,000.00 per employee and $1,000,000.00 policy limit;

(d) Commercial General Liability (most recent ISO Occurrence Form or equivalent) (occurrence basis):

Bodily injury (including death) and property damage arising from premises and operations liability, products and completed operations liability (three years), personal injury and advertising liability, contractual liability, fire legal liability, blasting and explosion, collapse of structures, and underground damages liability:

per occurrence $1,000,000;

general aggregate $2,000,000;

(e) Commercial Automobile Liability

(owned, non-owned, and hired vehicles) (occurrence basis):

combined single limit $1,000,000;

and

(f) Commercial Umbrella Excess Liability

per occurrence $5,000,000;

aggregate $5,000,000 :

..... ;

1. The Commercial General Liability and Umbrella Excess Liability policies shall include contractual liability coverage for liabilities assumed by a Principal Consultant under its respective Parking Project contract, subject to standard policy stipulations. The Commercial General Liability, Commercial Business Automobile Liability and Commercial Umbrella Excess Liability policies shall include a deductible provision not to exceed $500,000 per occurrence. The Commercial General Liability, Commercial Business Automobile Liability and Commercial Umbrella Excess Liability policies shall include endorsements naming the University and the Developer as additional insureds.

2. Intentionally Omitted.

3. The University shall be furnished a Certificate(s) of Insurance with respect to each Principal Consultant's insurance upon execution of its respective Parking Project contract and shall, upon written request, be entitled to copies of all applicable policies, binders, endorsements and riders. Developer shall provide 45 days' prior written notice of cancellation, expiration or modification . All insurance policies shall not be subject to invalidation as to any insured by reason of any act or omission of another insured or any of its officers, employees, agents or other representatives.

4. Intentionally Omitted.

6. The Commercial General Liability Insurance, Commercial Automobile Liability Insurance and Commercial Umbrella Excess Liability Insurance shall provide coverage for each Principal Consultant's acts or omissions and the acts or omissions its Consultants and representatives, including those persons or entities for whom they may responsible or liable and are engaged in performing any Services or activities on the Parking Project or under or in connection with this Agreement.

7. The Errors and Omissions Professional Liability Insurance shall cover all liability arising out of or based upon (i) any negligent design, engineering, professional, or architectural services performed by a Principal Consultant (and its respective officers, directors, employees, or agents) or its subconsultants under the Principal Consultant's respective contract or (ii) the performance of any Services or activities on the Parking Project or under or in connection with this Agreement. Said insurance shall have a retroactive date prior to the performance of any such services to be provided under the Principal Consultant's respective Parking Project contract, shall cover all services rendered by the Principal Consultant or its subconsultants on the Parking Project, regardless of when performed and covering services rendered before the execution of this Agreement, shall have a policy period extending through the termination or expiration of the Principal Consultant's respective Parking Project contract, and shall have an extended discovery period of four years following the termination or expiration of the Principal Consultant's respective Parking Project contract, to the extent the same is commercially available and affordable.

EXHIBIT 15
PERFORMANCE BOND & PAYMENT BOND

[Attached]

00 61 13 – CONTRACT BOND

Bond No. <<Number>>

TENNESSEE STATE BUILDING COMMISSION STANDARD FORM

Know all men by these presents: that we

<<Name>>

(hereinafter called the "Principal") and

<<Name>>

(hereinafter called the "Surety") do hereby acknowledge ourselves indebted and securely bound and held unto

State of Tennessee

<<State Procurement Agency>>

<<Address Line 1>>

<<Address Line 2>>

(hereinafter called the "Owner"), and in the penal sum of

<<Amount>>

good and lawful money of the United States of America, for the use and benefit of those entitled thereto, for the payment of which, well and truly to be made, we bind ourselves, our heirs, our administrators, executors, successors, and assigns, jointly and severally, firmly by these presents.

But the condition of the foregoing obligation or bond is this:

Whereas, the Owner has engaged the principal for the sum of

<<Amount>>

to complete the Work of the project titled: **<<Title>>**

SBC No. **<<Number>>**

as more fully appears in a written agreement or contract bearing the date of **<<Date>>**

a copy of which said agreement or contract is by reference hereby made a part thereof, as fully and to the same extent as if copied in length herein, and it is the desire of the Owner that the Principal shall assure all undertakings under said agreement or contract and shall assure and protect all laborers and furnishers of material on said Work both as provided by Tennessee Code Annotated Sections 4-15-102 (f)(2) and 12-4-201 through 12-4-206, and any and all amendments thereto, and shall assure the prompt payment of claims as provided by Tennessee Code Annotated Sections 12-4-207 through 12-4-208, and any and all amendments thereto. The Principal shall also comply with provisions of Tennessee Code Annotated Sections 12-4-401 through 12-4-415, and any and all amendments thereto, pertaining to the payment of the prevailing wage rate.

Now, therefore, if the Principal shall fully and faithfully perform all undertakings and obligations under the contract hereinbefore referred to and shall fully indemnify and hold harmless the Owner from all costs and damage whatsoever which it may suffer by reason of any failure on the part of the Principal to do so, and shall fully reimburse and repay the Owner any and all outlay and expense which it may incur in making good any such default, and shall fully pay for all of the labor, material and work used by the Principal and any immediate or remote sub-contractor or furnisher of material under him in the performance of said contract, in lawful money of the United States, as the same shall become due, then this obligation or bond shall be null and void, otherwise to remain in full force and effect.

And for value received, it is therefore stipulated and agreed that no change, extension of time, alteration or addition to the terms of the contract or to the Work to be performed thereunder or to the specifications accompanying the same shall in any wise affect the obligation under this bond, and notice is hereby waived of any such change, extension of time, alteration or addition to the terms of the contract or to the Work or to the specifications.

In witness whereof the Principal has hereunto affixed its signature and Surety has hereunto caused to be affixed its corporate signature and seal, by its duly authorized officers, on this <<Day number>> day of <<Month>>, 20<<Year number>>.

Executed in <<Number>> counterparts.

Witness:

<<Name of Principal>>
(Name of Principal)

(Authorized Signature)

<<Name of Signatory>>
(Name of Signatory)

<<Title of Signatory>>
(Title of signatory)

<<Name of Surety>>
(Name of Surety)

(Signature of Attorney-in-fact)

<<Name of Attorney-in-fact>>
(Name of Attorney-in fact)

<<License Number>>
(Tennessee license number of Agent or Attorney-in-fact)

(Countersignature of Agent if not same as Attorney-in-fact)

Surety Company issuing bond shall be licensed to transact business in State of Tennessee by Tennessee Department of Commerce and Insurance. Bonds shall have certified and current Power-of-Attorney for the Surety's Attorney-in-Fact attached. Attorney-in-Fact who executes bond on behalf of Surety shall be licensed by the State of Tennessee, and shall affix license number to bond; or, countersignature by a licensed agent of the State of Tennessee, and the agent's license number, shall be affixed to the bond in addition to the signature of the Attorney-in-Fact.

END OF SECTION

EXHIBIT 16
TENNESSEE LAW PROVISIONS

A. Financial:

1. Records; Audit:

   i. Records: Developer shall maintain records for all expenses for which Developer invoices the University under this Agreement. Developer shall maintain its records for at least five years and shall maintain its records in accordance with generally accepted accounting principles.

   ii. Audit: During the term of this Agreement and for five years after the last payment from the University to the Developer under this Agreement, the State of Tennessee Comptroller or the University's internal audit, or both, may audit Developer's records that relate to this agreement.

   iii. Assistance: Developer shall provide the University with any documentation, access to information, or other assistance necessary for the University to ensure that Developer complies with its obligations under this Agreement.

2. PaymentWorks: Developer must register as a vendor in University's system, PaymentWorks.

B. Compliance:

1. Conflicts of Interest:

   i. Developer states that no part of the Developer's compensation will be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Developer in connection with any work contemplated or performed under this agreement.

   ii. Developer states that this Agreement is immediately void if Developer is, or within the past 6 months has been, an employee of the State of Tennessee or if the University is an entity in which a controlling interest is held by an individual who is, or within the past 6 months has been, an employee of the State of Tennessee.

2. Iran Divestment Act: The requirements of Tenn. Code Ann. § 12-12-101 et seq., addressing contracting with persons as defined at T.C.A. §12-12-103(5) that engage in investment activities in Iran, are a material provision of this Agreement. Developer hereby certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.

3. Illegal Immigrants: In compliance with the requirements of Tenn. Code Ann. § 12-3-309, Developer hereby attests that it shall not knowingly utilize the services of an illegal immigrant in the United States in the performance of this Agreement and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the United States in the performance of this Agreement.

4. Anti-Israel Boycott: In compliance with the requirements of Tenn. Code Ann. § 12-4-119, Developer hereby states that it is not currently engaged in, and will not for the duration of this Agreement engage in, a boycott of Israel.

5. Tennessee Department of Revenue: In compliance with the requirements of Tenn. Code Ann. § 12-3-306, Developer hereby attests that it has registered with the State of Tennessee's Department of Revenue for the collection of Tennessee sales and use tax. This registration requirement is a material requirement of this agreement.

6. Debarment:

   i. Developer hereby attests that the following are true statements:
      a. Developer is not currently debarred by the U.S. federal government.
      b. Developer is not currently suspended by the U.S. federal government.
      c. Developer is not currently named as an "excluded" supplier by the U.S. federal government.

   ii. Developer must notify the University within 2 business days if Developer is debarred by any organization in the United States.

7. Use of University Intellectual Property: Except as allowed in this section or in any other agreement between Developer and the University, Developer shall not use the University's name, marks, logos, or any other University-owned intellectual property for any reason, without the written consent of an authorized official of the University.

8. Non-Discrimination: No person on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal and/or Tennessee State Constitutional and/or statutory law shall be excluded from participation in, or denied benefits of, or be otherwise subjected to discrimination in the performance of the contract or in the employment practices of Developer. The Dveloper shall, upon request, show proof of such non-discrimination, and shall post in conspicuous places, available to employees and applicants, notices of non-discrimination.

EXHIBIT 17
HAZARDOUS MATERIALS REPORTS

Include Phase 1 Environmental

(Environment Report)

Phase I Environmental Site Assessment for Proposed UT Sports Entertainment District, Neyland Drive, Knoxville, Tennessee dated February 4, 2026, Prepared for 865 Neyland, LLC, University of Tennessee, State of Tennessee and Arctos Sports Partners, LLC by Streamline Environmental

EXHIBIT 18
INTENTIONALLY OMITTED

EXHIBIT 19
DISPUTE RESOLUTION

1. In the event a claim, dispute, or controversy (defined for the purposes of this Exhibit as "Claim") arises out of or relates to this Agreement or the Parking Project, as a condition precedent to pursuing formal legal proceedings, the parties' representatives shall meet and attempt to resolve the matter. If the parties' representatives are unable to resolve the Claim following such meeting, the parties may mutually agree to attempt to resolve the Claim through voluntary mediation.

2. If the Claim has not been resolved within 60 days after a party notifies the other party of the Claim in writing, then either Party may file suit in a Tennessee court with jurisdiction.

3. Developer shall continue performing under this Agreement during the pendency of any unresolved dispute or Claim.

This Instrument Prepared By:
Long Ragsdale & Waters PC
1111 Northshore Drive NW, Ste S-700
Knoxville, TN 37919-4074

RECIPROCAL EASEMENT AND PARKING USE AGREEMENT

This **RECIPROCAL EASEMENT AND PARKING USE AGREEMENT** (this "**Agreement**"), made and entered into as of _____, 20____ (the "**Effective Date**"), is between the **STATE OF TENNESSEE** (the "**State**"), on behalf of the **UNIVERSITY OF TENNESSEE** (the "**University**"), an instrumentality of the State, on behalf of its Knoxville Campus, **865 ENTERTAINMENT DEVELOPER LLC**, a limited liability company organized and existing under the laws of the State of Delaware, (the "**District Lessee**"), and **865 HOSPITALITY DEVELOPER LLC**, a limited liability company organized and existing under the laws of the State of Delaware (the "**Condotel Lessee**").

W I T N E S S E T H:

WHEREAS, the State is the owner of certain real property (the "**Land**") located on the Campus (as hereinafter defined) of the University as more particularly described in **Exhibit A** attached hereto, incorporated in and by reference made a part hereof; and

WHEREAS, a parking garage (the "**Existing Adjacent Garage**") is currently located on a portion of the Land and an adjoining parcel owned by the State which is **[[**visually depicted**]]**on Exhibit A-1 (the "**Adjoining Parcel**"). The Existing Adjacent Garage will become part of the Garage Facility, as defined below; and

WHEREAS, the State and District Lessee have executed that certain ground lease dated [[_____ _____, 202__] (the "**District Ground Lease**") for the lease of certain air rights above the top floor above the UTK Parking Garage (as hereinafter defined) as described and identified on Exhibit A-2 (the "**Entertainment District Site**") for the construction and development of a retail, food service and public space facilities (collectively, the **Entertainment District**") ; and

WHEREAS, the State and Condotel Lessee have previously executed that certain ground lease dated [[____ _____, 202__] (the "**Condotel Ground Lease**"), for the lease of the property along the easterly boundary of the Land and the air rights above the top floor of the UTK Parking Garage described and identified on Exhibit A-3 (the "**Condotel Site**") for the construction and development of a mixed use condominium project consisting of a hotel and multiple residential condominium units (collectively, the "**Condotel**"); and

WHEREAS, 865 Neyland Parking Developer, LLC, a Delaware limited liability company, an affiliate of District Lessee ("**Garage Developer**"), is developing and constructing a new parking garage consisting of approximately 1,318 parking spaces on the Land ("**UTK Parking Garage**"), which UTK Parking Garage will be operated together with the Existing Adjacent Garage as if it were a singular parking garage (collectively, the "**Garage Facility**") pursuant to the terms of this Agreement; and

WHEREAS, the Parties desire to establish and confirm certain easements, conditions, terms and agreements for the use and maintenance of the Parcels (as hereinafter defined) and the Total Project (as hereinafter defined), including, but not limited to various easements between the Parcels, as described herein.

NOW, THEREFORE, in consideration of the premises, the mutual covenants and agreements herein set forth by each Party to be kept and performed, and for other good and valuable consideration, the receipt, adequacy, and sufficiency of which are hereby expressly acknowledged by each Party hereto, the State, University, Condotel Lessee and District Lessee do hereby mutually covenant and agree as follows:

Section 1. Definitions. The following terms as used in this Agreement shall have the following meanings, unless the context indicates otherwise.

"**Affiliate**" means with respect to a specified Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with the specified Person. For the purpose of this definition, "**control**" means the ability to directly or indirectly, by voting securities, partnership or member interests, contract or otherwise, direct or cause the direction of the policies or management of the specified Person. For purposes of State and University only, any one of more of State's or University's affiliated foundations (*e.g.*, University of Tennessee Foundation) shall be deemed to be an "Affiliate" of State or University for purposes of this Agreement.

"**Annual Period**" means the twelve (12) month period commencing on January 1 of each calendar year and ending on December 31 of each calendar year.

"**Ballroom Area**" means the air rights and space above the top floor above the Garage Facility which is identified as "Ballroom" in the Site Plan.

"**Business Day**" or "**business day**" means every day except Saturdays, Sundays and other days on which banks are authorized to close in Knoxville, Tennessee.

"**Building**" means any building(s) or vertical structure(s) developed and constructed on a Parcel.

"**Campus**" means the Knoxville campus of the University, located at 1502 Cumberland Avenue, Knoxville, Tennessee 37996.

"**Code**" means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

"**Condotel Supports**" shall have the meaning given such term in Section 6.1 hereof.

"Condotel" shall have the meaning set forth in the Recitals.

"Condotel Ground Lessee" shall have the meaning set forth in the Recitals.

"**Condotel Lessee Representative**" means the person or persons authorized to act for Condotel Lessee in connection with this Agreement, who shall each, acting individually, have the authority to bind Condotel Lessee, or any other person designated by Condotel Lessee in writing as a representative of the Condotel Lessee authorized to act on behalf of Condotel Lessee in connection with the Condotel Ground Lease.

"**Condotel Plans**" means the plans and specifications for the development and construction of the Condotel prepared by M. Arthur Gensler Jr. & Associates, Inc. and approved by the State and University under the Condotel Ground Lease.

"**Condotel Site**" shall have the meaning set forth in the Recitals.

"**Consumer Price Index**" means the Consumer Price Index for All Urban Consumers, all items (1982-100), published by the U.S. Department of Labor, Bureau of Labor Statistics (the "**BLS**") for Knox County, Tennessee. If the Consumer Price Index:

(i) is not published for a given calendar month, then the Consumer Price Index for that month shall be the Consumer Price Index published for the most recent prior calendar month or other period for which it is so published;

(ii) hereafter uses a different standard reference base or is otherwise revised, an adjustment shall be made therein for the purposes of this Agreement, using the conversion factor, formula, or table for making that adjustment as is published by the BLS, or if the BLS does not publish the same, then as is published by Prentice-Hall, Inc., the Bureau of National Affairs, Commerce Clearing House, or any other nationally recognized publisher of similar statistical information, as selected by the State;

(iii) ceases to be published, then for the purposes of this Agreement there shall be substituted for it such other index as the Parties may agree upon, or in the absence of such an agreement, the Consumer Price Index first issued for the month and year in question.

"Default Rate" shall the lesser of (i) a per annum rate of interest equal to the sum of the Prime Rate plus four percent (4.0%) or (ii) the maximum rate permitted by applicable Governmental Regulations.

"District Ground Lease" shall have the meaning set forth in the Recitals.

"**District Lessee**" shall have the meaning set forth in the Recitals.

"**District Lessee's Proportionate Share**" means (i) with respect to Elevators 1, 2, 3 5, and 6, and Stairwells 1 and 3 through 7, inclusive, thirty-three and thirty-three hundredths percent (33.33%), and (ii) with respect to Elevator 4, the Entertainment District Elevator and Stairwell 2, one hundred percent (100%).

"**District Lessee Representative**" means the person or persons authorized to act for District Lessee in connection with this Agreement, who shall each, acting individually, have the authority to bind District Lessee, or any other person designated by District Lessee in writing as a representative of the District Lessee authorized to act on behalf of District Lessee in connection with the District Ground Lease.

"**District Plans**" means the plans and specifications for the development and construction of the Entertainment District under the District Ground Lease.

"**District Supports**" shall have the meaning given such term in Section 5.1 hereof.

"**Drive Lanes**" means that portion of the Condotel Site located at grade on which are located one (1) or more vehicular driving aisles are located, which is identified as "Drive Lanes" on the Site Plan.

"**Effective Date**" shall have the meaning set forth in the Preamble.

"**Elevators**" shall mean the elevators identified as elevators 1, 2, 3, 4, 5 and 6 on the Site Plan, including, in all instances, the cab, doors, motors, wires, cables, electrical service, equipment, machinery, machine pit and machine room, if any, and related elevator lobbies, which elevators shall be available for use pursuant in connection with the exercise of certain easements set forth herein.

"**Emergency Situation"** shall have the meaning set forth in Section 7.4 hereof.

"**Entertainment District Elevator**" means Elevator 7 on the Site Plan.

"**Entertainment District Site**" shall have the meaning set forth in the Recitals.

"**Entrance Turn Around**" means that portion of the Condotel Site located at grade on which is located vehicular turn around/drop off aisles, which is identified as "Entrance Turn Around" on the Site Plan.

"Environmental Laws" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, Public Law No. 96-510, 94 Stat. 1613, the Resource Conservation and Recovery Act, the Clean Air Act, as amended (42 U.S.C. §§ 7401 et seq.), the Clean Water Act, as amended (33 U.S.C. §§ 1251 et seq.), including all amendments to such Acts, or any federal, state, or local statute, law, ordinance, code, rule, regulation, order, or decree, regulating, or other legal requirement relating to the protection of human health or the environment, including, but not limited to, any requirement pertaining to or imposing liability or standards of conduct concerning any petroleum, petroleum byproduct (including but not limited to, crude oil, diesel oil, fuel oil, gasoline, lubrication oil, oil refuse, oil mixed with other waste, oil sludge, and all other liquid hydrocarbons, regardless of specific gravity) natural or synthetic gas, products, and/or hazardous substance or material, toxic or dangerous waste, substance or material, pollutant, or contaminant, as may now or at any time hereafter be in effect.

"**Event of Default**" means each of the events specified in Section 14 and any other event defined elsewhere in this Agreement as an "Event of Default".

"Force Majeure Event" means any of the following events, regardless of the location or duration of the events, but only to the extent that the same (i) materially and adversely interfere with a party's obligations under this Ground Lease beyond the reasonable control of the party whose performance is interfered with and (ii) could not reasonably have been prevented or mitigated by such party's use of reasonable care and anticipation: acts of nature; fires and explosions; acts of war, armed conflict or other hostile action; civil war, rebellion, revolution, insurrection or usurpation of sovereign power; riots or other civil unrest; terrorism; hijacking; chemical or biological events; nuclear events; epidemics, pandemics, contagions and disease related events; bombing; strikes, lockouts or other labor disturbances; embargoes or blockades; shortage of critical materials or supplies; action or inaction of Governmental Authorities (including restrictions wages or other material aspects of operation); restrictions on financial, transportation or information distribution systems; or the revocation or refusal to grant licenses or permits, where the revocation or refusal is not due to the fault of the party whose performance is to be excused for reasons of the event; or tariffs, embargoes, trade restrictions imposed by Governmental Authorities. Force Majeure Event shall not include a downturn in the economy or financial markets or the effects thereof or any event resulting therefrom or any other systemic economic condition or event (whether local, state, national or global).

"**Garage Developer**" shall have the meaning set forth in the Recitals.

"**Garage Plans**" means the plans and specifications for the development and construction of the UTK Parking Garage prepared by Hord Coplan Macht Architects and approved by the State and the University.

"**Governmental Authority**" means any federal, State, county, regional, or local government, political subdivision, any governmental agency, department, authority, instrumentality, bureau, commission, board, official, or officer, any court, judge, examiner, or hearing officer, any legislative, judicial, executive, administrative, or regulatory body or committee or official thereof or private accrediting body.

"**Governmental Regulations**" means any and all laws, statutes, codes, acts, ordinances, orders, judgments, case precedents, decrees, writs, injunctions, rules, regulations, restrictions, permits, plans, approvals, authorizations, concessions, investigations, reports, guidelines and requirements or accreditation standards of any Governmental Authority having jurisdiction over Lessees or the Land or affecting the Total Project, including all applicable Environmental Laws and the Americans with Disabilities Act of 1990, as amended.

"**Hazardous Materials**" means petroleum, petroleum byproducts (including but not limited to, crude oil, diesel oil, fuel oil, gasoline, lubrication oil, oil refuse, oil mixed with other waste, oil sludge, and all other liquid

hydrocarbons, regardless of specific gravity), natural or synthetic gas products, and/or any hazardous substance or material, waste, pollutant, or contaminant, defined as such in (or for the purposes of) the Environmental Laws.

"**Improvements**" means a Building and all equipment, utility lines, ramps, access ways and other facilities located on or serving a Building.

"**Independent Engineer**" means any architect, engineer, or firm of architects or engineers that is independent of the Garage Developer, District Lessee, Condotel Lessee, University and the State and that is selected by a Party and that has all licenses and certifications necessary for the performance of services required by Sections 3.6(b) or 3.6(e), as applicable, and that has a favorable reputation for skill and experience in performing similar services in respect of facilities of a comparable size and nature.

"**Kiosk Area**" means the portion of the Northern Plaza, which is identified as "Kiosk" on the Site Plan.

"**Land**" shall have the meaning given in the initial Recitals of this Agreement.

"**Lease Year**" means each twelve (12) month period commencing on January 1 of each calendar year and ending on December 31 of the same calendar year, provided the first Lease Year shall commence on the Commencement Date and end on **[**December 31, 202_.**]**

"**Leasehold Mortgage**" shall mean any one or more leasehold mortgages, deeds of trust or security agreements to and for the benefit of the holder of the loan financing the Entertainment District or the Condotel, which constitutes a lien on the leasehold interest of either District Lessee under the District Ground Lease or Condotel Lessee under the Condotel Ground Lease, as applicable.

"**Leasehold Mortgagee**" means the beneficiary under a Leasehold Mortgage and any permitted designee for the purpose of taking title to the leasehold interest of either the District Lessee under the District Ground Lease or Condotel Lessee under the Condotel Ground Lease, as applicable.

"**Leases**" means, collectively, the District Ground Lease and the Condotel Ground Lease.

"**Lessees**" means, collectively, the District Lessee and the Condotel Lessee.

"**Loading Dock**" means the area which is identified as "Loading Dock" on the Site Plan.

"Net Condemnation Proceeds" shall mean the proceeds received by the State, the District Lessee, Condotel Lessee or the Leasehold Mortgagee, as applicable, in the event of a condemnation or taking in eminent domain of any of the Parcels in whole or in part, from the condemning Governmental Authority, less all reasonable and necessary costs and expenses issued in the connection with the settlement of the claims arising out of the condemnation and the award granted by the Governmental Authority, including reasonable fees and expenses of counsel.

"**Net Insurance Proceeds**" shall mean the proceeds received by the State, the District Lessee, Condotel Lessee or the Leasehold Mortgagee, as applicable, in the event of a casualty, damage or destruction to the Garage Facility, Condotel Site and the Entertainment District Site, or any portion thereof, under and pursuant to the insurance policies maintained by the State, Condotel Lessee or District Lessee with respect to the Garage Facility, Condotel Site and the Entertainment District Site, as applicable, less all reasonable and necessary costs and expenses insured in connection with the settlement of any insurance claim relative to such proceeds, and the deductible, including reasonable fees and expenses of counsel.

"**Northern Interior Hallway and Staging Area**" means the interior hallway located along the northern-most boundary line of the Condotel Site located on Levels 2 and 7, identified as "Northern Interior Hallway and Staging Area" on the Site Plan.

"**Northern Plaza**" means the property of the State located along the northern boundary of the Entertainment District Site and Condotel Site, which is identified as "the Northern Plaza" on the Site Plan.

"**Owner**" or "**Owners**" shall mean the State or the University (as to the Garage Facility), District Lessee (as to the Entertainment District Site) and its permitted successors and assigns under the District Ground Lease and Condotel Lessee (as to the Condotel Site) and its permitted successors and assigns under the Condotel Ground Lesse.

"Parcel" or "**Parcels**" shall mean the Garage Facility, the Entertainment District Site, the Condotel Site, which now constituting a part of the real property subjected to this Agreement.

"**Parking Spaces**" means the striped parking spaces now or hereafter located in the Garage Facility.

"**Party**" or "**Parties**" shall mean the State, the University, the District Lessee, the Condotel Lessee, their successors and assigns.

"**Permittees**" shall mean all Persons from time to time entitled to the use and occupancy of any portion of the Total Project as an Owner or under any lease, sublease, license, concession, hotel booking or other similar agreement, and the officers, directors, partners, members, employees, agents, contractors, customers, vendors, suppliers, visitors, guests, invitees, licensees, subtenants, patrons and customers and concessionaires of Owners insofar as their activities relate to the intended development, use and occupancy of the Total Project.

"**Person**" means natural persons, firms, joint ventures, associations, trusts, partnerships, corporations, limited liability companies, public bodies, and similar entities.

"**Prime Rate**" means the rate designated as the "prime rate" as published each business day in the *Wall Street Journal*, or, if at any time the *Wall Street Journal* shall cease to be published, the rate announced from time to time by the largest commercial bank with branches in New York City (as reasonably identified by State) as its "prime", "base" or "reference" rate.

"**Prohibited Person**" means any Person:

(a) that has failed to comply with all Governmental Regulations and as a result such Person has been convicted of, pleaded guilty to, or entered into a settlement in compromise of, a felony, fraud or securities violations or other crime of moral turpitude within ten (10) years before the date of measurement;

(b) that is on the list of Specially Designated Nationals and Blocked Persons under any other U.S. Department of Treasury's Office of Foreign Assets Control regulation or executive order;

(c) that is organized in, or a citizen of, a country that is subject to any of the following (including, without limitation, any subsequently enacted legislation with similar effect, impact or intent to the following): (i) the Trading with the Enemy Act of 1917, 50 U.S.C. App. § 1, et seq., as amended; (ii) the International Emergency Economic Powers Act of 1976, 50 U.S.C. § 1701, et seq., as amended; and (iii) the Anti-Terrorism and Arms Export Amendments Act of 1989, codified at Section 6(j) of the Export Administration Act of 1979, 50 U.S.C. App. § 2405, as amended,

(d) that is blocked or subject to blocking pursuant to (i) Executive Order 13224 of September 23, 2001 Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001)); or (ii) any subsequently enacted legislation with similar effect, impact or intent to the foregoing;

(e) that is prohibited from owning or acquiring any interest in the Land (including, without limitation, any of the Property) under Tenn. Code Ann. § 66-2-301 et al. or by any Government Regulation,

whether such Government Regulation is in effect as of the Effective Date or enacted after the Effective Date; or

(f) that is an Affiliate of any of the persons described in clauses (a) or (b) of this definition.

"**Property**" means the Land, Adjoining Parcel, the Garage Facility, the Entertainment District Site, the Condotel Site and any and all Improvements hereafter constructed on thereon.

"Shared Cost" shall have the meaning given to such term in Section 4.4.

"**Shared Equipment**" shall mean the equipment that services more than one of the Garage Facility, Condotel Site or Entertainment District Site, at any time, including any such replacement equipment.

"**Site Plan**" means that plan of the Garage Facility, Condotel Site and Entertainment District Site attached hereto as Exhibit B and by reference made a part hereof showing the planned location of entrances, ramps, driveways, walkways, stairs, elevators, easements, and other facilities, including access points and connections between the Garage Facility, Entertainment District Site and the Condotel Site.

"**Southern Access Area**" means that property of the State which is located along the southern boundary of the UTK Parking Garage, being identified as the "Southern Access Area" on the Site Plan, upon which District Lessee intends to install one or more transformers to service the Entertainment District Site.

"**Stairwells**" shall mean the stairwells identified as stairwells 1, 2, 3, 4, 5, 6 and 7 on the Site Plan, including, in all instances, related stairwell lobbies, which stairwells shall be available for use pursuant in connection with the exercise of certain easements set forth herein.

"**State**" means the State of Tennessee, on behalf of the University of Tennessee on behalf of its Knoxville Campus, and its successors and assigns.

"**State Representative**" means the Person or Persons designated in writing by the State to serve as the State's representatives in connection with this Agreement.

"**Student Staircase**" means the exterior staircase located along the eastern boundary of the Condotel Site, being identified as the "Student Staircase" on the Site Plan.

"**Student Walk**" means the exterior walkway located along the northern boundary of the Condotel Site, being identified as the "Student Walk" on the Site Plan.

"**Term**" shall have the meaning given in Section 2.1.

"**Termination Date**" has the meaning given in in Section 2.1.

"**Total Project**" means the UTK Parking Garage, Garage Facility, Entertainment District, and Condotel.

"**University**" means University of Tennessee, an instrumentality of the State.

"**University Private Road**" means those certain roadways accessible from Neyland Avenue necessary for access to the Northern Plaza and the Loading Docks, which is labeled as "University Private Road" on the Site Plan.

Section 2. Term and Use.

Section 2.1 The term of this Agreement created hereunder (the "**Term**") shall commence on the Effective Date and shall expire at 12:00 midnight on the last to occur of: (i) the expiration or termination of the term of the District Ground Lease as to the rights of the District Ground Lessee and (ii) the expiration or termination of the term of the Condotel Ground Lease as to the rights of the Condotel Lessee (as applicable, the "**Termination Date**"). Each Lessee shall have the right to extend the term of this Agreement concurrently with the extension of the term of its Lease as provided therein. In the event that the District Ground Lease terminates under the terms thereof, whether as the result of a default, the State's exercise of its option to purchase the Entertainment District Site or otherwise, this Agreement shall terminate only as to the Entertainment District Site and not as to the Condotel Site. In the event that the Condotel Ground Lease terminates under the terms thereof, whether as the result of a default or otherwise, this Agreement shall terminate only as to the Condotel Site and not as to the Entertainment District Site.

Section 2.2 State and Lessees, within thirty (30) days after written request of the other, shall confirm the then current Termination Date in writing, together with any other information contemplated by this Agreement, and if so requested, by an instrument in recordable form.

Section 2.3 Each of the Lessees shall use and operate its applicable leased property only for the purposes set forth herein and pursuant to the terms of its applicable lease.

Section 3. Parking

Section 3.1 Grant of Use Rights. State does hereby grant and convey, for the benefit of and as an appurtenance to the Entertainment District Site and the Condotel Site, and the use thereof by District Lessee, Condotel Lessee and their respective Permittees, a non-exclusive right for vehicular parking in the Parking Spaces and a non-exclusive right of ingress and egress in, over, on across, and through the entranceways, driveways, elevators and walkways existing from time to time within the Garage Facility in order to provide vehicular and pedestrian access to the Entertainment District Site and the Condotel Site. The rights granted above are subject to the following terms and conditions:

(a) The rights granted in this Section 3 relating to vehicular parking and access in and to the Parking Spaces extend only to cars or other passenger vehicles of a size that will reasonably fit (including height, length and width) within the Parking Spaces. The rights granted in this Section 3 relating to vehicular parking and access in and to the Parking Spaces within the Garage Facility do not include parking of buses or motor homes.

(b) The University may (i) issue and enforce reasonable rules and regulations for the use of the Parking Spaces, including, without limitation, the right to authorize the towing or booting of vehicles illegally or improperly parked and (ii) regulate the use of the driveways and parking areas as to security and speed limits of vehicles, provided that such rules and regulations are in all cases, (1) promptly provided in writing to all Owners hereunder, (2) consistent with rules and regulations customarily enforced for first class mixed use parking garages in the Knoxville, Tennessee area, and (3) uniformly applied against the Owners.

(c) The Parties acknowledge that the University will make the Parking Spaces available to University students, faculty and visitors daily; provided that, subject to availability and in cooperation with the University, District Lessee shall have the ability to purchase up to twenty (20) parking permits for the use of the Permittees of Entertainment District Site, and Condotel Lessee shall have the ability to purchase up to twenty (20) parking permits for the use of the Permittees of the Condotel Site at the University parking permit rate for the appropriate permit type at such time.

(d) The Parties agree and acknowledge that the University may designate certain dates and times during which the right to use the Parking Spaces shall be limited to parties attending events on Campus, including, but not limited to, sporting events, concerts, conventions, conferences, graduations and other ceremonies. The University shall give Lessees at least five (5) days prior written notice of such events and shall permit District Lessee to purchase up to five (5) parking permits and Condotel Lessee to purchase up to five (5) parking permits for such events. The University may satisfy such written notice requirement by maintaining an annual or rolling event

calendar accessible to the Lessees.

Section 3.2 Parking Revenues. The University shall have the sole and exclusive right to establish and collect charges and fees for the use of the Parking Spaces and the UTK Parking Garage until such time as the University assigns the right and obligation to maintain the UTK Parking Garage to District Lessee under Section 3.6(f) or District Lessee elects to repair or restore damage under Section 11 of this Agreement. From and after either such event, the District Lessee shall have the right to establish and collect charges and fees for the use of the Parking Spaces and the UTK Parking Garage, provided that the University shall have the right (in its reasonable discretion) to approve parking rates for the University students, faculty and other University Permittees. The University approval right shall apply to parking permits issued to University students, faculty, staff and visitors for any and all University hosted events and shall not extend to transient hourly rates unless those rates apply to University permit holders.

Section 3.3 Taxes and Assessments. State and Lessees intend that the State's interest in the Garage Facility will be exempt from ad valorem property taxation and special assessments of the State, or any municipality, or other political subdivision of the State pursuant to applicable law.

Section 3.4 Utility Services. The following utility services shall be available to the Garage Facility: gas, water (including water for domestic uses and for fire protection), sanitary sewer and electricity ("**Utility Services**"). The State will pay the cost of such Utility Services, as and when due ("**State Utility Bills**").

Section 3.5 Assignment.

(a) District Lessee may assign its rights and obligations under this Agreement to any assignee in connection with a permitted or approved assignment of the Entertainment District Site under the terms of the District Ground Lease. No other assignment of the District Lessee's rights hereunder shall be permitted without the prior written consent of the State.

(b) Condotel Lessee may assign its rights and obligations under this Agreement to any assignee in connection with a permitted or approved assignment of the Condotel Site under the terms of the Condotel Ground Lease. No other assignment of the Condotel Lessee's rights hereunder shall be permitted without the prior written consent of the State.

Section 3.6 Maintenance of the Garage Facility.

(a) **Maintenance Obligations.** The University shall (i) light, operate and secure the Garage Facility in a manner consistent with other parking facilities on the Campus, and (ii) maintain the Garage Facility (including the District Supports and Condotel Supports as more specifically set forth in Sections 5.1 and 6.1, respectively) in good working order and repair in accordance with the recommendations set forth in the letter dated November 18, 2025 from David W. McLaren of KCI Technologies, Inc. to Hord Caplan Macht. Notwithstanding the foregoing, if the University exercises its option to require District Lessee to assume responsibility for maintenance of the UTK Parking Garage pursuant to Section 3.6(f), (1) District Lessee shall take control of the maintenance of the UTK Parking Garage, (2) State shall be relieved of all obligations under this Section 3.6(a) relative to the UTK Parking Garage and (3) provided that, if the District Ground Lease is terminated at any time thereafter, the University shall resume its obligations under this Section 3.6 with respect to the UTK Parking Garage and the Condotel Supports.

(b) **Failure to Maintain.** In the event either District Lessee or Condotel Lessee has a good faith reason to believe that either (1) the University has failed to maintain the District Supports or Condotel Supports, as applicable, pursuant to Sections 3.6(a), 5.1 or 6.1, or (2) an Emergency Situation exists with respect to the District Supports or Condotel Supports, then, promptly upon learning of such Emergency Situation, either District Lessee or Condotel Lessee (the "**Notifying Party**") shall deliver both oral and written notice to the University, and as promptly as possible upon receipt of such notice (but in the event of an Emergency Situation, no later than two (2) calendar days after receipt of such notice):

(i) If the University advises the Notifying Party that the University agrees with the Notifying Party's assessment, the University shall promptly undertake to correct any such deficiencies in the District Supports and/or Condotel Supports, as applicable, at the sole cost and expense of the University;

(ii) If the University advises the Notifying Party that the University disagrees with the Notifying Party's assessment, Notifying Party shall have the right to engage an Independent Engineer to inspect the applicable portion of the District Supports or Condotel Supports and provide a report confirming whether maintenance or repair is necessary, and if such report concludes that maintenance or repair is necessary, such report shall include a recommended scope of work (an "**Independent Report**"). Notifying Party shall provide a copy of the Independent Report to the University.

(1) If the University agrees with the conclusions of the Independent Report, the University shall promptly undertake to correct any such deficiencies noted in the Independent Report, pursuant to the scope of work noted in the Independent Report, at the sole cost and expense of the University; or

(2) If the University disagrees with the conclusions of the Independent Report, then the Notifying Party shall be permitted to promptly correct any such deficiencies noted in the Independent Report, pursuant to the scope of work noted in the Independent Report, at the sole cost and expense of the Notifying Party, provided that:

(A) the Notifying Party shall engage a licensed contractor that is not barred from working with the State; and

(B) the University shall approve the scope of work in the Independent Report and confirm that it has no objections to any design plans for any modifications to the UTK Parking Garage, if any, such approval and objections not to be unreasonably conditioned, delayed or withheld.

(iii) Notwithstanding the foregoing, if University exercises its option to require District Lessee to assume responsibility for maintenance of the Garage Facility pursuant to Section 3.6(f), Condotel Lessee shall retain its right to pursue District Lessee under this Section 3.6(b) for any failure by District Lessee to perform its obligations under this Section 3.6(b) as if this Section had originally been drafted by replacing references to "University" with "District Lessee", provided that if, the District Ground Lease is terminated at any time thereafter, the University shall resume its obligations under this Section 3.6(b) with respect to the Condotel Supports and Condotel Lessee shall have the right to pursue the University under this Section 3.6(b).

(c) Intentionally Omitted.

(d) Temporary Closure. The University shall have the right to temporarily close or restrict access to the Garage Facility or portions thereof to the extent reasonably necessary to perform repairs or maintenance thereto, provided that (a) the University diligently pursues the completion of any such work, time being of the essence, and (b) for any closure which, for more than twenty-four (24) hours, prevents access by Condotel Lessee, District Lessee or their respective Permittees of either (or both) the Entertainment District Site or the Condotel to more than fifty percent (50%) of the Parking Spaces or ingress or egress from the Entertainment District Site or the Condotel Site, the University shall (i) (except to the extent that emergency conditions do not permit it) arrange and coordinate with the other Owners for reasonable and definite times and conditions at and under which such repairs or maintenance shall be done, (ii) give the applicable Lessee at least twenty (20) days prior written notice thereof and shall, except for repairs needed to avoid imminent threat of harm to persons or property, and (iii) to the greatest extent practical, minimize interference with any other Owner (and its Permittees') operations and use and enjoyment of its Parcel and

its easements and rights granted hereunder, including, but not limited to, restricting access to the Garage Facility only as absolutely necessary and performing such repairs or maintenance in phases so that there are Parking Spaces for use by District Lessee, Condotel Lessee and their respective Permittees for the duration of any such restriction or closure.

(e) Garage Facility Assessment. Commencing in the fifth (5th) Annual Period following the Effective Date, and at least every five (5) years thereafter, the University, at its cost, will cause a comprehensive facilities condition assessment report to be performed on the Garage Facility by an Independent Engineer. Additionally, the University will cause a comprehensive facilities condition assessment report to be performed on the Garage Facility by an Independent Engineer at any time upon reasonable written request by any Party hereto based upon reasonable evidence of a material concern, in which case the cost of the facilities condition assessment report shall be paid by the Party requesting the assessment. The Party requesting the assessment, in consultation with the other parties hereto, will determine the nature and scope of services and deliverables to be provided by the Independent Engineer and the schedule, budget and funding by the parties of their respective implementation of remedial action to address any defects or deficiencies identified in such report. Any defects or deficiencies identified in any report by an Independent Engineer shall not need to be addressed in the event the same (i) are scheduled to be addressed during the next Annual Period and (ii) are non-essential items that may improve usability of the Garage Facility but do not impact life safety or long-term stability or viability, the welfare of users, code compliance, or Garage Facility functionality.

(f) Assumption of Obligations. At any time after the University has retired all of its indebtedness on the UTK Parking Garage, the University may require the District Lessee to assume the obligations for performance and payment of maintenance of the UTK Parking Garage. In such event, District Lessee shall become responsible for the performance and payment of (i) maintenance obligations under Section 3.6(a) with respect to the UTK Parking Garage and (ii) any capital repairs or improvements that District Lessee determines to be reasonably necessary for the long-term use and physical stability of the UTK Parking Garage. In addition, District Lessee shall have the exclusive right to charge (subject to the last sentence of Section 3.2 above) and collect fees and other revenues for the use of the UTK Parking Garage. Notwithstanding the foregoing, if the District Ground Lease is terminated at any time thereafter, the University shall resume its obligations under Section 3.6(a) with respect to the Condotel Supports.

Section 4. General Access Easements.

Section 4.1 Mutual Access between Parcels at Level 7. The Parties hereby grant, establish, covenant and agree that the Parcels, and all Owners and Permittees of the Parcels, shall be benefitted and burdened by a reciprocal easement for reasonable access, ingress and egress over at Level 7 of the Total Project, so as to provide for the passage of pedestrians between the portions of such Parcels intended for public access, and to and from all abutting streets or rights of way furnishing access to such Parcels, subject to the limitations and restrictions which are established from time to time by each Party with respect to their Parcel.

Section 4.2 Easements Granted by the State.

(a) **University Private Drive.** The State hereby grants to the District Lessee and the Condotel Lessee and all Owners and Permittees of both Parcels for the benefit of the Entertainment District Site and the Condotel Site a non-exclusive easement for ingress and egress by vehicles, persons, materials and equipment over the University Private Drive and to use any driveways, walkways and pathways now or hereafter located and along the University Private Drive generally for access, ingress and egress so as to provide pedestrian and vehicular access between the Condotel Site, the Loading Dock and the public street known currently known as Neyland Drive. The University shall light, secure, maintain, operate, repair and replace the University Private Drive in a manner consistent with other comparable private drives located on the Campus. If the University fails to light, secure, maintain, operate, repair or replace the University Private Drive as required pursuant to this Section 4.2, Condotel Lessee and/or District Lessee shall have the right, but not the obligation, to take action pursuant to the terms of Section 3.6(b) hereunder.

(b) **Northern Plaza.** The State hereby grants to the District Lessee and the Condotel Lessee, and all Owners and Permittees of both Parcels, for the benefit of the Entertainment District Site and the Condotel Site, a non-exclusive easement for ingress and egress over, through and across the Northern Plaza generally for access, ingress and egress so as to provide pedestrian access between the Property, in general, and, more specifically, for District Lessee's access to the Kiosk Area, all subject to the reasonable limitations and restrictions which are established from time to time by the agreement of the Parties. The University shall light, secure, maintain, operate, repair and replace the Northern Plaza in a manner consistent with other comparable exterior facilities on the Campus. If the University fails to light, secure, maintain, operate, repair or replace the Northern Plaza as required pursuant to this Section 4.2, Condotel Lessee and/or District Lessee shall have the right, but not the obligation to take action, pursuant to the terms of Section 3.6(b) hereunder.

(c) **Loading Dock.** The State hereby grants to the District Lessee and the Condotel Lessee and all Owners and Permittees of both Parcels for the benefit of the Entertainment District Site and the Condotel Site a non-exclusive easement for ingress and egress by persons, materials and equipment over the Loading Dock and to use any driveways, walkways and pathways now or hereafter located and along the Loading Dock generally for access, ingress and egress so as to provide pedestrian access between the Condotel Site, the District Site and the Loading Docking, subject to the reasonable limitations and restrictions which are established from time to time by the University. The Parties shall coordinate usage of the Loading Dock through a loading dock manager, as designated by the University, or through some other reasonable means facilitated by the University. District Lessee and Condotel Lessee acknowledge that access to the Loading Dock may be subject to reasonable blackout periods, in the discretion of the Loading Dock manager, to accommodate University events and activities. The University, through the loading dock manager, shall use commercially reasonable efforts to give District Lessee and Condotel Lessee reasonable advance notice of such blackout periods. The University shall light, secure, maintain, operate, repair and replace the Loading Dock in a manner consistent with other comparable loading docks located on the Campus.

(d) **Elevators and Stairwells.** The State hereby grants to the District Lessee and all Owners and Permittees of the Entertainment District Site for the benefit of the Entertainment District Site (i) a non-exclusive easement for ingress and egress by persons, materials and equipment over (x) the Elevators 1, 2, 3 and 5 and 6 located in the UTK Parking Garage and (y) stairwells 1 and 3 through 7, inclusive, located in the UTK Parking Garage and (ii) an exclusive easement for ingress and egress by persons, materials and equipment over (x) the Elevator 4 located in the UTK Parking Garage and (y) Stairwell 2 located in the UTK Parking Garage, and (iii) and non-exclusive right to use any walkways and pathways now or hereafter located and along the Garage Facility generally for access, ingress and egress so as to provide pedestrian access between the Elevators and Stairwells and the Entertainment District Site, subject to the reasonable limitations and restrictions which are established from time to time by the agreement of the District Lessee and the University. The University shall light, secure, maintain, repair and replace the Elevators, the Entertainment District Elevator and Stairwells (notwithstanding the easements set forth in Section 4.5 hereunder) in a manner consistent with other comparable exterior facilities on the Campus. District Lessee shall promptly reimburse the University for District Lessee's Proportionate Share of the cost of maintaining and repairing the Elevators, the Entertainment District Elevator and Stairwells. Notwithstanding the foregoing to the contrary, District Lessee shall be solely responsible for operating Elevator 4 and Entertainment District Elevator (including but not limited to, programming such elevators) in a manner consistent with the terms and conditions of the District Ground Lease.

(e) **Southern Access Plaza.** The State hereby grants to the District Lessee for the benefit of the Entertainment District Site (i) an exclusive easement for the placement of District Equipment in the Southern Access Plaza, and (ii) a non-exclusive right of ingress and egress over, through and across those portion UTK Parking Garage generally for access, ingress and egress so as to provide access between the Southern Access Plaza and the Entertainment District Site, in general, all subject to the reasonable limitations and restrictions which are established from time to time by the agreement of the Parties.

(f) **Grease Trap, Black Iron Duct and Related Systems.** The State hereby grant to the District Lessee and Condotel Lessee and Owners of both Parcels for the benefit of the Entertainment District Site

and the Condotel Site a non-exclusive easement for the installation, maintenance, operation and replacement of grease traps and black iron duct and other lines, devices and facilities on a portion of the UTK Parking Garage in locations to be approved by the University and State in its reasonable discretion and subject to Section 19.11 hereof.

Section 4.3 Easement Granted by the Condotel Lessee.

(a) **Drive Lane**. The Condotel Lessee hereby grants to the District Lessee and the State, and all Owners and Permittees of both Parcels, for the benefit of the Entertainment District Site and the Garage Facility a non-exclusive easement over, through and across for ingress and egress over the Drive Lanes now or hereafter located on the Condotel Site generally for access, ingress and egress so as to provide vehicular access between the University Private Drive and the Garage Facility. Condotel Lessee shall maintain the Drive Lanes pursuant to the terms of the Condotel Ground Lease, subject to the reasonable limitations and restrictions which are established from time to time by the agreement of the Parties.

(b) **Entrance Turn Around**. The Condotel Lessee hereby grants to the District Lessee and the University and the State, and all Owners and Permittees of both Parcels, for the benefit of the Entertainment District Site and the Garage Facility a non-exclusive easement for vehicular and pedestrian ingress and egress over, through and across the Entrance Turn Around now or hereafter located in the Condotel Site generally for access, ingress and egress so as to provide vehicular access between the University Private Drive, the Drive Lanes and the Student Staircase. Condotel Lessee shall maintain the Drive Lanes pursuant to the terms of the Condotel Ground Lease, subject to the reasonable limitations and restrictions are established from time to time by the agreement of the Parties.

(c) **Northern Interior Hallway and Staging Area**. The Condotel Lessee hereby grants to the District Lessee, and all Owners and Permittees of the Entertainment District Site, for the benefit of the Entertainment District Site a non-exclusive easement for pedestrian ingress and egress over, through and across the Northern Interior Hallway and Staging Area now or hereafter located in the Condotel Site generally for access, ingress and egress so as to provide access for persons, materials and equipment between the Entertainment District Site, and the Condotel Site and the Loading Dock. Condotel Lessee shall maintain the Northern Interior Hallway and Staging Area pursuant to the terms of the Condotel Ground Lease.

(d) **Entertainment District Elevator**. The Condotel Lessee hereby grants to the District Lessee, and all Owners and Permittees of the Entertainment District Site, for the benefit of the Entertainment District Site an exclusive easement for pedestrian ingress and egress over, through and across the Entertainment District Elevator now or hereafter located in the Condotel Site generally for access, ingress and egress so as to provide access for persons, materials and equipment between the Entertainment District Site and the Northern Interior Hallway and Staging Area easement granted pursuant to Section 4.3(c) above. Notwithstanding anything contained herein or in the Condotel Ground Lease, Condotel Lessee shall have no obligation to maintain the Entertainment District Elevator.

(e) **Student Staircase**. The Condotel Lessee hereby grants to the District Lessee and the University and the State, and all Owners and Permittees of both Parcels, for the benefit of the Entertainment District Site, the Garage Facility and the Adjoining Parcel, a non-exclusive easement for ingress and egress over, through and across the Student Staircase generally for access, ingress and egress so as to provide pedestrian access between the Property at grade level and at plaza level, subject to the reasonable limitations and restrictions which are established from time to time by the agreement of the Parties. The Condotel Lessee shall maintain the Student Staircase pursuant to the terms of the Condotel Ground Lease.

(f) **Student Walk**. The Condotel Lessee hereby grants to the District Lessee and the University and the State, and all Owners and Permittees of both Parcels, for the benefit of the Entertainment District Site, the Garage Facility and the Adjoining Parcel, a non-exclusive easement for ingress and egress over, through and across the Student Walk generally for access, ingress and egress so as to provide pedestrian access between the Student Staircase and the Northern Plaza, subject to the reasonable limitations and restrictions which are established from

time to time by the agreement of the Parties. Notwithstanding anything contained herein to the contrary, the University shall light, secure, maintain, repair and replace the Student Walk in a manner consistent with other comparable exterior facilities on the Campus.

Section 4.4 Cost Sharing Related to Drive Lane. The Condotel Lessee shall inspect, maintain, repair and replace the Drive Lanes as may be required under the Condotel Ground Lease, with the direct actual cost attributable to any such inspection, maintenance, repair and replacement (collectively, the "**Shared Cost**") to be shared between the University and Condotel Lessee proportionately based on the number of parking spaces in the applicable Parcel (i.e., the Condotel Site, and/or the UTK Parking Garage, as applicable and the total number of spaces in the Condotel Site and the UTK Parking Garage, unless such cost is incurred due to the action or inaction of one of the Parties (or its Permittees) in which event the responsible Party shall pay such cost. The University shall pay its proportionate share of the Shared Cost to the Condotel Lessee within thirty (30) days after receipt of written notice detailing the nature of the work performed and the amount of the Shared Cost. The Entertainment District Lessee will reimburse the University for the Entertainment District Lessee's proportionate share of the Shared Cost attributable to the Entertainment District as determined by the University and Entertainment District Lessee pursuant to separate agreement.

Section 4.5 Elevator Easement Granted by the District Lessee. The District Lessee hereby grants to the University and State and the Permittees of the Garage Facility for the benefit of the Garage Facility (i) a non-exclusive easement for ingress and egress by persons, materials and equipment over (x) the Elevators 1, 2, 3 and 5 and 6 located in the Entertainment District Site and (y) Stairwells 1 and 3 through 7, inclusive, located in the Entertainment District Site, and (ii) and non-exclusive right to use any public walkways and pathways now or hereafter located and along the Entertainment District Site generally for access, ingress and egress so as to provide pedestrian access between the Elevators and Stairwells and the Garage Facility, subject to the reasonable limitations and restrictions which are established from time to time by the agreement of the District Lessee and the University.

Section 5. Easements Appurtenant to the Entertainment District and Rights Reserved.

Section 5.1 Support. The State hereby grants to District Lessee for the benefit of the Entertainment District Site, non-exclusive easements in the locations as shown on the District Plans or otherwise installed in the initial construction of the Improvements on the Entertainment District Site (the "**District Building**") for support of those pillars, columns, beams, members, joists, and other supports of whatever nature (collectively the "**District Supports**") now or hereafter constructed or existing in the Garage Facility as may be reasonably necessary or which may be required by applicable Governmental Regulation, for or in connection with the support of that portion of the Improvements constructed in the Entertainment District Site. Without limiting the generality or scope of the preceding sentence, unless the District Lessee has assumed the obligations to maintain the UTK Parking Garage under Section 3.6(f), pursuant to the terms and conditions set forth in Section 3.6(f) hereof, the University shall have the right and obligation to maintain, repair, and replace those portions of the District Supports located in the UTK Parking Garage (for the purpose of clarity, the District Lessee will be obligated to maintain the District Supports on Level 5 and Level 6 of the UTK Parking Garage at its sole cost and expense). Nothing in this Section 5.1 shall be construed to allow the District Lessee the right to require additional District Supports in that portion of the Improvements constructed in the Garage Facility beyond those set forth in the Garage Plans, the District Plans, or otherwise installed in the initial construction of the Improvements or to increase the support requirements of that portion of the Improvements constructed in the Entertainment District Site beyond those set forth in the District Plans without the prior written consent of the University, not to be unreasonably withheld, delayed or conditioned.

Section 5.2 Common Walls, Ceilings and Floors. The State hereby grants to District Lessee for the benefit of the Entertainment District Site, non-exclusive easements for support and enclosure with respect to those walls, ceilings and horizontal slabs, if any, constructed in and along the common boundaries of the Garage Facility and the Entertainment District Site, and non-exclusive easements for enclosure with respect to all roofs and other enclosing surfaces of the District Building.

Section 5.3 Equipment and Utilities. The State hereby grants to District Lessee for the benefit of the District Lessee, its Permittees and their respective contractors the following: (a) a non-exclusive easement and right to install, own, use, maintain and repair that certain equipment listed or designated on Exhibit C attached hereto and made a part hereof (including, but not limited to, the right to run all accompanying wires, pipes, cables, connectors and conduits through the Garage Facility (including but not limited to the Southern Access Area) to the Entertainment District Site as necessary to operate such equipment), or such other ancillary or replacement equipment (either similar or functionally equivalent) which may, from time to time, supplement or replace said equipment (the foregoing collectively referred to as the "**District Equipment**"), at, and only at, the locations in the Garage Facility shown on or referred to in the District Plans or otherwise installed in the initial construction of the District Building (except that if any substitute or replacement equipment is larger or otherwise requires more space than the then-existing District Equipment, such substitute or replacement equipment shall also be permitted and this grant of easement shall automatically be expanded so as to include and permit it so long as it does not interfere with the then-existing use of the Garage Facility by the University); (b) a non-exclusive easement and right to connect the District Equipment, or any other equipment of the District Lessee, to those systems serving the Garage Facility on which such District Equipment or other equipment is dependent for operation at the points of connection shown on or referred to in the District Plans or otherwise existing at the initial construction of the District Building, provided that District Lessee shall be obligated to pay its equitable share of the cost relating to its use of such systems or Shared Equipment as reasonably determined by the applicable Parties ; (c) to the extent not encompassed by the foregoing, a non-exclusive easement and right to install and maintain utility lines (including, but not limited to, the right to gas, water, electricity, sewer, and telephone and other communications lines, together with all accompanying wires, pipes, connectors and conduits), as may reasonably be or become necessary or appropriate, at said locations and points of connection in the Garage Facility existing at the initial construction of the District Building or at such other locations and points of connection approved by the University, such approval not to be unreasonably withheld or delayed; (d) a non-exclusive easement and right to inspect, maintain, repair and replace the District Equipment located on the Garage Facility; and (e) with respect of all of the foregoing, a right of access to said locations and points of connection on the Garage Facility for the purposes set forth in this Section 5.3 subject to any applicable terms and conditions contained in this Agreement.

Section 5.4 Intentionally Omitted.

Section 5.5 Kiosk Area. The State hereby grants to the District Lessee for the benefit of the Entertainment District Site an easement upon and over the Kiosk Area for (a) the construction, installation, replacement, maintenance and repair of a kiosk or similar Building and other facilities thereon and (b) for the installation, operation, maintenance, replacement and repair of the Kiosk Area together with reasonable right of access over such portions of the Northern Plaza as are reasonably required for the installation, operation, maintenance, use and repair of such kiosk and related facilities. The Kiosk shall be used for ancillary retail and food and beverage uses consistent with the terms of the District Gound Lease and subject to the use restrictions therein.

Section 5.6 Property Benefited. The easements granted in this Section 5 are for the benefit of and appurtenant to the Entertainment District Site, run with the land until the termination of the District Ground Lease.

Section 6. Easements Appurtenant to the Condotel Site and Rights Reserved.

Section 6.1 Support. The State hereby grants to Condotel Lessee for the benefit of the Condotel Site, non-exclusive easements in the locations as shown on the Condotel Plans or otherwise installed in the initial construction of the Improvements on the Condotel Site including the Ballroom (the "**Condotel Building**") for support of those pillars, columns, beams, members, joists, and other supports of whatever nature now or hereafter constructed or existing in the UTK Parking Garage (collectively, the "**Condotel Supports**") as may be reasonably necessary or which may be required by applicable Governmental Regulations, for or in connection with the support of that portion of the Improvements constructed in the Condotel Site. Without limiting the generality or scope of the preceding sentence, unless the District Lessee has assumed the obligations to maintain the UTK Parking Garage under Section 3.6(f), pursuant to the terms and conditions set forth in Section 3.6(f) hereof, the University shall have the right and obligation to maintain, repair, and replace those portions of the Condotel Supports located in the UTK

Parking Garage (for the purpose of clarity, the Condotel Lessee will be obligated to maintain the Condotel Supports on Level 6 of the UTK Parking Garage at its sole cost and expense). After the District Lessee has assumed the obligations to maintain the UTK Parking Garage under Section 3.6(f), the District Lessee shall have the right and obligation (pursuant to the terms and conditions set forth in Section 3.6(f), as if District Lessee were the party originally obligated thereunder) to maintain, repair and replace those portions of the Condotel Supports located in the UTK Parking Garage. Nothing in this Section 6.1 shall be construed to allow the Condotel Lessee the right to require additional Condotel Supports in that portion of the Improvements constructed in the Garage Facility beyond those set forth in the Garage Plans, the Condotel Plans or otherwise installed in the initial construction of the Improvements, or to increase the support requirements of that portion of the Improvements constructed in the Condotel Site beyond those set forth in the Condotel Plans without the prior written consent of the University, not to be unreasonably withheld, delayed or conditioned.

Section 6.2 Common Walls, Ceilings and Floors. The State hereby grants to Condotel Lessee for the benefit of the Condotel Site, non-exclusive easements for support and enclosure with respect to those walls, ceilings and horizontal slabs, if any, constructed in and along the common boundaries of the Garage Facility and the Condotel Site, and non-exclusive easements for enclosure with respect to all roofs and other enclosing surfaces of the Condotel Building.

Section 6.3 Equipment and Utilities. The State hereby grants to Condotel Lessee for the benefit of the Condotel Lessee, its Permittees and their respective contractors the following: (a) a non-exclusive easement and right to install, own, use, maintain and repair that certain equipment listed or designated on Exhibit D attached hereto and made a part hereof (including, but not limited to, the right to run all accompanying wires, pipes, cables, connectors and conduits through the Garage Facility to the Condotel Site as necessary to operate such equipment), or such other ancillary or replacement equipment (either similar or functionally equivalent) which may, from time to time, supplement or replace said equipment (the foregoing collectively referred to as the "**Condotel Equipment**"), at, and only at, the locations in the Garage Facility shown on or referred to in the Garage Plans or otherwise installed in the initial construction of the Condotel Building (except that if any substitute or replacement equipment is larger or otherwise requires more space than the then-existing Condotel Equipment, such substitute or replacement equipment shall also be permitted and this grant of easement shall automatically be expanded so as to include and permit it so long as it does not interfere with the then-existing use of the Garage Facility by the University); (b) a non-exclusive easement and right to connect the Condotel Equipment, or any other equipment of the Condotel Lessee, to those systems serving the Garage Facility on which such Condotel Equipment or other equipment is dependent for operation at the points of connection shown on or referred to in the Condotel Plans or otherwise existing at the initial construction of the Condotel Building, provided that Condotel Lessee shall be obligated to pay its equitable share of the cost relating to its use of such systems or Shared Equipment as reasonably determined by the applicable Parties; (c) to the extent not encompassed by the foregoing, a non-exclusive easement and right to install and maintain utility lines (including, but not limited to, the right to gas, water, electricity, sewer, and telephone and other communications lines, together with all accompanying wires, pipes, connectors and conduits), as may reasonably be or become necessary or appropriate, at said locations and points of connection in the Garage Facility existing at the initial construction of the Condotel Building or at such other locations and points of connection approved by the University, such approval not to be unreasonably withheld or delayed; (d) a non-exclusive easement and right to inspect, maintain, repair and replace the Condotel Equipment located on the Garage Facility; and (e) with respect of all of the foregoing, a right of access to said locations and points of connection on the Garage Facility for the purposes set forth in this Section 6.3 subject to any applicable terms and conditions contained in this Agreement.

Section 6.4. Intentionally Omitted.

Section 6.5 Intentionally Omitted

Section 6.6 Intentionally Omitted.

Section 6.7 Property Benefited. The easements granted in this Section 6 are for the benefit of and appurtenant to the Condotel Site, run with the land until the termination of the Condotel Ground Lease.

Section 7. Further Rights Reserved.

Section 7.1 Rules and Regulations. Subject to all the terms and conditions of this Agreement, and except to the extent (if any) expressly prohibited or limited by other provisions of this Agreement, with respect to the particular portion of the Building controlled by each Owner, such Owner shall have the right to make and adopt from time to time reasonable rules and regulations, only be applicable only to the respective Parcel controlled by such Owner, for the protection and welfare of such Owner's Permittees. Any rules and regulations promulgated by any Owner hereunder shall not diminish, impede, impair or interfere with the use or enjoyment by any other Owner(s) of its Parcel(s) or of the easements or rights granted to it or them by this Agreement. This Section shall not be construed to permit any impairment of the easements or other rights and privileges created by this Agreement.

Section 7.2 Easements for Encroachments. There is hereby granted in favor of each Owner, a perpetual exclusive easement for the ownership, operation and maintenance of Improvements which hereafter encroach upon the Parcel(s) of the other Owner(s) (the "**Other Parcel**"), but only to the extent that said encroachments are caused by unintentional minor deviations in construction or the shifting or settling of the Improvements and do not cause damage to, or impede or impair the use of, the Improvements on the Other Parcel. In addition, to the extent the Improvements, once constructed, materially encroach upon the Other Parcel in such a manner as to materially reduce the other Owner's use of such Other Parcel, an easement is hereby granted to maintain the Improvements in such location, but such grant shall not restrict the other Owner's rights to sue for any damages resulting therefrom. Notwithstanding the foregoing, a valid easement for an encroachment shall in no event be created in favor of any Owner if such encroachment occurred due to the willful conduct of said Owner.

Section 7.3 Ingress-Egress Easement. Each Owner ("**Grantor**") hereby grants to the other Owner(s) (and its tenants, employees, contractors, invitees and guests) ("**Grantee**"), a perpetual non-exclusive easement for ingress and egress to and from Grantee's Parcel by persons, materials and equipment on, over and across those sidewalks located on the Grantor's Parcel.

Section 7.4 Emergency Access. Each of the State, University, District Lessee and Condotel Lessee hereby grants to the other parties hereunder and their respective a non-exclusive easement for ingress and egress by persons, materials and equipment in an Emergency Situation on, over, across and through the Garage Facility to evaluate, close, repair or replace the issue. For purposes of this Agreement, "**Emergency Situation**" means: (a) a situation impairing or imminently likely to impair structural support or any Improvements critical to the operation of the Building as a whole or to the operation of any component part thereof; or (b) a situation causing or imminently likely to cause bodily injury to persons or substantial physical damage to all or any portion of the Building or any property within or about the Building. The duration of an Emergency Situation shall be deemed to include the time reasonably necessary to remedy the Emergency Situation.

Section 8. Covenants and Restrictions.

Section 8.1 Association Owner. Each Owner hereto covenants and agrees that if all or any part of such Owner's interest in its Parcel (the "**Submitted Parcel**") is hereafter subjected to the provisions of the Tennessee Condominium Act, as amended from time to time (the "**Condominium Act**"), the master association of all of the condominium unit owners of the Submitted Parcel (the "**Master Association**") acting through a duly elected management board or other body administering such Association in accordance with the Condominium Act (the "**Board of Managers**"), shall have the power and authority to act for and bind all the individual condominium unit owners with respect to all the provisions, terms and conditions of this Agreement. In the event of a Submitted Parcel that is the subject of one or more condominium declarations, the Master Association shall be designated by the boards of managers of the sub-condominiums for such Parcel as having the power and authority to act for and bind the individual sub-condominiums. For all purposes of this Agreement, from and after such time as a Parcel is or becomes a Submitted Parcel, the Master Association shall be deemed to be the "Owner" of the Submitted Parcel, with all the rights, obligations, duties, liabilities and responsibilities of said Owner together with the benefits and

burdens of the easements granted in this Agreement. In connection therewith and with this Section 8.1, the Association, through its board of directors, shall have whatever powers and authorities are granted in this Agreement to the Owner of the Submitted Parcel.

Section 8.2 No Overloading. Each Owner does hereby covenant and agree that it will not permit any portion of the Building constructed on and located within its Parcel to be used or occupied so as to exceed the load-bearing capacity for said portion of the Building as designed and constructed.

Section 9. Indemnification.

Section 9.1 Indemnification by the District Lessee. The District Lessee hereby agrees to defend, indemnify and hold harmless (i) the State and the University and all of their trustees, officers, employees, and directors, (hereinafter collectively referred to as the "**State Indemnitees**") and (ii) Condotel Lesse and its members, partners, officers and directors ("**Condotel Indemnitees**") of and from any and all actual third party claims, demands, liabilities, actual losses, costs, or expenses for any loss (including expenses and reasonable attorneys' fees) arising out of, resulting from or due to any intentional, reckless or grossly negligent act or omission on the part of the District Lessee, its agents or employees. This indemnification will also inure to the successors and assigns of the State Indemnitees and Condotel Indemnitees and will also be binding upon the successors and assigns of the District Lessee, and this indemnification will survive the expiration or termination of this Agreement. This indemnification does not extend to (A) claims to the extent arising out of the intentional, reckless or negligent out or omission of the State Indemnitees, Condotel Indemnitees, and their respective agents or others working at the direction of the State at the Garage Facility or Condotel Lessee at the Condotel Site (as applicable) or (B) claims exclusively between the Parties arising from the terms or regarding the interpretation of this Agreement. The insurance required to be provided by the District Lessee under the terms of this Agreement shall be security for but shall not be in satisfaction of the District Lessee's indemnification obligations hereunder.

Section 9.2 Indemnification by the Condotel Lessee. The Condotel Lessee hereby agrees to defend, indemnify and hold harmless (i) the State Indemnitees and (ii) District Lessee and its members, partners, officers and directors ("**District Indemnitees**") of and from any and all actual third party claims, demands, liabilities, actual losses, costs, or expenses for any loss (including expenses and reasonable attorneys' fees) arising out of, resulting from or due to any intentional, reckless or grossly negligent act or omission on the part of the District Lessee, its agents or employees. This indemnification will also inure to the successors and assigns of the State Indemnitees and District Indemnitees and will also be binding upon the successors and assigns of the Condotel Lessee, and this indemnification will survive the expiration or termination of this Agreement. This indemnification does not extend to (A) claims to the extent arising out of the intentional, reckless or negligent out or omission of the State Indemnitees, District Lessee, and their agents or others working at the direction of the State at the Garage Facility or District Lessee at the Entertainment District Site (as applicable) or (B) claims exclusively between the Parties arising from the terms or regarding the interpretation of this Agreement. The insurance required to be provided by the Condotel Lessee under the terms of this Agreement shall be security for but shall not be in satisfaction of the Condotel Lessee's indemnification obligations hereunder.

Section 9.3 University Liability. Nothing herein shall be deemed to be a waiver by any Party hereto of any liability of University or State for the acts and omissions of the University, the State, or their respective employees arising from or otherwise relating to this Agreement to the extent permitted by applicable law.

Section 10. Insurance.

Section 10.1 Garage Facility. It is the intent of the parties that all risk of loss for the Garage Facility be shifted to insurance to the maximum extent practicable. The University shall maintain property insurance as required by the District Ground Lease. The University's general liability and professional liability coverage is provided through the State's self-insurance program. District Lessee or Condotel Lessee shall have the right to require that the University carry Commercial General Liability insurance (or its equivalent) naming the Lessees as an additional insureds with minimum limits of liability of $1,000,000 each occurrence for Bodily Injury and Property Damage,

$1,000,000 each occurrence for Personal Injury liability, including $1,000,000 Contractual Liability and $2,000,000 Aggregate limit for Products and Completed Operations and a $2,000,000 General Aggregate, with such limits to increase by five percent (5%) on every fifth (5th) anniversary of the Effective Date. The foregoing is subject to the requesting Party reimbursing the University for the insurance premium within thirty (30) days following receipt of an invoice therefor. In the event University fails to place such insurance as required herein, the requesting Party shall have the right to do so on behalf of the University at the requesting Party's cost. Upon the written request of the District Lessee or Condotel Lessee, University shall confirm that the policies maintained by the University pursuant to this Section 10.1 are in full force and effect, that such policies comply with the provisions of this Section 10.1, and that all premiums then due have been paid.

Section 10.2 Condotel Site and Entertainment District Site. Condotel Lessee and District Lessee shall maintain, or cause to be maintained, insurance required in the Condotel Ground Lease and District Ground Lease, as applicable.

Section 11. Casualty.

Section 11.1 Damage to Garage Facility. In the event all or any portion not impacting the Condotel Site of the Garage Facility is damaged or destroyed, the State shall promptly repair or reconstruct the Garage Facility to substantially the same condition as existed before such damage or destruction. The State shall prosecute all such work diligently to completion, and State diligently shall pursue completion of such reconstruction work within twenty (24) months or less following the occurrence of the casualty. State shall commence such repair or reconstruction within ninety (90) days after the occurrence of the casualty. The repair or reconstruction shall be conducted in compliance with Garage Plans and all applicable Governmental Regulations and in a good and workmanlike manner and the Party operating the UTK Parking Garage pursuant to Section 3.6(f) above shall retain all rights to fees and other revenues for use of the UTK Parking Garage. In exercising its rights under this section, State shall use reasonable efforts to minimize the interference that it causes to the use and enjoyment of the Entertainment District Site and Condotel Site. In the event State shall fail to perform its obligations under the first four sentences of this Section 11, and such failure continues for a period of thirty (30) days after State's receipt of written notice of such failure (which shall include a description of the nature of such failure), or such longer period as reasonably necessary to cure such failure so long as State is diligently pursuing such cure, not to exceed ninety (90) days, or in the event the State elects not to repair or restore the Garage Facility, District Lessee or Condotel Lessee may elect to restore the Garage Facility in full or to the extent reasonably required to enable the relocation, reconstruction and operation of the Entertainment District Site or Condotel Site, as applicable, and the State shall assign its rights to insurance proceeds as a result of the casualty, and deliver to District Lessee or Condotel Lessee, as applicable, any insurance proceeds (or the amount of insurance proceeds that would have been payable in the event the State self-insures) actually received by State together with the amounts of any deductible and District Lessee or Condotel Lessee, as applicable, shall have the right to perform the necessary repairs or reconstruction not performed by State. In such event, if District Lessee or Condotel Lessee elects to repair or restore the UTK Parking Garage, District Lessee or Condotel Lessee shall thereafter be responsible for the maintenance of the UTK Parking Garage as provided in Section 3.6(f) and shall have the right to charge and collect fees and other revenues for the use of the UTK Parking Garage.

Section 11.2 Damage to the Entertainment District Site. In the event all or any portion of the Entertainment District Site is damaged or destroyed, the rights and obligations of the parties shall be governed by the District Ground Lease.

Section 11.3 Damage to the Condotel Site. In the event all or any portion of the Condotel Site is damaged or destroyed, the rights and obligations of the parties shall be governed by the Condotel Ground Lease.

Section 12. Condemnation.

Section 12.1 Condemnation of Garage Facility. In the event all or any portion not impacting the Condotel Site of the Garage Facility is condemned and taken by the United States of America, the State shall have

the right, as its own expense, to appear in any condemnation proceeding and to participate in any and all hearings, trials and appeals therein.

(a) If the fee simple title in, or permanent possession of, all of the Garage Facility is taken by a governmental or other authority under the power of eminent domain, then this Agreement shall terminate (or be suspended for the duration of the temporary taking) as of the taking date.

(b) In the event that less than all of the Garage Facility is taken by a governmental or other authority under the power of eminent domain and if reconstruction of the Garage Facility is not feasible, or if the Garage Facility remaining after such taking is no longer economically viable, in each case as determined by University, in its sole and absolute discretion, within one (1) year after the date of the taking, then this Agreement, at the election of the University, shall terminate as to the Garage Facility not so taken as of the date of such taking.

(c) If this Agreement is not terminated pursuant to Section 12.1(a) or 12.1(b) above, then the State shall promptly repair or reconstruct the Garage Facility to substantially the same condition as existed before such condemnation. The State shall prosecute all such work diligently to completion, and State diligently shall pursue completion of such reconstruction work within twenty (24) months or following the occurrence of the condemnation. The repair or reconstruction shall be conducted in compliance with Garage Plans and all applicable Governmental Regulations and in a good and workmanlike manner. In exercising its rights under this section, State shall use reasonable efforts to minimize the interference that it causes to the use and enjoyment of the Entertainment District Site and Condotel Site. In the event State shall fail to perform its obligations under the first four sentences of this Section 12, and such failure continues for a period of thirty (30) days after State's receipt of written notice of such failure (which shall include a description of the nature of such failure), or such longer period as reasonably necessary to cure such failure so long as State is diligently pursuing such cure, not to exceed ninety (90) days, or in the event the State elects not to repair or restore the Garage Facility, District Lessee or Condotel Lessee may elect to restore the Garage Facility in full or to the extent reasonably required to enable the relocation, reconstruction and operation of the Entertainment District Site or Condotel Site, as applicable, and the State shall assign its rights to award proceeds as a result of the condemnation, and deliver to District Lessee or Condotel Lessee, as applicable, any condemnation award actually received by State and District Lessee or Condotel Lessee, as applicable, shall have the right to perform the necessary repairs or reconstruction not performed by State. In such event, if District Lessee or Condotel Lessee elects to repair or restore the UTK Parking Garage, District Lessee or Condotel Lessee shall thereafter be responsible for the maintenance of the UTK Parking Garage as provided in Section 3.6(f) and shall have the right to charge and collect fees and other revenues for the use of the UTK Parking Garage.

Section 12.2 Condemnation of Entertainment District Site. In the event of a condemnation of all or any portion of the Entertainment District Site, the rights and obligations of the parties shall be governed by the District Ground Lease.

Section 12.3 Condemnation of the Condotel Site. In the event of a condemnation of all or any portion of the Condotel Site, the rights and obligations of the parties shall be governed by the Condotel Ground Lease.

Section 13. Estoppel Certificates.

Section 13.1 The State, the University, the District Lessee and the Condotel Lessee will execute, acknowledge and deliver to the other promptly upon request, but in any case, no later than ten (10) Business Days of such request, a certificate certifying as to the following, to the extent true and accurate (or stating modifications to make the same true and accurate):

(a) Validity of Agreement: that this Agreement is unmodified and in full force and effect (or, if there have been modifications, that this Agreement is in full force and effect, as modified, and stating the modifications) and, if requested, attaching a copy of this Agreement and any and all modifications;

(b) Defaults by the Lessees: that no notice has been given by any Party to the Lessee(s) (or any other Party) of any failure to comply under this Agreement that has not been cured and to the best of its knowledge and belief no Event of Default exists (or, if there has been any notice given or an Event of Default exists, describing the same).

(c) such information as may be requested by the applicable Leasehold Mortgagees;

(d) that the applicable Lessee has no defenses, rights of setoff or counterclaims; that the District Lessee has no option to purchase the Garage Facility;

(e) stating then applicable Termination Date; and

(f) any other matters requested that are reasonably or typically required by parties under similar agreements.

Section 13.2 Certificates from the State, the University, the District Lessee and the Condotel Lessee pertaining to the same matters may be relied upon by any prospective mortgagee or by any prospective assignee of an interest under this Agreement.

Section 13.3 Certificates of the State and/or the University will be certified as to the actual, not imputed, knowledge of the signatory.

Section 14. Events of Default and Remedies.

Section 14.1 Events of Default Defined. The following shall be "**Events of Default**" under this Agreement, and the term "**Event of Default**" shall mean, whenever it is used herein, any one or more of the following events by one of the Owners, as applicable:

(a) The Owner shall fail to perform or cause to be performed any term, covenant, condition, or provision hereof, and to correct such failure within thirty (30) days after written notice specifying such is given to such Owner by one or more of the Owners. In the case of any such failure that cannot with due diligence be corrected within such thirty (30) day period but can be wholly corrected within a period of time not materially detrimental to the rights of the other Owners, it shall not constitute an Event of Default if corrective action is instituted by the Owner within the applicable period and diligently pursued until the failure is corrected, on condition that such failure is corrected.

(b) The Owner shall be adjudicated a Bankrupt.

(c) A permanent receiver shall be appointed for the Owner's interest in its Parcel and such receiver shall not be removed within ninety (90) days after notice from the other Owner(s) to obtain such removal.

(d) The Owner shall make a general assignment for benefit of creditors.

(e) The Owner or its interest in its Parcel shall be levied upon or attached under process against the Owner, and the same shall not be satisfied or dissolved within ninety (90) days after notice from the other Owner(s) to obtain satisfaction or dissolution thereof.

(f) There shall be an event of default by a Lessee under a Lease which is not cured by Lessee or its applicable Leasehold Mortgagee within the applicable grace or cure period and results in the termination of such Lease.

NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, DEFAULT OR EVENT OF DEFAULT BY ONE LESSEE SHALL NOT CONSTITUTE A DEFAULT BY THE OTHER LESSEE, AND NEITHER THE STATE NOR UNIVERSITY MAY ASSERT OR EXERCISE ANY REMEDIES AGAINST THE OTHER LESSEE.

Section 14.2 Remedies. Subject to Section 14.6, upon the occurrence of an Event of Default by an Owner, a non-defaulting Owner may pursue one of the following remedies:

(a) Subject to Paragraph (c) of this Section, if the defaulting Owner is a Lessee, the State may terminate the rights of the defaulting Lessee in this Agreement, by giving written notice of such termination ("**Notice of Termination**") to the defaulting Lessee and to its Leasehold Mortgagee, if any, which termination shall be effective as of the date given in the Notice of Termination, and the Term shall expire on such date as to the rights of the defaulting Lessee;

(b) Perform, on behalf and at the expense of the defaulting Owner, any obligation of the defaulting Owner under this Agreement which the defaulting Owner has failed to perform, the cost of which performance by the non-defaulting Owner, together with interest thereon at the Default Rate from the date of such expenditure, shall be payable by the defaulting Owner who cured such Event of Default, upon demand;

(c) Cure such Event of Default in any other manner, the cost of which cure by the non-defaulting Owner, together with interest thereon at the Default Rate from the date of such expenditure, shall be payable by the defaulting Party to the non-defaulting Party, upon demand; and

(d) Pursue any combination and/or sequence of such remedies and/or any other right or remedy available to the non-defaulting Owner in respect to the defaulting Owner on account of such Event of Default under this Agreement or at law or in equity, at any time and from time to time, provided termination of this Agreement shall be subject to Section 14.3 below. Notwithstanding the foregoing, the liability of the University and the State in connection with the foregoing shall be limited by Tenn. Code Ann. § 9-8-301, et seq. and other legal limitations relating to sovereign immunity.

Section 14.3 Leasehold Mortgagee Cure. The State shall not exercise its remedies set forth in subsection 14.2(a) above unless (a) the State shall first give notice to the Leasehold Mortgagee that an Event of Default has occurred and is continuing and (b) such Event of Default shall remain uncured for sixty (60) days after the giving of such notice as to any Event of Default, provided, however, that in the case of an Event of Default that cannot be cured by solely the payment of money by the Leasehold Mortgagee (a "**Non-Monetary Event of Default**") and notwithstanding the passage of such sixty (60) day period, the State shall continue to refrain from exercising its remedies set forth in Section 14.2(a) if and for so long as all of the following conditions shall be and remain satisfied: (i) within such sixty (60) day period, the Leasehold Mortgagee shall give notice to State that the Leasehold Mortgagee shall cause the Non-Monetary Event of Default to be cured, and (ii) the Leasehold Mortgagee shall diligently and continuously pursue the cure of such Event of Default, including diligently and continuously steps as are available to assume control of the defaulting Lessee's interest and, if necessary or advisable, remove and replace the defaulting Owner, as the case may be, and propose replacements thereof subject to the State's consent in each instance. The Leasehold Mortgagee shall be deemed to be diligently pursuing the cure of any Non-Monetary Event of Default if all necessary, reasonable and appropriate actions are being taken, or have been taken, to attempt to cure such Non-Monetary Event of Default, notwithstanding the fact that such Non-Monetary Event of Default may never be cured or be capable of being cured. Notwithstanding the foregoing provisions to the contrary, if an Event of Default of the types described in clause (a) (iv) ("**Non-Curable Event of Default**") occurs, then State may at any time or times, terminate this Agreement and/or give the Notice of Termination as to the specific Lessee.

Section 14.4 Other Matters. No re-entry or repossession, repairs, changes, alterations and additions, reletting, acceptance of keys from the State, or any other action or omission by State shall be construed as an election by State to terminate a Lessee's rights under this Agreement, nor shall the same operate to release a Lessee

in whole or in part from any of its obligations hereunder. An Owner may bring suits for amounts owed to it by another Owner hereunder, as the same accrue or after the same have accrued, and no suit or recovery of any portion due hereunder shall be deemed a waiver of such Owner's right to collect all amounts to which such Owner is entitled hereunder, nor shall the same serve as any defense to any subsequent suit brought for any amount not theretofore reduced to judgment.

Section 14.5 Reimbursement. If an Event of Default occurs, the defaulting Party, in connection with the failure to perform its respective obligations shall, immediately on its receipt of a written demand therefore from the non-defaulting Owner, reimburse the non-defaulting Owner for all reasonable expenses (including but not limited to any and all repossession costs, management expenses, operating expenses, legal expenses and attorneys' fees) incurred by the non-defaulting Owner (i) in curing or seeking to cure any such Event of Default and/or (ii) in exercising or seeking to exercise any of the non-defaulting Owner's rights and remedies under the provisions of this Agreement and/or at law or in equity on account of any such Event of Default, and/or (iii) otherwise arising out of any such Event of Default, with interest at the Default Rate, payable immediately upon written demand of the non-defaulting Owner. Notwithstanding the foregoing, the liability of the University and the State for the foregoing expenses shall be limited by Tenn. Code Ann. § 9-8-301, et seq. and other legal limitations relating to sovereign immunity.

Section 14.6 No Self Help Against State. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, NOTHING SET FORTH HEREIN SHALL ENTITLE AN OWNER TO PURSUE SELF-HELP REMEDIES AGAINST THE STATE OR UNIVERSITY. ANY DISPUTE WITH REGARD TO AN EXPENSE REIMBURSEMENT FROM THE STATE OR UNIVERSITY UNDER ANY PROVISION HEREOF SHALL BE DETERMINED BY A BINDING DECISION BY THE TENNESSEE CLAIMS COMMISSION.

Section 15. Intentionally Omitted

Section 16. Intentionally Omitted.

Section 17. Notices.

Section 17.1 Each notice, request, and communication required under this Agreement shall be in writing. It will be deemed to have been received: (i) on personal delivery; (ii) on the second business day after its deposit for overnight delivery with a recognized overnight delivery service; or (iii) if mailed, on actual receipt (but only if sent by registered or certified or U.S. Express mail, with return receipt requested, addressed to the other Party's address below):

If to the District Lessee:
865 Entertainment Developer LLC
c/o Vela Development Partners, LLC
1 Landmark Square, Suite 2200
Stamford, CT 06907
Attn: Taylor Gray
Email: tgray@veladev.com

With a Copy to:
Long, Ragsdale & Waters, P.C.
Attention : Dennis B. Ragsdale
1111 N. Northshore Drive, Suite S-700
Knoxville, TN 37919
Telephone: (865) 584-4040
Email: dragsdale@lrwlaw.com

If to the Condotel Lessee:
865 Hospitality Developer LLC
c/o MBW Knoxville LLC
225 North Columbus Drive, Suite 100

Chicago, Il 60601
Attn: J.R. Berger
Email: jberger@magellandevelopment.com

and

with a Copy to:

225 North Columbus Drive, Suite 100
Chicago, IL 60601
Attn: Kimberly J. Sharon, Esq.
Email: ksharon@magellandevelopment.com

If to the State:

STATE OF TENNESSEE
Department of General Services
Attention: Commissioner
312 Rosa L. Parks Ave., 22nd Floor
Tennessee Tower
Nashville, TN 37243
Telephone: (615) 741-2081

With a Copy to:

University of Tennessee - Office of General Counsel
Attention: General Counsel
1169 UT Tower
505 Summer Place – UTT 1169
Knoxville, TN 37902
Telephone: (865) 974-3245

If to University:

UNIVERSITY OF TENNESSEE
Attention: David L. Miller, Sr. VP & CFO
1195 UT Tower
505 Summer Place – UTT 1195
Knoxville, TN 37902
Telephone: (865) 974-1763

With a Copy to:

Office of General Counsel
Attention: Ryan Stinnett, GC
1169 UT Tower
505 Summer Place – UTT 1169
Knoxville, TN 37902
Telephone: (865) 974-3245

And with a Copy to each Leasehold Mortgagee of whom notice of identity and address has been given to State. The Parties acknowledge that any notice to the State shall concurrently be delivered to the University.

Section 17.2 Any Party hereto may, by notice given to each of the other Parties, designate any additional or different addresses to which subsequent notices, certificates, demands, requests, or other communications shall be sent.

Section 17.3 Notwithstanding anything contained herein to the contrary, any notice required to be given by the State or the Lessees hereunder shall be deemed to have been given and shall be effective as of the date such notice is received or refused reflected on said notice. All notices, certificates, demands, requests, or other communications made by any Party to the other Parties which are required or permitted by the provisions of this Agreement shall be in writing.

Section 18. Submission of Matters to the State or University for Approval.

Section 18.1 Except as specified herein to the contrary, any matter which must be submitted to and consented to or approved in writing by the State or the University as required under this Agreement, shall be submitted to the State or the University pursuant to this Agreement and shall either be approved or rejected by the State or the University within thirty (30) days after receipt unless a shorter period of time is expressly stated elsewhere herein. The State or the University shall inform the applicable Lessee(s) in writing of its rejection or approval of such submitted matter by notice to the Lessee as provided in Section 17. If the State or the University should fail so to approve or reject within such thirty (30) day period or other period as provided for herein, the District Lessee or Condotel Lessee, as applicable, shall provide a second notice of such matter to the State or University. If the State or University does not approve or reject the matter within five (5) Business Days after receipt of the second notice, the State's or the University's approval shall be assumed to have been unconditionally granted; *provided, however*, in no event shall any matter be deemed approved by the State or University pursuant to the foregoing if the same would result in State or University (or any of its Affiliates) incurring or becoming liable for any costs or financial obligations that are either (i) not contemplated herein or (ii) in excess of/in addition to what is contemplated herein. Thereafter, the applicable Lessee shall have the right to proceed on such matter so submitted. Any review by the State or the University of any matter submitted to the State the University is for the State's or the University's own convenience and purpose only. By undertaking such review, the State and the University do not obtain or have any liability to the applicable Lessee or any other person, including the insurers and lenders of the Lessee for the matter subject to its approval.

Section 18.2 Any and all consents, approvals, determinations, elections or selections, or the withholding, denial or refusal of same, by State or the University hereunder shall and may be made by State or the University in State's or the University's sole and absolute discretion, except only as and where this Agreement expressly provides otherwise.

Section 19. Miscellaneous.

Section 19.1 Force Majeure. For the purpose of any of the provisions of this Agreement, no Party hereunder shall be considered in breach of or default in any of its obligations, in the event of forced delay in the performance of such obligations, due to a Force Majeure Event. In the event of the occurrence of any Force Majeure Event, (i) the time or times for the performance of the covenants, provisions, and agreements of this Agreement shall be extended for the period of the Force Majeure Event (including any time reasonably required to recommence performance due to such Force Majeure Event); and (ii) the affected Party must give written notice to the other within ten (10) Business Days after such Party's actual acknowledgment of the occurrence of the Force Majeure Event. The affected Party shall use reasonable efforts, and take all reasonable steps, to remedy with all reasonable dispatch the cause or causes preventing it from carrying out its agreements. Notwithstanding the above (a) a Party may not rely on its own acts or omissions as grounds for delay in its performance, and (b) the absence of immediately available funds shall not be grounds for delay.

Section 19.2 Rights are Cumulative. All rights, powers, and privileges conferred herein upon the parties hereto shall be cumulative, unless otherwise expressly provided for herein.

Section 19.3 Provisions are Binding Upon Assigns and are Real Covenants. It is mutually covenanted, understood and agreed by and among the parties hereto, that all of the provisions of this Agreement shall apply to, extend to, be binding upon and inure to the benefit of not only the parties hereto, but also the legal representatives, successors and assigns of the State, the University and the Lessees hereto, and shall be deemed and treated as real covenants running with the Property during the Term. The parties further acknowledge and agree that Leasehold Mortgagee and their successors and assigns shall be deemed third party beneficiaries of such provisions herein that are for their express benefit. Except as set forth in the preceding sentence, the provisions of this Agreement are solely and exclusively for the benefit of the parties hereto, and no other Person shall, under any circumstances, be deemed to be a beneficiary of or entitled to enforce this Agreement. Whenever a reference to the parties hereto is

made, such reference shall be deemed to include the legal representatives, successors and assigns of said Party, the same as if in each case expressed.

Section 19.4 Applicable Law. This Agreement shall be governed, construed, performed and enforced in accordance with the laws of the State of Tennessee without regard to conflicts of law principles. All claims against the State and/or the University are subject to Tenn. Code Ann. § 9-8-307.

Section 19.5 All Genders and Numbers Included; Interpretation. Whenever the singular or plural number, or masculine, feminine, or neuter gender is used in this Agreement, it shall equally apply to, extend to, and include the other. The words "**including**", "**inclusive**" and the like shall be interpreted as if they were followed by the phrase "without limitation" except only where expressly provided otherwise. References herein to "**Sections**", "**Paragraphs**", "**Exhibits**", "**Schedules**" and the like shall mean Sections, Paragraphs, Exhibits or Schedules of this Agreement except where expressly provided otherwise.

Section 19.6 Invalidity of Provision or Part Thereof. In the event any provision, or any portion of any provision of this Agreement is held invalid, the other provisions of this Agreement and the remaining portion of said provision, shall not be affected thereby and shall continue in full force and effect.

Section 19.7 Time is of the Essence. All time limits stated in this Agreement are of the essence of this Agreement.

Section 19.8 Section Captions are to be Disregarded. The captions of the numbered sections of this Agreement are for purposes of identification and convenience only and are to be completely disregarded in construing this Agreement.

Section 19.9 Subordination. **NOTWITHSTANDING ANYTHING ELSE CONTAINED HEREIN, EACH OF THE STATE AND UNIVERSITY AGREES THAT THE FINANCING OF THE CONSTRUCTION, AND FURNISHING OF THE TOTAL PROJECT WILL DIRECTLY BENEFIT THE STATE'S AND UNIVERSITY'S OPERATIONS, AND EACH OF THE STATE AND UNIVERSITY AGREES THAT ITS INTEREST IN AND TO THE PROFITS RELATING TO THE OPERATION OF THE ENTERTAINMENT DISTRICT SITE AND CONDOTEL SITE SHALL BE JUNIOR AND SUBORDINATE TO THE INTEREST OF ANY LEASEHOLD MORTGAGEE (COLLECTIVELY, THE "COLLATERAL").**

Section 19.10 Entire Agreement Contained Herein. The making, execution and delivery of this Agreement by the parties hereto have not been induced by statements, covenants or warranties by anyone except for those contained in this Agreement. This Agreement constitute the full, complete and entire agreement between and among the parties hereto; no agent, employee, officer, representative or attorney of the parties hereto has authority to make, or has made, any statement, agreement, representation or contemporaneous agreement, oral or written, in connection herewith modifying, adding to or changing the provisions of this Agreement. No amendment of this Agreement shall be binding unless such amendment shall be in writing, signed by the parties hereto.

Section 19.11 Update of Exhibits. This Agreement has been executed and recorded prior to construction of the Improvements contemplated herein. As such, the Exhibits attached to this Agreement showing the anticipated Improvements are preliminary (the "Preliminary Exhibits"). Therefore, upon completion of the Improvements, this Agreement shall be amended to replace the Preliminary Exhibits with as-built drawings of the applicable Improvements.

Section 19.12 No Partnership or Agency. Nothing in this Agreement is intended, or shall in any way be construed, so as to create any form of joint venture, partnership or agency relationship between the parties. The parties hereby expressly disclaim any intention of any kind to create any joint venture, partnership or agency relationship between themselves. Nothing in this Agreement shall be construed to make any Party liable for any of the indebtedness of the other.

Section 19.13 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed original and all of which, when taken together, shall constitute one in the same document. The signature of any Party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

Section 19.14 No Presumption against Drafter. Although the provisions of this Agreement drawn in parts by each of the State, the University, the Lessees and/or other Persons, they are the result of arms-length negotiations and accordingly shall not be construed for or against the State, the University, the Lessees and/or other Persons, but shall be interpreted in accordance with the general tenor of the language in an effort to reach the intended result.

Section 19.15 No Implied Limitation of Remedies. The failure of any Party hereto to seek redress for violation of, or to insist upon the strict performance of, any covenant or condition of this Agreement, shall not prevent a subsequent act, which originally would have constituted a violation, from having all the force and effect of an original violation. The mention herein of any particular remedy shall not preclude any Party here to from any other remedy it might have, either in law or in equity, provided that the State's termination of this Agreement as a remedy shall be subject to Section 14.3. The failure of any Party here to insist upon the strict performance of anyone of the covenants, agreements, terms, provisions or conditions of this Agreement or to exercise any right, remedy or election herein contained or permitted by law shall not constitute or be construed as a waiver or relinquishment for the future of such covenant, agreement, term, provision, condition, right, remedy or election, but the same shall continue and remain in full force and effect. Any right or remedy of any Party to this Agreement specified or any other right or remedy that it may have at law, in equity or otherwise upon breach of any covenant, agreement, term, provision or condition in this Agreement contained upon the part of the other Parties to be performed shall be distinct, separate and cumulative rights or remedies and no one of them whether exercised or not, shall be deemed to be in exclusion of any other, provided that the State's termination of this Agreement as a remedy shall be subject to Section 14.3. No covenant, agreement, term, provision or condition of this Agreement shall be deemed to have been waived by any Party hereto unless such waiver be in writing, signed by such Party or its agent duly authorized in writing. Consent of any Party hereto to any act or matter must be in writing and shall apply only with respect to the particular act or matter in which such consent is given and shall not relieve the other Parties hereto from the obligations wherever required under this Agreement to obtain any required consent to any other act or matter.

Section 19.16 Conflicts. In the event of a conflict between any provision herein and a provision in either of the Leases, the provision in the applicable Lease shall control.

[Signatures and acknowledgments on following pages.]

[Signatures and acknowledgments for Agreement.]

IN WITNESS WHEREOF, the State, the University and the Lessees have caused this Agreement to be duly executed in duplicate counterparts each of which shall be deemed to be an original, the day and year first above written.

STATE:

STATE OF TENNESSEE, ON BEHALF OF THE UNIVERSITY OF TENNESSEE, ON BEHALF OF ITS KNOXVILLE CAMPUS

By:_____
Name: Andy T. Kidd
Title: Commissioner–Department of General Services

STATE OF TENNESSEE)
): ss.:
COUNTY OF _____)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that before me, the subscriber, personally appeared Andy T. Kidd, who I am satisfied is the person who executed the foregoing instrument, as Commissioner of the Department of General Services of the **STATE OF TENNESSEE,** the entity named in the foregoing instrument, and who acknowledged before me on this day that, being informed of the contents of the foregoing instrument, she, as such officer and with full authority, executed the same voluntarily for and as the act and deed of said State on behalf of the University of Tennessee, on behalf of its Knoxville Campus, for the purposes therein contained.

Given under my hand and official, notarial seal this _____ day of _____, 202___.

[SEAL]

_____
Notary Public
My commission expires: _____

APPROVED:

_____
Jonathan Skrmetti, Attorney General & Reporter

_____
Bill Lee, Governor

[Signatures and acknowledgments for Agreement.]

UNIVERSITY:

THE UNIVERSITY OF TENNESSEE,
ON BEHALF OF ITS KNOXVILLE CAMPUS

By:_____
Name: David L. Miller
Title: Senior Vice President and CFO

STATE OF TENNESSEE)
): ss.:
COUNTY OF _____)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that before me, the subscriber, personally appeared David L. Miller, who I am satisfied is the person who executed the foregoing instrument, as Senior Vice President & CFO of the **UNIVERSITY OF TENNESSEE, on behalf of its Knoxville campus,** the entity named in the foregoing instrument, and who acknowledged before me on this day that, being informed of the contents of the foregoing instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act and deed of said University for the purposes therein contained.

Given under my hand and official, notarial seal this _____ day of _____, 202___.

[SEAL]

_____
Notary Public
My commission expires: _____

[Signatures and acknowledgments for Agreement.]

WITNESSES:

_____

Print Name: _____

_____

Print Name: _____

DISTRICT LESSEE :

865 ENTERTAINMENT DEVELOPER LLC, a Delaware limited liability company

By: _____

Name: _____

Title: _____

STATE OF _____

COUNTY OF _____

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that before me, the subscriber, personally appeared _____, who I am satisfied is the person who executed the foregoing instrument, as _____ of _____, the entity named in the foregoing instrument, and who acknowledged before me on this day that, being informed of the contents of the foregoing instrument, she, as such officer and with full authority, executed the same voluntarily for and as the act and deed of the said Company for the purposes therein contained.

Given under my hand and official, notarial seal this _____ day of _____, 202_.

[SEAL]

_____

Notary Public

My commission expires:

WITNESSES:

_____

Print Name: _____

_____

Print Name: _____

CONDOTEL LESSEE :

865 HOSPITALITY DEVELOPER LLC, a Delaware limited liability company

By: _____

Name: _____

Title: _____

STATE OF _____

COUNTY OF _____

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that before me, the subscriber, personally appeared _____, who I am satisfied is the person who executed the foregoing instrument, as _____ of _____, the entity named in the foregoing instrument, and who acknowledged before me on this day that, being informed of the contents of the foregoing instrument, she, as such officer and with full authority, executed the same voluntarily for and as the act and deed of the said Company for the purposes therein contained.

Given under my hand and official, notarial seal this _____ day of _____, 202_.

[SEAL]

_____
Notary Public
My commission expires:

Exhibit A

LEGAL DESCRIPTION OF THE LAND

Situated in District No. Four (4) of Knox County, Tennessee and within Ward no. Ten (10) of the City of Knoxville, Tennessee and being more particularly described as follows.

From the **Point of Beginning**, said point being located South 32° 17' West, a distance of 486.80 feet from City of Knoxville Control Point #0586; thence from said Point of Beginning along the western right-of-way of Neyland Drive the following seven calls:

South 29° 20' West, a distance of 17.49 feet to a point;

South 27° 01' West, a distance of 70.91 feet to a point;

along a 1,345.19-foot radius curve to the left, said curve having an arc length of 94.98 feet and a chord bearing of South 24° 34' West 94.96 feet to a point;

along a 1,462.00-foot radius curve to the left, said curve having an arc length of 277.42 feet and a chord bearing and distance of South 17° 58' West 277.00 feet to a point;

South 71° 32' East, a distance of 5.00 feet to a point; thence

along a 1,457.00-radius curve to the left, said curve having an arc length of 35.00 feet and a chord bearing and distance of South 16° 23' West 35.00 feet to a point; t

along a 1,457.39-foot radius curve to the left, said curve having an arc length of 41.16 feet and a chord bearing and distance of South 14° 40' West 41.16 feet to a point;

Thence along the western line of Knoxville & Holston River Railroad the following two calls:

South 28°44' West, a distance of 65.41 feet to a point; thence

along a 1,555.67-foot radius curve to the left, said curve having an arc length of 223.88 feet and a chord bearing and distance of South 24° 36' West 223.69 feet to a point;

Thence along the southern western and northern lines of the Overall Parcel described herein the following twenty-six calls:

North 68° 52' West, a distance of 186.02 feet to a point;

South 21° 08' West, a distance of 11.92 feet to a point;

North 68° 52' West, a distance of 29.92 feet to a point;

North 21° 00' East, a distance of 284.45 feet to a point;

South 68° 52' East, a distance of 8.20 feet to a point;

North 21° 08' East, a distance of 10.39 feet to a point;

South 68°52' East, a distance of 2.39 feet to a point;

North 21°08' East, a distance of 230.64 feet to a point;

South 68°52’ East, a distance of 5.19 feet to a point;

North 21° 10’ East, a distance of 125.11 feet to a point;

North 84° 08’ East, a distance of 5.68 feet to a point;

North 05° 52’ West, a distance of 53.33 feet to a point;

North 84° 14’ East, a distance of 69.60 feet to a point;

North 18° 55’ West, a distance of 28.95 feet to a point;

North 65° 44’ East, a distance of 1.29 feet to a point;

North 21° 57’ West, a distance of 6.67 feet to a point;

North 55° 31’ East, a distance of 24.16 feet to a point;

North 58°10’ East, a distance of 12.47 feet to a point;

Along a 40.00-foot radius curve to the right, said curve having an arc length of 39.89 feet and a chord bearing and distance of North 84°12’ East 38.26 feet to a point;

South 68°40’ East, a distance of 54.16 feet to a point;

Along a 3.00-foot radius curve to the right, said curve having an arc length of 4.40 feet and a chord bearing and distance of South 26° 50’ East 4.02 feet to a point;

Along a 64.00-foot radius curve to the left, said curve having an arc length of 9.56 feet and a chord bearing and distance of South 10° 54’ West 9.55 to a point;

North 86° 49’ East, a distance of 35.54 feet to a point;

Along a 26.02-foot radius curve to the right, said curve having an arc length of 35.07 feet and a chord bearing and distance of North 61° 29’ East 32.48 feet to a point; thence

South 69° 43’ East, a distance of 22.42 feet to a point, said point being the **Point of Beginning.**

Containing 166,294 square feet, or 3.82 acres, more or less.

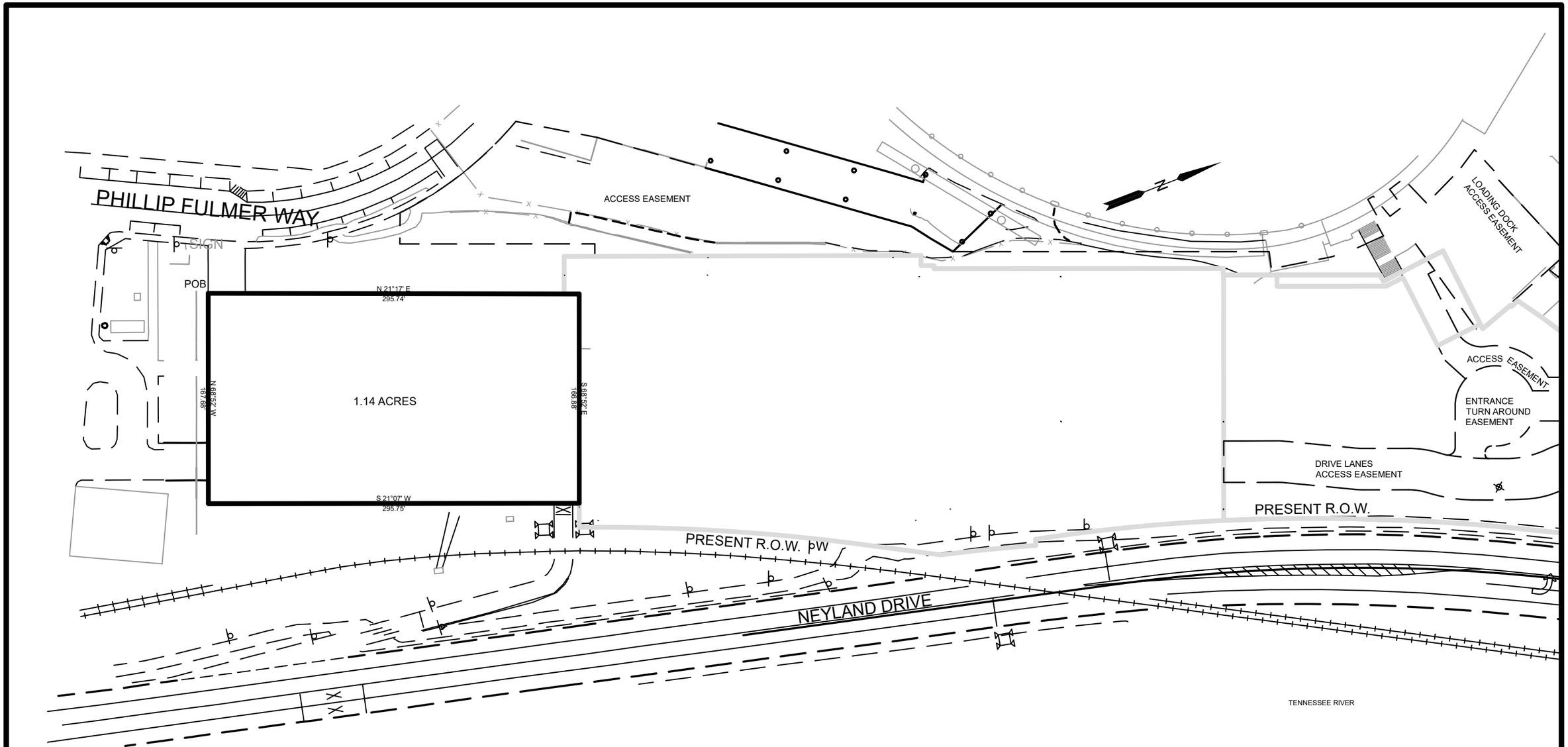
Being bounded on the north by Neyland Stadium, on the south by the Tennessee River, on the southwest by Neyland Drive, and on the northeast by the Zeana Engineering Complex.

This description was prepared from a survey performed by Mark C. Tucker, Registered Land Surveyor, Tennessee License #1996, Robert G. Campbell & Associates, L.P., Knoxville, Tennessee, File No. 25014, dated March 27, 2026.

Exhibit A-1

VISUAL DEPICTION OF THE ADJOINING PARCEL

[Attached]



MARK C. TUCKER
REGISTERED LAND SURVEYOR
AGRICULTURE
COMMERCE
NO. 1996
STATE OF TENNESSEE

0 80 160 240

THIS SURVEY WAS DONE UNDER THE AUTHORITY OF TCA 62-18-126 AND IS NOT A GENERAL PROPERTY SURVEY AS DEFINED UNDER RULE 0820-03-07

RGC&A
ROBERT G. CAMPBELL & ASSOCIATES, L.P.
KNOXVILLE, TN

SCALE: 1" = 80'
DATE: 3/31/2026
FILE NO.: 25014

DESIGNED BY: MCT
CHECKED BY: MCT
DRAWN BY: DED

ADJOINING PARCEL EXHIBIT

NEYLAND ENTERTAINMENT COMPLEX

SHEET 1 OF 1

Exhibit A-2

LEGAL DESCRIPTION OF ENTERTAINMENT DISTRICT SITE

Parcel 1 (Entertainment District Sip Parcel #1):

Situated in District No. Four (4) of Knox County, Tennessee and within Ward no. Ten (10) of the City of Knoxville, Tennessee and lying above a horizontal plane having an elevation of 882.00 feet above sea level with no upper limit and lying within its horizontal boundaries projected vertically and being more particularly described as follows.

The Point of Beginning being located South 27° 12' West, a distance of 1010.58 feet from City of Knoxville Control Point No. 0586; thence along the eastern, southern and western lines of the Entertainment District SIP Parcel #1 described herein the following fourteen calls:

South 21° 08' West, a distance of 27.00 feet to a point;

North 68° 52' West, a distance of 2.78 feet to a point;

South 21° 08' West, a distance of 253.83 feet to a point;

North 68° 52' West, a distance of 10.39 feet to a point;

South 21° 08' West, a distance of 14.75 feet to a point;

North 68° 52' West, a distance of 170.10 feet to a point;

South 21° 08' West, a distance of 11.92 feet to a point;

North 68° 52' West, a distance of 14.99 feet to a point;

North 21° 08' East, a distance of 114.45 feet to a point;

North 68° 50' West, a distance of 13.98 feet to a point;

North 21° 08' East, a distance of 147.96 feet to a point;

South 68° 52' East, a distance of 2.14 feet to a point;

North 21° 08' East, a distance of 20.42 feet to a point;

South 68° 52' East, a distance of 12.10 feet to a point;

Thence along the southern line of Entertainment District SIP Parcel #2 the following five calls:

South 68° 41' East, a distance of 169.06 feet to a point;

North 21° 08' East, a distance of 17.38 feet to a point;

South 68° 52' East, a distance of 16.00 feet to a point;

North 21° 08' East, a distance of 7.78 feet to a point;

South 68° 52' East, a distance of 1.23 feet to a point; thence along the Entertainment District SIP Parcel #1 described herein South 68° 55' East, a distance of 11.73 feet to a point; said point being the **POINT OF BEGINNING.**

Containing 55,850 square feet or 1.28 acres, more or less.

The western boundary runs in part along an existing wall and chain link fence and Neyland Stadium. A gate is located on the western side of the parcel near the Condotel Parcel boundary.

The parcel is bounded on the north by the Entertainment District SIP Parcel #2 and on the east by the present right-of-way of Neyland Drive and the Tennessee River beyond.

This description was prepared from a survey performed by Mark C. Tucker, Registered Land Surveyor, Tennessee License #1996, Robert G. Campbell & Associates, L.P., Knoxville, Tennessee, File No. 25014, dated March 27, 2026.

Parcel 2 (Entertainment District SIP Parcel #2):

Situated in District No. Four (4) of Knox County, Tennessee and within Ward no. Ten (10) of the City of Knoxville, Tennessee and lying above a horizontal plane having an elevation of 901.00 feet above sea level with no upper limit and lying within its horizontal boundaries projected vertically and being more particularly described as follows.

From the **Point of Beginning, said point being** located South 29° 02’ West, a distance of 794.24 feet from City of Knoxville Control Point No. 0586; said point marking the northeastern corner of the Condotel SIP Parcel, thence leaving said Point of Beginning and along the southern line of the Condotel Parcel South 68° 52’ East, a distance of 70.00 feet to a point; thence along the Entertainment District SIP Parcel #2 described herein, South 21° 15’ West, a distance of 218.23 feet to a point; thence along the northern lines of the Entertainment District SIP Parcel #1 the following five calls:

North 68° 52’ West, a distance of 1.23 feet to a point;

South 21° 08’ West, a distance of 7.78 feet to a point;

North 68° 52’ West, a distance of 16.00 feet to a point;

South 21° 08’ West, a distance of 17.38 feet to a point;

North 68° 41’ West, a distance of 169.06 feet to a point;

Thence along the western line of the Entertainment District SIP #2 described herein, North 21° 06’ East, a distance of 113.14 feet to a point;

Thence along the southern and eastern lines of the Condotel SIP Parcel the following two calls:

South 68° 52’ East, a distance of 116.81 feet to a point;

North 21° 08’ East, a distance of 129.75 feet to a point; said point being the **POINT OF BEGINNING.**

Containing 29,897 square feet or 0.67 acres, more or less.

The western boundary runs in part along an existing wall and chain link fence and Neyland Stadium. A gate is located on the western side of the parcel near the Condotel Parcel boundary.

The parcel is bounded on the north by the Condotel SIP Parcel and Condotel Parcel, on the east by the present right-of-way of Neyland Drive and the Tennessee River beyond.

This description was prepared from a survey performed by Mark C. Tucker, Registered Land Surveyor, Tennessee License #1996, Robert G. Campbell & Associates, L.P., Knoxville, Tennessee, File No. 25014, dated March 27, 2026

EXHIBIT A-3

LEGAL DESCRIPTION OF THE CONDOTEL SITE

Parcel 1:

Situated in District No. Four (4) of Knox County, Tennessee and within Ward No. Ten (10) of the City of Knoxville, Tennessee and being more particularly described as follows.

From the **Point of Beginning, said point being** located South 32° 17' West, a distance of 486.80 feet from City of Knoxville Control Point #0586; thence from said Point of Beginning along the western right-of-way of Neyland Drive the following four calls:

South 29° 20' West, a distance of 17.49 feet to a point; thence

South 27° 01' West, a distance of 70.91 feet to a point; thence

along a 1,345.19-foot radius curve to the left, said curve having an arc length of 94.98 feet, a chord bearing and distance of South 24° 34' West 94.96 feet to a point;

along a 1,462.00-foot radius curve to the left, said curve having an arc length of 126.49 feet and a chord bearing and distance of South 20° 55' West 126.45 feet to a point;

Thence along the southern western and northern lines of the Condotel Parcel described herein the following twenty-one calls:

North 68° 52' West, a distance of 181.30 feet to a point;

South 21° 08' West, a distance of 12.29 feet to a point;

North 68° 52' West, a distance of 8.17 feet to a point;

North 21° 08' East, a distance of 12.29 feet to a point;

North 68° 52' West, a distance of 6.18 feet to a point;

North 21° 10' East, a distance of 124.86 feet to a point;

North 84° 08' East, a distance of 5.68 feet to a point;

North 05° 52' West, a distance of 53.33 feet to a point;

North 84° 14' East, a distance of 69.60 feet to a point;

North 18° 55' West, a distance of 28.95 feet to a point;

North 65° 44' East, a distance of 1.29 feet to a point;

North 21° 57' West, a distance of 6.67 feet to a point;

North 55° 31' East, a distance of 24.16 feet to a point;

North 58° 10' East, a distance of 12.47 feet to a point;

along a 40.00-foot radius curve to the right, said curve having an arc length of 39.89 feet, a chord bearing and distance of North 84° 12’ East 38.26 feet to a point;

South 68°40’ East, a distance of 54.16 feet to a point;

along a 3.00-foot radius curve to the right, said curve having an arc length of 4.40 feet, a chord bearing and distance of South 26° 50’ East 4.02 feet to a point;

along a 64.00-foot radius curve to the left, said curve having an arc length of 9.56 feet and a chord bearing and distance of South 10° 54’ West 9.55 feet to a point;

North 86° 49’ East, a distance of 35.54 feet to a point;

along a 26.02-foot radius curve to the right, said curve having an arc length of 35.07 feet and a chord bearing and distance of North 61° 29’ East 32.48 feet to a point;

South 69° 43’ East, a distance of 22.42 feet to a point; said point being the **Point of Beginning.**

Containing 53,788 square feet, or 1.23 acres, more or less.

Being bounded on the south by the present right-of-way of Neyland Drive and the Tennessee River, on the northeast by a stairway, on the east and southeast by gates, on the east by a sign, and on the west by a chainlink fence.

This description was prepared from a survey performed by Mark C. Tucker, Registered Land Surveyor, Tennessee License #1996, Robert G. Campbell & Associates, L.P., Knoxville, Tennessee, File No. 25014, dated March 27, 2026.

Parcel 2 (CONDOTEL SIP PARCEL)

Situated in District No. Four (4) of Knox County, Tennessee and within Ward no. Ten (10) of the City of Knoxville, Tennessee and lying above a horizontal plane having an elevation of 902.00 feet above sea level with no upper limit and lying within its horizontal boundaries projected vertically and being more particularly described as follows.

From the **Point of Beginning, said point being** located South 29° 02’ West, a distance of 794.24 feet from City of Knoxville Control Point #0586; thence from said Point of Beginning along the eastern and northern lines of the Garage Parcel described above the following two calls:

South 21° 08’ West, a distance of 129.75 feet to a point;

North 68° 52’ West, a distance of 116.81 feet to a point; thence along the western line of the Hotel SIP Parcel described herein, North 21° 08’ East, a distance of 129.75 feet to a point;

Thence along the southern line of the Hotel Parcel described above, South 68° 52’ East, a distance of 116.81 feet to a point; said point being the **Point of Beginning**.

Containing 15,156 square feet, or 0.35 acres, more or less.

Being bounded on the west by Neyland Stadium and south and southeast by the Entertainment District SIP Parcel, on the north by the Condotel Parcel.

This description was prepared from a survey performed by Mark C. Tucker, Registered Land Surveyor, Tennessee License #1936, Robert G. Campbell & Associates, L.P., Knoxville, Tennessee, File No. 25014, dated March 27, 2026.

Exhibit B

SITE PLAN

[Attached]

PROPERTY KEY

- UTK Parking Garage
- Entertainment District
- Hotel Condo
- Easement

NEYLAND STADIUM

EXISTING G10 GARAGE

NEYLAND DRIVE

Elevators 1 and 2. Stair 1

Elevators 3 and 4. Stair 2

Elevator 7, Entertainment District Elevator

Stair 3

Loading Dock

University Private Road

Student Staircase
(Staircase extends above)

Entrance Turn Around

Stairs 6 and 7

Elevators 5 and 6. Stair 5

Stair 4

Southern Access Area

Drive Lanes

SCALE: 1" = 30'

0 30 60 90

NEYLAND ENTERTAINMENT DISTRICT

LEVEL 01

PROPERTY KEY

- UTK Parking Garage
- Entertainment District
- Hotel Condo
- Easement

NEYLAND STADIUM

Elevators 1 and 2. Stair 1

Elevators 3 and 4. Stair 2

Elevator 7, Entertainment District Elevator

Stair 3

Northern Interior Hallway and Staging Area

Loading Dock

Student Staircase (Staircase extends above and below)

EXISTING G10 GARAGE

Stairs 6 and 7

Elevators 5 and 6. Stair 5

Stair 4

NEYLAND DRIVE

NEYLAND ENTERTAINMENT DISTRICT

LEVEL 02

SCALE: 1" = 30'

0 30 60 90

PROPERTY KEY

- UTK Parking Garage
- Entertainment District
- Hotel Condo
- Easement

Northern Plaza
(Plaza Continues Up)

Elevators 3 and 4. Stair 2

Elevator 7, Entertainment District Elevator

Elevators 1 and 2. Stair 1

Stair 3

Student Walk

Student Staircase
(Staircase extends below)

NEYLAND STADIUM

EXISTING G10 GARAGE

NEYLAND DRIVE

Stairs 6 and 7

Elevators 5 and 6. Stair 5

Stair 4

SCALE: 1" = 30'

0 30 60 90

NEYLAND ENTERTAINMENT DISTRICT

LEVEL 03

PROPERTY KEY

- UTK Parking Garage
- Entertainment District
- Hotel Condo
- Easement

Elevators 1 and 2. Stair 1

Elevators 3 and 4. Stair 2

Northern Plaza
(Plaza Continues Up and Down)

Elevator 7, Entertainment District Elevator

Stair 3

Stairs 6 and 7

Elevators 5 and 6. Stair 5

Stair 4

NEYLAND STADIUM

EXISTING G10 GARAGE

NEYLAND DRIVE

SCALE: 1" = 30'

0 30 60 90

NEYLAND ENTERTAINMENT DISTRICT

LEVEL 04

PROPERTY KEY

- UTK Parking Garage
- Entertainment District
- Hotel Condo
- Easement

Kiosk

Northern Plaza
(Plaza Continues Down)

Elevators 3 and 4. Stair 2

Elevator 7, Entertainment District Elevator

Elevators 1 and 2. Stair 1

Stair 3

NEYLAND STADIUM

EXISTING G10 GARAGE

Stairs 6 and 7

Elevators 5 and 6. Stair 5

Stair 4

NEYLAND DRIVE

SCALE: 1" = 30'

0 30 60 90

NEYLAND ENTERTAINMENT DISTRICT

LEVEL 05

PROPERTY KEY

- UTK Parking Garage
- Entertainment District
- Hotel Condo
- Easement

NEYLAND STADIUM

Elevators 1 and 2. Stair 1

Elevators 3 and 4. Stair 2

Elevator 7, Entertainment District Elevator

Stair 3

EXISTING G10 GARAGE

Stairs 6 and 7

Elevators 5 and 6. Stair 5

Stair 4

NEYLAND DRIVE

SCALE: 1" = 30'

0 30 60 90

NEYLAND ENTERTAINMENT DISTRICT

LEVEL 06

PROPERTY KEY

- UTK Parking Garage
- Entertainment District
- Hotel Condo
- Easement

NEYLAND STADIUM

Elevators 3 and 4. Stair 2

Elevator 7, Entertainment District Elevator and Corridor

Stair 3

EXISTING G10 GARAGE

Ballroom Area

Elevators 5 and 6. Stair 5

Stair 4

NEYLAND DRIVE

SCALE: 1" = 30'

0 30 60 90

NEYLAND ENTERTAINMENT DISTRICT

LEVEL 07

EXHIBIT C

DISTRICT EQUIPMENT

Annunciators, antennae, boilers, boxes, brackets, cabinets, cables, closets (for facilities and risers), coils, computers, conduits, controls, control centers, couplers, devices, ducts, equipment (including, without limitation, heating, ventilating, air conditioning and plumbing equipment), fans, fixtures, hangers, heat traces, indicators, junctions, lines, light fixtures, meters, outlets, panels, pipes, pumps, risers, sprinklers, switches, switchboards, systems, telecommunication equipment, wiring, and the like used in providing services from time to time in any part of the District Site, including, without limitation, air conditioning, alarm, antenna, circulation, cleaning, communication, cooling, electric, elevator, exhaust, heating, lighting protection, natural gas, plumbing, radio, recording, sanitary, security, sensing, telephone, television, transportation, ventilation and water service, and any replacements of or additions to any of the items described in this paragraph.

EXHIBIT D

CONDOTEL EQUIPMENT

Annunciators, antennae, boilers, boxes, brackets, cabinets, cables, closets (for facilities and risers), coils, computers, conduits, controls, control centers, couplers, devices, ducts, equipment (including, without limitation, heating, ventilating, air conditioning and plumbing equipment), fans, fixtures, hangers, heat traces, indicators, junctions, lines, light fixtures, meters, outlets, panels, pipes, pumps, risers, sprinklers, switches, switchboards, systems, telecommunication equipment, wiring, and the like used in providing services from time to time in any part of the Condotel Site, including, without limitation, air conditioning, alarm, antenna, circulation, cleaning, communication, cooling, electric, elevator, exhaust, heating, lighting protection, natural gas, plumbing, radio, recording, sanitary, security, sensing, telephone, television, transportation, ventilation and water service, and any replacements of or additions to any of the items described in this paragraph.

REVOLVING CREDIT AGREEMENT

dated as of May 1, 2024

between

TENNESSEE STATE SCHOOL BOND AUTHORITY,

and

BANK OF AMERICA, N.A.

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REVOLVING CREDIT AGREEMENT

THIS REVOLVING CREDIT AGREEMENT, dated as of May 1, 2024 (this *"Agreement"*), is entered into between the TENNESSEE STATE SCHOOL BOND AUTHORITY, a corporate governmental agency and instrumentality of the State of Tennessee (the *"Authority")* and BANK OF AMERICA, N.A. and its successors and permitted assigns (the *"Bank"*).

RECITALS

WHEREAS, the Authority has requested that the Bank make available to the Authority lines of credit, and loans thereunder, to provide a source of funds for the purposes set forth in the Act and the Resolution;

WHEREAS, the Bank has agreed to make such lines of credit, and loans thereunder, available to the Authority on the terms and subject to the conditions set forth herein; and

WHEREAS, all obligations of the Authority to repay the Bank for extensions of credit made by the Bank under the lines of credit and to pay all other amounts payable to the Bank arising under or pursuant to this Agreement or the promissory notes to be issued to the Bank hereunder are created under and will be evidenced by this Agreement and such notes and will be secured by a pledge of and lien on the Pledged Collateral (as defined herein), all in accordance with the terms and conditions hereof.

NOW, THEREFORE, in consideration of the foregoing Recitals and other consideration, the receipt and sufficiency of which is hereby acknowledged, and to induce the Bank to extend to the Authority the lines of credit, the Authority and the Bank hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. In addition to the terms defined in the recitals and elsewhere in this Agreement and the Trust Agreement, the following terms shall have the following meanings:

"Act" means the Tennessee State School Bond Authority Act, as amended, Sections 49-3-1201 *et seq.*, Tennessee Code Annotated.

"Advance" means each Revolving Loan requested by the Authority and made by the Bank under the Commitment and pursuant to the terms hereof for the purposes permitted under the Act, the Resolution and this Agreement.

"Advance Date" means the date on which an Advance is made by the Bank to the Authority.

"Affiliate" means, as to any Person, a corporation, partnership, association, agency, authority, instrumentality, joint venture, business trust or similar entity organized under the laws of any state that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person.

"Agreement" means this Revolving Credit Agreement, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Alternate Base Rate" means, for any day, a rate of interest per annum equal to the highest of (a) zero, (b) the Prime Rate for such day (c) and the sum of the Federal Funds Rate for such day plus 0.50%. Any change in the Alternate Base Rate due to a change in the Prime Rate or the Federal Funds Rate shall be effective from the effective date of such change.

"Alternate Base Rate Loan" means a Revolving Loan that, except as otherwise provided in Section 5.4 hereof, bears interest at the applicable Alternate Base Rate.

"Amortization End Date" means the earliest to occur of (A) the third (3rd) anniversary of the Conversion Date (B) the date on which any long-term Bonded Debt or other Debt that is senior to or on a parity with the Loans and the Notes is issued by the Authority to repay the related Term Loans and (C) with respect to a Revolving Loan and, if the same has been converted to a Term Loan, such Term Loan, the eighth (8th) anniversary of the date on which the related Advance (including, for this purpose, advances made under the Existing Agreement) was made.

"Amortization Payment" has the meaning set forth in Section 4.5 hereof.

"Amortization Payment Date" means (a) the Initial Amortization Payment Date and the corresponding date in every third month occurring thereafter which occurs prior to the Amortization End Date and (b) the Amortization End Date.

"Amortization Period" has the meaning set forth in Section 4.5 hereof.

"Applicable Factor" means 80%.

"Applicable Law" means (i) all applicable common law and principles of equity and (ii) all applicable provisions of all (A) constitutions, statutes, rules, regulations and orders of all governmental and non-governmental bodies, (B) Governmental Approvals and (C) orders, decisions, judgments and decrees of all courts (whether at law or in equity) and arbitrators.

"Approving Opinion" means, with respect to any action or matter that may affect a Tax-Exempt Loan, an opinion delivered by Bond Counsel to the effect that such action (i) is permitted by this Agreement and the other Related Documents and (ii) will not adversely affect the exclusion of interest on any Tax-Exempt Loan from gross income of the Bank or any Participant for purposes of federal income taxation, it being understood that interest on the Tax-Exempt Loans is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

"Authority" means Tennessee State School Bond Authority, a corporate governmental agency and instrumentality of the State and its permitted successors and assigns.

"Authority Rating" means the long-term unenhanced ratings (without regard to any bond insurance policy or credit enhancement) assigned by each of Moody's, S&P and Fitch to the Authority's Second Program Bonds.

"Authorized Representative" means any of the Chairman, Vice Chairman, Secretary and any Assistant Secretary of the Authority, or any other authorized representative or authorized spokesperson conveying an official position of the Authority or such person at the time and from time to time authorized to act on behalf of the Authority by written certificate furnished to the Bank.

"Available Revenues" means Annual Financing Charges and Legislative Appropriations and other moneys and securities credited to the General Fund under and pursuant to the Second Program Bond Resolution, in each case to the extent not required (i) to make deposits into the Debt Service Fund or Debt Service Reserve Fund under and pursuant to the Second Program Bond Resolution and (ii) to pay expenses necessary to protect the interests of the Holders of Second Program Bonds and charges, expenses, liabilities and advances of Fiduciaries as provided in the Second Program Bond Resolution. Each defined term used in this definition shall have the meaning set forth in the Resolution and the Second Program Bond Resolution, as applicable, without giving any effect for purposes of this definition to any amendments or other modifications thereto unless amended or modified with the consent of the Bank in accordance with Section 8.1(a) hereof.

"Bank" means Bank of America, N.A., and its successors and permitted assigns.

"Bank Affiliate" means the Bank and any Affiliate of the Bank.

"Bank Agreement" means any credit agreement, bond purchase agreement, direct purchase agreement, liquidity agreement or other agreement or instrument (or any amendment, supplemental or modification thereto) entered into by the Authority with any Person, directly or indirectly, or otherwise consented to by the Authority, under which any Person or Persons undertakes to make loans or extend credit or liquidity to the Authority in connection with, or purchase on a private placement basis, any Debt secured by or payable from the Pledged Collateral.

"Bankruptcy Code" means the federal Bankruptcy Code of 1978, as it may be amended from time to time (Title 11 of the United States Code), and any successor statute thereto.

"Bank's Office" means the Bank's address and, as appropriate, account set forth in writing by the Bank to the Authority, or such other address or account as the Bank may from time to time notify the Authority; which office may include any Bank Affiliate.

"Base Rate" means, for any day, a fluctuating rate of interest per annum equal to the greatest of (i) the Prime Rate in effect at such time *plus* one percent (1.0%), (ii) the Federal Funds Rate in effect at such time *plus* two percent (2.0%), and (iii) seven percent (7.0%). Any change in

the Base Rate due to a change in the Prime Rate or the Federal Funds Rate shall be effective from the effective date of such change.

"Basel III" means "Basel III - A Global Regulatory Framework for More Resilient Banks and Banking Systems, December 2010" and "Basel III - International Framework for Liquidity Risk Measurement Standards and Monitoring, December 2010" promulgated by the Basel Committee on Banking Supervision, as the same may be amended and supplemented from time to time.

"Beneficial Ownership Certification" means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" means 31 C.F.R. § 1010.230.

"Benefit Plan" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan."

"BHC Act Affiliate" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. § 1841(k)) of such party.

"Board of Governors" means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

"Bond Counsel" means Hawkins Delafield & Wood LLP, or such other counsel of recognized national standing in the field of law relating to municipal bonds and the exemption from federal income taxation of interest thereon, appointed and paid by the Authority.

"Bonded Debt" means, as of any date, the Second Program Bonds and any other Debt of the Authority that is secured by a pledge of the Pledged Collateral on a parity with the Second Program Bonds.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Bank's Office is located.

"Change in Law" means the occurrence, after the Closing Date, of any of the following: (a) the adoption or taking effect of any Law, including, without limitation, any Risk-Based Capital Guidelines, (b) any change in any Law or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, ruling, guideline, regulation or directive (whether or not having the force of law) by any Governmental Authority; *provided* that notwithstanding anything herein to the contrary, (i) the

Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, ruling, guidelines, regulations or directives thereunder or issued in connection therewith and (ii) all requests, rules, rulings, guidelines, regulations or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III or any successor Basel accord, shall in each case be deemed to be a "Change in Law," regardless of the date enacted, adopted or issued.

"Closing Date" means May 31, 2024, subject to the satisfaction or waiver by the Bank of all of the conditions precedent set forth in Section 2.4(a) hereof.

"CME" means CME Group Benchmark Administration Limited.

"Code" means the Internal Revenue Code of 1986, as amended, and, where appropriate any statutory predecessor or any successor thereto.

"Commitment" means the obligation of the Bank pursuant to Section 2.1 hereof to make Advances under the terms hereof for the account of the Authority in an aggregate principal amount at any time outstanding not to exceed $300,000,000. The Commitment of the Bank on the Closing Date is $200,000,000 and is subject to increase or decrease in accordance with the terms hereof.

"Commitment Expiration Date" means May 28, 2027, unless extended as provided herein.

"Commitment Fee" has the meaning set forth in Section 2.6(a) hereof.

"Commitment Fee Rate" has the meaning set forth in Section 2.6(a) hereof.

"Computation Date" means, with respect any Revolving Loan, two U.S. Government Securities Business Days prior to the Advance Date of such Revolving Loan and, thereafter, two U.S. Government Securities Business Days prior to each Rate Reset Date.

"Conforming Changes" means, with respect to the use, administration of or any conventions associated with SOFR or any proposed Successor Rate or Term SOFR Rate, as applicable, any conforming changes to the definitions of "Alternate Base Rate", "SOFR", "Term SOFR Rate" and "Interest Period", timing and frequency of determining rates and making payments of interest and other technical, administrative or operational matters (including, for the avoidance of doubt, the definitions of "Business Day" and "U.S. Government Securities Business Day", timing of borrowing requests or prepayment, conversion or continuation notices and length of lookback periods) as may be appropriate, in the discretion of the Bank, to reflect the adoption and implementation of such applicable rate(s) and to permit the administration thereof by the Bank in a manner substantially consistent with market practice (or, if the Bank determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such rate exists, in such other manner of administration as the Bank determines is reasonably necessary in connection with the administration of this Agreement and any other Related Document).

"Controlled Group" means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with the Authority, are treated as a single employer under Section 414 of the Code.

"Conversion Date" means the date on which a Revolving Loan is converted to a Term Loan pursuant to Article IV hereof.

"*Covered Entity*" means any of the following: (a) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (b) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (c) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Covered Party" has the meaning set forth in Section 10.15.

"*Daily Simple SOFR*" with respect to any applicable determination date means the SOFR published on such date on the Federal Reserve Bank of New York's website (or any successor source).

"Debt" of any Person means at any date, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business (including, without limitation, accounts payable to construction contractors and other professionals for services rendered), (iv) all obligations of such Person as lessee under capital leases, (v) all Debt of others secured by a Lien on any asset of such Person, whether or not such Debt is assumed by such Person (excluding, however, economic development revenue bonds issued by such Person and other nonrecourse indebtedness of such Person), (vi) all Debt of others guaranteed by such Person and (vii) all obligations of such Person under any Swap Contract, in each case, whether such Person is liable contingently or otherwise, as obligor, guarantor or otherwise, or in respect of which obligations such Person otherwise assures a creditor against loss.

"Debtor Relief Laws" means the Bankruptcy Code of the United States of America, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect.

"Default" means any event or condition which, with notice, the passage of time or any combination of the foregoing, would constitute an Event of Default.

"Default Rate" means, for any day, a fluctuating rate per annum equal to the sum of the Base Rate in effect on such day *plus* four percent (4.00%).

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. § 252.81, 47.2 or 382.1, as applicable.

"Designated Jurisdiction" means any country or territory to the extent that such country or territory itself is the subject of any Sanction.

"Determination of Taxability" means and shall be deemed to have occurred on the earliest of:

(i) the date when the Authority files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have in fact occurred;

(ii) the date that is one (1) year after the date on which the Bank notifies the Authority that it has received a written opinion by a nationally recognized firm of attorneys of substantial expertise on the subject of tax-exempt municipal finance to the effect that an Event of Taxability has occurred unless, on or prior to that date, such firm of attorneys shall have withdrawn its opinion that an Event of Taxability has occurred, or, the Authority shall deliver to the Bank a ruling or determination letter issued to or on behalf of the Authority by the Commissioner or any District Director of the Internal Revenue Service (or any other governmental official exercising the same or a substantially similar function from time to time) to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability has not occurred;

(iii) the date when the Authority shall be advised in writing by the Commissioner or any District Director of the Internal Revenue Service (or any other government official or agent exercising the same or a substantially similar function from time to time) that based upon filings of the Authority (or a statutory notice of deficiency, or a document of substantially similar import), or upon any review or audit of the Authority, or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

(iv) the date when the Authority shall receive notice from the Bank that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of the Bank or any Participant the interest on any Tax-Exempt Loan due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under subparagraph (iii) or (iv) above unless the Authority has been afforded the opportunity, at its expense, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined after taking into account any permitted appeals; *provided further, however,* that upon demand from the Bank, the Authority shall promptly reimburse the Bank for any payments, including any taxes, interest, penalties or other charges, such Bank shall be obligated to make as a result of the Determination of Taxability.

"Dollar" and *"$"* mean lawful money of the United States.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute of similar import, and regulations thereunder, in each case as in effect from time to time. References to Sections of ERISA shall be construed also to refer to any successor Sections.

"Event of Default" with respect to this Agreement has the meaning set forth in Section 10.1 hereof and, with respect to any other Related Document, has the meaning assigned therein.

"Event of Taxability" means (i) a change in Law or fact or the interpretation thereof, or the occurrence or existence of any fact, event or circumstance (including, without limitation, the taking of any action by the Authority, or the failure to take any action by the Authority, or the making by the Authority of any misrepresentation herein or in any certificate required to be given in connection with this Agreement) which has the effect of causing interest paid or payable on any Tax-Exempt Loan to become includable, in whole or in part, in the gross income of the Bank or any Participant for federal income tax purposes or (ii) the entry of any decree or judgment by a court of competent jurisdiction, or the taking of any official action by the Internal Revenue Service or the Department of the Treasury, which decree, judgment or action shall be final under applicable procedural law, in either case, which has the effect of causing interest paid or payable on any Tax-Exempt Loan to become includable, in whole or in part, in the gross income of the Bank or any Participant for federal income tax purposes.

"Excess Interest Amount" has the meaning set forth in Section 5.4(b) hereof.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient: (a) Taxes imposed on or measured by overall net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of the Bank, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) Taxes attributable to such Recipient's failure (other than as a result of a Change in Law) to comply with Section 5.3(g) hereof, (c) any U.S. federal withholding Taxes imposed under FATCA and (d) any taxes imposed as a result of the Bank's failure to apply for and receive any legally available exemption from tax or withholding.

"Executive Order" has the meaning set forth in Section 6.1(r) hereof.

"Existing Agreement" means that certain Second Amended and Restated Revolving Credit Agreement dated as of December 1, 2022, among the Authority, Wells Fargo Bank, National Association and U.S. Bank National Association, as amended, restated, supplemented or otherwise modified from time to time.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations or official interpretations thereof.

"Federal Funds Rate" means, for any day, the rate per annum calculated by the Federal Reserve Bank of New York based on such day's federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate; *provided*, *that*, if the Federal Funds Rate as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Fiscal Year" means the period commencing on July 1 of each given calendar year and ending on June 30 of the immediately succeeding calendar year, or such similar period as the Authority may designate as its fiscal year.

"Fitch" means Fitch Ratings, Inc., and any successor rating agency.

"Generally Accepted Accounting Principles" or *"GAAP"* means generally accepted accounting principles in effect from time to time in the United States and applicable to entities such as the Authority.

"Governmental Approval" means an authorization, consent, approval, license, or exemption of, registration or filing with, or report to any Governmental Authority.

"Governmental Authority" means the government of the United States or any state or political subdivision thereof or any other nation or political subdivision thereof or any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, central bank, service, district or other instrumentality of any governmental entity or other entity exercising executive, legislative, judicial, taxing, regulatory, fiscal, monetary or administrative powers or functions of or pertaining to government, or any arbitrator, mediator or other Person with authority to bind a party at law.

"Indemnitee" has the meaning set forth in Section 5.1(a) hereof.

"Indemnified Taxes" means (a) Taxes other than Excluded Taxes and (b) to the extent not otherwise described in (a), Other Taxes.

"Initial Amortization Payment Date" means the Conversion Date.

"Interest Payment Date" means (a) with respect to any Tax-Exempt Revolving Loan or Taxable Revolving Loan, the fifteenth (15) day of each calendar month and on the Revolving Loan Maturity Date and (b) as to any Term Loan, the fifteenth (15) day of each calendar month, and on the Amortization End Date; provided that the first such interest payment shall commence on July 15, 2024.

"Interest Period" means, with respect to any Revolving Loan, the period from and including the Advance Date of such Revolving Loan is made to but excluding the next succeeding Rate Reset Date, and thereafter shall mean the period from and including such Rate Reset Date to but excluding the next succeeding Rate Reset Date.

"Law" means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"Lien" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset. For the purposes of this Agreement, a Person shall be deemed to own subject to a Lien any asset which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such asset.

"Loan" and *"Loans"* means individually, each Revolving Loan and each Term Loan under this Agreement, and collectively the Revolving Loans and the Term Loans under this Agreement.

"Material Adverse Effect" means: (a) a material adverse change in, or a material adverse effect upon, the operations, business, properties, liabilities (actual or contingent), condition (financial or otherwise) or prospects of the Authority; (b) a material impairment of the ability of the Authority to perform its obligations under this Agreement, the Notes, the Tax Certificate or the Resolution; or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against the Authority of any of this Agreement, the Notes, the Tax Certificate or the Resolution.

"Maximum Federal Corporate Tax Rate" means the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, as in effect from time to time (or, if as a result of a change in the Code, the rate of income taxation imposed on corporations generally shall not be applicable to the Bank, the maximum statutory rate of federal income taxation which could apply to the Bank), expressed as a decimal. As of the Closing Date, the Maximum Federal Corporate Tax Rate was 21%.

"Maximum Rate" means the maximum non-usurious interest rate payable by the Authority under applicable law.

"Moody's" means Moody's Investors Service, Inc. and any successor rating agency.

"1933 Act" means the Securities Act of 1933, as amended.

"Noteholder" or *"Holder"* means the holder or owner of a Note.

"Notes" means the Tax-Exempt Notes and the Taxable Notes, each evidencing the Loans.

"OFAC" means the Office of Foreign Assets Control of the United States Department of the Treasury.

"Obligations" means all Reimbursement Obligations, all fees, expenses and charges payable or reimbursable hereunder to the Bank (including, without limitation, any amounts to reimburse the Bank for any advances or expenditures by it under any of such documents) and all other payment obligations of the Authority to the Bank arising under or in relation to this Agreement or the other Related Documents, in each, case whether now existing or hereafter arising, due or to become due, direct or indirect, absolute or contingent, and howsoever evidenced, held or acquired.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Related Document, or sold or assigned an interest in any Loan or the Related Documents).

"Other Taxes" means all present or future stamp, court, documentary, excise, property, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Related Document.

"Participant" means any entity to which the Bank has granted a participation in the obligations of such Bank hereunder and of the Authority hereunder and under the Notes.

"*Patriot Act*" has the meaning set forth in Section 10.11 hereof.

"Person" means any individual, corporation, not for profit corporation, partnership, limited liability company, joint venture, association, professional association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other form of entity.

"Plan" means, with respect to the Authority at any time, an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code and either (i) is maintained, or has within the preceding five plan years been maintained, by a member of the Controlled Group for employees of a member of the Controlled Group of which the Authority is a part, (ii) is maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which a member of the Controlled Group of which the Authority is a part is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions.

"Pledged Collateral" means the Available Revenues.

"Prime Rate" means, as of any day, the rate of interest in effect for such day as publicly announced from time to time by the Bank as its "*prime rate*." The Prime Rate is a rate set by the Bank based upon various factors including the Bank's costs and desired return, general economic

conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate.

"Property" means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, whether now owned or hereafter acquired.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. § 5390(c)(8)(D).

"*QFC Credit Support*" has the meaning set forth in Section 10.16.

"Rate Reset Date" means the first Business Day of each month.

"Rating Agency" means any of Moody's, S&P and/or Fitch, as context may require.

"Recipient" means the Bank, any Participant or any Noteholder.

"Reduction Fee" means an amount equal to the product of (A) the Commitment Fee Rate in effect on the date of the permanent reduction of the Commitment pursuant to the terms hereof, (B) the difference between (x) the aggregate Commitment prior to such reduction plus the aggregate principal amount of the Loans outstanding prior to such reduction and (y) the aggregate Commitment after the reduction and the aggregate principal amount of the Loans outstanding after the reduction and (C) a fraction, the numerator of which is equal to the number of days from and including the date of such reduction to and including the first anniversary of the Closing Date, and the denominator of which is 360.

"Reimbursement Obligations" means the obligations of the Authority under this Agreement to repay all Loans, together with interest thereon, pursuant to and in accordance with this Agreement.

"Related Documents" means this Agreement, the Notes, the Tax Certificate, the Resolution and any documents related thereto or executed in connection therewith, and any and all future renewals and extensions or restatements of, or amendments or supplements to, any of the foregoing.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

"Relevant Governmental Body" means the Board of Governors or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors or the Federal Reserve Bank of New York, or any successor thereto.

"Request for Advance" means any request for an Advance made by the Authority to the Bank, in the form of Exhibit B hereto, executed and delivered on behalf of the Authority by the manual or facsimile signatures of any Authorized Representative.

"Resolution" means the Resolution Authorizing and Providing with Respect to Revolving Credit Agreement, Loans and Promissory Notes and Related Matters adopted by the Authority on May 14, 2024, as the same may from time to time be amended, restated, supplemented, or otherwise modified in accordance with the terms thereof and hereof.

"Revolving Loan" has the meaning set forth in Section 3.1 hereof.

"Revolving Loan Maturity Date" means, with respect to any Revolving Loan, the Commitment Expiration Date or any earlier Termination Date.

"Risk-Based Capital Guidelines" means (i) the risk-based capital guidelines in effect in the United States, including transition rules, and (ii) the corresponding capital regulations promulgated by regulatory authorities outside the United States including transition rules, and any amendments to such regulations.

"S&P" means S&P Global Ratings, a Standard & Poor's Financial Services LLC business, and any successor rating agency.

"Sanction(s)" means any sanction administered or enforced by the United States Government (including, without limitation, OFAC), the United Nations Security Council, the European Union, His Majesty's Treasury (*"HMT"*) or other relevant sanctions authority.

"Scheduled Unavailability Date" has the meaning specified in Section 2.13(b) hereof.

"Second Program Bond" has the meaning set forth in the Resolution.

"Second Program Bond Resolution" means the Higher Educational Facilities Second Program General Bond Resolution adopted by the Authority on April 27, 1998, as the same may from time to time be amended, restated, supplemented, or otherwise modified in accordance with the terms thereof.

"SOFR" means the Secured Overnight Financing Rate as administered by the Federal Reserve Bank of New York (or a successor administrator).

"State" means the State of Tennessee.

"Successor Rate" has the meaning set forth in Section 2.13(b) hereof.

"*Supported QFC*" has the meaning set forth in Section 10.16 hereof.

"Swap Contract" means (a) any and all rate swap transactions, total return swaps, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap

transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a *"Master Agreement"*), including any such obligations or liabilities under any Master Agreement.

"Swap Obligation" means, with respect to any Person, any and all obligations, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor), under (a) any and all Swap Contracts and (b) any and all cancellations, buy backs, reversals, terminations or assignments of any Swap Contract.

"Tax Certificate" means that certain Arbitrage and Use of Proceeds Certificate dated May 31, 2024, by the Authority, relating to the Tax-Exempt Revolving Loans and the Tax-Exempt Term Loans, as the same may be amended, supplemented, modified or restated from time to time.

"Taxable Applicable Spread" means the rate per annum associated with the Authority Rating, as specified in the pricing matrix below:

	Authority Rating			**Taxable Applicable Spread basis points (%)**
	Moody's	**S&P**	**Fitch**	
Level I	Aa2 or above	AA or above	AA or above	79.0 bps (0.79%)
Level II	Aa3	AA-	AA-	85.0 bps (0.85%)
Level III	A1	A+	A+	95.0 bps (0.95%)
Level IV	A2	A	A	108.0 bps (1.08%)
Level V	A3	A-	A-	127.0 bps (1.27%)
Level VI	Baa1 or below	BBB+ or below	BBB+ or below	159.0 bps (1.59%)

In the event of a split in the Authority Ratings (i.e., the Authority Rating of one Rating Agency is on a different Level than the Authority Rating of another Rating Agency), then the Taxable Applicable Spread shall be determined using the Taxable Applicable Spread on the Level reflecting the lowest Authority Rating (resulting in the highest Taxable Applicable Spread). For the avoidance of doubt, Level VI is the Level with the lowest Authority Rating, and Level I is the Level with the highest Authority Rating for purposes of the above pricing grids. The Authority and the Bank acknowledge that as of the Closing Date, the Taxable Applicable Spread is that specified above for Level I. Any change in the Taxable Applicable Spread resulting from a change

in the Authority Rating shall be and become effective as of and on the date of the announcement of the change in the Authority Rating. References to the Authority Rating above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration of the Authority Rating in connection with the adoption of a *"global"* rating scale, each Authority Rating from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. In the event that any Authority Rating is suspended, withdrawn, or otherwise unavailable from any Rating Agency, or if any Authority Rating is reduced below "Baa1," "BBB+" or "BBB+" by any of Moody's, S&P or Fitch, respectively, or upon the occurrence of and during the continuance of an Event of Default, in each such case, the Loans outstanding shall automatically bear interest at the Default Rate, without notice to the Authority.

"Taxable Date" means the date on which interest on any Tax-Exempt Loan is first includable in gross income of any holder thereof (including the Bank) as a result of an Event of Taxability as such a date is established pursuant to a Determination of Taxability.

"Taxable Loan" and *"Taxable Loans"* means individually and collectively, Taxable Revolving Loans and Taxable Term Loans.

"Taxable Note" has the meaning set forth in Section 3.2(b) hereof.

"Taxable Period" has the meaning set forth in Section 5.2 hereof.

"Taxable Rate" means, with respect to a Taxable Period, the product of (i) the average interest rate on the Tax-Exempt Loans during such period and (ii) 1/(1-Maximum Federal Corporate Tax Rate), rounded upward to the fifth decimal place.

"Taxable Revolving Loan" means any Revolving Loan bearing interest at the Taxable SOFR Rate.

"Taxable SOFR Rate" means a fluctuating rate per annum, determined as of each applicable Computation Date, equal to the sum of (a) the Taxable Applicable Spread *plus* (b) the Term SOFR Rate, as in effect on such Computation Date, rounded upward to the fifth decimal place.

"Taxable Term Loan" means a Taxable Revolving Loan that is converted to a Term Loan pursuant to the terms of Section 4.1 hereof.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, fines, additions to tax or penalties applicable thereto.

"Tax-Exempt Applicable Spread" means, the rate per annum associated with the Authority Rating, as specified in the pricing matrix below:

	Authority Rating			Tax-Exempt Applicable Spread basis points (%)
	Moody's	**S&P**	**Fitch**	
Level I	Aa2 or above	AA or above	AA or above	62 bps (0.62%)
Level II	Aa3	AA-	AA-	67 bps (0.67%)
Level III	A1	A+	A+	75 bps (0.75%)
Level IV	A2	A	A	85 bps (0.85%)
Level V	A3	A-	A-	100 bps (1.00%)
Level VI	Baa1 or below	BBB+ or below	BBB+ or below	125 bps (1.25%)

In the event of a split in the Authority Ratings (i.e., the Authority Rating of one Rating Agency is on a different Level than the Authority Rating of another Rating Agency), then the Tax-Exempt Applicable Spread shall be determined using the Tax-Exempt Applicable Spread on the Level reflecting the lowest Authority Rating (resulting in the highest Tax-Exempt Applicable Spread). For the avoidance of doubt, Level VI is the Level with the lowest Authority Rating, and Level I is the Level with the highest Authority Rating for purposes of the above pricing grids. The Authority and the Bank acknowledge that as of the Closing Date, the Tax-Exempt Applicable Spread is that specified above for Level I. Any change in the Tax-Exempt Applicable Spread resulting from a change in the Authority Rating shall be and become effective as of and on the date of the announcement of the change in the Authority Rating. References to the Authority Rating above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration of the Authority Rating in connection with the adoption of a *"global"* rating scale, each Authority Rating from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. In the event that any Authority Rating is suspended, withdrawn, or otherwise unavailable from any Rating Agency, or if any Authority Rating is reduced below "Baa1," "BBB+" or "BBB+" by any of Moody's, S&P or Fitch, respectively, or upon the occurrence of and during the continuance of an Event of Default, in each such case, the Loans outstanding shall automatically bear interest at the Default Rate, without notice to the Authority.

"Tax-Exempt Loan" and *"Tax-Exempt Loans"* means individually and collectively, Tax-Exempt Revolving Loans and Tax-Exempt Term Loans.

"Tax-Exempt Note" has the meaning set forth in Section 3.2(a) hereof.

"Tax-Exempt Rate" means a fluctuating rate per annum, determined as of each applicable Computation Date, equal to the sum of (a) the Tax-Exempt Applicable Spread *plus* (b) the product

of (i) Term SOFR Rate, as in effect on such Computation Date, multiplied by (ii) the Applicable Factor, rounded upward to the fifth decimal place.

"Tax-Exempt Revolving Loan" means any Revolving Loan bearing interest at the Tax-Exempt Rate.

"*Tax-Exempt Term Loan*" means a Tax-Exempt Revolving Loan that is converted to a Term Loan pursuant to the terms of Section 4.1 hereof.

"Termination Date" means the earliest of (i) the Commitment Expiration Date, as such date may be extended pursuant to Section 2.11 hereof, (ii) the date on which the Commitment is otherwise terminated or reduced to zero in accordance with Section 2.7 hereof and (iii) the date the Commitment terminates by its terms in accordance with Section 9.2 hereof.

"Termination Fee" means an amount equal to the product of (A) the Commitment Fee Rate in effect on the date of termination of the Commitment pursuant to Section 2.7(b) hereof, (B) the sum of the Commitment immediately prior to such termination plus the aggregate amount of all Loans outstanding at such time and (C) a fraction, the numerator of which is equal to the number of days from and including the date of termination to and including the first anniversary of the Closing Date, and the denominator of which is 360.

"Term Loan" means both a Tax-Exempt Term Loan and a Taxable Term Loan.

"Term Loan Rate" means, for each day of determination, a fluctuating rate per annum, with respect to any Term Loan equal to the Base Rate from time to time in effect plus 1.00%; provided that from and after the occurrence of an Event of Default, the Term Loan Rate shall mean the Default Rate.

"Term SOFR Loan" means a Revolving Loan that, except as otherwise provided in Section 5.4 hereof, bears interest at the applicable Term SOFR Rate.

"*Term SOFR Rate*" means, for any Interest Period, the rate per annum equal to the Term SOFR Screen Rate on the Computation Date with a term equivalent to one-month; *provided* that if the rate is not published prior to 11:00 a.m. on such determination date, then Term SOFR Rate means the Term SOFR Screen Rate on the first U.S. Government Securities Business Day immediately prior thereto on which such rate has been determined; *provided* that if the Term SOFR Rate determined in accordance with the foregoing provisions of this definition would otherwise be less than zero, the Term SOFR Rate shall be deemed zero for purposes of this Agreement.

"*Term SOFR Screen Rate*" means the forward-looking SOFR term rate administered by CME (or any successor administrator satisfactory to the Bank) and published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Bank from time to time).

"United States" means the United States of America.

"*U.S. Government Securities Business Day*" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"U.S. Person" means any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Code.

"*U.S. Special Resolution Regimes*" has the meaning set forth in Section 10.15.

Section 1.2. Accounting Terms and Determinations. Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared, in accordance with GAAP. If, after the Closing Date, there shall occur any change in GAAP from those used in the preparation of the financial statements referred to in Sections 6.1(j) hereof and such change shall result in a change in the method of calculation of any financial covenant, standard or term found in this Agreement including, without limitation, a recharacterization of operating leases to the effect that certain operating leases are to be treated as capital leases, either the Authority or the Bank, may by notice to the other party hereto, require that the Bank, and the Authority negotiate in good faith to amend such covenants, standards, and terms so as equitably to reflect such change in accounting principles, with the desired result being that the criteria for evaluating the financial condition of the Authority shall be the same as if such change had not been made. No delay by the Authority or the Bank, in requiring such negotiation shall limit their right to so require such a negotiation at any time after such a change in accounting principles. Until any such covenant, standard, or term is amended in accordance with this Section 1.2, financial covenants shall be computed and determined in accordance with GAAP in effect prior to such change in accounting principles.

Section 1.3. Interpretation. The following rules shall apply to the construction of this Agreement unless the context requires otherwise: (i) the singular includes the plural, and the plural the singular; (ii) words importing any gender include the other gender; (iii) references to statutes are to be construed as including all statutory provisions consolidating and amending, and all regulations promulgated pursuant to, such statutes; (iv) references to "writing" include printing, photocopy, typing, lithography and other means of reproducing words in a tangible visible font; (v) the words "including," "includes" and "include" shall be deemed to be followed by the words "without limitation"; (vi) references to the introductory paragraph, recitals, articles, sections (or clauses or subdivisions of sections), exhibits, appendices, annexes or schedules are to those of this Agreement unless otherwise indicated; (vii) references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments, but only to the extent that such amendments and other modifications are permitted or not prohibited by the terms of this Agreement; (viii) section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose; (ix) references to Persons include their respective permitted successors and assigns; and (x) in the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each means "to

but excluding." All references to "funds" herein shall include all accounts and subaccounts therein unless the context clearly requires otherwise.

Section 1.4. Times of Day. Unless otherwise specified, all references herein to times of day shall be references to New York time (daylight or standard, as applicable).

Section 1.5. Relation to Other Documents; Acknowledgment of Different Provisions of Related Documents; Incorporation by Reference. (a) Nothing in this Agreement shall be deemed to amend, or relieve the Authority of its obligations under, any Related Document to which it is a party. Conversely, to the extent that the provisions of any Related Document allow the Authority to take certain actions, or not to take certain actions, with regard for example to permitted liens, transfers of assets, maintenance of financial ratios and similar matters, the Authority nevertheless shall be fully bound by the provisions of this Agreement.

(b) Except as provided in subsection (c) of this Section 1.5, all references to other documents shall be deemed to include all amendments, modifications and supplements thereto to the extent such amendment, modification or supplement is made in accordance with the provisions of such document and this Agreement.

(c) All provisions of this Agreement making reference to specific Sections of any Related Document shall be deemed to incorporate such Sections into this Agreement by reference as though specifically set forth herein (with such changes and modifications as may be herein provided) and shall continue in full force and effect with respect to this Agreement notwithstanding payment of all amounts due under or secured by the Related Documents, the termination or defeasance thereof or any amendment thereto or any waiver given in connection therewith, so long as this Agreement is in effect and until all Obligations are paid in full. No amendment, modification, consent, waiver or termination with respect to any of such Sections shall be effective as to this Agreement until specifically agreed to in writing by the parties hereto with specific reference to this Agreement.

Section 1.6. Rates. The Bank does not warrant or accept responsibility for, nor shall the Bank have any liability with respect to, the administration, submission or any other matter related any reference rate referred to herein or with respect to any rate (including, for the avoidance of doubt, the selection of such rate and any related spread or other adjustment) that is an alternative or replacement for or successor to any such rates (including, without limitation, any Successor Rate) (or any component of any of the foregoing) or the effect of any of the foregoing, or of any Conforming Changes. The Bank and its affiliates or other related entities may engage in transactions or other activities that affect any reference rate referred to herein, or any alternative, successor or replacement rate (including, without limitation, any Successor Rate) (or any component of any of the foregoing) or any related spread or other adjustments thereto, in each case, in a manner adverse to the Authority. The Bank may select information sources or services in its reasonable discretion to ascertain any reference rate referred to herein or any alternative, successor or replacement rate (including, without limitation, any Successor Rate) (or any component of any of the foregoing), in each case pursuant to the terms of this Agreement, and shall have no liability to the Authority or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or

expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or other action or omission related to or affecting the selection, determination, or calculation of any rate (or component thereof) provided by any such information source or service.

ARTICLE II

FACILITIES; APPLICATION AND ISSUANCE OF THE LOANS; PAYMENTS

Section 2.1. Commitment. Subject to the terms and conditions hereof, the Bank, by its acceptance hereof, agrees to make a loan or loans in U.S. Dollars to the Authority from time to time on a revolving basis up to the amount of the Commitment, subject to any reductions thereof pursuant to the terms hereof, before the Termination Date. The sum of the aggregate principal amount of Tax-Exempt Loans and Taxable Loans at any time outstanding shall not exceed the Commitment. As provided in Section 2.3(c) hereof, the Authority may elect that any such Revolving Loan be either a Tax-Exempt Loan or a Taxable Loan. Revolving Loans may be borrowed, repaid and the principal amount thereof reborrowed before the Termination Date, subject to the terms and conditions hereof. The Commitment shall terminate on the Termination Date.

Section 2.2. Application. The Authority hereby applies to the Bank for, and authorizes and instructs the Bank to issue for its account, the Commitment in the amount as set forth herein.

Section 2.3. Making of Advances; Use of Proceeds. (a) Subject to the terms and conditions of this Agreement, the Bank agrees to make Advances from time to time on any Business Day, commencing on the Closing Date and ending on the Termination Date, in amounts not to exceed at any time outstanding the Commitment available hereunder; *provided,* that the Bank shall not be required to make more than two (2) Advances during any calendar month. Each Advance requested shall be in a minimum principal amount of $1,000,000 or any integral multiples of $100,000 in excess thereof. Each Advance shall be made solely for the purposes set forth in the Act and Resolution; *provided* that in no event shall any of the proceeds of a Tax-Exempt Loan be used to pay or prepay a Taxable Loan, unless the Authority receives an Approving Opinion of Bond Counsel, which shall also be addressed to the Bank or upon which the Bank is entitled to rely. The aggregate amount of all Advances made on any Advance Date shall not exceed the Commitment at 11:00 a.m. (New York time) available to be drawn on such date (calculated without giving effect to any Advances made on such date) and the Bank shall not be obligated to make Advances in excess of this limitation.

(b) *Reborrowing*. Within the limits of this Section 2.3, the Authority may borrow, repay pursuant to the terms hereof and reborrow under this Section 2.3, subject to the terms and conditions set forth herein.

(c) *Method of Borrowing*. (i) *Requests for Advances*. The Authority shall give the Bank irrevocable prior written notice substantially in the form of Exhibit B (a "*Request for Advance*") not later than 11:00 a.m. three (3) Business Days before each Advance, of its intention to borrow, specifying (A) the Advance Date, which shall be a Business Day, and which shall be automatically

adjusted pursuant to the next sentence, if applicable, (B) the amount of such borrowing, which shall be in an aggregate principal amount of $1,000,000 or a whole multiple of $100,000 in excess thereof, and (C) whether the requested Advance shall be a Tax-Exempt Loan or a Taxable Loan. A Request for Advance received after 11:00 a.m. shall be deemed received prior to 11:00 a.m. on the next Business Day.

(ii) *Disbursement of Advances*. Upon satisfaction of the conditions set forth in Section 2.4(b) hereof, the Bank will make available the proceeds of such Advance to the Authority on the Advance Date. The Authority hereby irrevocably authorizes the Bank to disburse the proceeds of each Advance requested pursuant to this Section in immediately available funds by crediting or wiring such proceeds to the deposit account of the Authority identified in the related Request for Advance or as may be otherwise agreed upon by the Authority and the Bank from time to time.

(d) *Conforming Changes*. With respect to SOFR or the Term SOFR Rate, the Bank will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Related Document, any implementation of such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Related Document; *provided* that, with respect to any such implementation, the Bank shall provide written notice to the Authority of such Conforming Changes reasonably promptly after such amendment becomes effective.

Section 2.4. Conditions Precedent.

(a) *Conditions Precedent to Closing Date*. The obligations of the Bank to make the Commitment available hereunder shall be subject to the fulfillment of each of the following conditions precedent on or before the Closing Date a manner satisfactory to the Bank:

(i) The Bank shall have received the following documents, each dated and in form and substance as is satisfactory to the Bank:

(1) copies of the Resolution and any other resolution(s) of the Authority approving the execution and delivery of this Agreement certified by an Authorized Representative of the Authority as being true and complete and in full force and effect on the Closing Date;

(2) certified copies of all approvals, authorizations and consents of any trustee, or holder of any indebtedness or obligation of the Authority or any Governmental Authority necessary for the Authority to enter into each of the Related Documents and the transactions contemplated herein and therein;

(3) a certificate of an Authorized Representative of the Authority dated the Closing Date certifying as to the authority, incumbency and specimen signatures of the designated representatives of the Authority authorized to sign this Agreement and the Notes and any other documents to be delivered by it hereunder and who will be authorized to represent the Authority in connection with this

Agreement, upon which the Bank may rely until they receive a new such certificate; and

(4) an executed original or certified copy, as applicable, of each Related Document and the Second Program Bond Resolution.

(ii) The Bank shall have received a written description of all actions, suits or proceedings pending or threatened against the Authority in any court or before any arbitrator of any kind or before or by any governmental or non-governmental body which could reasonably be expected to result in a material adverse effect on the Authority's ability to perform is obligation under this Agreement and the other Related Documents, if any, and such other statements, certificates, agreements, documents and information with respect thereto as the Bank may reasonably request. There shall not have occurred any change or any development involving a prospective change in the financial or operating condition of the Authority or its ability to pay the Obligations from that set forth in the audited annual financial statements of the Authority for the Fiscal Year ended June 30, 2023 provided to the Bank, that in the judgment of the Bank is material or adverse to the Bank. No law, regulation, ruling or other action of the United States, the State or the State of New York or any political subdivision or authority therein or thereof shall be in effect or shall have occurred, the effect of which would be to prevent the Authority or the Bank from fulfilling its respective obligations under this Agreement and the other Related Documents.

(iii) The Bank shall have received an opinion dated the Closing Date from counsel to the Authority, addressed to the Authority in form and substance satisfactory to the Bank and their counsel.

(iv) The following statements shall be true and correct on the Closing Date, and the Bank shall have received a certificate signed by an Authorized Representative, dated the Closing Date, certifying that:

(1) (A) the representations and warranties of the Authority contained in each of the Related Documents and each certificate, letter, other writing or instrument delivered by the Authority to the Bank pursuant hereto or thereto are true and correct in all material respects on and as of the Closing Date as though made on and as of such date; (B) no Default or Event of Default has occurred and is continuing or would result from the execution and delivery by the Authority of this Agreement, the issuance of the Notes or the acceptance of the Commitment by the Authority; (C) the audited annual financial statements of the Authority for the Fiscal Year ended June 30, 2023, including the balance sheet as of such date of said period, all examined and reported on by the State of Tennessee Comptroller of the Treasury, Department of Audit, Division of State Audit, as heretofore delivered to the Bank correctly and fairly present the financial condition of the Authority as of said date and the results of the operations of the Authority for such period, have been prepared in accordance with GAAP consistently applied except as stated in the notes thereto; (D) since the release of the audited annual financial statements of

the Authority for the Fiscal Year ended June 30, 2023, no material adverse change has occurred in the financial condition of the Authority prior to the Closing Date, and on and prior to the Closing Date no material transactions or obligations (not in the ordinary course of business) shall have been entered into by the Authority, other than as previously advised in writing to the Bank; (E) the acceptance of the Commitment by the Authority pursuant to this Agreement is an arm's length commercial transaction between the Authority and the Bank; (F) the Authority has consulted with its own respective legal and financial advisors in connection with the acceptance of the Commitment by the Authority pursuant to this Agreement; and (G) the Bank has not acted as a fiduciary in favor of the Authority with respect to the Notes or the acceptance of the Commitment by the Authority.

(v) The Bank shall have received an opinion addressed to the Bank and dated the Closing Date of Bond Counsel as to the due authorization, execution and delivery of this Agreement; the due adoption of the Resolution and the validity and enforceability with respect to the Authority of this Agreement and the Notes; the exclusion of the interest on the Tax-Exempt Loans from gross income for federal income tax purposes of the Bank; the pledge of Pledged Collateral securing the Notes and the Obligations constituting a valid pledge; and such other matters as the Bank may reasonably request, in form and substance satisfactory to the Bank and their counsel.

(vi) All necessary action on the part of the Authority shall have been taken as required for the assignment and pledge of a lien on the Pledged Collateral for the benefit of the Bank as described in Section 6.1(h) hereof.

(vii) Evidence satisfactory to the Bank that the Authority Rating assigned by each of Moody's, S&P and Fitch is not less than "Aa2," "AA" and "AA," respectively.

(viii) On or prior to the Closing Date, the Bank shall have received reimbursement of the Bank's fees and expenses (including the reasonable legal fees and expenses of Kutak Rock LLP) and any other fees incurred in connection with the transaction contemplated by this Agreement due on the Closing Date.

(ix) Neither the Tax-Exempt Note nor the Taxable Note shall be (1) assigned a separate rating by any Rating Agency or (2) registered with The Depository Trust Company or any other securities depository. No offering document or official statement shall be prepared with respect to the Tax-Exempt Notes or the Taxable Notes.

(x) The Authority shall have provided to the Bank, and the Bank shall be reasonably satisfied with, the documentation and other information requested by the Bank in connection with applicable "know your customer" and anti-money-laundering rules and regulations, including, without limitation, the PATRIOT Act, and the Bank shall receive a Beneficial Ownership Certification with respect to the Authority if the Authority qualifies as a "legal entity customer" under the Beneficial Ownership Regulation

(xi) The Bank shall have received such other documents, certificates, opinions, approvals and filings with respect to this Agreement, the Notes and the other Related Documents as the Bank may reasonably request.

(b) *Conditions Precedent to Each Advance*. The obligation of the Bank to make an Advance on any date is subject to the conditions precedent that on the date of such Advance:

(i) The Bank shall have received a Request for Advance as provided in Section 2.3(c) hereof;

(ii) All representations and warranties of the Authority as set forth in Article VII hereof shall be true and correct as though made on the date of such Request for Advance and on the date of the proposed Advance, no Default or Event of Default shall have occurred and be continuing; and

(iii) The Commitment and the obligation of the Bank to make an Advance hereunder shall not have terminated pursuant to Section 9.2 hereof or pursuant to Section 2.7 hereof.

Unless the Authority shall have otherwise previously advised the Bank in writing, delivery to the Bank of a Request for Advance shall be deemed to constitute a representation and warranty by the Authority that on the date of such Request for Advance and on the date of the proposed Advance, all representations and warranties of the Authority as set forth in Article VI hereof are true and correct as though made on the date of such Request for Advance and on the date of the proposed Advance and that no Default or Event of Default shall have occurred and be continuing on the date of such Request for Advance or on the date of the proposed Advance.

Section 2.5. Interest Rate Determinations. The Bank shall promptly notify the Authority of the interest rate applicable to any Loan upon determination of such interest rate; *provided, however,* that the failure by the Bank to provide notice of the applicable interest rate shall not relieve the Authority of its obligation to make payment of amounts as and when due hereunder. At any time that a Term Loan is outstanding, the Bank shall notify the Authority of any change in the Base Rate promptly following the establishment of such change; *provided, however,* that the failure by the Bank to provide notice of such change shall not relieve the Authority of its obligation to make payment of amounts as and when due hereunder. Each determination by the Bank of an interest rate shall be conclusive and binding for all purposes, absent manifest error.

Section 2.6. Fees. (a) *Commitment Fees*. The Authority agrees to pay to the Bank, for the account of the Bank, a nonrefundable annual fee set forth in the pricing grid below (the *"Commitment Fee"*) multiplied by the daily unused Commitment of the Bank. In the event of a change in the Authority Rating, the Commitment Fee shall be calculated based on the number of basis points set forth in the Level as described in the pricing matrix below (the *"Commitment Fee Rate"*):

Authority Rating				Commitment Fee Rate basis points (%)
	Moody's	**S&P**	**Fitch**	
Level I	Aa2 or above	AA or above	AA or above	25 bps (0.25%)
Level II	Aa3	AA-	AA-	30 bps (0.30%)
Level III	A1	A+	A+	35 bps (0.35%)
Level IV	A2	A	A	45 bps (0.45%)
Level V	A3	A-	A-	55 bps (0.55%)
Level VI	Baa1 or below	BBB+ or below	BBB+ or below	70 bps (0.70%)

In the event of a split in the Authority Ratings (i.e., the Authority Rating of one Rating Agency is on a different Level than the Authority Rating of another Rating Agency), then the Commitment Fee shall be determined using the Commitment Fee Rate on the Level reflecting the lowest Authority Rating (resulting in the highest Commitment Fee Rate). In the event Authority Ratings are assigned by only two Rating Agencies, and such Authority Ratings are not equivalent, the lower Rating shall be used for purposes of determining the Commitment Fee Rate. For the avoidance of doubt, Level VI is the Level with the lowest Authority Rating, and Level I is the Level with the highest Authority Rating for purposes of the above pricing grids. The Authority and the Bank acknowledge that as of the Closing Date, the Commitment Fee Rate is that specified above for Level I. Any change in the Commitment Fee Rate resulting from a change in the Authority Rating shall be and become effective as of and on the date of the announcement of the change in the Authority Rating. The Commitment Fee shall be payable quarterly in arrears on the fifteenth (15) day of each January, April, July and October of each calendar year and on the Termination Date. The Commitment Fee shall be calculated on the basis of 360-day year and actual days elapsed. References to the Authority Rating above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration of the Authority Rating in connection with the adoption of a *"global"* rating scale, each Authority Rating from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. In the event that any Authority Rating is suspended, withdrawn, or otherwise unavailable from any Rating Agency, or if any Authority Rating is reduced below *"*Baa1*,"* *"*BBB+*"* or *"*BBB+*"* by any of Moody's, S&P or Fitch, respectively, or upon the occurrence of and during the continuance of an Event of Default, in each such case the Commitment Fee Rate shall increase automatically to 1.50% above the Commitment Fee Rate otherwise in effect without notice to the Authority.

(b) *Termination or Reduction Fee.* The Authority shall pay to the Bank, a Reduction Fee or Termination Fee, as applicable, in connection with each permanent reduction or termination of the Commitment pursuant to Section 2.7 hereof prior to the first anniversary of the Closing Date,

in an amount equal to the Reduction Fee or Termination Fee, as applicable, payable on the date of such termination or each such reduction; *provided, however*, that no Termination Fee or Reduction Fee shall be due and payable to the Bank if the Bank has requested compensation from the Authority pursuant to Section 5.2 hereof.

(c) *Amendment, Consent or Waiver Fee*. Upon each amendment hereof, consent or waiver hereunder or under any Related Document, the Authority shall pay or cause to be paid to the Bank, for the account of the Bank, attorneys' fees and expenses, if any, incurred by the Bank in processing such amendment, consent or waiver and a fee in a minimum amount of $2,500 for the Bank; *provided, however,* there shall be no amendment fee for amendments to the Agreement solely for the purposes of implementing a Successor Rate but the Authority agrees to pay the reasonable fees and expenses of the Bank's legal counsel in connection with such amendments.

(d) *Draw Fee.* On the fifteenth (15) day of each month, the Authority shall pay to the Bank a draw fee in an amount equal to the product of (x) the number of Advances made during the immediately preceding calendar month and (y) $250; *provided, however,* that in the event that the Authority pays to the Bank a draw fee and the Bank fails to advance the related Loan hereunder, the Bank shall promptly refund to the Authority the draw fee actually paid to the Bank.

(e) *Costs, Expenses and Taxes.* The Authority will promptly pay on demand (i) the reasonable fees, costs and expenses of the Bank incurred in connection with the preparation, negotiation, execution and delivery of this Agreement, the Notes and the other Related Documents, (ii) the reasonable fees and disbursements of Kutak Rock LLP, special counsel to the Bank, incurred in connection with the preparation, execution, filing and administration and delivery of this Agreement and the other Related Documents, (iii) the fees and disbursements of counsel or other reasonably required consultants to the Bank with respect to advising such Persons as to the rights and responsibilities under this Agreement and the other Related Documents after the occurrence of any Default or alleged Default hereunder, or an Event of Default hereunder, (iv) all costs and expenses, if any, in connection with any waiver or amendment of, or the giving of any approval or consent under, or any response thereto or the enforcement of this Agreement, the Related Documents and any other documents which may be delivered in connection herewith or therewith, including in each case the reasonable fees and disbursements of counsel to the Bank or other reasonably required consultants and (v) any amounts advanced by or on behalf of the Bank to the extent required to cure any Default, Event of Default or event of nonperformance hereunder or any Related Document, together with interest at the Default Rate. In addition, the Authority shall pay any and all stamp taxes, transfer taxes, documentary taxes, and other taxes and fees payable or determined to be payable in connection with the execution, delivery, filing, and recording of this Agreement and the security contemplated by the Related Documents (other than taxes based on the net income of the Bank) and agrees to indemnify and hold the Bank harmless from and against any and all liabilities with respect to or resulting from any delay in paying, or omission to pay, such taxes and fees, including interest and penalties thereon. In addition, the Authority agrees to pay, after the occurrence of a Default, alleged Default or an Event of Default hereunder, all costs and expenses (including attorneys' fees and costs of settlement) incurred by the Bank in enforcing any obligations or in collecting any payments due from the Authority hereunder by reason of such Default, alleged Default or Event of Default hereunder or in connection with any refinancing or restructuring of the credit arrangements provided under this

Agreement in the nature of a "workout" or of any collection, insolvency, bankruptcy proceedings or other enforcement proceedings resulting therefrom.

(f) If the Authority shall fail to pay any amount payable under this Section 2.6 as and when due, each such unpaid amount shall bear interest for each day from and including the date it was due until paid in full at the applicable Default Rate. The obligations of the Authority under this Section 2.6 shall survive the termination of this Agreement.

Section 2.7. Reduction and Termination of Commitment. (a) Subject to the provisions of Section 2.6(b) hereof, the Commitment shall be reduced from time to time as requested by the Authority within three (3) Business Days' of the Authority's written notice to the Bank requesting such reduction in the form of Exhibit C hereto; *provided,* that each such reduction amount shall be in an amount equal to $5,000,000 or an integral multiple thereof.

(b) Subject to the provisions of Section 2.6(b) hereof, the Authority may at any time and at its sole option terminate the Commitment upon three (3) Business Days' prior written notice to the Bank. As a condition to any such termination, the Authority shall pay or cause to be paid to the Bank all Obligations owed to the Bank (other than Term Loans which shall be payable pursuant to the terms of Section 4.5 hereof).

(c) Each permanent reduction permitted pursuant to this Section shall be accompanied by a payment of principal sufficient to reduce the aggregate outstanding Revolving Loans after such reduction to the Commitment as so reduced. Any reduction of the Commitment to zero shall be accompanied by payment of all outstanding Revolving Loans (subject to the right to have the Revolving Loans converted to Term Loan in accordance with Article IV hereof) and shall result in the termination of the Commitment. Any reduction of the Commitment that requires the repayment of any Revolving Loan shall be accompanied by any amount required to be paid pursuant to Section 2.9 hereof.

Section 2.8. Increase of Commitment. (a) Not more than two times during any calendar year, the Authority may request that the Commitment be increased pursuant to a written notice to the Bank requesting such increase in the form of Exhibit D hereto which shall set forth (i) the proposed date of such increase which shall be a Business Day not less than thirty (30) days after receipt of such notice and (ii) the proposed amount of such increase which shall be in a minimum amount equal to $5,000,000 or an integral multiple thereof; *provided* that in no event shall the aggregate Commitment be increased to an amount in excess of $300,000,000.

(b) Any increase to the Commitment shall be subject to credit approval by the Bank and documentation in form and substance satisfactory to the Bank including, without limitation, (i) an amendment to this Agreement in accordance with Section 10.2 hereof; (ii) receipt of an Approving Opinion and enforceability opinion from Bond Counsel, in each case, addressed to the Bank or upon which the Bank is entitled to rely.

Section 2.9 Break Funding Reimbursements. In the event the Bank shall incur any loss, cost, or expense (including, without limitation, any loss, cost, or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired or contracted to be acquired by

the Bank to make any Advance, Revolving Loan or Term Loan or the relending or reinvesting of such deposits or other funds or amounts paid or prepaid to such Bank) as a result of (i) any failure by the Authority to borrow any Advance or Revolving Loan on any Advance Date following a Request for Advance for any reason, including without limitation, any termination of the Commitment prior to the related Advance Date pursuant to the terms hereof or (ii) any optional payment or prepayment of any Advance or Revolving Loan on a date other than the first Business Day of a calendar month (subject to the notice requirements set forth in Sections 3.5 and 4.6 hereof) for any reason, whether before or after default, then upon the demand of the Bank, the Authority shall pay to the Bank, a payment or prepayment premium, as applicable in such amount as will reimburse such Bank for such loss, cost, or expense. If the Bank requests such payment or prepayment premium, as applicable, it shall provide to the Authority a certificate setting forth the computation of the loss, cost, or expense giving rise to the request for such payment or prepayment premium, as applicable in reasonable detail and such certificate shall be conclusive if reasonably determined.

Section 2.10. Payments. Each payment by the Authority on account of the principal of or interest on the Notes or the Loans or of any fee, commission or other amounts (including the Reimbursement Obligation) payable to the Bank under this Agreement shall be made not later than 1:00 p.m. on the date specified for payment under this Agreement to the Bank at the Bank's Office for the account of the Bank in Dollars, in immediately available funds and shall be made without any set off, counterclaim or deduction whatsoever. Any payment received after 1:00 p.m. shall be deemed to have been made on the next succeeding Business Day for all purposes.

If any payment under this Agreement shall be specified to be made upon a day which is not a Business Day, it shall be made on the next succeeding day which is a Business Day and such extension of time shall in such case be included in computing any interest, if payable, along with such payment.

Section 2.11. Extension of the Commitment Expiration Date. No more than one hundred twenty (120) days and no later than ninety (90) days prior to the Commitment Expiration Date then in effect, the Authority may request the Bank in writing to extend the Commitment Expiration Date for purposes of this Agreement for a period to be agreed upon by the Authority and the Bank. The Bank shall have thirty (30) days to respond to any request by the Authority to extend the Commitment Expiration Date. Any decision by the Bank to extend the Commitment Expiration Date shall be in the Bank's sole discretion. If the Bank elects to extend the Commitment Expiration Date, the Bank will notify the Authority of such extension and the conditions of such extension (including conditions relating to legal documentation and pricing, such fees for renewal and Advances). If the Bank does not notify the Authority prior to the thirtieth (30th) day following a request by the Authority to the Bank to extend the Commitment Expiration Date, the Bank shall be deemed to have not consented to such request. The Bank may, in its sole discretion, accept or reject any requested extensions. Notwithstanding the foregoing and to the extend an Advance, Revolving Loan or Term Loan is outstanding on the date the Commitment Expiration Date is extended, in no event shall the Commitment Expiration Date be extended to a date that exceeds the eighth (8th) anniversary of the date any such Advance (including, for this purpose advances made under the Existing Agreement) related to any outstanding Advance, Revolving Loan or Term Loan was originally made.

Section 2.12. *Illegality.* If the Bank determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for the Bank or the Bank's Office to make, maintain or fund or charge interest with respect to any borrowing, or to determine or charge interest rates based upon SOFR or Term SOFR Rate, then, upon notice thereof by the Bank to the Authority, any obligation of the Bank to issue, make, maintain, fund or charge interest with respect to any such borrowing or continue Term SOFR Loans shall be suspended until the Bank notifies the Authority that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the Authority shall, upon demand from the Bank, prepay or, if applicable, convert all Term SOFR Loans to Alternate Base Rate Loans, either on the last day of the Interest Period therefor, if the Bank may lawfully continue to maintain such Term SOFR Loan to such day, or immediately, if the Bank may not lawfully continue to maintain such Term SOFR Loan. Upon any such prepayment or conversion, the Authority shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 2.9 hereof.

Section 2.13. Inability to Determine Rates. (a) If in connection with any request for a Term SOFR Loan or to a continuation of any of such Loans, as applicable, (i) the Bank determines (which determination shall be conclusive absent manifest error) that (A) no Successor Rate has been determined in accordance with Section 2.13(b), and the circumstances under clause (i) of Section 2.13(b) or the Scheduled Unavailability Date has occurred, or (B) adequate and reasonable means do not otherwise exist for determining the Term SOFR Rate for an interest period of one-month with respect to a proposed Term SOFR Loan, or (ii) the Bank determines that for any reason that the Term SOFR Rate with respect to a proposed Loan does not adequately and fairly reflect the cost to the Bank of funding such Loan, the Bank will promptly so notify the Authority. Thereafter, the obligation of the Bank to make or maintain Term SOFR Loans shall be suspended (to the extent of the affected Term SOFR Loans). Upon receipt of such notice, (i) the Authority may revoke any pending request for a Borrowing of or continuation of Term SOFR Loans (to the extent of the affected Term SOFR Loans) or, failing that, will be deemed to have converted such request into a request for a borrowing of Alternate Base Rate Loans in the amount specified therein and (ii) any outstanding Term SOFR Loans shall be deemed to have been converted to Alternate Base Rate Loans immediately at the end of their respective applicable Interest Period.

(b) Notwithstanding anything to the contrary in this Agreement or any other Related Documents, if the Bank determines (which determination shall be conclusive absent manifest error), or the Authority notifies the Bank that the Authority has determined, that

(i) adequate and reasonable means do not exist for ascertaining the Term SOFR Rate, including, without limitation, because the Term SOFR Screen Rate is not available or published on a current basis and such circumstances are unlikely to be temporary; or

(ii) CME or any successor administrator of the Term SOFR Screen Rate or a Governmental Authority having jurisdiction over the Bank or such administrator with respect to its publication of the Term SOFR Rate, in each case acting in such capacity, has made a public statement identifying a specific date after which one month interest periods of the Term SOFR Rate or the Term SOFR Screen Rate shall or will no longer be representative or made available, or permitted to be used for determining the interest rate of U.S. dollar denominated syndicated loans, or shall or will otherwise cease, provided that, at the time of such statement, there is no successor administrator that is satisfactory to the Bank, that will continue to provide the Term SOFR Rate after such specific date (the latest date on which the Term SOFR Rate or the Term SOFR Screen Rate are no longer available permanently or indefinitely, the "*Scheduled Unavailability Date*");

then, on a date and time determined by the Bank (any such date, the *"Term SOFR Replacement Date"*), which date shall be at the end of an Interest Period or on the relevant interest payment date, as applicable, for interest calculated and, solely with respect to clause (ii) above, no later than the Scheduled Unavailability Date, Term SOFR Rate will be replaced hereunder and under any Related Document with Daily Simple SOFR for any payment period for interest calculated that can be determined by the Bank, in each case, without any amendment to, or further action or consent of any other party to, this Agreement or any other Related Document (the "Successor Rate"). If the Successor Rate is Daily Simple SOFR, all interest payments will continue to be payable on each Interest Payment Date.

Notwithstanding anything to the contrary herein, (i) if the Bank determines that Daily Simple SOFR is not available on or prior to the Term SOFR Replacement Date or (ii) if the events or circumstances of the type described in Section 2.13(b)(i) or (ii) have occurred with respect to the Successor Rate then in effect, then in each case, the Bank and the Authority may amend this Agreement solely for the purpose of replacing Term SOFR Rate or any then current Successor Rate in accordance with this Section 2.13 at the end of any Interest Period, relevant interest payment date or payment period for interest calculated, as applicable, with an alternative benchmark rate giving due consideration to any evolving or then existing convention for similar U.S. dollar denominated bilateral credit facilities executed in the United States for such alternative benchmark and, in each case, including any mathematical or other adjustments to such benchmark giving due consideration to any evolving or then existing convention for similar U.S. dollar denominated bilateral credit facilities executed in the United States for such benchmark. For the avoidance of doubt, any such proposed rate and adjustments shall constitute a Successor Rate. The Bank will promptly (in one or more notices) notify the Authority of the implementation of any Successor Rate. Any Successor Rate shall be applied in a manner consistent with market practice; *provided* that to the extent such market practice is not administratively feasible for the Bank, such Successor Rate shall be applied in a manner as otherwise reasonably determined by the Bank. Notwithstanding anything else herein, if at any time any Successor Rate as so determined would otherwise be less than zero percent (0.0%), the Successor Rate will be deemed to be zero percent (0.0%) for the purposes of this Agreement and the other Related Documents.

In connection with the implementation of a Successor Rate, the Bank will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Related Document, any implementation of such Conforming Changes will become effective without any further action or consent of any other party to this Agreement; *provided* that, with respect to any such implementation, the Bank shall provide written notice to the Authority of such Conforming Changes reasonably promptly after such amendment becomes effective.

ARTICLE III

REVOLVING LOANS

Section 3.1. Making of Revolving Loans. Each Advance shall constitute a loan made by the Bank to the Authority on the related Advance Date (individually, a *"Revolving Loan"* and collectively, the *"Revolving Loans"*).

Section 3.2. Revolving Loans Evidenced by Notes. (a) The Tax-Exempt Revolving Loans are evidenced by a promissory note of the Authority to the Bank in substantially the form set forth in Exhibit A-1 hereto (as amended, supplemented, modified or restated from time to time, the *"Tax-Exempt Note"*) issued on the Closing Date, payable to the Bank in a maximum principal amount up to the Commitment on the Closing Date and otherwise duly completed. All Tax-Exempt Revolving Loans made by the Bank and all payments and prepayments made on account of principal thereof shall be recorded by the Bank on the schedule (or a continuation thereof) attached to its Tax-Exempt Note, it being understood, however, that failure by the Bank to make any such endorsement shall not affect the obligations of the Authority hereunder or under such Tax-Exempt Note in respect of unpaid principal and interest on any Tax-Exempt Revolving Loan. Each entry on a Tax-Exempt Note with respect to a Tax-Exempt Revolving Loan schedule shall reflect the applicable principal amount and the applicable Tax-Exempt Applicable Spread.

(b) The Taxable Revolving Loans are evidenced by a promissory note of the Authority to the Bank in substantially the form set forth in Exhibit A-2 hereto (as amended or supplemented from time to time, the *"Taxable Note"*) issued on the Closing Date, payable to the Bank in a maximum principal amount up to the Commitment on the Closing Date and otherwise duly completed. All Taxable Revolving Loans made by such Bank and all payments and prepayments made on account of principal thereof shall be recorded by the Bank on the schedule (or a continuation thereof) attached to its Taxable Note, it being understood, however, that failure by the Bank to make any such endorsement shall not affect the obligations of the Authority hereunder or under such Taxable Note in respect of unpaid principal and interest on any Taxable Revolving Loan. Each entry on a Taxable Note with respect to a Taxable Revolving Loan schedule shall reflect the applicable principal amount and the then applicable Taxable Applicable Spread.

Section 3.3. Interest on Revolving Loans. Each Revolving Loan made or maintained by the Bank shall bear interest during each Interest Period it is outstanding (computed on the basis of a year of 360 days and actual days elapsed) on the unpaid principal amount thereof at a rate per annum equal to the Tax-Exempt Rate, with respect to Tax-Exempt Revolving Loans, or the Taxable SOFR Rate, with respect to Taxable Revolving Loans, as applicable, for such Interest Period; *provided* that, the initial Tax-Exempt Rate or the initial Taxable SOFR Rate, as applicable,

for a particular Revolving Loan shall be determined by the Bank two (2) U.S. Government Securities Business Days prior to the related Advance Date; *provided* that, thereafter the succeeding Tax-Exempt Rates or Taxable SOFR Rates, as applicable, for any such Revolving Loan shall be determined by the Bank on the Computation Date to be effective on the Rate Reset Date immediately succeeding the Computation Date. Interest on each Revolving Loan shall be payable by the Authority to the Bank on each Interest Payment Date.

Section 3.4. Repayment of Revolving Loans. The principal of each Revolving Loan shall be repaid by the Authority to the Bank in full on the Revolving Loan Maturity Date; *provided,* that if the conditions to the making of the Term Loan set forth in Section 4.2 hereof are satisfied on the Revolving Loan Maturity Date, the principal of all Revolving Loans shall be paid from the proceeds of the applicable Term Loan.

Section 3.5. Prepayment of Revolving Loans. The Authority may prepay any Revolving Loan, in whole or in part, on an any date, provided at least three (3) Business Days' written notice is provided by the Authority to the Bank. Each such notice of optional prepayment shall be irrevocable and shall bind the Authority to make such prepayment in accordance with such notice. All prepayments of principal shall include accrued interest to the date of prepayment and all other amounts due pursuant to this Agreement, including, without limitation, Section 2.9 hereof.

ARTICLE IV

THE TERM LOAN

Section 4.1. Term Loan. The Authority shall have the option to convert (a) the unpaid principal amount of any Taxable Revolving Loan to a Taxable Term Loan or a Tax-Exempt Term Loan (subject to receipt of an opinion of Bond Counsel as set forth in Section 4.2(b) hereof) and (b) the unpaid principal amount of any Tax-Exempt Revolving Loan to a Tax-Exempt Term Loan or a Taxable Term Loan, in each case on the Revolving Loan Maturity Date, if the conditions set forth in Section 4.2 hereof are satisfied on the Revolving Loan Maturity Date.

Section 4.2. Conditions Precedent to Term Loan. The obligation of the Bank to convert the principal amount owed for all Revolving Loans to a Taxable Term Loan or a Tax-Exempt Term Loan, as applicable, shall be subject to the fulfillment of each of the following conditions precedent on or before the Revolving Loan Maturity Date in a manner satisfactory to the Bank:

(a) The following statements shall be true and correct on the Conversion Date, and the Bank shall have received a certificate incorporating by reference the definitions of the capitalized terms defined in this Agreement, signed by an Authorized Representative and dated the Conversion Date, stating that:

(i) the representations and warranties of the Authority contained herein and in each of the other Related Documents and each certificate, letter, other writing or instrument delivered by the Authority to the Bank pursuant hereto or thereto are

true and correct on and as of the Conversion Date as though made on and as of such date; and

(ii) no Default or Event of Default has occurred and is continuing as of such Conversion Date or would result from converting the Revolving Loans to a Term Loan as requested; and

(b) In the case of the conversion to a Tax-Exempt Term Loan, (A)(i) the Bank shall be satisfied that the opinion of Bond Counsel delivered pursuant to Section 2.4(a)(v) hereof remains in full force and effect with respect to such Tax-Exempt Term Loan or (ii) the Bank shall have received an opinion from Bond Counsel dated the date of such Term Loan as to the exclusion of interest on the Tax-Exempt Term Loans from gross income for federal income tax purposes, in form and substance satisfactory to the Bank and (B) the Bank shall have received an opinion of Bond Counsel in form and substance satisfactory to the Bank that such conversion will not adversely affect the tax exempt status of the interest on the Tax-Exempt Loans.

Section 4.3. Term Loans Evidenced by Notes. (a) The principal amount of each Tax-Exempt Term Loan shall also be evidenced by the Tax-Exempt Note. Each Tax-Exempt Term Loan made by the Bank and all payments and prepayments on the account of the principal and interest of each Tax-Exempt Term Loan shall be recorded by the Bank on the schedule attached to the Tax-Exempt Note; *provided, however,* that the failure of the Bank to make any such endorsement or any error therein shall not affect the obligations of the Authority hereunder or under such Tax-Exempt Note in respect of unpaid principal and interest on each Tax-Exempt Term Loan.

(b) The principal amount of each Taxable Term Loan shall also be evidenced by a Taxable Note. Each Taxable Term Loan made by the Bank and all payments and prepayments on the account of the principal and interest of each Taxable Term Loan shall be recorded by the Bank on the schedule attached to such Taxable Note; *provided, however,* that the failure of the Bank to make any such endorsement or any error therein shall not affect the obligations of the Authority hereunder or under such Taxable Note in respect of unpaid principal and interest on each Taxable Term Loan.

Section 4.4. Interest on Term Loan. The Taxable Term Loan shall bear interest from the Conversion Date to the date such Taxable Term Loan is paid in full at a rate per annum equal to the Term Loan Rate as determined by the Bank pursuant to Section 2.5 hereof. The Tax-Exempt Term Loan shall bear interest from the Conversion Date to the date such Tax-Exempt Term Loan is paid in full at a rate per annum equal to the Term Loan Rate as determined by the Bank pursuant to Section 2.5 hereof. Interest on each Term Loan shall be paid to the Bank monthly in arrears on each Interest Payment Date. Interest on each Term Loan shall be calculated on the basis of a year of 360 days based on the actual number of days elapsed.

Section 4.5. Repayment of Term Loan. The principal of each Term Loan shall be paid in installments payable on each Amortization Payment Date (each such payment, an *"Amortization Payment"*), with the final installment in an amount equal to the entire then-outstanding principal

amount of such Term Loan to be paid in full on the Amortization End Date (the period commencing on the Conversion Date and ending on the Amortization End Date is herein referred to as the *"Amortization Period"*). Each Amortization Payment shall be that amount of principal which will result in equal (as nearly as possible) Amortization Payments over the Amortization Period.

Section 4.6. Prepayment of Term Loan. The Authority may prepay each Term Loan, in whole or in part, on any Business Day, without cost, penalty or premium, provided at least three (3) Business Days' written notice is provided by the Authority to the Bank. Each such notice of optional prepayment shall be irrevocable and shall bind the Authority to make such prepayment in accordance with such notice. All prepayments of principal shall include accrued interest to the date of prepayment and all other amounts due pursuant to this Agreement, including, without limitation, Section 2.10 hereof.

ARTICLE V

LIABILITY, INDEMNITY AND PAYMENT

Section 5.1. Indemnification by the Authority. (a) The Authority shall indemnify the Bank and each Related Party of any of the foregoing Persons (each such Person being called an *"Indemnitee"*) against, and hold each Indemnitee harmless from, and shall pay or reimburse any such Indemnitee for, any and all losses, claims (including, without limitation, any environmental claims), damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any Indemnitee), and shall indemnify and hold harmless, each Indemnitee from, and shall pay or reimburse any such Indemnitee for, all fees and time charges and disbursements for attorneys who may be employees of any Indemnitee, incurred by any Indemnitee or asserted against any Indemnitee by any Person (including the Authority), other than such Indemnitee and its Related Parties, arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Related Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) any of the Notes or any Loan or Advance or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or release of hazardous materials on or from any property owned or operated by the Authority, or any environmental claim related in any way to the Authority, (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Authority, and regardless of whether any Indemnitee is a party thereto, or (v) any claim, investigation, litigation or other proceeding (whether or not the Bank is a party thereto) and the prosecution and defense thereof, arising out of or in any way connected with the Notes, the Loans, this Agreement, any other Related Document, or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby, including without limitation, reasonable attorneys and consultant's fees, *provided* that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses that are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee.

(b) *Waiver of Consequential Damages, Etc*. To the fullest extent permitted by Applicable Law, the Authority shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Related Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, the Notes, any Loan or Advance or the use of the proceeds thereof. No Indemnitee above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Related Documents or the transactions contemplated hereby or thereby.

(c) *Payments*. All amounts due under this Section shall be payable promptly after demand therefor.

Section 5.2. Increased Costs. (a) If the Bank shall determine that any Change in Law now existing or hereafter adopted shall:

(i) impose, modify or deem applicable any reserve, liquidity ratio, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or advances, loans or other credit extended or participated in by, or other acquisitions of funds by, the Bank, any Participant or any Noteholder (or such Person's respective parent or holding company, if any);

(ii) subject any Recipient to any Tax (other then (A) Indemnified Taxes and (B) Excluded Taxes described in clause (b) through (d) of the definition of Excluded Taxes) of any kind whatsoever with respect to this Agreement, the Notes, the Advances, the Revolving Loans or the Term Loans or change the basis of taxation of payments to such Recipient in respect thereof;

(iii) impose upon the Bank, any Participant or any Noteholder (or such Person's respective parent or holding company, if any) any other condition, cost or expense with respect to this Agreement, the Commitment, the Notes, the Advances, the Revolving Loans, or the Term Loans;

and the result of any of the foregoing is to increase the cost to, reduce the income receivable by, or impose any expense (including loss of margin) upon the Bank, such Participant or such Noteholder (or such Person's respective parent or holding company, if any) with respect to this Agreement, the Notes, the Advances, the Revolving Loans or the Term Loans (or in the case of any capital adequacy or similar requirement, to have the effect of reducing the rate of return on the Bank's, any Participant's or any Noteholder's (or such Person's respective parent's or holding company's, if any) capital),

then the Bank shall from time to time notify, or cause to be notified, the Authority of the amount determined in good faith by the Bank, such Participant or such Noteholder, as applicable (which determination shall be conclusive absent manifest error) to be necessary to compensate the Bank, such Participant or such Noteholder, as applicable, for such increase, reduction or imposition.

(b) *Capital or Liquidity Requirements*. If the Bank, any Participant or any Noteholder determines that any Change in Law affecting the Bank, such Participant or such Noteholder, as applicable, or any of their parent or holding companies, if any, regarding capital or liquidity requirements, has or would have the effect of either (A) increasing the amount of capital or liquidity required or expected to be maintained by such Bank, such Participant or such Noteholder, as applicable, or any of their parent or holding companies, if any, to a level above that which such Bank, such Participant or such Noteholder, or their respective parent or holding companies would have maintained but for such Change in Law or (B) reducing the rate of return on capital or liquidity of such Bank, such Participant or such Noteholder, or any of their parent or holding companies, if any, as a consequence of this Agreement, or making, maintenance or funding of, any Loan hereunder, to a level below that which such Bank, such Participant or such Noteholder, or their respective parent or holding companies, if any, could have achieved but for such Change in Law (in each case, taking into consideration such Bank's, such Participant's or such Noteholder's policies and the policies of their parent or holding companies, if any, with respect to capital or liquidity adequacy, as applicable), then from time to time upon written request of such Bank as set forth in clause (c) of this Section, the Authority shall promptly pay to such Bank, such Participant or such Noteholder, as the case may be, such additional amount or amounts as will compensate such Bank, such Participant or such Noteholder, or their parent or holding companies, as applicable, for any adverse effects resulting from any such capital or liquidity increase or reduction suffered in rate of return, in each case, if attributable to this Agreement.

(c) *Certificates for Reimbursement*. A certificate of the Bank, any Participant or any Noteholder setting forth the amount or amounts necessary to compensate such Bank, such Participant or such Noteholder, or their parent or holding companies, as the case may be, as specified in paragraph (a) or (b) of this Section and delivered to the Authority, shall be conclusive absent manifest error. The Authority shall pay such Bank, such Participant or such Noteholder, as the case may be, the amount shown as due on any such certificate within forty-five (45) days after receipt thereof.

(d) *Delay in Requests*. Failure or delay on the part of the Bank, such Participant or such Noteholder to demand compensation pursuant to this Section shall not constitute a waiver of such Bank's, such Participant's or such Noteholder's right to demand such compensation. Notwithstanding anything contained in paragraphs (a) or (b) of this Section, above, the Authority shall have no liability to the Bank for any increased costs, increased capital or reduction in return to the extent incurred by the Bank more than one hundred eighty (180) days prior to the date the above-described certificate is given to the Authority with respect thereto (the *"Cut-Off-Date"*), except where such increased costs apply to the Bank retroactively to a date prior to the Cut-Off-Date.

(e) *Determination of Taxability*. (i) In the event a Taxable Date occurs, the Authority hereby agrees to pay to the Bank, any Participant or the Noteholder on demand therefor (1) an amount equal to the difference between (A) the amount of interest that would have been paid to the Bank, such Participant or the Noteholder, as applicable, on any Tax-Exempt Revolving Loans and/or Tax-Exempt Term Loans during the period for which interest on such Tax-Exempt Revolving Loans and/or Tax-Exempt Term Loans, as applicable, is includable in the gross income of the Bank, such Participant or the Noteholder, as applicable, if such Tax-Exempt Revolving

Loans and/or Tax-Exempt Term Loans had borne interest at the Taxable Rate, beginning on the Taxable Date (the *"Taxable Period"*), and (B) the amount of interest actually paid to the Bank, such Participant or the Noteholder, as applicable, during the Taxable Period, and (2) an amount equal to any interest, penalties or charges owed by the Bank, any Participant or a Noteholder, as applicable, as a result of interest on the Tax-Exempt Revolving Loans and/or Tax-Exempt Term Loans becoming includable in the gross income of the Bank, such Participant or such Noteholder, as applicable, together with any and all reasonable attorneys' fees, court costs, or other out-of-pocket costs incurred by such Bank, such Participant or such Noteholder, as applicable, in connection therewith.

(ii) Subject to the provisions of clauses (iii) and (iv) below, the Bank shall afford the Authority the opportunity, at the Authority's sole cost and expense, to contest (1) the validity of any amendment to the Code which causes the interest on such Tax-Exempt Revolving Loans and/or Tax-Exempt Term Loans to be includable in the gross income of the Bank, any Participant or the Noteholder or (2) any challenge to the validity of the tax exemption with respect to the interest on the Tax-Exempt Revolving Loans and/or Tax-Exempt Term Loans, including the right to direct the necessary litigation contesting such challenge (including administrative audit appeals).

(iii) As a condition precedent to the exercise by the Authority of its right to contest set forth in clause (ii) above, the Authority shall, on demand, immediately reimburse the Bank, such Participant or the Noteholder, as applicable, for any and all expenses (including reasonable attorneys' fees for services that may be required or desirable) that may be incurred by the Bank, such Participant or the Noteholder, as applicable, in connection with any such contest, and shall, on demand, immediately reimburse the Bank, such Participant or the Noteholder, as applicable, for any and all penalties or other charges payable by the Bank, such Participant or the Noteholder, as applicable, for failure to include such interest in its gross income; and

(iv) The obligations of the Authority under this Section 5.2 shall survive the termination of the Commitment and this Agreement.

Section 5.3. Taxes.

(a) *Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes*. Any and all payments by or on account of any obligation of the Authority shall be made free and clear of and without reduction or withholding for any Taxes; provided that if the Authority shall be required by Applicable Law to deduct any Taxes from such payments, then (i) to the fullest extent permitted by Applicable Law, the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section), the Bank, such Participant or such Noteholder receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Authority shall make such deductions and (iii) the Authority shall timely pay the full amount deducted to the relevant Governmental Authority in accordance with Applicable Law.

(b) *Payment of Other Taxes by the Authority.* The Authority shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Bank timely reimburse it for the payment of, any Other Taxes.

(c) *Indemnification by the Authority*. The Authority shall indemnify the Bank, each Participant and each Noteholder, within thirty (30) days after demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) paid by the Bank, such Participant or such Noteholder and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate stating the amount of such payment or liability delivered to the Authority by the Bank shall be conclusive absent manifest error. In addition, the Authority shall indemnify the Bank, any Participant and the other Noteholder, within thirty (30) days after demand therefor, for any additional amounts that the Bank, any Participant or any Noteholder is required to pay as a result of any failure of the Authority to pay any Taxes when due to the appropriate Governmental Authority or to deliver to the Bank, any Participant and the other holders of a Note, as applicable, pursuant to clause (d), documentation evidencing the payment of Taxes.

(d) *Evidence of Payments*. As soon as practicable after any payment of Indemnified Taxes or Other Taxes by the Authority to a Governmental Authority, the Authority shall deliver to the Bank, such Participant or such holder of the Note, as applicable, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Bank, such Participant or such holder of the Note, as applicable.

(e) *Treatment of Certain Refunds*. If the Bank, any Participant or any Noteholder determines, in its sole discretion, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified pursuant to this Section (including additional amounts paid by the Authority pursuant to this Section), it shall pay to the Authority an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, under this Section with respect to the Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of the Bank, such Participant or such Noteholder, as applicable, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); *provided* that the Authority, upon the request of the Bank, such Participant or such holder of the Note, as applicable, agrees to repay the amount paid over pursuant to this Section (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Bank, such Participant or such holder of the Note, as applicable, in the event the Bank, such Participant or such holder of the Note, as applicable, is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (e), in no event will the Bank, such Participant or such holder of the Note, as applicable, be required to pay any amount to the Authority pursuant to this paragraph (e) the payment of which would place the Bank, such Participant or such holder of the Note, as applicable, in a less favorable net after-Tax position than the Bank, such Participant or such holder of the Note, as applicable, would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This paragraph shall not be construed to require the Bank, such Participant or such Noteholder, as

applicable, to make available its tax returns (or any other information relating to its taxes which it deems confidential) to the Authority or any other Person.

(f) *Survival.* Without prejudice to the survival of any other agreement of the Authority hereunder, the agreements and obligations of the Authority contained in this Section shall survive the termination of this Agreement and the payment in full of the Notes and the Obligations of the Authority thereunder and hereunder.

(g) *Status of Bank; Tax Documentation*. (i) If the Bank, a Participant or a holder of the Note is entitled to an exemption from or reduction of withholding Taxes with respect to payments made hereunder or under any Related Document, such Bank, such Participant or such holder of the Note, as applicable, shall deliver to the Authority and the Bank at the time or times reasonably requested by the Authority or the Bank, such properly completed and executed documentation reasonably requested by the Authority or as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, the Bank, such Participant or such holder of the Note if reasonably requested by the Authority, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Authority as will enable the Authority to determine whether or not the Bank, such Participant or such holder of the Note is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 5.3(g)(ii) below) shall not be required if, in the Bank's, such Participant's or such Noteholder's reasonable judgment, such completion, execution or submission would subject the Bank, such Participant or such holder of the Note to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of the Bank, such Participant or such holder of the Note.

(ii) Without limiting the generality of the foregoing, on the Closing Date, the Bank and each Participant and holder of a Note (other than the Bank) promptly upon becoming such, and in each case from time to time thereafter upon the reasonable request of the Authority, shall deliver to the Authority executed originals of IRS Form W-9 or appropriate Form W-8 (or substitute or equivalent form) certifying that the Bank, such Participant or such holder, as applicable, is exempt from U.S. federal backup withholding.

Section 5.4. Calculation of Interest and Fees; Maximum Interest Rate; Default Rate.

(a) Interest on Tax-Exempt Loans, Tax-Exempt Term Loans, Taxable Loans, Taxable Term Loans and fees payable hereunder shall be calculated on the basis of a year of 360 days based on the actual number of days elapsed.

(b) Any and all amounts remaining unpaid when due under this Agreement shall bear interest at the Default Rate until repaid and shall be payable upon demand. Any such amounts which constitute interest remaining unpaid when due shall be added to principal, and such interest shall, in turn, bear interest at the Default Rate until repaid and shall be payable upon demand. Upon the occurrence and during the continuance of an Event of Default, the Obligations shall bear interest at the Default Rate, which shall be payable by the Authority to the Bank upon demand therefor and be calculated on the basis of a 360-day year and actual days elapsed.

(c) In the event that the rate of interest payable hereunder shall exceed the Maximum Rate for any period for which interest is payable, then (i) interest at the Maximum Rate shall be due and payable with respect to such interest period and (ii) interest at the rate equal to the difference between (A) the rate of interest calculated in accordance with the terms hereof and (B) the Maximum Rate (the *"Excess Interest Amount"*), shall be deferred until such date as the rate of interest calculated in accordance with the terms hereof ceases to exceed the Maximum Rate, at which time the Authority shall pay to the Bank, with respect to amounts then payable to the Bank that are required to accrue interest hereunder, such portion of the deferred Excess Interest Amount as will cause the rate of interest then paid to the Bank, to equal the Maximum Rate, which payments of deferred Excess Interest Amount shall continue to apply to such unpaid amounts hereunder until all deferred Excess Interest Amount is fully paid to the Bank. Notwithstanding the foregoing, on the date on which no principal amount with respect to the Loans remains unpaid, the Authority shall pay to the Bank, a fee equal to any accrued and unpaid Excess Interest Amount.

(d) All amounts paid pursuant to this Agreement shall be non-refundable and shall be paid in immediately available funds.

Section 5.5. Liability of the Bank. Neither the Bank nor any of its officers, directors, employees, representatives or agents shall be liable or responsible for (i) the use which may be made of any Advances, any Loans or this Agreement or for any acts, omissions, errors, interruptions, delays in transmission, dispatch or delivery of any message or advice, however transmitted, of the Bank in connection with this Agreement, any Advances, any Loans or the Notes, (ii) any action, inaction or omission which may be taken by the Bank in connection with this Agreement, any Advances, any Loans or the Notes, (iii) the validity, sufficiency or genuineness of documents, or of any endorsements thereon, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged, (iv) payment by the Bank against presentation of documents which do not comply with the terms of this Agreement or a Request for Advance, including failure of any documents to bear any reference or adequate reference to this Agreement, or (v) any other circumstances whatsoever in making or failing to make payment under this Agreement or pursuant to a Request for Advance, except for acts or events described in the immediately preceding clauses (i) through (iv), to the extent, but only to the extent, of any direct, as opposed to special, indirect, consequential or punitive, damages (the right to receive special, indirect, consequential or punitive damages being hereby waived) suffered by it which the Authority proves were caused by (y) the Bank's willful misconduct or gross negligence in determining whether documents presented under this Agreement comply with the terms of this Agreement or (z) the Bank's failure to pay hereunder after the presentation to it of a Request for Advance strictly complying with the terms and conditions of this Agreement. The Authority further agrees that any action taken or omitted by the Bank under or in connection with this Agreement or the related draft or documents, if done without willful misconduct or gross negligence, shall be effective against the Authority as to the rights, duties and obligations of the Bank and shall not place the Bank under any liability to the Authority. In furtherance and not in limitation of the foregoing, the Bank may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary.

Section 5.6. Obligations Unconditional. The Authority's obligation to repay the Revolving Loans, the Term Loans and all of its other Obligations under this Agreement shall be absolute and unconditional under any and all circumstances, including without limitation: (a) any lack of validity or enforceability of this Agreement, the Notes or any of the other Related Documents; (b) any amendment or waiver of or any consent to departure from all or any of the Related Documents; (c) the existence of any claim, set-off, defense or other right which the Authority may have at any time against the Bank or any other person or entity, whether in connection with this Agreement, the other Related Documents, the transactions contemplated herein or therein or any unrelated transaction; or (d) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing; and irrespective of any setoff, counterclaim or defense to payment which the Authority may have against the Bank, any Participant, or any other Person, including, without limitation, any defense based on the failure of any nonapplication or misapplication of the proceeds of Advances hereunder, and irrespective of the legality, validity, regularity or enforceability of this Agreement, the Notes or any or all other Related Documents, and notwithstanding any amendment or waiver of (other than an amendment or waiver signed by the Bank explicitly reciting the release or discharge of any such obligation), or any consent to, or departure from, this Agreement, the Notes or any or all other Related Documents or any exchange, release, or nonperfection of any collateral securing the obligations of the Authority hereunder; *provided, however,* that nothing contained in this Section 5.6 shall abrogate or otherwise affect the rights of the Authority pursuant to Section 5.5 hereof.

Section 5.7. Survival. All of the Authority's obligations under this Article V shall survive the termination of the Related Documents and payment of the obligations hereunder.

ARTICLE VI

REPRESENTATIONS AND WARRANTIES

Section 6.1. Representations and Warranties. In order to induce the Bank to enter into this Agreement, the Authority makes the following representations and warranties to the Bank:

(a) *Legal Existence.* The Authority (i) is a corporate governmental agency and instrumentality of the State, duly organized and validly existing under and pursuant to the Act and the laws of the State, and (ii) has the full legal right, power and authority to (A) own its properties and to carry on its business as now being and hereafter proposed to be conducted, (B) execute and deliver this Agreement and the Related Documents (including, without limitation, the Notes), (C) perform all its obligations and liabilities under this Agreement and the Related Documents, (D) receive Advances, Revolving Loans, Term Loans, and otherwise incur Debt in accordance with this Agreement and (E) pay, solely from the Pledged Collateral, the principal of and interest on the Loans, as evidenced by the Notes and all of its Obligations hereunder (including, without limitation, the obligation to repay all Advances, Revolving Loans and Term Loans to pay all interest thereon, and to pay all fees and other amounts payable hereunder).

(b) *Compliance with Law and Contract.* The execution, delivery and performance by the Authority of this Agreement and the Related Documents in accordance with their respective terms and conditions have been duly authorized by all necessary action on the part of the Authority, and do not and will not (i) violate the authorizing legislation of the Authority, as amended, or any court order by which the Authority is bound, (ii) conflict with, violate or contravene any provision of existing law (including, without limitation, the Act) or regulation, or any order or decree of any court, tribunal, governmental authority, bureau or agency, or (iii) conflict with, violate or cause a default, or with the passage of time or the giving of notice or both would cause a default, under any bond, note or other evidence of indebtedness or mortgage, indenture, contract or other agreement to which the Authority is a party or that is binding upon it or any of its properties; and no consent of any Person and no license, approval or authorization of, or notice to or registration, filing or declaration with, any governmental authority, bureau or agency is required in connection with the execution, delivery, performance, validity or enforceability of this Agreement or any of the Related Documents or for the Authority to receive Advances, Revolving Loans or Term Loans, to issue the Notes or otherwise incur indebtedness in accordance with this Agreement or, if required, the same has been obtained and is in full force and effect and true and complete copies thereof have been delivered to the Bank.

(c) *Authorization and Validity.* This Agreement constitutes a valid and binding agreement of the Authority enforceable in accordance with its terms. Each Note constitutes a valid and binding obligation of the Authority enforceable in accordance with its term. The State (including, for this purpose, the Authority) has not waived its sovereign immunity from suit or extended its consent to be sued with respect to this Agreement or the Notes except with respect to claims, suits or causes of action brought by the Bank in accordance with Tennessee Code Annotated Section 49-3-1208. Accordingly, if Tennessee Code Annotated Section 49-3-1208 does not apply, monetary actions against the Authority for breach of contractual obligations relating to this Agreement and the Notes may be heard and determined under current law exclusively in the Tennessee Claims Commission, an administrative tribunal, where liability may be limited to actual damages and certain costs. The representations above are subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws heretofore or hereafter enacted affecting creditors' rights, and are subject to the application of principles of equity relating to or affecting the enforcement of contractual obligations, whether such enforceability is considered in a proceeding in equity or at law.

(d) *Litigation.* There are no actions, suits or proceedings at law or in equity pending or, to the knowledge of the Authority, threatened against or affecting it or its properties before any court or arbitrator or any governmental or nongovernmental body, agency or official in which an adverse decision could materially and adversely affect the financial position or operations of the Authority or which in any manner questions the validity of this Agreement or any Related Document or the Authority's ability to carry out the transactions contemplated hereby and thereby or which in any manner draws into question the validity or enforceability of this Agreement, the Notes, the Act or any other Related Document.

(e) *Related Documents.* The representations and warranties of the Authority in all of the Related Documents are true and correct in all material respects and are incorporated herein by reference in this Agreement as if each and every such representation and warranty and definition were set forth herein in its entirety, and the representations and warranties made by the Authority in such Sections are hereby made for the benefit of the Bank. No amendment to or waiver of such representations and warranties or definitions made pursuant to the relevant Related Document or incorporated by reference shall be effective to amend such representations and warranties and definitions as incorporated by reference herein without the prior written consent of the Bank.

(f) *Regulation U.* The Authority is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U of the Board of Governors), and will not use the proceeds of any Advance made hereunder so as to violate Regulation U as it may be amended or interpreted from time to time by the Board of Governors. The Authority is not an *"investment company"* or a company *"controlled"* by an *"investment company,"* as such terms are defined in the Investment Company Act of 1940, as amended.

(g) *Accuracy and Completeness of Information.* All information furnished to the Bank by the Authority or its duly authorized agents on or prior to the Closing Date in connection with the transactions contemplated hereby were, at the time same were so furnished, true and correct in all material respects to the extent necessary to give the Bank true, complete and accurate knowledge of the subject matter thereof. The Authority has disclosed to the Bank in writing any and all facts known to it which materially and adversely affect or may (to the extent the Authority can now reasonably foresee) materially and adversely affect the ability of the Authority to receive the Pledged Collateral or the ability of the Authority to perform its obligations under this Agreement, the Notes or any other Related Document.

(h) *Trust Estate.* (i) The Resolution validly creates the pledge that it purports to make of the Pledged Collateral in favor of the Bank securing the Reimbursement Obligations hereunder and under the Notes. All documents or instruments required to be filed or recorded in any public office, and all notifications required to be given to any Person, in order to provide notice of such pledge to present and future creditors and otherwise protect the pledge in favor of the holders of the Notes and the Bank, have been filed, recorded or given, as the case may be. The Pledged Collateral has not been, and will not be, pledged by the Authority to the payment of any obligation senior to the Loans, other than as expressly permitted in the Resolution.

(ii) All Obligations (other than Reimbursement Obligations) are general, unsecured obligations of the Authority payable from all legally available funds of the Authority.

(i) *Legislation.* No legislation has been enacted by the General Assembly of the State which in any way materially adversely affects or which prohibits (i) the issuance or delivery of the Notes, (ii) the adoption of the Resolution, (iii) the execution and delivery of

this Agreement or any of the Related Documents to which the Authority is a party, (iv) the creation, organization or existence of the Authority or the titles to office of any officers thereof, or (v) the power of the Authority to carry out its obligations under the Resolution, this Agreement or any of the Related Documents to which the Authority is a party.

(j) *Accuracy of Financial Reports.* The most recent financial reports of the Authority at June 30, 2023, copies of which have been furnished to the Bank, fairly present the financial position and results of operations of the Authority, as of the dates and for the periods set forth therein. Since June 30, 2023, there has been no material adverse change in the financial condition or operations of the Authority.

(k) *No Tax or Fee.* None of the execution or delivery of this Agreement, the extension of the line of credit provided herein or the making of any Advance will give rise to any tax or fee imposed by any State local or state agency or governmental body.

(l) *No Event of Default.* No Event of Default or Default has occurred and is continuing hereunder. No default by the Authority has occurred and is continuing in the payment of the principal of or premium, if any, or interest on any Bonded Debt. No bankruptcy, insolvency or other similar proceedings pertaining to the Authority or any agency or instrumentality of the Authority are pending or presently contemplated. No "default" or "event of default" under, and as defined in, any of the other Related Documents has occurred and is continuing. The Authority is not presently in default under any material agreement to which it is a party which could reasonably be expected to have a Material Adverse Effect. The Authority is not in violation of any material term of the authorizing legislation applicable to the Authority or any material term of any bond indenture or agreement to which it is a party or by which any of its Property is bound which could reasonably be expected to result in a Material Adverse Effect.

(m) *Immunity and Tennessee Claims Commission*. The State (including, for this purpose, the Authority) has not waived its sovereign immunity from suit or extended its consent to be sued with respect to this Agreement or the Notes except with respect to claims, suits or causes of action brought by the Bank in accordance with Tennessee Code Annotated Section 49-3-1208. Accordingly, if Tennessee Code Annotated Section 49-3-1208 does not apply, monetary actions against the State (including the Authority) for breach of contractual obligations relating to this Agreement and the Notes shall be heard and determined under current law exclusively in the Tennessee Claims Commission, an administrative tribunal, where liability may be limited to actual damages and certain costs and if any such action is brought in the Tennessee Claims Commission, the State and the Authority shall have no other claim of sovereign immunity with respect to such claim.

(n) *No Public Vote or Referendum*. There is no public vote or referendum pending, proposed or concluded, the results of which could reasonably be expected to result in a Material Adverse Effect.

(o) *Usury*. None of the Related Documents provide for any payments that would violate any applicable law regarding permissible maximum rates of interest.

(p) *Tax-Exempt Status.* The Authority has not taken any action or omitted to take any action, and has no actual knowledge of any action taken or omitted to be taken by any other Person, which action, if taken or omitted, would adversely affect the exclusion of interest on the Tax-Exempt Loans from gross income for federal income tax purposes.

(q) *Employee Benefit Plan Compliance.* The Authority has no funding liability or obligation currently due and payable with respect to any employee benefit plan, pension plan or other post-employment benefits plan which could reasonably be expected to result in a Material Adverse Effect. The Authority and each employee benefit plan, pension plan or other post-employment benefits plan is in compliance in all material respects with the terms of any such plan and applicable law related thereto. Neither the Authority nor a member of the Controlled Group is subject to ERISA or maintains a Plan.

(r) *Swap Contracts.* The Authority is not party to any Swap Contract where any termination payment thereunder is secured by or payable from Available Revenues on a basis that is senior to or on a parity with the Loans and Notes.

(s) *Sanction Concerns and Anti-Corruption Laws*. (i) Neither the Authority nor, to the knowledge of the Authority, any director or officer thereof, is an individual or entity that is (i) currently the subject or target of any Sanctions or (ii) included on OFAC's List of Specially Designated Nationals or HMT's Consolidated List of Financial Sanctions Targets or any similar list enforced by any other relevant sanctions authority or (iii) located, organized or resident in a Designated Jurisdiction. The Authority has conducted its businesses in compliance in all material respects with all applicable Sanctions.

(ii) The Authority has conducted its business in compliance in all material respects with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other applicable anti-corruption legislation in other jurisdictions, and have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

Section 6.2. Survival of Representations and Warranties. All statements contained in any certificate, financial statement or other instrument delivered by or on behalf of the Authority pursuant to or in connection with this Agreement (including, but not limited to, any such statement made in or in connection with any amendment hereto) shall constitute representations and warranties made under this Agreement. All representations and warranties made under this Agreement shall be made and shall be true at and as of (a) the time of each Advance hereunder and (c) the Termination Date, except to the extent such representations and warranties relate solely to an earlier date.

ARTICLE VII

AFFIRMATIVE COVENANTS OF THE AUTHORITY

Section 7.1. Affirmative Covenants of the Authority. So long as the Commitment is outstanding and until all Obligations shall have been paid in full, the Authority hereby covenants and agrees that:

(a) *Compliance with Laws, Etc.* (i) The Authority shall comply with all applicable laws, rules, regulations and orders of any governmental authority, except that this Section 7.1(a) shall not apply to noncompliance that, singly or in the aggregate, could not reasonably be expected to result in a material adverse effect on (A) the financial condition or operations of the Authority or (B) the ability of the Authority to perform its obligations hereunder, including but not limited to the timely payment of the Loans or Obligations.

(ii) The Authority shall comply in all material respects with all applicable anti-corruption laws and applicable Sanctions.

(b) *Available Revenues.* The Authority shall at all times keep the Available Revenues and every part thereof free and clear of all pledges and security interests except the pledges granted in the Resolution or permitted under the Related Documents, and shall maintain the pledge of the Available Revenues securing the Reimbursement Obligations hereunder and under the Notes as a fully perfected pledge of all right, title and interest of the Authority in the Available Revenues.

(c) *Accuracy of Information.* All information furnished by the Authority to the Bank, whether pursuant to this Agreement, or in connection with or pursuant to any amendment or modification of, or waiver under, this Agreement, shall, at the time the same are so furnished, be true, complete and correct in all material respects to the extent necessary to give the Bank true and accurate knowledge of the subject matter thereof.

(d) *Additional Documents.* The Authority shall furnish to the Bank from time to time, at the Authority's expense, all further instruments and documents, duly executed and delivered by the Authority, and take all further action that may be reasonably necessary, or that the Bank may reasonably request, in order to (i) perfect and protect any security interest or other right or interest assigned, or purported to be assigned, to the Bank under or in connection with this Agreement, the Resolution or any other Related Document, or (ii) enable the Bank to exercise or enforce its rights or remedies under or in connection with this Agreement, the Resolution or any other Related Document.

(e) *Financial and Other Reports.* The Authority shall furnish the following reports to the Bank:

(i) As soon as available and in any event within 270 days after the end of each Fiscal Year of the Authority, the Bank shall have received audited financial statements of the Authority for such Fiscal Year;

(ii) Simultaneously with the delivery of each set of financial statements and the report referred to in clause (i) above, a certificate of Authorized Representative of the Authority, stating whether there exists on the date of such certificate any Default and, if any Default then exists, setting forth the details thereof and the action which the Authority is taking or proposes to take with respect thereto;

(iii) Promptly upon the Authority learning thereof, (A) copies of any communications received by the Authority from any taxing authority or Rating Agency with respect to the transactions contemplated hereby and (B) notice of any change in the long-term ratings assigned to the Second Program Bonds of which the Authority has actual knowledge; and

(iv) From time to time such additional information regarding the financial position or business of the Authority as the Bank may reasonably request.

(f) *Defaults.* The Authority will promptly (and in no event later than 3 Business Days after having knowledge thereof) notify the Bank of the occurrence of any Default or Event of Default specifying the details of such Default or Event of Default and the action that the Authority proposes to take with respect thereto.

(g) *Books, Records.* The Authority will permit, during normal business hours and from time to time, upon reasonable prior notice, the Bank or any of its agents or representatives to examine and make copies of and abstracts from the records and books of account of the Authority, and to discuss the affairs, finances and accounts of the Authority with any representative or any other appropriate officer of the Authority or the Authority's auditors; *provided, however,* that upon the occurrence of any Event of Default or Default hereunder, all of the Bank's reasonable costs associated with the inspection of property, books and records shall be for the account of the Authority.

(h) *Other Obligations.* The Authority will comply with and observe all other obligations and requirements set forth in the Resolution and each other Related Document to which it is a party (including, without limitation, all provisions therein for the benefit of the Bank) and in all statutes and regulations binding upon it relating to the Notes, this Agreement or any of the Related Documents, and shall take any and all actions necessary to ensure the timely payment of all of the Obligations hereunder and the principal of and interest on the Notes.

(i) *Activities of Authority.* The Authority will preserve, renew and maintain all licenses, approvals, authorizations, permits, rights, privileges and franchises it deems necessary or desirable in the normal conduct of its business.

(j) *Litigation; Material Change.* The Authority shall promptly notify the Bank of (i) the existence and status of any litigation which individually or in the aggregate could, in the event of an unfavorable outcome, have a material adverse effect on (A) the financial condition or operations of the Authority, (B) the Available Revenues, (C) the Obligations,

or (D) the enforceability or validity of any of the Related Documents, or (ii) any change in any material fact or circumstances represented or warranted in this Agreement or in any of the Related Documents.

(k) *Obligations under Related Documents.* The Authority shall take all actions as may be reasonably requested by the Bank to enforce the obligations under the Related Documents of each of the other parties thereto.

(l) *Other Agreements.* In the event that the Authority has entered into or shall, directly or indirectly, enter into another Bank Agreement which such Bank Agreement provides such Person with different or more restrictive covenants, different or additional events of default and/or greater rights and remedies than are provided to the Bank in this Agreement, the Authority shall provide the Bank with a copy of each such Bank Agreement and such different or more restrictive covenants, different or additional events of default and/or greater rights and remedies shall automatically be deemed to be incorporated into this Agreement and the Bank shall have the benefits of such different or more restrictive covenants, different or additional events of default and/or greater rights and remedies as if specifically set forth herein but only for so long as the Authority shall remain bound by such additional or different provisions of such Bank Agreement. The Authority shall promptly enter into an amendment to this Agreement to include different or more restrictive covenants, different or additional events of default and/or greater rights and remedies; *provided* that the Bank shall have and maintain the benefit of such different or more restrictive covenants, different or additional events of default and/or greater rights and remedies even if the Authority fails to provide such amendment.

(m) *Underlying Rating*. The Authority shall at all times maintain a rating on its long-term unenhanced Bonded Debt from at least two Rating Agencies. The Authority covenants and agrees that it shall not at any time withdraw any long-term unenhanced rating on its Bonded Debt from any of Fitch, Moody's or S&P if the effect of such withdrawal would be to cure a Default or an Event of Default under this Agreement or reduce any amount or rate payable hereunder.

(n) *Disclosure to Participants, Purchaser Transferees and Non-Purchaser Transferees.* The Authority shall permit the Bank to disclose the financial information received by the Bank pursuant to this Agreement to each Participant, Bank Transferee and Non-Bank Transferee pursuant to Section 10.7 hereof, subject to confidentiality restrictions and use restrictions customary for financial institutions.

(o) *Legislation.* The Authority shall promptly notify the Bank of the enactment of all State of Tennessee legislation that, in any material way, relates to or impacts upon this Agreement or the Notes or the ability of the Authority to perform its obligations in connection herewith or therewith.

(p) *Incorporation of Covenants.* The Authority agrees that it will perform and observe each and every covenant and agreement required to be performed or observed by it in the Resolution, and said covenants and agreements are hereby incorporated by reference

herein with the same effect as if each and every such provision were set forth herein in its entirety (without giving effect to any expiration, amendment, supplement or termination of or waiver of compliance with, the Resolution), and shall survive and be binding upon the Authority.

(o) *Anti-Corruption Laws; Sanctions*. The Authority shall conduct its business in compliance in all material respects with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other applicable anti-corruption legislation in other jurisdictions and with all applicable Sanctions, and maintain policies and procedures designed to promote and achieve compliance with such laws and Sanctions.

ARTICLE VIII

NEGATIVE COVENANTS OF THE AUTHORITY

Section 8.1. Negative Covenants of the Authority. So long as the Commitment is outstanding and available to the Authority and until all of the Obligations shall have been paid in full, the Authority hereby covenants and agrees that:

(a) *Amendments to Related Documents.* The Authority shall not enter into or consent to any amendments of or supplements to any Related Document or any waiver of the requirements thereof that (i) does or could reasonably be determined to adversely affect the legality, validity, or enforceability of the Resolution or any of the other Related Documents or any of the rights or remedies of the Bank thereunder, and (ii) does or could reasonably be determined have an adverse effect on the rights, powers, security, privileges, or obligations of the Bank under any Related Document.

(b) *Liens.* (a) The Authority shall not create or assume any Lien on any part of the Pledged Collateral now owned or hereafter acquired by it, except the Liens created by the Related Documents and the Second Program Bond Resolution;

(c) The Authority shall not incur or suffer to exist any Lien on or with respect to any of the Pledged Collateral other than any Lien contemplated by the Resolution or any such Lien that the Authority contests in good faith and by appropriate proceedings, which proceedings have the effect of preventing the forfeiture or sale of the property or asset subject to such Lien.

(d) *Merger; Disposition of Assets.* The Authority shall not consolidate or merge with or into any Person or sell, lease or otherwise transfer all or substantially all of its assets to any Person except as may be provided pursuant to Section 49-3-1204(d), Tennessee Code Annotated.

(e) *Total Outstanding.* At no time shall the Authority permit the aggregate principal amount of all Loans to exceed the Commitment.

(f) *Preservation of Corporate Existence, Etc.* The Authority shall take no action to terminate its existence as a body politic and corporate governmental agency and instrumentality of the State, or its rights and privileges in the State.

(g) *Exempt Status.* The Authority shall not take any action or omit to take any action that, if taken or omitted, would adversely affect the excludability of interest on the Tax-Exempt Loans from the gross income of the holders thereof for purposes of federal income taxation.

(h) *Application of Proceeds*. The Authority will not take or omit to take any action, which action or omission will in any way result in the proceeds from the Loans being applied in a manner other than as provided in the Resolution and this Agreement.

(i) *Immunity from Jurisdiction*. With respect to any claim under this Agreement and the Notes appropriately brought in the Tennessee Claims Community, to the fullest extent permitted by Applicable Law, the Authority will not assert any immunity it may have as a public entity under the laws of the State from lawsuits with respect to the Loans, the other Obligations, this Agreement or any other Related Document.

(j) *Swap Contracts.* Without the prior written consent of the Bank, the Authority will not enter into any Swap Contract relating to Debt (i) wherein any termination payments thereunder are senior to or on parity with the payment of the Loans or the other Obligations or (ii) which requires the Authority to post cash collateral to secure its obligations thereunder.

(k) *ERISA.* The Authority shall not be, and shall not permit a member of the Controlled Group to be, subject to ERISA and shall not maintain, nor permit a member of the Controlled Group to maintain, a Plan. The Authority and each employee benefit plan shall remain in compliance in all material respects with the terms of any such plan and applicable law related thereto.

(l) *Federal Reserve Board Regulations.* The Authority shall not use any portion of the proceeds of the proceeds of the Advances for the purpose of carrying or purchasing any margin stock (within the meaning of Regulation U of the Board of Governors) and shall not incur any Debt which is to be reduced, retired or purchased by the Authority out of such proceeds.

(m) *Sanctions*. The Authority shall not directly or indirectly, use any Advance or the proceeds of any Advance, or lend, contribute or otherwise make available such Advance or the proceeds of any Advance to any Person, to fund any activities of or business with any Person, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any Person (including any Person participating in the transaction, whether as the Bank or otherwise) of Sanctions.

(n) *Anti-Corruption Laws*. The Authority shall not directly or indirectly, use any Advance or the proceeds of any Advance for any purpose which would breach the

United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other anti-corruption legislation in other jurisdictions.

ARTICLE IX

DEFAULTS AND REMEDIES

Section 9.1. Events of Default. The occurrence of any of the following events (whatever the reason for such event and whether voluntary, involuntary, or effected by operation of law) shall be an "Event of Default" hereunder:

(a) (i) The Authority shall fail to pay any principal of or interest on any Loan when the same becomes due and payable; or (ii) the Authority shall fail to pay any other fee or amount payable under this Agreement and, for this clause (ii) only, such failure shall continue for three (3) Business Days; or

(b) Any representation, warranty, certification or statement made by the Authority in this Agreement or in any Related Document or in any certificate, financial statement or other document delivered pursuant to this Agreement or any Related Document shall (in any such case) have been incorrect or untrue in any materially adverse respect when made or deemed to have been made; or

(c) The Authority shall default in the due performance or observance of any term, covenant or agreement contained in Sections 7.1(a), (b), (f), (g), (m) or Article VIII hereof; or

(d) The Authority shall default in the due performance or observance of any term, covenant or agreement contained in this Agreement (other than those covered by any other Subsection of this Section 9.1) and such default, if capable of being remedied, shall remain unremedied for thirty (30) days after the earlier of (i) written notice thereof shall have been given to the Authority by the Bank or (ii) the date on which the Authority becomes aware of such default; or

(e) Any pledge or security interest created by the Resolution or this Agreement to secure any amount due under this Agreement or the Notes shall fail to be fully enforceable with the priority required under this Agreement and the Resolution; or

(f) The Authority shall default in the due performance or observance of any term, covenant or agreement contained in any of the Related Documents and the same shall not have been cured within any applicable cure period; or

(g) (i) (A) The Authority shall fail to pay when due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) any Debt (other than Bonded Debt) of the Authority in excess of $5,000,000, or any interest or premium thereon, and such failure shall continue beyond any applicable period of grace

specified in any underlying indenture, contract or instrument providing for the creation of or concerning such Debt; or (B) any other default under any indenture, contract or instrument providing for the creation of or concerning such Debt, or any other event, shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such default or event is to permit or cause the acceleration of the maturity of such Debt; or (C) pursuant to the provisions of any such indenture, contract or instrument the maturity of any Debt of the Authority in a principal amount in excess of $5,000,000 is permitted to be or shall have been accelerated or shall have been required to be prepaid prior to the stated maturity thereof, or (ii) (A) the Authority shall fail to pay when due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) any Bonded Debt of the Authority, or any interest or premium thereon, and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation of or concerning such Bonded Debt; or (B) any other default under any indenture, contract or instrument providing for the creation of or concerning such Bonded Debt, or any other event, shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such default or event is to permit or cause the acceleration of the maturity of such Bonded Debt; or (C) pursuant to the provisions of any such indenture, contract or instrument the maturity of any Bonded Debt of the Authority is permitted to be or shall have been accelerated or shall have been required to be prepaid prior to the stated maturity thereof; or

(h) The Authority shall become insolvent or admit in writing its inability to pay its debts as they mature or shall declare a moratorium on the payment of its debts or apply for, consent to or acquiesce in the appointment of a trustee, custodian, liquidator or receiver for itself or any part of its property, or shall take any action to authorize or effect any of the foregoing; or in the absence of any such application, consent or acquiescence, a trustee, custodian, liquidator or receiver shall be appointed for it or for a substantial part of its property or revenues and shall not be discharged within a period of thirty (30) days; or the State or any other governmental authority having jurisdiction over the Authority imposes a debt moratorium, debt restructuring, or comparable restriction on repayment when due and payable of the principal of or interest on any Debt or Bonded Debt by the Authority; or all, or any substantial part, of the property of the Authority shall be condemned, seized, or otherwise appropriated, or either Bankruptcy, reorganization, debt arrangement or other proceeding under either Bankruptcy or insolvency law or any dissolution or liquidation proceeding shall be instituted by or against the Authority (or any action shall be taken to authorize or effect the institution by it of any of the foregoing) and if instituted against it, shall be consented to or acquiesced in by it, or shall not be dismissed within a period of thirty (30) days; or

(i) This Agreement or the Resolution or any material provision hereof or thereof at any time after its execution and delivery, or any Note shall cease to be a valid contractual obligation of the Authority or in full force and effect, in each case, as a result of federal or state legislative or administrative action, or shall be declared in a final non-appealable judgment by any court having jurisdiction over the Authority to be null and void, or the validity of this Agreement, the Resolution or any Note or any material

provisions thereof shall be contested (i) by the Authority or (ii) by any governmental agency or authority having jurisdiction over the Authority; or the Authority shall deny in writing that it has any or further liability or obligation under this Agreement, the Resolution or any Note or any material provision thereof; or

(j) The obligation of the Authority to pay the principal of and interest on the Loans or the Notes shall at any time cease to exist or be adjudged unenforceable, in each case, pursuant to a final administrative determination or judicial decision or the Authority shall assert that such obligation ceases to exist or is unenforceable; or

(k) Moody's, S&P or Fitch shall have downgraded the long-term rating assigned to any Bonded Debt of the Authority below "Baa1" (or its equivalent) by Moody's, "BBB+" (or its equivalent) by S&P or "BBB+" (or its equivalent) by Fitch or any of Moody's, S&P or Fitch shall have suspended or withdrawn its long-term unenhanced rating assigned to any Bonded Debt of the Authority for credit related reasons; or

(l) A final and non-appealable judgment or court order for the payment of money exceeding any applicable insurance coverage by more than $5,000,000 shall be rendered against the Authority and shall attach to the Pledged Collateral, and such judgment or court order shall continue unsatisfied and in effect for a period of sixty (60) consecutive days without being vacated, discharged, satisfied, or stayed;

Section 9.2. Rights and Remedies upon Default. Upon the occurrence of an Event of Default hereunder, the Bank may take one or more of the following actions at any time and from time to time (regardless of whether the actions are taken at the same or different times):

(i) by written notice to the Authority, declare the outstanding amount of the Obligations under this Agreement and the Notes to be immediately due and payable without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived, and an action therefor shall immediately accrue; *provided, however,* in the event of an Event of Default under Section 9.1(h) hereof, the Obligations and the Notes shall immediately become due and payable without notice or demand;

(ii) by written notice to the Authority, reduce the Commitment to zero and thereafter the Bank will have no further obligation to make Advances, Revolving Loans or Term Loans hereunder and/or terminate the Commitment; provided that the Commitment shall immediately reduce to zero and terminate without notice upon the occurrence of an Event of Default under Section 9.1(h) hereof;

(iii) either personally or by attorney or agent without bringing any action or proceeding, or by a receiver to be appointed by a court in any appropriate action or proceeding, take whatever action at law or in equity may appear necessary or desirable to collect the amounts due and payable under the Related Documents or to enforce performance or observance of any obligation, agreement or covenant of the Authority under the Related Documents, whether for specific performance of

any agreement or covenant of the Authority or in aid of the execution of any power granted to the Bank in the Related Documents;

(iv) cure any Default, Event of Default or event of nonperformance hereunder or under any Related Document; *provided, however,* that the Bank shall have no obligation to effect such a cure; and

(vi) exercise, or cause to be exercised, any and all remedies as it or the Bank may have under the Related Documents and as otherwise available at law and at equity.

Section 9.3. Rights and Remedies Cumulative; Non-Waiver; etc. (a) The enumeration of the rights and remedies of the Bank set forth in this Agreement is not intended to be exhaustive and the exercise by the Bank of any right or remedy shall not preclude the exercise of any other rights or remedies, all of which shall be cumulative, and shall be in addition to any other right or remedy given hereunder or under the other Related Documents or that may now or hereafter exist at law or in equity or by suit or otherwise. No delay or failure to take action on the part of the Bank in exercising any right, power or privilege shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege or shall be construed to be a waiver of any Event of Default. No course of dealing between the Authority, the Bank or their respective agents or employees shall be effective to change, modify or discharge any provision of this Agreement or any of the other Related Documents or to constitute a waiver of any Event of Default.

(b) Notwithstanding anything to the contrary contained herein or in any other Related Document, the authority to enforce rights and remedies hereunder and under the other Related Documents against the Authority shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Bank in accordance with Section 9.2 hereof for the benefit of the Bank; *provided* that the foregoing shall not prohibit (a) the Bank from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Bank) hereunder and under the other Related Documents or (b) the Bank from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to the Authority under any Debtor Relief Law; and *provided, further,* that if at any time there is no Person acting as Bank hereunder and under the other Related Documents, then (i) the Bank shall have the rights otherwise ascribed to the Bank pursuant to Section 9.2 hereof and (ii) in addition to the matters set forth in clause (b) of the preceding proviso and subject to the terms hereof, the Bank may enforce any rights and remedies available to it and as authorized by all of the Bank.

Section 9.4. Crediting of Payments and Proceeds. In the event that the Obligations have been accelerated pursuant to Section 9.2 hereof or the Bank has exercised any remedy set forth in this Agreement or any other Related Document, all payments received by the Bank upon the Obligations and all net proceeds from the enforcement of the Obligations shall be applied:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts, including attorney fees, payable to the Bank;

Second, to payment of that portion of the Obligations constituting accrued and unpaid interest on the Loans;

Third, to payment of that portion of the Obligations constituting unpaid principal of the Loans;

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Authority or as otherwise required by Applicable Law.

Section 9.5. Bank May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to the Authority, the Bank (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Bank shall have made any demand on the Authority) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Bank (including any claim for the reasonable compensation, expenses, disbursements and advances of the Bank and its agents and counsel and all other amounts due the Bank hereunder) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by the Bank to make such payments to the Bank, in the event that the Bank shall consent to the making of such payments directly to the Bank, to pay to the Bank any amount due for the reasonable compensation, expenses, disbursements and advances of the Bank and its agents and counsel, and any other amounts due the Bank under the terms hereof.

Section 9.6 Statutory Remedies. The Bank acknowledges and agrees that, notwithstanding any provisions of this Agreement, its remedies hereunder may not be in contravention of Tennessee Code Annotated Section 49-3-1208.

ARTICLE X

MISCELLANEOUS

Section 10.1. Evidence of Debt. The Bank shall maintain in accordance with its usual practices an account or accounts evidencing the indebtedness resulting from each Advance, each Revolving Loan and each Term Loan made from time to time hereunder and the amounts of principal and interest payable and paid from time to time hereunder. In any legal action or

proceeding in respect of this Agreement, the entries made in such account or accounts shall be conclusive evidence (absent manifest error) of the existence and amounts of the obligations therein recorded.

Section 10.2. Amendments and Waivers. Except as set forth below or as specifically provided in any Related Document, any term, covenant, agreement or condition of this Agreement or any of the other Related Documents may be amended or waived by the Bank, and any consent given by the Bank, if, but only if, such amendment, waiver or consent is in writing signed by the Bank and, in the case of an amendment, signed by the Authority.

Section 10.3. Addresses for Notices. Any notice required or permitted to be given under or in connection with this Agreement shall be in writing and shall be mailed by first-class mail, registered or certified, return receipt requested, or express mail, postage prepaid, or sent by email, telex, telegram, telecopy or other similar form of rapid transmission confirmed by mailing (by first-class mail, registered or certified, return receipt requested, or express mail, postage prepaid) written confirmation at substantially the same time as such rapid transmission, or personally delivered to an officer of the receiving party. All such communications shall be mailed, sent or delivered to the address or numbers set forth below, or as to each party at such other address or numbers as shall be designated by such party in a written notice to the other parties.

The Authority:

Division of State Government Finance
Tennessee State School Bond Authority
Cordell Hull Building
425 Rep. John Lewis Pkwy. N., 4th Floor
Nashville, Tennessee 37243
Telephone: (615) 747-5369
Facsimile: (615) 741-5986
Attention: Sandi Thompson
Email: Sandi.Thompson@cot.tn.gov

and

Division of State Government Finance
Tennessee State School Bond Authority
Cordell Hull Building
425 Rep. John Lewis Pkwy. N., 4th Floor
Nashville, Tennessee 37243
Telephone: (615) 747-5373
Facsimile: (615) 741-5986
Attention: Jacqueline Felland
Email: Jacqueline.Felland@cot.tn.gov

The Bank: Bank of America, N.A.
620 S Tryon Street
NC1-030-25-01
Charlotte, North Carolina 28255
Telephone: (980) 386-5452
Attention: Brooks Scurry
Email: r.b.scurry@bofa.com

and with respect to Requests for Advances:

Bank of America, N.A.
4242 Six Forks Road, Suite 1720
NC9-400-17-03
Raleigh, North Carolina 27609
Telephone: (919) 829-6950
Attention: Kristy Moore
Email: Kristy.moore@bofa.com

Section 10.4. Survival of This Agreement. All covenants, agreements, representations and warranties made in this Agreement shall survive the extension by the Bank of the Commitment and shall continue in full force and effect so long as the Commitment shall be unexpired or any sums drawn or due thereunder or any other obligations shall be outstanding and unpaid, regardless of any investigation made by any Person and so long as any amount payable hereunder remains unpaid. The agreement of the Authority to indemnify the Bank and each Indemnitee under Section 5.1 hereof shall continue in full force and effect notwithstanding a termination of the Commitment or the fulfillment of all Obligations. The obligations of the Authority under Sections 5.2, 5.3 and 2.6(e) hereof shall also continue in full force and effect notwithstanding a termination of the Commitment or the fulfillment of all Obligations. Whenever in this Agreement the Bank is referred to, such reference shall be deemed to include the successors and assigns of the Bank and all covenants, promises and agreements by or on behalf of the Authority which are contained in this Agreement shall inure to the benefit of the successors and assigns of the Bank. The rights and duties of the Authority may not be assigned or transferred without the prior written consent of the Bank, and all obligations of the Authority hereunder shall continue in full force and effect notwithstanding any assignment by the Authority of any of its rights or obligations under any of the Related Documents or any entering into, or consent by the Authority to, any supplement or amendment to, or termination of, any of the Related Documents.

Section 10.5. Severability. Any provision of this Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or nonauthorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

Section 10.6. Governing Law; Waiver of Jury Trial; Jurisdiction and Venue. (a) THIS AGREEMENT AND THE OTHER RELATED DOCUMENTS (EXCEPT, AS TO ANY OTHER RELATED DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER RELATED DOCUMENT (EXCEPT, AS TO ANY OTHER RELATED DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF TENNESSEE.

(b) TO THE EXTENT PERMITTED BY APPLICABLE LAWS, EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE RELATED DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS.

(c) THE AUTHORITY IS NOT ENTITLED TO CLAIM THE DEFENSE OF SOVEREIGN IMMUNITY OR STATUTORY IMMUNITY IN ANY PROCEEDING APPROPRIATELY ASSERTED AGAINST IT IN THE TENNESSEE CLAIMS COMMISSION, AN ADMINISTRATIVE TRIBUNAL, WHERE LIABILITY MAY BE LIMITED TO ACTUAL DAMAGES AND CERTAIN COSTS, AND ARISING OUT OF ITS OBLIGATIONS AS SET FORTH IN THIS AGREEMENT. EACH OF THE PARTIES HERETO AGREES THAT ALL CLAIMS IN RESPECT OF ANY PROCEEDING SHALL BE HEARD AND DETERMINED BY THE TENNESSEE CLAIMS COMMISSION, AS PROVIDED BY LAW. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN ANY OTHER MANNER AS AND TO THE EXTENT PROVIDED BY LAW. NOTHING IN THIS AGREEMENT SHALL AFFECT ANY RIGHT THAT THE BANK MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER RELATED DOCUMENT AGAINST THE AUTHORITY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

Section 10.7. Successors and Assigns.

(a) *Successors and Assigns Generally*. This Agreement is a continuing obligation and shall be binding upon the Authority, its successors, transferees and assigns and shall inure to the benefit of the Bank and its respective permitted successors, transferees and assigns. The Authority may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Bank. Notwithstanding anything to the contrary set forth herein, so long as no Event of Default shall have occurred and be continuing hereunder, no Bank may assign its obligations to fund Advances and Loans pursuant to the terms of this Agreement without the prior written consent of the Authority (such consent not to be unreasonably withheld). Each Noteholder may, in its sole discretion and in accordance with applicable Law, from time to time assign, sell or transfer in whole or in part, this Agreement, its interest in the Note(s) and the other Related Documents in accordance with the provisions of paragraph (b) or (c) of this Section. Each Noteholder may at any time and from time to time enter into participation agreements in accordance with the provisions of paragraph (d) of this Section. Each Noteholder may at any time pledge or assign a security interest subject to the restrictions of paragraph (e) of this Section.

(b) *Sales and Transfers by Noteholder to a Bank Transferee.* Without limitation of the foregoing generality, the Bank may at any time sell or otherwise transfer to one or more transferees all or a portion of the Note(s) to a Person that is (i) a Bank Affiliate or (ii) a trust or other custodial arrangement established by the Bank or a Bank Affiliate, the owners of any beneficial interest in which are limited to "qualified institutional buyers" as defined in Rule 144A promulgated under the 1933 Act (each, a *"Bank Transferee"*). From and after the date of such sale or transfer, the Bank (and its successors) shall continue to have all of the rights of the Bank hereunder and under the other Related Documents as if no such transfer or sale had occurred; *provided, however,* that (A) no such sale or transfer referred to in clause (b)(i) or (b)(ii) hereof shall in any way affect the obligations of such Bank hereunder, (B) the Authority shall be required to deal only with such Bank with respect to any matters under this Agreement and (C) in the case of a sale or transfer referred to in clause (b)(i) or (b)(ii) hereof, only such Bank shall be entitled to enforce the provisions of this Agreement against the Authority.

(c) *Sales and Transfers by Noteholder to a Non-Bank Transferee.* Without limitation of the foregoing generality, a Noteholder may at any time sell or otherwise transfer all or a portion of the Note(s) to one or more transferees which are not Bank Transferees but each of which constitutes (i) a "qualified institutional buyer" as defined in Rule 144A promulgated under the 1933 Act and (ii) a commercial bank organized under the laws of the United States, or any state thereof, or any other country which is a member of the Organization for Economic Cooperation and Development, or a political subdivision of any such country, and, in any such case, having a combined capital and surplus, determined as of the date of any transfer pursuant to this clause (c), of not less than $5,000,000,000 (each a *"Non-Bank Transferee"*), if written notice of such sale or transfer, including that such sale or transfer is to a Non-Bank Transferee, together with addresses and related information with respect to the Non-Bank Transferee, shall have been given to the Authority and the Bank (if different than the Noteholder) by such selling Noteholder and Non-Bank Transferee.

From and after the date the Authority has received written notice, (A) the Non-Bank Transferee thereunder shall be a party hereto and shall have the rights and obligations of a Noteholder (other than its obligation to fund Advances and Loans, as more fully set forth in paragraph (a) of this Section 10.7) hereunder and under the other Related Documents, and this Agreement shall be deemed to be amended to the extent, but only to the extent, necessary to effect the addition of the Non-Bank Transferee, and any reference to the assigning Noteholder hereunder and under the other Related Documents shall thereafter refer to such transferring Noteholder and to the Non-Bank Transferee to the extent of their respective interests, and (B) if the transferring Noteholder no longer owns any Notes, then it shall relinquish its rights and be released from its obligations hereunder and under the Related Documents (other than its obligation to fund Advances and Loans, as more fully set forth in paragraph (a) of this Section 10.7).

(d) *Participations.* The Bank shall have the right to grant participations in all or a portion of its interest in the Notes, this Agreement and the other Related Documents to one or more other banking institutions; *provided, however,* that (i) no such participation by any such participant shall in any way affect the obligations of such Bank hereunder and (ii) the Authority shall be required to deal only with such Bank, with respect to any matters under this Agreement, the Notes and the

other Related Documents and no such participant shall be entitled to enforce any provision hereunder against the Authority.

(e) *Certain Pledges.* The Bank may at any time pledge or grant a security interest in all or any portion of its rights under the Notes, this Agreement and the other Related Documents to secure obligations of such Bank, including any pledge or assignment to secure obligations to a Federal Reserve Bank or the United States Treasury or to any state or local governmental entity or with respect to public deposits, including, without limitation, as collateral security pursuant to Regulation A of the Board of Governors and any operating circular issued by such Federal Reserve Bank; *provided* that no such pledge or assignment shall release such Bank from any of its obligations hereunder or substitute any such pledgee or assignee for such Bank as a party hereto.

Section 10.8. Setoffs. Upon the occurrence and during the continuance of any Event of Default hereunder, the Bank is hereby authorized at any time and from time to time without notice to the Authority (any such notice being expressly waived by the Authority), and, to the fullest extent permitted by Applicable Law, to setoff, to exercise any banker's lien or any right of attachment or garnishment and apply any and all balances, credits, deposits (general or special, time or demand, provisional or final), accounts or monies consisting of Pledged Collateral at any time held and other indebtedness at any time owing by the Bank to or for the account of the Authority against any and all of the obligations of the Authority now or hereafter existing under or in connection with this Agreement or the related Note, whether or not the Bank shall have made any demand hereunder or thereunder. The rights of the Bank under this Section are in addition to, in augmentation of, and do not derogate from or impair other rights and remedies (including, without limitation, other rights of setoff) which the Bank may have.

Section 10.9. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

Section 10.10. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which counterparts, taken together, shall constitute but one and the same Agreement. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or "printouts," if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. No party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, "electronic signature" means a manually-signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a "pdf" (portable document format) or other replicating image attached to an e-mail message; and, "electronically signed document"

means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

Section 10.11. USA Patriot Act Notice; Government Regulations. (a) The Bank hereby notifies the Authority that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the *"Patriot Act"*), it is required to obtain, verify and record information that identifies the Authority, which information includes the name and address of the Authority and other information that will allow the Bank to identify the Authority in accordance with the Patriot Act. The Authority agrees to, promptly following a request by the Bank, provide all such other documentation and information reasonably requested by the Bank for purposes of compliance with applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the Patriot Act.

(b) The Authority shall ensure that the proceeds of the Loans and the Notes shall not be used by the Authority to violate any of the foreign asset control regulations of OFAC or any enabling statute or executive order relating thereto. The Authority agrees to provide documentary and other evidence of the Authority's identity as may be reasonably requested by the Bank at any time to enable the Bank to verify the Authority's identity or to comply with any applicable law or regulation, including, without limitation, Section 326 of the USA Patriot Act of 2001, 31 U.S.C. Section 5318.

Section 10.12. Limitation on Remedies. Any provisions of this Agreement in which the Authority purports to hold harmless, indemnify or limit its remedies in any manner shall be valid only the extent permitted by Applicable Law. The Authority makes no representation as to what extent any such provision is permitted by Applicable Law.

Section 10.13. No Advisory or Fiduciary Responsibility. The Authority acknowledges and agrees that its dealing with the Bank is solely in the nature of a debtor/creditor relationship and that in no event shall the Bank be considered to be a partner or joint venturer of the Authority. Also, the Authority represents and warrants that it has independently evaluated the business transaction and has not relied upon, nor will it rely upon, the expertise, advise or other comments or statements of the Bank (including agents of the Bank), if any, in deciding to pursue such undertaking. As the Authority is experienced in business, in no event shall the Bank owe any fiduciary or similar obligations to it in connection with the subject transaction. In connection with all aspects of the transactions contemplated by this Agreement and the Related Documents (including in connection with any amendment, waiver or other modification hereof or of any other Related Document), the Authority, on behalf of itself, and its Affiliates, acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a) (i) the services regarding this Agreement and the Related Documents provided by the Bank and any Affiliate of the Bank are arm's-length commercial transactions between the Authority and its Affiliates on the one hand, and the Bank and its Affiliates, on the other hand, (ii) each of the Authority and its Affiliates has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Authority, on behalf of itself and its Affiliates, is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Related Documents; (b)(i) the Bank and its Affiliates each are and have been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, have not been, are not,

and will not be acting as an advisor (including, without limitation, as a financial advisor, municipal advisor (as defined in Section 15B of the Securities and Exchange Act of 1934, as amended) or otherwise), agent or fiduciary, for the Authority or its Affiliates, or any other Person and (ii) neither the Bank nor its Affiliates have any obligation to the Authority or its Affiliates with respect to the transactions contemplated by this Agreement and the Related Documents except those obligations expressly set forth herein; and (c) the Bank and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Authority and its Affiliates and neither the Bank nor its Affiliates has any obligation to disclose any of such interests to the Authority or its Affiliates.

Section 10.14. EMMA Postings. In the event the Authority files this Agreement with EMMA, the Authority shall redact this Agreement in accordance with the requirements of Rule 15c2-12 ("Rule 15c2-12") promulgated by the U.S. Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934, as amended. In addition, so long as permitted by Rule 15c2-12, the Authority shall cause all Confidential Information to be redacted. For purposes of this Section 37, *"Confidential Information"* means any sensitive or confidential information regarding the Authority, the Bank or any Affiliate of the Bank including, without limitation, address and account information, e-mail addresses, telephone numbers, facsimile numbers, names and signatures of officers, employees and signatories.

Section 10.15. Acknowledgement Regarding Any Supported QFCs. Only to the extent that the Related Documents provide support, through a guarantee or otherwise, for any Swap Contract or any other agreement or instrument that is a QFC (such support, "*QFC Credit Support*", and each such QFC, a "*Supported QFC*"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "*U.S. Special Resolution Regimes*") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Related Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a "*Covered Party*") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States.

(b) In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Related Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the

Supported QFC and the Related Documents were governed by the laws of the United States or a state of the United States.

Section 10.16. Compliance with Tennessee Code Annotated Section 12-4-119. In connection with Tennessee Code Annotated Section 12-4-119, but only if and to the extent applicable, the Bank certifies that it (including in each case its wholly-owned subsidiaries, majority-owned subsidiaries, parent companies, or affiliates, if any) is not currently engaged in, and will not for the duration of this Agreement engage in, a boycott of Israel. For this purpose, (1) "Israel" means the State of Israel and Israeli-controlled territories, and (2) a "boycott of Israel" means engaging in refusals to deal, terminating business activities, or other commercial actions that are intended to limit commercial relations with Israel, or companies doing business in or with Israel or authorized by, licensed by, or organized under the laws of the State of Israel to do business, or persons or entities doing business in Israel, when such actions are taken (i) in compliance with, or adherence to, calls for a boycott of Israel, or (ii) in a manner that discriminates on the basis of nationality, national origin, religion, or other unreasonable basis, and is not based on a valid business reason.

Any representation, certification, statement or requirement that the Bank does not or will not boycott any country or other foreign jurisdiction (including, without limitation, Israel) is expressly made subject to and qualified by applicable federal law, including, without limitation, 50 U.S.C. Section 4607.

[The remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

TENNESSEE STATE SCHOOL BOND AUTHORITY

By: _____
Name: Jason E. Mumpower
Title: Secretary

BANK OF AMERICA, N.A.

By: _____

Name: R. Brooks Scurry III

Title: Senior Vice President

EXHIBIT A-1

[FORM OF TAX-EXEMPT NOTE]

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION REQUIREMENT OF THE SECURITIES ACT. IN ADDITION, THIS NOTE MAY NOT BE SOLD, TRANSFERRED, ASSIGNED OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO THE TERMS OF SECTION 10.7 OF THE HEREINAFTER DEFINED REVOLVING CREDIT AGREEMENT.

UNITED STATES OF AMERICA

STATE OF TENNESSEE

TENNESSEE STATE SCHOOL BOND AUTHORITY
HIGHER EDUCATIONAL FACILITIES TAX-EXEMPT
PROMISSORY NOTE

Dated: May 31, 2024

Maximum Principal Amount: Three Hundred Million Dollars ($300,000,000)

Registered Owner: Bank of America, N.A., and its successors

KNOW ALL MEN BY THESE PRESENTS: That the Tennessee State School Bond Authority, a corporate governmental agency and instrumentality of the State of Tennessee (the "Authority"), hereby acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner set forth above, or registered assigns, so much of the Maximum Principal Amount stated above as shall have been loaned by the Registered Owner pursuant to the hereinafter defined Revolving Credit Agreement and not repaid or prepaid and which shall remain outstanding from time to time, and interest thereon, payable as provided herein and in such Revolving Credit Agreement. Terms used but not defined herein shall have the respective meanings given to them in such Revolving Credit Agreement.

This Note evidences Advances, Revolving Loans or Term Loans made by the Registered Owner to the Authority in the Maximum Principal Amount set forth above pursuant to the Revolving Credit Agreement dated as of May 1, 2024, as amended, supplemented, modified or restated from time to time (as amended, restated, supplemented or otherwise modified from time to time, the "Revolving Credit Agreement") between the Registered Owner and the Authority. This Note shall mature not later than the Revolving Loan Maturity Date or, if converted to a Term

Loan, the Amortization End Date, subject to prepayment as provided in the Revolving Credit Agreement.

This Note shall bear interest on the outstanding principal amount hereof at the rate relating to the related Revolving Loan or Term Loan as provided in the Revolving Credit Agreement, and the principal of this Note shall be payable in the amounts and on the dates as provided in the Revolving Credit Agreement.

As of the Closing Date, the Commitment is $200,000,000 and is subject to increase in an amount not to exceed the Maximum Principal Amount in accordance with the Revolving Credit Agreement. This Note is one of an issue of notes in an aggregate principal amount not to exceed $300,000,000 issued and to be issued under the authority of and in full compliance with the Constitution and statutes of Tennessee, including Tennessee Code Annotated Sections 49-3-1201 *et seq*., and a resolution duly adopted by the Authority on March 13, 2014 (the "Resolution"), which authorizes said Notes for the purposes authorized by the Resolution. This Note is a special obligation of the Authority, the principal of and interest on which shall be payable only from, and secured only by, the Pledged Collateral as provided in the Revolving Credit Agreement and the Resolution.

All sums becoming due on this Note for principal and interest shall be paid to the Bank as provided in the Revolving Credit Agreement, in lawful money of the United States, without the presentation or surrender of this Note or the making of any notation hereon, except as provided in the next paragraph and except that upon the written request of the Authority made concurrently with or reasonably promptly after prepayment in full of this Note, the Registered Owner of this Note shall surrender this Note for cancellation, reasonably promptly after any such request, to the Authority. Prior to any sale or other disposition of this Note, the Registered Owner of this Note shall endorse hereon the amount of principal paid hereon and the last date to which interest has been paid hereon.

All payments of principal of this Note (whether at maturity or upon prepayment), including the date and amount of each payment, shall be endorsed by the Registered Owner of this Note on the Schedule of Prepayments attached to this Note; provided, however, that any failure by the Registered Owner of this Note to endorse such information on such Schedule or any error therein shall not in any manner affect the obligation of the Authority to make payments of principal and interest in accordance with the terms of this Note.

This Note is subject to prepayment on the dates and in the amounts, in whole or in part, of the outstanding principal of the related Revolving Loan or Term Loan evidenced and secured by this Note as provided in Section 3.5 and Section 4.6, respectively, of the Revolving Credit Agreement.

This Note is issued in fully registered form and is non-negotiable. This Note is transferable as permitted by Section 10.7 of the Revolving Credit Agreement by the Registered Owner hereof only upon the books of registry maintained by the Authority at the principal office of the Office of State and Local Finance of the State, upon surrender of this Note for cancellation together with a written instrument of transfer satisfactory to the Authority duly executed by the Registered Owner or such owner's duly authorized attorney. Upon such cancellation and registration of transfer, a

new Note for the same aggregate principal amount will be issued to the transferee in exchange therefor.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and by the laws of the State of Tennessee to exist, or to be done precedent to and in the issuance of this Note, do exist, and have been properly done, have happened and been performed in regular and due form and time as required by law; and that provision has been made to pay the principal hereof and interest hereon as same falls due.

TENNESSEE STATE SCHOOL
BOND AUTHORITY

[SEAL]

By:_____
Authorized Representative

ATTEST:

_____
Authorized Representative

SCHEDULE OF PREPAYMENTS

Date of Payment	Amount of Payment	Notation Made By	Date of Payment	Amount of Payment	Notation Made By

Assignment

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

_____

Please insert Social Security or
Taxpayer Identification Number of Transferee

_____

_____

(Please print or typewrite name and address, including zip code, of Transferee)

_____

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints

_____

attorney to register the transfer of the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated:_____

Signature Guaranteed:

_____	_____
NOTICE: Signature(s) must be guaranteed by a member or participant of a signature guarantee program	NOTICE: The signature above must correspond with the name of the Owner as it appears upon the front of this Note in every particular, without alteration or enlargement or change whatsoever.

EXHIBIT A-2

[FORM OF TAXABLE NOTE]

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION REQUIREMENT OF THE SECURITIES ACT. IN ADDITION, THIS NOTE MAY NOT BE SOLD, TRANSFERRED, ASSIGNED OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO THE TERMS OF SECTION 10.7 OF THE HEREINAFTER DEFINED REVOLVING CREDIT AGREEMENT.

UNITED STATES OF AMERICA

STATE OF TENNESSEE

TENNESSEE STATE SCHOOL BOND AUTHORITY
HIGHER EDUCATIONAL FACILITIES TAXABLE
PROMISSORY NOTE

Dated: May 31, 2024

Maximum Principal Amount: Three Hundred Million Dollars ($300,000,000)

Registered Owner: Bank of America, N.A., and its successors

KNOW ALL MEN BY THESE PRESENTS: That the Tennessee State School Bond Authority, a corporate governmental agency and instrumentality of the State of Tennessee (the "Authority"), hereby acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner set forth above, or registered assigns, so much of the Maximum Principal Amount stated above as shall have been loaned by the Registered Owner pursuant to the hereinafter defined Revolving Credit Agreement and not repaid or prepaid and which shall remain outstanding from time to time, and interest thereon, payable as provided herein and in such Revolving Credit Agreement. Terms used but not defined herein shall have the respective meanings given to them in such Revolving Credit Agreement.

This Note evidences Advances, Revolving Loans or Term Loans made by the Registered Owner to the Authority in the Maximum Principal Amount set forth above pursuant to the Revolving Credit Agreement dated as of May 1, 2024, as amended, supplemented, modified or restated from time to time (as amended, restated, supplemented or otherwise modified from time to time, the "Revolving Credit Agreement") between the Registered Owner and the Authority. This Note shall mature not later than the Revolving Loan Maturity Date or, if converted to a Term

Loan, the Amortization End Date, subject to prepayment as provided in the Revolving Credit Agreement.

This Note shall bear interest on the outstanding principal amount hereof at the rate relating to the related Revolving Loan or Term Loan as provided in the Revolving Credit Agreement, and the principal of this Note shall be payable in the amounts and on the dates as provided in the Revolving Credit Agreement.

As of the Closing Date, the Commitment is $200,000,000 and is subject to increase in an amount not to exceed the Maximum Principal Amount in accordance with the Revolving Credit Agreement. This Note is one of an issue of notes in an aggregate principal amount not to exceed $300,000,000 issued and to be issued under the authority of and in full compliance with the Constitution and statutes of Tennessee, including Tennessee Code Annotated Sections 49-3-1201 *et seq*., and a resolution duly adopted by the Authority on March 13, 2014 (the "Resolution"), which authorizes said Notes for the purposes authorized by the Resolution. This Note is a special obligation of the Authority, the principal of and interest on which shall be payable only from, and secured only by, the Pledged Collateral as provided in the Revolving Credit Agreement and the Resolution.

All sums becoming due on this Note for principal and interest shall be paid to the Bank as provided in the Revolving Credit Agreement, in lawful money of the United States, without the presentation or surrender of this Note or the making of any notation hereon, except as provided in the next paragraph and except that upon the written request of the Authority made concurrently with or reasonably promptly after prepayment in full of this Note, the Registered Owner of this Note shall surrender this Note for cancellation, reasonably promptly after any such request, to the Authority. Prior to any sale or other disposition of this Note, the Registered Owner of this Note shall endorse hereon the amount of principal paid hereon and the last date to which interest has been paid hereon.

All payments of principal of this Note (whether at maturity or upon prepayment), including the date and amount of each payment, shall be endorsed by the Registered Owner of this Note on the Schedule of Prepayments attached to this Note; provided, however, that any failure by the Registered Owner of this Note to endorse such information on such Schedule or any error therein shall not in any manner affect the obligation of the Authority to make payments of principal and interest in accordance with the terms of this Note.

This Note is subject to prepayment on the dates and in the amounts, in whole or in part, of the outstanding principal of the related Revolving Loan or Term Loan evidenced and secured by this Note as provided in Section 3.5 and Section 4.6, respectively, of the Revolving Credit Agreement.

This Note is issued in fully registered form and is non-negotiable. This Note is transferable as permitted by Section 10.7 of the Revolving Credit Agreement by the Registered Owner hereof only upon the books of registry maintained by the Authority at the principal office of the Office of State and Local Finance of the State, upon surrender of this Note for cancellation together with a written instrument of transfer satisfactory to the Authority duly executed by the Registered Owner or such owner's duly authorized attorney. Upon such cancellation and registration of transfer, a

new Note for the same aggregate principal amount will be issued to the transferee in exchange therefor.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and by the laws of the State of Tennessee to exist, or to be done precedent to and in the issuance of this Note, do exist, and have been properly done, have happened and been performed in regular and due form and time as required by law; and that provision has been made to pay the principal hereof and interest hereon as same falls due.

TENNESSEE STATE SCHOOL
BOND AUTHORITY

[SEAL]

By:_____
Authorized Representative

ATTEST:

_____
Authorized Representative

SCHEDULE OF PREPAYMENTS

Date of Payment	Amount of Payment	Notation Made By	Date of Payment	Amount of Payment	Notation Made By

Assignment

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

_____

Please insert Social Security or
Taxpayer Identification Number of Transferee

_____

_____

(Please print or typewrite name and address, including zip code, of Transferee)

_____

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints

_____

attorney to register the transfer of the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated:_____

Signature Guaranteed:

_____	_____
NOTICE: Signature(s) must be guaranteed by a member or participant of a signature guarantee program	NOTICE: The signature above must correspond with the name of the Owner as it appears upon the front of this Note in every particular, without alteration or enlargement or change whatsoever.

EXHIBIT B

[FORM OF REQUEST FOR ADVANCE]

REQUEST FOR ADVANCE AND REVOLVING LOAN

Bank of America, N.A.
620 S Tryon Street
NC1-030-25-01
Charlotte, North Carolina 28255
Telephone: (980) 386-5452
Attention: Brooks Scurry
Email: r.b.scurry@bofa.com

and with respect to Request for Advances:

Bank of America, N.A.
4242 Six Forks Road, Suite 1720
NC9-400-17-03
Raleigh, North Carolina 27609
Telephone: (919) 829-6950
Attention: Kristy Moore
Email: Kristy.moore@bofa.com

Ladies and Gentlemen:

The undersigned, an Authorized Representative, refers to the Revolving Credit Agreement, dated as of May 1, 2024 (together with any amendments, restatements, supplements or modifications thereto, the *"Agreement"*), between the Tennessee State School Bond Authority (the *"Authority"*) and Bank of America, N.A. (the *"Bank"*) (the terms defined therein being used herein as therein defined) and hereby requests, pursuant to Section 2.3 of the Agreement, that the Bank make an Advance under the Agreement, and in that connection sets forth below the following information relating to such Advance (the *"Proposed Advance"*):

1. The Business Day of the Proposed Advance is _____, 20__ (the *"Advance Date"*), which is at least three (3) Business Days after the date hereof.

2. The principal amount of the Proposed Advance is $_____, which is not greater than the Commitment as of the Advance Date set forth in 1 above.

3. The aggregate amount of the Proposed Advance shall be used solely **[to pay Project Costs]** or **[to prepay Taxable Loans with proceeds of Tax-Exempt Loans]** [1]or **[to prepay Tax-Exempt Loans with proceeds of Taxable Loans] or [to prepay the principal of any revolving loans or notes issued and outstanding under the Existing Agreement (as defined in the Resolution) as of Closing Date].**

4. The interest rate with respect to the Proposed Advance shall be **[the Tax-Exempt Rate] [the Taxable SOFR Rate]**.

5. After giving effect to the Proposed Advance, the aggregate principal amount of all Loans outstanding under the Agreement will not exceed the Commitment. After giving effect to the Proposed Advance.

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the Advance Date, before and after giving effect thereto:

(a) the undersigned is an Authorized Representative;

(b) the representations and warranties of the Authority set forth in Article VII of the Agreement and in each other Related Document are true and correct in all material respects as though made on the date hereof and on the date of Advance Date; and

(c) no Default or Event of Default has occurred and is continuing.

The Proposed Advance shall be made by the Bank by wire transfer of immediately available funds to the undersigned in accordance with the instructions set forth below:

[Insert wire instructions]

_____
_____
_____

Very truly yours,

TENNESSEE STATE SCHOOL BOND AUTHORITY

By:_____
Name: _____
Title: _____

[1] Requires the delivery of an Approving Opinion of Bond Counsel to the Authority and the Bank.

EXHIBIT C

[FORM OF NOTICE OF TERMINATION OR REDUCTION]

NOTICE OF TERMINATION OR REDUCTION

[Date]

Bank of America, N.A.
620 S Tryon Street
NC1-030-25-01
Charlotte, North Carolina 28255
Telephone: (980) 386-5452
Attention: Brooks Scurry
Email: r.b.scurry@bofa.com

and with respect to Request for Advances:

Bank of America, N.A.
4242 Six Forks Road, Suite 1720
NC9-400-17-03
Raleigh, North Carolina 27609
Telephone: (919) 829-6950
Attention: Kristy Moore
Email: Kristy.moore@bofa.com

Ladies and Gentlemen:

Re: Revolving Credit Agreement dated as of May 1, 2024

The Tennessee State School Bond Authority (the *"Authority"*), through its undersigned, an Authorized Representative, hereby certifies to Bank of America, N.A. (the *"Bank"*), with reference to the Revolving Credit Agreement dated as of May 1, 2024 (together with any amendments, restatements, supplements or modifications thereto, the *"Agreement"*) between the Authority and the Bank (the terms defined therein and not otherwise defined herein being used herein as therein defined):

[(1) The Authority hereby informs you that the Commitment is terminated in accordance with the Agreement.]

[(1) The Authority hereby informs you that the Commitment is reduced from [insert amount as of the date of this Notice] to [insert new amount], such reduction to be effective on _____.]

IN WITNESS WHEREOF, the Authority has executed and delivered this Notice this _____ day of _____, _____.

TENNESSEE STATE SCHOOL BOND AUTHORITY

By:_____
Name: _____
Title: _____

EXHIBIT D

[FORM OF REQUEST TO INCREASE COMMITMENT]

REQUEST TO INCREASE COMMITMENT

[Date]

Bank of America, N.A.
620 S Tryon Street
NC1-030-25-01
Charlotte, North Carolina 28255
Telephone: (980) 386-5452
Attention: Brooks Scurry
Email: r.b.scurry@bofa.com

and with respect to Request for Advances:

Bank of America, N.A.
4242 Six Forks Road, Suite 1720
NC9-400-17-03
Raleigh, North Carolina 27609
Telephone: (919) 829-6950
Attention: Kristy Moore
Email: Kristy.moore@bofa.com

Ladies and Gentlemen:

Re: Revolving Credit Agreement dated as of May 1, 2024

The Tennessee State School Bond Authority (the *"Authority"*), through its undersigned, an Authorized Representative, hereby requests to Bank of America, N.A. (the *"Bank"*), with reference to the Revolving Credit Agreement dated as of May 1, 2024 (together with any amendments, restatements, supplements or modifications thereto, the *"Agreement"*) between the Authority and the Bank (the terms defined therein and not otherwise defined herein being used herein as therein defined):

(1) The Authority hereby requests that the Commitment be increased from **[insert Commitment amount as of the date of this request]** to **[insert new Commitment amount]**.[2]

[2] Each increase in the Commitment shall be in a minimum amount equal to $5,000,000 or an integral multiple thereof; *provided* that in no event shall the aggregate Commitment be increased to an amount in excess of $300,000,000.

(2) The Authority hereby requests that such increase to the Commitment shall be effective on **[_____ __, 20__]**.[3]

IN WITNESS WHEREOF, the Authority has executed and delivered this Notice this _____ day of _____, _____.

TENNESSEE STATE SCHOOL BOND AUTHORITY

By:_____
Name: _____
Title: _____

[3] Such date to be a Business Day not less than thirty (30) days after receipt of this notice