

THIS LEASE, made and entered into this the 18th day of Sept, 2014, by and between **SANTA BARBARA LAND CORP.**, with its principle place of business at _____ in Lexington, Fayette County, Kentucky, party of the first part, hereinafter referred to as "Lessor" and Lexington Leadership Foundation, with its principle place of business at 1750 ALEXANDRIA DRIVE, 40504 in Lexington, Kentucky, party of the second part, hereinafter referred to as "Lessee":

WITNESSETH:

IT IS MUTUALLY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. DESCRIPTION. In consideration of the first month's rent of \$1000.00 and covenants herein reserved and contained on the part of the Lessee to be paid and performed, the Lessor does hereby lease to the Lessee, and the Lessee does hereby lease from Lessor, the following described premises, to wit:

Premises: at 1218 South Broadway, Suite 110-B, Lexington, Kentucky, consisting of approximately +/-1,100 square feet.

2. TERM. The term of this lease shall be Four (4) years commencing on December 1, 2014 and ending on November 30, 2018. The Lessee shall have the right to renew the lease based on the terms of this lease and Lessee is not in default.

Base Rental:	Year	Monthly
	1-2	\$1,000.00
	3-4	\$1,100.00

Options:	Year	Monthly
2 - 2 Year Options	5-6	\$1,200.00
	7-8	\$1,300.00

COVENANTS OF LEASE

3. RENTAL. Lessee agrees to pay Lessor as rental for the premises for the term of this lease the amounts as set forth in the following schedule of rentals, and shall commence on December 1, 2014 and continue on the first day of each month thereafter to and including November 1, 2016.

In the event Lessee does not pay the rent within ten (10) days after due date, then Lessee shall pay Lessor \$25.00 per day finance charge until the rent is paid.

4. USE OF PREMISES. Lessee shall use the demised premises for any lawful purpose which is not contrary to the laws of the City of Lexington, County of Fayette or Commonwealth of Kentucky. Lessee agrees that it will use and occupy the same in a careful, safe and proper manner; that it will not maintain or suffer on the premises any business, conduct, act or thing that will constitute a public or private nuisance or violate any law or ordinance or any regulation of any public board, commission or other public ordinance; and at all times during the term of this lease, it will conform to the rules and regulations of fire insurance underwriters, and all statutes, ordinances and

regulations enacted by the city, state, federal or public authorities affecting its occupancy of the demised premises. The zoning of said property is P-1 and Lessee agrees to use said property in conformity with said zoning. Lessee covenants that during the term of this lease it shall be responsible for and shall keep all parts of the premises, improvements and appurtenances thereto in good, safe and tenantable condition, sightly in appearance and in good order and repair, except as hereinafter provided; and will surrender all of the same to the Lessor upon termination of this lease in as good condition as when received, normal depreciation due to lapse of time excepted.

5. INDEMNITY. Lessee agrees to obtain and furnish at Lessee's expense a public liability policy with a reputable insurance company, protecting the Lessor, as well as the Lessee, from any liability for the injuries and damages occurring on said premises, and further agrees to have the indemnity clause in said policy include the Lessor as an additional insured, and said policy to be not less than \$1,000,000 for all the items below combined:

- a. Personal injury, one individual, one accident or occurrence.
- b. Personal injuries to all individuals injured in one accident or occurrence.
- c. Property damage to all persons, one accident or occurrence.

6. HOLD HARMLESS Tenant shall indemnify and hold harmless Landlord against and from any claims arising from Tenant's use of the Premises or from the conduct of its business or from any activity, work, or other things done, permitted or suffered by the Tenant in or about the Premises, and shall further indemnify and hold harmless Landlord against and from any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease, or arising from any act or negligence of the Tenant, or any officer, agent, employee, guest, or invitee of Tenant, and from all costs, attorney's fees and liabilities incurred in or about the defense of any such claim or any action or proceeding brought thereon and in case any action or proceeding be brought against Landlord by reason of such claim, Tenant upon notice from Landlord shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to property or injury to persons in, upon or about the Premises, from any cause other than Landlord's negligence' and Tenant shall give prompt notice to Landlord in case of casualty or accidents in the premises. Landlord or its agents shall not be liable for any lost or damage to persons or property resulting from fire, explosion, "acts of God". Criminal acts (including an "act of terrorism"), falling plaster, steam, gas, electricity, water or rain which may leak from any part of the Building or from the pipes, toxins or molds, appliances or plumbing works therein or from the roof, street or subsurface or from any other place resulting from dampness or any other cause whatsoever, unless caused by or due to negligence of Landlord, its agents, servants, or employees. Landlord or its agents shall not be liable for interference with the light, air, or any latent defect in the Premises.

7. ASSIGNMENT AND SUBLETTING. The Lessee shall not sublet the premises without the written permission of Lessor, and the Lessor shall not unreasonable withhold said permission in the event the sublessee is financially and otherwise responsible.

8. UTILITIES. Lessor shall pay for electric, gas, and water that services the suite. Lessor shall pay for sewer and dumpster.

9. FORFEITURE. In the event Lessee shall fail to keep and perform any of the covenants on its part to be done and performed, other than the non-payment of rent, for a period of thirty (30) days after written notice from the Lessor, mailed to Lessee by registered mail, stating in detail the nature of such default or breach, and in the event Lessee shall fail to take steps to remedy the default or breach in said notice within said thirty (30) day period, then Lessor may enter upon the premises and repossess the same and, thereupon, this lease, at the option of Lessor, may be terminated, without prejudice, however, to the right of Lessor to recover from Lessee all rent due to the time of said repossession.

In the event Lessee shall fail to pay the rent due as hereinafter provided for a period of ten (10) days after the due date, then Lessor may enter upon the demised premises and repossess the same at Lessor's option, without prejudice as to the right of Lessor to recover from the Lessee all rent due at the time of the repossession and all future rents and additional rents that become due. Lessor has the obligation to try and relet the premises and mitigate damages.

COVENANTS OF LESSOR

10. TAXES AND INSURANCE. Lessor agrees to pay all taxes levied and assessed against the demised premises as they become due and payable during the term of this lease, and Lessee shall promptly pay all taxes on its merchandise, stock, trade fixtures and equipment, and all personal property of every kind and description located on the demised premises. Lessor shall pay the premiums for all fire and extended coverage insurance for the structural portions of the building. Lessee agrees to cover all personal possessions, inventory, fixtures, and improvements on the premises at 100% of replacement value at Lessee's expense.

11. QUIET POSSESSION. Lessor covenants that it is the lawful owner and is in possession of the demised premises and that it has good and lawful right to enter into the within lease with Lessee for the term and any extension thereof; that if Lessee discharges its obligations and complies with each and all of the covenants, conditions and provisions herein, then it shall have and enjoy, during the term of this lease and any renewal or extension thereof, quiet and undisturbed possession of the premises for the uses herein specified.

12. SUBROGATION. Lessor waives and releases Lessor's right of indemnity against the Lessee for damages to Lessor's property by fire or other casualty occasioned by the negligence of the Lessee, payment therefor under Lessor's insurance policies. Lessee waives and releases Lessee's right of indemnity against the Lessor for damages to Lessee's property by fire or other casualty occasioned by the negligence of the Lessor, its agents or employees, to the extent that Lessee received actual payment therefor under Lessee's insurance policies.

MUTUAL COVENANTS

13. IMPROVEMENTS AND ALTERATIONS. Lessee shall have the right to make at its own expense any alterations to the then existing improvements or any parts thereof with prior approval of Lessor.

14. REPAIRS. Lessor agrees to make all repairs of the roof and the basic structure of the premises and to pay for all repairs and maintenance to the heating and air conditioning fixtures

and system, the plumbing fixtures and systems, and the electrical fixtures and system, except damage caused by Lessee.

15. DAMAGE. In case the leased premises shall be so damaged by fire, earthquake, the elements or any other casualty so as to be untenable, Lessor or Lessee may terminate this lease and any rents paid by Lessee in advance shall be refunded. If the premises are partially damaged and are not rendered untenable, the Lessee may remain in possession of said premises under the terms of this lease and Lessor agrees to cause said premises to be restored to substantially the condition thereof prior to said casualty, with reasonable promptness. In any case in which the premises are damaged and Lessee retains possession, rents from the date Lessee does not have full use of the premises to the time of the completion of the repairs and restoration shall be reduced on an equitable basis to the extent that the Lessee has not had full use of the premises.

16. CONDEMNATION. If the demised premises, or any part thereof, shall be taken in any proceedings by the public authorities, by condemnation or otherwise, or be acquired for public or quasi-public purpose, the Lessee shall have the option of terminating this lease, in which case any unearned rent shall be refunded to the lessee. In the event that only a portion of the premises shall be taken in any such condemnation or other proceedings, and the remaining part of the premises shall be reasonable usable by Lessee, and if the Lessee elects not to terminate this lease, then the rent shall be reduced on an equitable basis considering the amount of area by which the demised premises are reduced by such condemnation or other proceedings. In any said proceedings whereby all or a part of said premises are taken, whether or not the Lessee elects to terminate this lease, each party shall be free to make claim against the condemning party or authority for the amount of the actual provable damages done to each of them by such proceedings.

17. FIXTURES. Lessee, if not in default, may on the termination of this lease, or at any time during the continuance thereof, remove from said premises all shelving, fixtures, equipment or other personal property of Lessee which it may have installed or placed at its own expense on said premises. Lessee shall repair any damage to the demised premises caused by such removal.

18. NOTICES AND RENTALS. All notices which are required to be given Lessor herein shall be deemed sufficient if sent by either registered or certified mail to: **SANTA BARBARA LAND CORP.** _____, **Lexington Kentucky**

40513. Notices to Lessee may be sent by either registered or certified mail to: P.O. Box 4654 Lexington, Ky 40504

Rentals shall be sent or delivered to such party as Lessor shall designate to Lessee from time to time.

19. SIGNAGE. Tenant shall be allowed to place signage on the door of the office suite at its own expense.

20. MISCELLANEOUS:

a. Lessee acknowledges that Lessor is the owner of Subject Property.

b. Any claim for judgment against the Lessor is only applicable to Subject Property and Lessor is released from any personal liability.

c. Lessor has the right to enter building and Subject Property at all reasonable times and Lessee will provide Lessor with a key each time a new lock is installed.

d. This Lease shall be construed and enforced in accordance with the laws of the Commonwealth of Kentucky.

e. After initial 1 year, Tenant and Landlord will have right to terminate the lease of the leased space with 120 day written notice to Landlord or Tenant of intent to terminate.

f. This Lease shall be effective only when it is signed by both parties. Lessee's submission of a signed Lease for review by Lessor does not give Lessee an interest, right or option in the Subject Property.

(Signature page to follow)

IN WITNESS WHEREOF, this lease has been executed in duplicate, each to have the full force and effect of an original, this the day and year first above written.

LESSOR: SANTA BARBARA LAND CORP.

By: _____

Its: _____

PRESIDENT

COMMONWEALTH OF KENTUCKY
COUNTY OF FAYETTE

I, Notary Public in the foregoing state and county, do hereby certify that the foregoing lease agreement was acknowledged before me by ROBERT SIMS on the 19th day of Sept., 2014.

My commission expires: 4/23/16

Shirley J. Hester
Notary Public

LESSEE:

By: _____

Its: _____

CEO

STATE OF Kentucky
COUNTY OF Fayette

I, Notary Public in the foregoing state and county, do hereby certify that the foregoing lease agreement was acknowledged before me by Eric Gray on the 19

day of Sept., 2014.

My commission expires: July 16, 2016



Notary Public

