

LEASE

THIS LEASE AGREEMENT made by and between **JA-ZAN LLC** and **School Board of Albemarle County, Virginia** (hereinafter called "Tenant"), TRADING AS **Same**.

WITNESSETH

The real property or leasehold estate on the real property, commonly known as **Suite 207** and located at **485 Hillsdale Drive, The Jordan Building**, as the same may be modified from time to time pursuant to hereof.

1. Premises. That portion of **The Jordan Building** consisting of approximately **1302** Sq. Ft. of "leasable space". Leasable space, as herein defined, excludes stairwells and restrooms.

2. Commencement Date. This Lease will commence on **March 21, 2022**.

3. Possession. If Ja-Zan LLC is unable to deliver possession of the Premises at the commencement of the term, Tenant will not be liable for any rent until possession is delivered. Tenant may terminate this lease if possession is not delivered within thirty (30) days of the commencement of the term.

4. Term. A period of 2 years commencing on March 21, 2022 and ending 12:00 noon March 20, 2024.

5. Rental Amount. The fixed rent payable by Tenant during the term in monthly installments in advance without notice or demand as follows:

	<u>Monthly</u>	<u>Annual</u>
Year 1	<u>\$1,844.50</u>	<u>\$22,134.00</u>
Year 2	<u>\$1,899.84</u>	<u>\$22,798.08</u>

6. Security Deposit. **Security Deposit.** The Security Deposit, will be held by the Landlord under terms of lease dated March 21, 2022 in the amount of One-thousand eight-hundred forty-four and 50/100 DOLLARS (\$1,844.50). Said deposit shall be held by the Landlord to insure the full performance of all of Tenant's obligations hereunder. Said deposit shall be returned to Tenant at the termination of this lease if it has fully and faithfully performed its obligations and nothing herein shall entitle Tenant to a credit of the deposit against any delinquent rent account.

7. Option to Renew / Terminate. The tenant will be granted 2(two) 2-year options to renew the lease under the same terms and conditions. Landlord and/or Tenant may terminate this lease after the first term and all other subsequent terms by giving the other party 6-month notice prior to the end of the term.

8. Holding Over. Any holding over after the expiration of this lease, with the consent of Ja-Zan LLC, shall be construed as a month-to-month tenancy at a rental equal to the rent being paid at the end of the last lease term plus five percent (5%).

9. Mortgage Encumbering Fee. Ja-Zan LLC at Ja-Zan LLC's expense shall have the right to secure a first mortgage encumbering the property containing the demised premises from a bank, insurance company or other recognized institutional lender. It is expressly agreed that this lease is and shall be subordinate to such mortgage. Tenant agrees to execute such instruments evidencing this subordination and such **estoppel certificates** as may be reasonably required by the mortgage and if the holder of any such mortgage shall thereafter succeed the rights of Ja-Zan LLC under this lease, whether through possession or foreclosure action, or otherwise, Tenant shall attorn to and recognize such successor as Tenant's Landlord under this lease.

10. Permitted Uses. The premises may be used and occupied by Tenant for the purpose of

Office and for no other purpose without the prior written consent of Ja-Zan LLC.

11. Ja-Zan LLC will not be liable for any damage or injury caused solely by Tenant on the premises. Notwithstanding anything contained in this lease to the contrary, Tenant covenants not to sue Ja-Zan LLC for any claims or damages caused solely by an act or omission of Tenant, its agents or employees that occurs on the premises, and Ja-Zan LLC covenants not to sue Tenant for any claims for damages caused by an act or omission of Ja-Zan LLC, its agents or employees.

12. Assigning and Subletting. Tenant may not assign this lease or sublet any portion of the premises without the prior written consent of Ja-Zan LLC which will not be unreasonably withheld, except to a company under common control or ownership with Tenant in which case Tenant will give Ja-Zan LLC prompt written notification of the same.

13. Maintenance and Repairs. Ja-Zan LLC, at its own expense, will put the premises in good order and repair on or before the commencement of this lease and subject to Tenant's inspection. Ja-Zan LLC, at its own expense, will paint the walls of the unit to match the wall paper and will have the carpets professionally cleaned. Ja-Zan LLC, at its own expense, will maintain all structural elements of the premises, the plumbing, electric, heating, air conditioning and other utility lines servicing the premises, and the walls, roof, doors, and windows of the premises. Ja-Zan LLC shall be responsible for maintaining the HVAC units in working condition.

Tenant, at its own expense, will otherwise maintain the premises in good and safe condition and will surrender the premises, at the termination of this lease, in as good condition as received, normal wear and tear excepted.

Ja-Zan LLC, at its own expense, will maintain the building's exterior, including but not limited to landscaping, parking, snow removal, lighting, in a safe and serviceable condition.

14. Services and Utilities. Ja-Zan LLC to pay water, sewer and real estate taxes for the demised space. Tenant to pay all utilities metered separately and janitorial service for the demised space.

15. Loss of Service. In the event that services or utilities are interrupted for a period of longer than seven (7) days, which interruption is not due to Tenant's negligence, and Tenant's business is interrupted, Tenant will receive a rent abatement for the entire period of interruption. In the event that such interruption remains for over thirty (30) days, Tenant shall have the right to terminate this lease, upon provision of written notice to Ja-Zan LLC.

16. Entry, Inspection, and Repairs. Tenant will permit Ja-Zan LLC or Ja-Zan LLC's agents to enter the premises at reasonable times during the normal business day from 9:00 a.m. to 5:00 p.m. and upon reasonable notice, for the purpose of inspection, repairs. Within ninety (90) days of the termination of this lease, Tenant will allow Ja-Zan LLC access at reasonable times, and upon reasonable notice, to exhibit the premises for purposes of sale or rental. In the event of an emergency, Ja-Zan LLC may enter the premises without prior notice.

17. Condemnation or Eminent Domain. If any part of the premises is taken or condemned for public use or purpose then the term will cease from the date of the taking or condemnation and Tenant will have no further obligation to pay rent after such date. All sums which may be payable on account of condemnation will belong to Ja-Zan LLC, provided however, that Tenant will be entitled to retain any amount awarded to it for the value of the leasehold, loss of business, moving expenses and any other damages and/or compensation as provided in law or equity.

18. Bankruptcy. If before or during the term, a petition in bankruptcy is filed by or against Ja-Zan LLC or Tenant and is not dismissed within ninety (90) days, or if either party makes an assignment for the benefit of creditors or is adjudicated bankrupt ("Bankrupt Party"), this lease will terminate, at the option of the other party, after ten (10) days written notice to the bankrupt party.

19. Casualty. If any part of the premises are damaged by fire or other cause to the extent that the Premises are rendered untenable and cannot be reasonably rendered in as good condition as existed prior to the damage within sixty (60) days from the date of the damage, this lease may be terminated by Tenant by giving written notice to Ja-Zan LLC and the rent will be abated from the date of damage. If the damage is not such as to permit a termination of this lease as described above, or if Tenant does not terminate this lease, Ja-Zan LLC will promptly repair the premises to its original condition. The obligation for rent will be abated during the period that the premises are being repaired. In the event of fire or other casualty, Ja-Zan LLC shall look solely to Ja-Zan LLC's insurance for payment of damages and replacement. In the event that insurance does not adequately cover damages, Tenant shall be liable to the extent that the casualty or fire was due to its acts or omissions and, in such event, Tenant's liability shall be limited to the insurance coverage required in paragraph 21 of this Agreement.

20. Liability for Negligence and Insurance. (a) Ja-Zan LLC shall not be liable for any damage, except for negligent acts of Ja-Zan LLC or its employees, to persons or property that Tenant or assigns or any other person or persons may sustain on or about the premises, whether caused by the use of the premises, water, electricity, gas, heating or air conditioning equipment, or otherwise. The premises are to be used by Tenant only in accordance with the terms of this lease, and it is the intention hereof that Tenant shall be required to take the same precautions to protect persons and property, and to have the same responsibilities with respect to the demised premises as would be expected of Tenant if the demised premises were its own. To this end, Tenant agrees, at its own expense, to maintain commercial general liability insurance for the protection of Ja-Zan LLC, as well as itself, in an amount of not less than \$1,000,000/\$2,000,000 plus \$300,000 Fire Legal Liability. A copy of the policy and endorsement covering Ja-Zan LLC shall be furnished to Ja-Zan LLC by Tenant upon request. Ja-Zan LLC, at its own expense, will pay casualty insurance premiums on the building of which the premises are part in an amount sufficient to cover the entire building including building glass. Ja-Zan LLC will provide Tenant with proof of such insurance upon Tenant's demand. Any insurance companies obtained must be duly licensed by the Insurance Department of the State of Virginia. To the maximum extent permitted by their respective insurance policies, Tenant and Ja-Zan LLC, for the benefit of each other, waive any and all rights of subrogation.

21. Ja-Zan LLC's Remedies. In the event the monthly rental provided above remains unpaid for fifteen (15) days after the due date, or in the event Tenant has not properly corrected any other defaults under this lease after thirty (30) days written notice from Ja-Zan LLC to do so, then Ja-Zan LLC will have the option of terminating this lease or pursuing any other remedies which Ja-Zan LLC may have at law or equity or under any state statute or regulation. The election by Ja-Zan LLC of any remedy afforded Ja-Zan LLC will not be deemed a waiver of any other remedies available to Ja-Zan LLC, Ja-Zan LLC's remedies being cumulative.

22. Tenant's Remedies. Upon default by Ja-Zan LLC, in the event of a breach of this lease by Ja-Zan LLC, and Ja-Zan LLC's failure to cure such breach within fifteen (15) days of Tenant's written notice of breach to Ja-Zan LLC, Tenant will have the option of (1) taking reasonable steps to cure such breach, (2) terminating this lease upon at least ten (10) days written notice to Ja-Zan LLC, and/or (3) pursuing any other remedies which Tenant may have at law or equity or under any such state statute or regulation. Should Tenant elect to cure Ja-Zan LLC's breach, Tenant may offset the costs of cure incurred by Tenant against future sums due Ja-Zan LLC under this lease and/or submit an invoice to Ja-Zan LLC specifying the amount due Tenant, which amount Ja-Zan LLC will pay within ten (10) days of receipt of Tenant's invoice. The election by Tenant of any remedy afforded Tenant will not be deemed a waiver of any other remedies available to Tenant, Tenant's remedies being cumulative.

23. Waiver. No failure by Ja-Zan LLC to insist upon the strict performance of any covenant, agreement, term or condition of this lease or to exercise any right or remedy consequent upon a breach thereof, and no acceptance of full or partial rent during the continuance of any such breach, shall constitute a waiver of any such breach or of such covenant, agreement, term or condition. No covenant, agreement, term or condition of this lease to be performed or complied with by Tenant, and no breach thereof, shall be waived, altered or modified except by a written instrument executed by Ja-Zan LLC. No waiver of any breach shall affect or alter this lease, but each and every covenant, agreement, term and condition of this

lease shall continue in full force and effect with respect to any other then-existing or subsequent breach thereof.

24. Consents. Any consent required of either Ja-Zan LLC or Tenant will not be unreasonably withheld.

25. Quiet Enjoyment. Ja-Zan LLC hereby covenants that if Tenant shall pay the rent herein reserved and faithfully perform its other obligations hereunder, Tenant shall, during the term hereby demised or any extension thereof, freely, peaceably and quietly enjoy and occupy the full possession of the demised premises without molestation, hindrance, eviction or disturbance by Ja-Zan LLC.

26. Binding Effect. All covenants, conditions, agreements and undertakings contained in this lease shall extend to and be binding upon the respective heirs, successors and assigns of the respective parties hereto the same as if they were in every case named and expressed, and the same shall be construed as covenants running with the land.

27. Rules, Regulations, Stipulations. Ja-Zan LLC and Tenant covenant that the following rules, regulations and stipulations shall be faithfully observed and performed by Tenant (including its employees, agents, customers and visitors):

(a) The entry, corridors and stairways outside of the leased space shall not be obstructed by Tenant nor used by it for any other purpose than ingress or egress to and from its offices/retail space; nor shall employees of Tenant loiter or congregate therein.

(b) The floors and windows that reflect or admit light into passageways, or into any place in the building other than the demised premises shall not be covered or obstructed by Tenant. The water closets and other water apparatus shall not be used for any purpose other than those for which they were constructed, and no sweepings, rubbish, or other substances shall be thrown therein.

(c) Tenant shall not do or permit anything to be done in the building, or bring or keep anything therein, which will or may increase the rate of fire insurance on the building or on property kept therein; or which will permit objectionable sounds or odors to escape beyond the interior of the demised premises; or which obstruct or interfere with the rights of other Tenants or in any way injure or annoy them; or which conflict with the laws relating to fires, or with any insurance policy upon the building or any part thereof, or conflict with any of the rules and ordinances of the governing fire and/or health authorities. Without limiting the generality of the foregoing, Tenant shall not use or permit the use of any apparatus for sound reproduction, transmission or production including any musical instrument in such manner that the sound so reproduced, transmitted or produced shall be audible beyond the interior of the demised premises.

(d) No animals shall be kept in or about the demised premises.

(e) If Tenant desires special utility installations of any kind, they shall be installed with the prior approval of Ja-Zan LLC, who will direct such installations, with all costs thereof to be paid by Tenant, whether the actual installation is performed by Ja-Zan LLC or an independent contractor.

(f) Tenant agrees to keep all windows and exterior doors closed in the demised premises in order to assure properly functioning of heating and air conditioning systems and to prevent damage to the demised premises.

(g) Ja-Zan LLC reserves the right to make such further reasonable rules and regulations as in its judgment may from time to time be needed for the safety, care and cleanliness of the premises and for the preservation of good order therein.

28. Tenant Improvement.

(a) Tenant accepts the premises in "as is" condition.

(b) All Tenant improvements undertaken after occupancy must be approved in writing by Ja-Zan LLC, which approval shall not be unreasonably withheld.

29. Signs. N/A.

30. Security. Ja-Zan LLC shall permit Tenant to restrict public access to the premises subject to applicable fire safety codes as Tenant deems necessary for the security of its business.

31. Entire Agreement. This lease embodies the entire agreement of the parties hereto and no changes or modification to this lease shall be effective unless in writing and signed by all the parties hereto or their respective successors in interest.

32. Brokers. Each party shall warrant to the other that no real estate brokers or other intermediary was involved in bringing about this transaction contemplated hereby other than Real Estate III Commercial Properties/Robin Amato and Bill Howard. Total of 6% commission on the cash gross amount of the lease and any renewals. Commission is due at the time when the landlord receives the deposit and first months' rent and the start of any renewals.

33. Notices: All notices required under this lease shall be deemed to be properly served when posted by certified United States mail, postage prepaid, return receipt requested, addressed to the party to whom directed at its last-known mailing address.

To **JA-ZAN LLC** at:

Street Address:
481 Hillsdale Drive
Charlottesville, VA 22901

Rental Payment Address:
PO Box 9035
Charlottesville, VA 22906-9035

To Tenant at (other than leased space)

Emergency / after hours Contact:

Name: Albemarle County Public Schools

Name: Katy Compel

Address: 401 McIntire Road, Suite 323

Telephone: (434) 326-6444

Charlottesville, VA 22902

Ja-Zan LLC: Telephone (434) 978-2140

Tenant: Telephone () _____ **I.R.S. Tax ID Number** _____

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

JA-ZAN LLC: _____

TENANT: _____

BY: James L. Jessup, Jr.

BY: Graham Paige

TITLE: Manager

TITLE: Board Chair

DATE: _____

DATE: _____