

COPY

IN THE SUPERIOR COURT OF DEKALB COUNTY

FILED

STATE OF GEORGIA

2013 APR 11 P 2:33

THE COMMUNITY CENTER OF
SOUTH DECATUR, INC.

Plaintiff

vs.

PROGRESSIVE DECATUR, LLC, JILL
CELESTE ALIKONIS d/b/a
McGOWAN'S OAKHURST PUB and
JILL CELESTE GALLERY; and,
PALATE CAFE, INC.,

Defendant

CIVIL ACTION FILE NO. SUPERIOR COURT
DEKALB COUNTY GA

13-CV-3283-6

**DEFENDANT PROGRESSIVE DECATUR, LLC'S VERIFIED AFFIRMATIVE
DEFENSES AND ANSWER TO PLAINTIFF'S VERIFIED COMPLAINT FOR
DAMAGES; AND COUNTERCLAIMS AGAINST PLAINTIFF**

COMES NOW Progressive Decatur, LLC ("Defendant"), a defendant in the above-captioned matter, by and through its undersigned attorney, and submits its Verified Affirmative Defenses and Answer to Plaintiff's Verified Complaint for Damages (the "Complaint"); and Counterclaims against Plaintiff, as follows.

GENERAL DENIAL

Defendant denies all allegations and averments contained in the Complaint, except such allegations and averments as are specifically admitted herein. All capitalized terms utilized herein, not defined herein but defined in the Complaint shall have the definitions ascribed thereto in the Complaint.

AFFIRMATIVE DEFENSES

FIRST DEFENSE

Plaintiff's claims may be barred in whole or in part based on estoppel.

SECOND DEFENSE

Plaintiff's claims may be barred in whole or in part based on laches.

THIRD DEFENSE

Plaintiff's claims may be barred in whole or in part based on the voluntary payment doctrine or under the broader defense of payment.

FOURTH DEFENSE

Plaintiff's claims may be barred in whole or in part based on waiver.

FIFTH DEFENSE

Plaintiff's claims may be barred in whole or in part based on failure to state a claim upon which relief may be granted.

SIXTH DEFENSE

Plaintiff's claims may be barred in whole or in part because of failure of consideration due to Plaintiff's breach of its obligations to Defendant.

SEVENTH DEFENSE

Plaintiff's claims may be barred in whole or in part because of Plaintiff's breach of the covenants and obligations of good faith and fair dealing.

EIGHTH DEFENSE

Plaintiff's claims may be barred in whole or in part because of Plaintiff's failure to satisfy all conditions precedent.

NINTH DEFENSE

Plaintiff's claims may be barred in whole or in part based on accord and satisfaction.

TENTH DEFENSE

Plaintiff's claims may be barred in whole or in part based on release.

ELEVENTH DEFENSE

Plaintiff's claims may be barred in whole or in part based on applicable statutes of limitation.

TWELFTH DEFENSE

Plaintiff's claims may be barred in whole or in part based on failure to join one or more indispensable parties (at present believed to be, without limitation, prior occupants of Suite 7B and Georgia Power).

THIRTEENTH DEFENSE

The Verification attached to the Complaint, in conjunction with several allegations made "upon information and belief," is invalid as a matter of law. As such, it cannot serve as a basis to require Defendant to verify its defenses or answers. *Johnson v. Hames Contracting, Inc.*, 208 Ga. App. 664 (1993).

FOURTEENTH DEFENSE

Plaintiff's claim for unjust enrichment must fail in that no benefit has been unfairly retained by Defendant.

FIFTEENTH DEFENSE

Plaintiff's claim for conversion must fail, as Defendant's actions and/or inactions were justified.

SIXTEENTH DEFENSE

Plaintiff's claim of entitlement to joint and several liability in tort fails as a matter of law, given 2005 amendments to O.C.G.A. § 51-12-33.

SEVENTEENTH DEFENSE

Plaintiff's claims against Defendant are barred by the terms of the lease.

ANSWER

Subject in all respects to the foregoing defenses, Defendant responds to the individually numbered allegations set forth in the Complaint as follows:

1.

Admitted.

2.

Admitted.

3.

In regard to this allegation, Defendant defers to the answer of defendant Jill Celeste Alikonis d/b/a McGowan's Oakhurst Pub, *et al*, in this matter.

4.

In regard to this allegation, Defendant defers to the answer of defendant Jill Celeste Alikonis d/b/a McGowan's Oakhurst Pub, *et al*, in this matter.

5.

Admitted.

6.

As to this Defendant, admitted

7.

Defendant admits that Plaintiff and Defendant entered into a lease agreement and that the lease agreement speaks for itself. Defendant denies that the copy of the lease agreement attached to the Complaint as Exhibit A is a true and correct copy of the lease agreement. Attached to this Answer as Exhibit "A" is a true and correct copy of the lease, including but not limited to the survey attached thereto as Exhibit E, and First Amendment to Lease dated September 18, 2002. Defendant denies any and all allegations purportedly made or implied through the use of capitalized terms not specifically defined in the Complaint.

8.

Denied as stated. Section 3 of the lease requires Plaintiff to pay for all utilities, including but not limited to electricity. Section 9 (a) of the lease requires Defendant to "furnish to the Premises . . . Electrical current . . . *as provided in Exhibit "C"*. (emphasis added). Exhibit "C" of the lease details the electrical equipment to be installed by landlord within the premises.

9.

Defendant admits that Plaintiff's representatives informed Defendant of increased power bills at some point. Defendant is otherwise without knowledge sufficient to form a belief as to the truth of the allegations of this paragraph.

10.

Admitted, subject to the obligations of tenants under leases.

11.

Denied. Defendant has consistently contended that only Georgia Power Company is in a position to determine if and when the meters were "switched."

12.

Denied as stated. Upon information and belief, since on or about June 17, 2012, electrical service for Suite 7B has been billed by Georgia Power directly to the Palate Café, Inc.

13.

Denied. Without limiting the generality of this denial, Defendant particularly denies the existence of any duty to account to Plaintiff as alleged by Plaintiff.

14.

Denied. Defendant has not prevented full accounting. Defendant is otherwise without knowledge sufficient to form a belief as to the truth of the allegations of this paragraph.

15.

Defendant admits receipt of a letter from counsel to Plaintiff dated October 3, 2011, but denies the allegations set forth therein pertaining to this action.

16.

Defendant admits receipt of a letter from counsel to Plaintiff dated October 3, 2011, but denies any default by Defendant under the lease agreement.

17.

Defendant incorporates all of the above responses as if they were fully set forth in this paragraph.

18.

Denied.

19.

Denied.

20.

Denied.

21.

Denied.

22.

Defendant incorporates all of the above responses as if they were fully set forth in this paragraph.

23.

Admitted.

24.

Denied.

25.

Denied.

26.

Defendant incorporates all of the above responses as if they were fully set forth in this paragraph.

27.

Denied.

28.

Denied.

29.

Denied.

30.

Denied.

31.

Defendant incorporates all of the above responses as if they were fully set forth in this paragraph.

32.

Denied.

33.

Denied.

34.

Defendant denies the existence of any benefit conferred by Plaintiff.

35.

Denied.

36.

Defendant incorporates all of the above responses as if they were fully set forth in this paragraph.

37.

Denied.

38.

Denied.

39.

Defendant incorporates all of the above responses as if they were fully set forth in this paragraph.

40.

Admitted.

41.

Denied.

42.

Denied.

43.

Denied.

44.

Denied.

45.

Defendant incorporates all of the above responses as if they were fully set forth in this paragraph. Defendant admits its obligation to comply with its contractual obligations under the lease agreement between Plaintiff and Defendant.

46.

Denied.

47.

Denied.

COUNTERCLAIMS

COMES NOW, Defendant/Counterclaim Plaintiff **PROGRESSIVE DECATUR, LLC** ("Defendant"), through undersigned counsel, and asserts its Counterclaims against Plaintiff/Counterclaim Defendant **THE COMMUNITY CENTER OF SOUTH DECATUR, INC.** ("Plaintiff") as follows:

COUNT I
(SLANDER)

1.

Plaintiff is subject to the jurisdiction of this court. Venue is proper. This court has jurisdiction over the subject matter of this litigation.

2.

Plaintiff has falsely stated and continues to falsely state that Defendant is insolvent.

3.

Plaintiff has falsely stated and continues to falsely state that Defendant is in default under the loan secured by the property of which the premises described in the lease is located..

4.

The foregoing allegations by Plaintiff are false in that Defendant is not insolvent and is not in default under the loan encumbering the property.

5.

Plaintiff continues to publish such false allegations despite direct refutation of such allegations by Defendant upon Plaintiff's inquiry to Defendant.

6.

Plaintiff has made and continues to make such false statements to individuals other than Defendant and officers of Defendant, including but not limited to members of the Decatur City Commission and other governmental representatives.

7.

Plaintiff at all times knew and has known such statements to be false.

8.

Plaintiff's false statements were and are subject to no privilege.

9.

Plaintiff has made and continues to make such false statements intentionally and with willful and reckless disregard for their falsity *vel non*.

10.

Plaintiff has made and continues to make such false statements through one or more board members, officers or other representatives acting with the express direction and authorization of Plaintiff.

11.

These false charges by Plaintiff were and are calculated to injure, have injured and continue to injure Defendant in reference to Defendant's business, trade, office, or profession.

12.

Plaintiff's false statements have proximately caused Defendant damage to its reputation, for which Defendant is entitled to nominal, actual, and punitive damages.

COUNT II

(DECLARATORY JUDGMENT REGARDING UNENFORCEABILITY OF OPTION TO PURCHASE)

13.

Plaintiff is subject to the jurisdiction of this court. Venue is proper. This court has jurisdiction over the subject matter of this litigation.

14.

Plaintiff and Defendant entered into Letter of Intent for Option Agreement dated September 18, 2002, a true and correct copy of which is attached hereto as **Exhibit "B"**.

15.

The Letter of Intent for Option Agreement contains the following provision:

The Parties agree to negotiate in good faith to resolve the remaining issues as to the language of the Option, the extent of the adjoining land subject to this Option, and the right of access to the parking spaces, the easement between the Elizabeth Wilson Building and the East Wing, and the right of access and use of the common areas of the Project.

16.

Defendant contends that the Letter of Intent for Option Agreement therefore constitutes an "agreement to agree" unenforceable under Georgia law. Plaintiff contends that the Letter of Intent for Option Agreement is specifically enforceable and has requested that Defendant agree to its early exercise in exchange for waiving claims set forth in Plaintiff's original Complaint. *See* letter from Plaintiff's counsel attached hereto as **Exhibit "C"**. Plaintiff thereby seeks to use its claims set forth in the Complaint as leverage to accelerate exercise of its purported rights under the Letter of Intent for Option Agreement.

17.

An actual, active and justiciable controversy exists within the Court's jurisdiction regarding the enforceability *vel non* of the Letter of Intent for Option Agreement.

18.

Defendant/Counterclaimant requests that this Court declare, pursuant to O.C.G.A. § 9-4-2(a) and its inherent equitable power that the referenced Letter of Intent for Option Agreement is not enforceable under Georgia law.

COUNT III

(PUNITIVE DAMAGES)

19.

The allegations set forth above in Paragraphs 1 through 18 of Defendant's Counterclaims are hereby fully re-alleged and incorporated herein by reference.

20.

Plaintiff's actions show willful misconduct, malice, fraud, wantonness, oppression, or that entire want of care that would raise the presumption of conscious indifference to consequences.

21.

Such actions of Plaintiff caused and continue to cause damages and losses to Defendant. Defendant is entitled to an award of punitive damages sufficient to punish and deter Plaintiff and similarly-situated person and entities.

COUNT IV

(ATTORNEYS' FEES)

22.

The allegations set forth above in Paragraphs 1 through 21 of Defendant's Counterclaims are hereby fully re-alleged and incorporated herein by reference.

23.

Plaintiff has acted in bad faith, has been stubbornly litigious, or has caused Defendant unnecessary trouble and expense.

Defendant is entitled under O.C.G.A. § 13-6-11 to payment of its attorneys' fees and costs associated with this action.

WHEREFORE, Defendant prays that the Court:

1. dismiss Plaintiff's Verified Complaint for Damages;
2. in regard to Defendant's Counterclaim Count I, grant Defendant judgment on the basis of slander *per se*; and award Defendant in regard thereto such damages as shall be proven at trial;
3. in regard to Defendant's Counterclaim Count II, declare the Letter of Intent for Option Agreement to be unenforceable as a matter of law.
4. award punitive damages as determined by a jury, sufficient to punish and deter Plaintiff and others similarly-situated;
5. award attorneys' fees to Defendant in such amount as shall be shown at trial;
6. require Plaintiff to pay all costs of court in this action;
7. grant Defendant such further relief as this Court deems just and proper; and
8. provide that Defendant have a trial by jury on all issues so triable.

Respectfully submitted this 11th day of April, 2013



John E. Taylor

GA Bar number 700350

Attorney for Defendant/Counterclaim Plaintiff

PROGRESSIVE DECATUR, LLC

PO Box 680546

Marietta, GA 30068

(770) 587-9777, phone

(770) 587-3399, fax

john@taylorlegal.net

IN THE SUPERIOR COURT OF DEKALB COUNTY
STATE OF GEORGIA

THE COMMUNITY CENTER OF
SOUTH DECATUR, INC.

Plaintiff

vs.

PROGRESSIVE DECATUR, LLC, JILL
CELESTE ALIKONIS d/b/a
McGOWAN'S OAKHURST PUB and
JILL CELESTE GALLERY; and,
PALATE CAFE, INC.,

Defendants

CIVIL ACTION FILE NO.

13-CV-3283-6

VERIFICATION OF COMPLAINT

I Lorraine Mills, as Managing Member of Progressive Decatur, LLC, verify, under penalty of perjury under the laws of the United States and Georgia, that the foregoing Affirmative Defenses and Answer to Plaintiff's Verified Complaint for Damages are based upon my personal knowledge and that the facts stated therein are true and correct.

Dated this the 11th day of April, 2013.


Lorraine Mills

Sworn to and subscribed before me this the 11th day of April, 2013.


Notary Public

My commission expires:

[NOTARIAL SEAL]



IN THE SUPERIOR COURT OF DEKALB COUNTY
STATE OF GEORGIA

THE COMMUNITY CENTER OF
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Plaintiff

vs.

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CELESTE ALIKONIS d/b/a
McGOWAN'S OAKHURST PUB and
JILL CELESTE GALLERY; and,
PALATE CAFE, INC.,

Defendants

CIVIL ACTION FILE NO.

13-CV-3283-6

CERTIFICATE OF SERVICE

This is to certify that on this date the undersigned has filed a true and correct copy of the foregoing document upon Plaintiff by depositing a copy of the same in the United States Mail, with adequate postage thereon, properly addressed to Plaintiff's counsel as follows:

R. Kyle Williams
Williams Teusink, LLC
125 E. Trinity Place
Suite 300
Decatur, GA 30030

This 14 day of April, 2013.



JOHN E. TAYLOR

IN THE SUPERIOR COURT OF DEKALB COUNTY
STATE OF GEORGIA

THE COMMUNITY CENTER OF
SOUTH DECATUR, INC.

Plaintiff

vs.

PROGRESSIVE DECATUR, LLC, JILL
CELESTE ALIKONIS d/b/a
McGOWAN'S OAKHURST PUB and
JILL CELESTE GALLERY; and,
PALATE CAFE, INC.,

Defendants

CIVIL ACTION FILE NO.


13-CV-3283-6

CERTIFICATE OF SERVICE

This is to certify that on this date the undersigned has filed a true and correct copy of the foregoing document upon Defendants Jill Celeste Alikonis d/b/a McGowan's Oakhurst Pub and Jill Celeste Gallery; and Palate Cafe, Inc. by depositing a copy of the same in the United States Mail, with adequate postage thereon, properly addressed to their counsel as follows:

Darren Summerville
400 Colony Square, Suite 1900
1201 Peachtree Street, NE
Atlanta, GA 30361

This 11th day of April, 2013.



JOHNE. TAYLOR

EXHIBIT "A"

LEASE

STATE OF GEORGIA

COUNTY OF DEKALB

THIS LEASE (this "Lease"), made this 18th day of September, 2002, between **PROGRESSIVE DECATUR, LLC**, a Georgia limited liability company (hereinafter called "Landlord") and **COMMUNITY CENTER OF SOUTH DECATUR, INC.**, a Georgia corporation (hereinafter called "Tenant").

1. **Premises and Term.** Landlord hereby leases to Tenant and Tenant hereby rents and leases from Landlord the following described space in The Historic Scottish Rite Hospital, located at 321 West Hill Street, Decatur, DeKalb County, Georgia and being more particularly described on Exhibit "A" attached hereto and incorporated herein by reference (hereinafter called the "Project", or the "Building"), consisting of the following: approximately 4,624 square feet located in the East Wing, and the connecting corridor connecting the East Wing to the Historic Scottish Rite Hospital, to be known in the future as "The Solarium at Old Scottish Rite" or Suite 1A, and approximately 1,700 square feet located in the "Elizabeth Wilson Building", or Suite 1B, (hereinafter called the "Premises"). Subject to and upon the conditions set forth below, the term of this Lease shall commence on the date hereof and shall terminate at midnight on the last day of the nineteenth (19th) Lease Year (as hereinafter defined) thereafter, unless sooner terminated as hereinafter provided (hereinafter called "Term").
2. **Rental and Covenants to Pay Rent.** (a) From and after the Commencement Date (as hereinafter defined) Tenant shall pay to Landlord at 321 W. Hill Street, Suite 3, Decatur, Georgia 30030, or at such other place as Landlord may designate in writing without demand, deduction or set-off, annual rental ("Base Rental") at the rate of Ten and No/100 Dollars (\$10.00) per year, in one payment per year (herein called "Base Rental"), beginning on the Commencement Date and continuing through the term of this Lease, (b) For purposes hereof, a "Lease Year" shall mean each consecutive twelve (12) month period beginning with the Commencement Date. Each subsequent Lease Year shall be the period of twelve (12) months following the last day of the prior Lease Year. (c) For purposes hereof, the "Commencement Date" shall mean the 18th day of September, 2002, at which time the Landlord will deliver the Premises to Tenant in accordance with Exhibit "C."
3. **Additional Rental.** Tenant and Landlord acknowledge that each is responsible for the following payments: Tenant is responsible for payment of all utilities, including but not limited to natural gas, electricity, water, wastewater, sewer, sanitation/trash removal for its Premises, telephone, and any associated data services. Tenant also pays insurance as specified in Paragraph 19 herein, and payment of taxes as specified in Paragraph 10 herein. Tenant is responsible for the provision and payment of janitorial services to its own space. Landlord is responsible for the cost of mowing and maintenance of the

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common areas of the Project, and for the payment of property insurance on the Project, and for the repairs required under Paragraph 7 herein. All payments, other than those previously specified above, as required in this Lease shall be deemed to be and shall become additional rental ("Additional Rental") hereunder, whether or not the same shall be designated as such and shall be due and payable along with the Base Rental payments subject to the same conditions and remedies as exist for said rental payments.

4. **Alterations.** The obligations of Landlord and Tenant to perform work and supply necessary materials and labor to prepare the Premises for occupancy are set forth in the Work Letter Agreement attached hereto as Exhibit "C" and incorporated herein. Landlord and Tenant shall respectively expend all funds and do all acts required of each of them in the Work Letter Agreement.

Other than the matters specified in the Work Letter Agreement, Tenant shall not make any alterations, additions or improvements in or to the Premises, nor install or attach fixtures in the interior of the Premises in excess of \$1,000 in value per alteration, addition or improvement, without the prior written consent of Landlord, which consent will not be unreasonably withheld. Landlord and Tenant acknowledge that this building is listed on the National Register of Historic Places, and is financed in part by Historic Tax Credits, and that certain changes are prohibited under the regulations associated with a historic building. All alterations, additions or improvements made, installed in or attached to the Premises by Tenant, upon the consent specified above, shall be made at Tenant's expense in a good and workmanlike manner, approved by Landlord, shall be made in accordance with all applicable laws, ordinances, regulations and other requirements of any appropriate government authority, and any applicable covenants or other restrictions, and shall not be visible from the exterior of the Premises. Prior to the commencement of any work outside, or on the exterior of the building, Tenant must seek the prior written consent of Landlord for work in any amount, which approval will be subject to the requirements of the regulations surrounding the use of historic buildings and Historic Tax Credits. Tenant shall deliver to Landlord a certificate of insurance covering such work in favor of Landlord in form and substance reasonably acceptable to Landlord.

Tenant shall keep the Premises free from all liens, rights to liens or claims of liens of contractors, subcontractors, mechanics or materialmen for work done or materials furnished to the Premises for work requested by Tenant. Whenever and so often as any such lien shall attach or claims therefore shall be filed against the Premises for work requested by Tenant, Tenant shall, within ten (10) days after Tenant has notice of the claim for lien, cause the same to be discharged of record, which discharge may be accomplished by payment, deposit or bonding proceedings. If Tenant shall fail to cause such lien to be discharged within the period aforesaid, then, in addition to any other right or remedy, Landlord may, but shall not be obligated to, discharge the same either by paying the amount claimed to be due or by procuring the discharge of such lien by deposit or by bonding proceedings. Any amount so paid by Landlord and all costs and expenses, including without limitation attorneys' fees, incurred by Landlord in connection therewith shall constitute additional rental payable by Tenant under this Lease

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and shall be paid by Tenant in full on demand of Landlord, together with interest, the Prime rate, as published in the Wall Street Journal, plus two percent, thereon from the date the same was paid by Landlord as provided herein. Tenant shall not have the authority to subject the interest or estate of Landlord to any liens, rights to liens or claims of liens for services, material, supplies or equipment furnished to Tenant, and all persons contracting with Tenant are hereby charged with notice that they must look to Tenant and to Tenant's interest only to secure payment.

All alterations, additions or improvements, including, but not limited to, fixtures, partitions, counters and window and floor coverings, which may be made or installed by either of the parties hereto upon the Premises, irrespective of the manner of annexation, and irrespective of which party may have paid the cost thereof, shall, at the option of Landlord, be the property of Landlord, and shall remain upon and be surrendered with the Premises as a part thereof at the termination of this Lease, without disturbance, molestation or injury; provided, however, Tenant shall have the right to remove from the Premises movable office furniture, data processing and related equipment and improvements put in at the expense of Tenant, but only if such furniture, equipment and improvements were not constructed or installed as part of the "Improvements" pursuant to the Work Letter Agreement. Tenant shall, prior to the expiration or upon termination of the Lease, restore any areas damaged or affected by the removal of any such furniture, equipment and improvements to the condition existing prior to the installation of such furniture, equipment and improvements. The parties acknowledge and agree that any improvements, alterations, additions, equipment or facilities constructed or installed as part of the "Improvements" pursuant to the Work Letter Agreement shall be the property of Landlord and shall remain upon and be surrendered with the Premises as a part thereof at the termination of this Lease, even if such improvements, alterations, additions, equipment or facilities are considered movable office furniture, data processing or related equipment or improvements or shop equipment.

Landlord shall be under no obligation to insure such alterations, additions, improvements, partitions and fixtures or anything in the nature of a leasehold improvement made or installed by or on behalf of Tenant, and all property of Tenant, Tenant's agents, servants, employees, invitees, licensees, contractors, subcontractors or any other person, shall be on the Premises at the risk of Tenant only, and Landlord, shall not be responsible for any damage, destruction, or theft thereof, unless such damage, destruction or theft results from a breach by Landlord of the obligations imposed on it by this Lease. In the event Landlord makes any capital investment, major structural repairs or improvements in or to the Premises or the building of which the Premises are a part (including, without limitation, the main building, and the connecting corridors thereto) (the "Building") which capital investment, major structural repairs or improvements is or are required by any act of omission or commission by Tenant, its servants, agents, employees, contractors, subcontractors, licensees or invitees, any and all costs and expenses incurred by Landlord in making such capital investment, major structural repairs or improvements shall constitute additional rental payable by Tenant under this Lease and shall be paid by Tenant in full on demand of Landlord, together with interest thereon from the date of

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[Signature]

such demand as provided herein. Failure to make such payment shall constitute an Event of Default under Paragraph 13 (c) herein.

5. **Delay in Commencement.** [Intentionally Deleted]

6. **Repair by Tenant and Removal of Improvements and Alterations Upon Termination.**

(a) Tenant will, at Tenant's expense, take good care of Premises and the fixtures and appurtenances therein, and will suffer no active or permissive waste or injury thereof; and Tenant shall, at Tenant's expense, but under the direction of Landlord, promptly repair any injury or damage to Premises or any other portion of the Project caused by Tenant's misuse or neglect thereof, or by persons permitted on Premises by Tenant or Tenant's moving in or out of the Premises. Failure to make such repairs shall constitute an Event of Default under Paragraph 13 (c) herein.


(b) Other than the matters specified in the Work Letter Agreement attached as Exhibit "C" hereto, Tenant will not, without Landlord's written consent, (which shall not be unreasonably withheld) make any alterations, additions or improvements in or about Premises, and will not do anything to or on the Premises, which will increase the rate of fire insurance on the Building. Any such changes in or about the Premises that are made with prior written approval of the Landlord, which changes would cause an increase in the rate of insuring the building, shall be made on condition that the Tenant pay the incremental rate increase. (c) No later than the last day of Term, Tenant will remove all Tenant's personal property and repair all injury done by or in connection with installation or removal of said property and surrender Premises (together with all keys to Premises) in as good a condition as they were at the beginning of Term, reasonable wear and tear or casualty excepted. All property of Tenant remaining on Premises after expiration of Term shall be deemed conclusively abandoned and may be removed by Landlord, and Tenant shall reimburse Landlord for cost of removing the same, subject however, to Landlord's right to require Tenant to remove any improvements or additions made to Premises by Tenant pursuant to the same preceding sub-paragraph (b).

7. **Repairs by Landlord.** Landlord shall not be required to make any replacements or repairs of any kind or character to the Premises, Building or Project during the Term, except such repairs as are set forth in this paragraph and set forth in Exhibit "C". Landlord shall maintain only the roof, the structural soundness of the exterior walls of the Building and Building standard heating, ventilating and air conditioning under an HVAC contract. Landlord shall not be liable to Tenant, or Tenant's agents, licensees, invitees or other visitors to the Premises, Building or Project, except as expressly provided in this Lease, for any damages to person or property or inconvenience, or for consequential damages of any nature, by reason of any repairs, alterations or additions made or to be made by Landlord under this Lease.

8. **Use and Purpose.** Tenant shall use and occupy the Premises only for the development and implementation of programs for the benefit of the South Decatur community,

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including catering and special event purposes. All program activities shall be consistent with the stated purposes and subject to the limitations of the original Articles of Incorporation of the Tenant.

Tenant shall have the non-exclusive use of the yard in front of the Premises (the "Outside Area") as delineated on Exhibit "E" hereto during regular weekday business hours, defined as Monday-Friday from 8 a.m. to 6 p.m. At any other times, Tenant shall be permitted exclusive use of the Outside Area as delineated on Exhibit "E" hereto. Provided, however, that such use shall be subject to the terms and conditions hereof which otherwise relate to the Premises, including insurance requirements, the obligation to repair damage, maintain security to the Project and the Building, and the like. Tenant's use of the Premises and the Outside Area shall not violate any ordinance, law or regulation of any governmental body with proper jurisdiction or the "Rules and Regulations" of Landlord, attached hereto as Exhibit "B" and by this reference made a part hereof, as the same shall be amended by Landlord from time-to-time and shall not create any nuisance or trespass. Any such amendments shall not be inconsistent with Tenant's mission statement, and its original articles of incorporation and by-laws. Moreover, Tenant agrees to conduct its business in a manner according to the generally accepted written code of ethics or business principles of the business or profession in which Tenant is engaged.

Tenant's use or sublease of the Premises for special events shall at all times be and remain consistent with Tenant's business purposes, as stated in Tenant's original articles of incorporation, a copy of which are attached hereto as Exhibit "D". Tenant acknowledges and agrees that the Premises form an integral part of the Project in which the Premises are located, and Tenant shall not sublease the Premises to other tenants of the Project at rates in excess of the rental offered for sublease to the general public.

8(a). Notwithstanding the foregoing, Landlord shall be allowed to reserve space within the Premises up to four (4) times per calendar year, for up to eight (8) hours at time, upon thirty (30) days notice free of charge; provided that, at the time of Landlord's giving such notice, there are no previous scheduled events that conflict with Landlord's desired date for use of the Premises. Landlord shall be responsible for any costs associated with its use of the Premises including but not limited to clean up and damage repair cost, if any. Tenant shall provide to Landlord a certification within thirty (30) days after the first (1st) day of each Lease Year hereunder, certifying that Tenant is in compliance with the provisions hereof. Failure to provide such certification shall constitute an Event of Default under Paragraph 13 (c) herein.

Landlord and Tenant hereby agree that one of the four dates reserved under this paragraph 8 (a) for the year 2002 shall be October 18, 2002.

8 (b) Landlord and Tenant hereby agree that the residents of the Independent Communities, Inc. housing, consisting of 14 rental apartment units sharing the overall historic Scottish Rite site on which the Project is located ("Independent Communities") shall be allowed to reserve space within the Elizabeth Wilson Building up to four (4)

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times per calendar year, for up to four hours at a time, upon ten (10) days notice at no cost, provided that, at the time of notice, there are no previous scheduled events that conflict with Independent Communities desired date for use of the Premises. Independent Communities shall be responsible for any costs associated with its use of the Premises including but not limited to clean up and damage repair cost, if any.

8 (c) Landlord and Tenant hereby agree that Tenant will use the Premises and Outside Area as an "events facility" from time to time. Tenant will ensure that debris has been removed from the Outside Area and any parking lots or parking areas and city streets after such use of the Premises.

Tenant shall use its best efforts to prevent its sublessees, entities entering into Short Term Rental Agreements under Paragraph 15 herein, or other beneficiaries of the use of the Premises from entering or infringing on the space occupied by other tenants of the Building or Project.

9. Building Services.

(a) Landlord shall furnish to the Premises (i) hot and cold water for drinking, cleaning and lavatory purposes ; and (ii) Electrical current and gas as provided in Exhibit "C." The cost of water, electrical and gas service will be borne by the Tenant. Landlord may provide additional services not enumerated above and may make changes from time to time in the delivery of utilities and services to the Premises consistent with the permitted use of the Premises, and provided that such changes do not materially and adversely affect Tenant's ability to conduct normal and customary business operations from the Premises. Landlord has the sole right to select utility suppliers to the Premises and the Building.

(b) Failure by Landlord to any extent to furnish the services specified above or any other services not enumerated, or any cessation thereof, shall not render Landlord liable in any respect to Tenant, or Tenant's agents, licensees, invitees or other visitors to the Premises, Building or Project for damages to either person or property or for consequential damages of any nature be construed as a constructive or actual eviction of Tenant, work an abatement of rent or relieve Tenant from fulfillment of any covenant in this Lease unless such failure is a result of the gross negligence or willful misconduct of Landlord. If any equipment or machinery breaks down, or for any cause ceases to function properly, Landlord shall use reasonable diligence to repair the same promptly, but Tenant shall have no claim for abatement or rebate of rent on account.

(c) [Intentionally deleted]

10. Taxes.

Tenant shall pay to Landlord, as Additional Rental for each Lease Year during the Term hereof, an amount equal to all taxes, assessments and government charges levied or assessed with respect to the Premises, if any, whether federal, state, county or municipal

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and whether they be by taxing districts or authorities presently taxing the Project or by others subsequently created or otherwise, and any other taxes and assessments attributable to the Premises or its operation (and the costs of contesting any of the same), including community improvement district taxes and/or assessments and business license taxes and fees, and any assessments imposed on personal property of Landlord located on the Premises. Landlord has financed the Project in part through Historic Tax Credits, which result in a freeze in the valuation by the county in which the Project is located for the first five years. As of January 1, 2002, that value was set at \$350,000 for the Project, and \$50,700 for the Elizabeth Wilson Building. Landlord and Tenant agree to the proration of taxes upon the following formula: the Premises (including both the East Wing and the Elizabeth Wilson Building), total approximately 6,324 square feet under the provision of Paragraph 1 herein, of a total of 25,400 square feet in the Project, equals 24.90% of the total Project. Tenant will therefore pay 24.90% of the taxes assessed from time to time by the county and the city in which the Project and the Elizabeth Wilson Building are located. It is agreed by Tenant that Tenant will be responsible for ad valorem taxes on its personal property, and Tenant will be responsible for ad valorem taxes on the value of the leasehold improvements in the Premises, if Premises is included within a larger tax parcel.

11. **Destruction or Damage to Premises.** In addition to insurance to be maintained on the Premises pursuant to Paragraph 19 herein, Landlord will maintain insurance acceptable to its lenders. If the Premises are made untenable in whole or in part by fire or other casualty, then, provided Landlord receives proceeds of insurance to cover the same, Landlord shall repair and restore the Premises to a condition substantially similar to the condition of the Premises immediately preceding such fire or casualty. If such damage shall be so extensive that the Premises cannot be restored by the Landlord within a period of eight (8) months, (as evidenced by a written declaration from Landlord to Tenant to be given by Landlord within sixty (60) days after the date of such damage), Tenant shall have the right to cancel this Lease by notice to the Landlord given at any time within fifteen (15) days after the date of such notice. If this Lease is not so terminated, Landlord will promptly repair the damage at the Landlord's expense, subject to receipt of insurance proceeds and to the provisions or requirements of any mortgagee of the Building or the Project. If the Premises are not fully repaired within eight (8) months after date of such damage, then Tenant has the right to terminate this Lease within ten (10) days of the expiration of such eight (8) month period; provided, however, Tenant shall have no right to terminate this Lease if, during such ten (10) day period, Landlord completes the repair of the Premises.
12. **Rules and Regulations.** Tenant will observe and comply with the "Rules and Regulations" attached hereto as Exhibit "B" and made a part hereof, and such further reasonable rules and regulations as Landlord may prescribe, on written notice to Tenant, for the safety, care and cleanliness of the Building, and the comfort, quietness and convenience of other occupants of the Building or the Project.

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13. **Events of Default.** The happening of any one or more of the following events (hereinafter any one of which may be referred to as an "Event of Default") during the Term of this Lease, or any renewal or extension thereof, shall constitute a breach of this Lease on the part of the Tenant: (a) Tenant fails to pay any rental as provided for herein, within fifteen (15) days' after receipt of written notice from Landlord to cure such monetary defaults; (b) Tenant abandons or vacates the Premises, defined as not occupying or using the space for a period of one hundred twenty (120) days; (c) Tenant fails to comply with or abide by and perform or begin to perform any other obligation imposed upon Tenant under this Lease within thirty (30) days after receipt of written notice from Landlord, except as expressly stated herein to the contrary; Tenant shall diligently pursue such compliance, but if such compliance is not capable of being completed within thirty (30) days after receipt of written notice, then Tenant shall have up to one hundred and twenty (120) days to cure such non-monetary defaults. (d) Tenant shall make a general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due, or shall file a petition in bankruptcy, or shall be adjudicated as bankrupt or insolvent, or shall file a petition in any proceeding seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, or shall file an answer admitting or fail timely to contest the material allegations of a petition filed against it in any such proceeding; or (e) a proceeding is commenced against Tenant seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, and such proceeding shall not have been dismissed within forty-five (45) days after the commencement thereof; (f) a receiver or trustee shall be appointed for the Premises or for all or substantially all of the assets of Tenant ; (g) Tenant shall do or permit to be done anything which creates a lien upon the premises, the Project, or the Building and such lien is not removed or discharged within fifteen (15) days after the filing thereof; or (h) Tenant's effects are levied upon or attached under process against Tenant, which is not satisfied or dissolved within thirty (30) days after written notice from Landlord to Tenant to obtain satisfaction thereof. (i) Landlord and Tenant have previously agreed in the Letter of Intent executed dated April 28, 2000 and executed May 1, 2000 that Tenant shall develop and implement programs for the benefit of the community on the Premises. Tenant agrees to provide on-going programs consistent with its mission and original Articles of Incorporation within one (1) year of the date of the execution of this Lease, and failure to do so shall constitute an Event of Default herein.

Notwithstanding the provisions of Paragraph 13 (a) and (c) herein, Landlord and Tenant hereby agree that in the event of a dispute, Landlord and Tenant will enter into one (1) session of mandatory mediation, not to exceed one (1) business day in length, during the cure period specified in Paragraph 13 (a) and (c). The mediation session will be carried out by a mediator to be mutually agreed upon, such as the DeKalb Alternative Dispute Resolution Center, or other such mediator to be mutually agreed upon. Each party will be responsible for its own legal or attorney costs, if any, for this session.

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14. **Remedies Upon Default.** Upon the occurrence of an Event of Default, Landlord, in addition to any and all other rights or remedies it may have at law or in equity, shall have the option of pursuing any one or more of the following remedies:

(a) Landlord may terminate this Lease by giving notice of termination, in which event this Lease shall expire and terminate on the date specified in such notice of termination, with the same force and effect as though the date so specified were the date herein originally fixed as the termination date of the term of this Lease, and all rights of Tenant under this Lease and in and to the Premises shall expire and terminate, and Tenant shall remain liable for all obligations under this Lease arising up to the date of such termination and Tenant shall surrender the Premises to Landlord on the date specified in such notice;

(b) Landlord may, without terminating this Lease, declare immediately due and payable all annual rental and additional rental due and coming due under this Lease for the entire remaining term hereof, together with all other amounts previously due, at once; provided, however, that such payment shall not be deemed a penalty or liquidated damages but shall merely constitute payment in advance of rent for the remainder of said term; upon making such payment, Tenant shall be entitled to receive from Landlord all rents received by Landlord from other assignees, tenants and subtenants on account of the Premises during the term of this Lease, provided that the monies to which Tenant shall so become entitled shall in no event exceed the entire amount actually paid by Tenant to Landlord pursuant to this clause (C) less all costs, expenses and attorney's fees of Landlord incurred in connection with the reletting of the Premises; or

(c) Without liability to Tenant or any other party and without constituting a constructive or actual eviction, Landlord may suspend, or discontinue furnishing or rendering to Tenant any property, material, labor, utilities or other service, wherever Landlord is obligated to furnish or render the same, so long as Tenant is in default under this Lease.

(d) Landlord may allow the Premises to remain unoccupied and collect Base Rental and other charges due hereunder from Tenant as they come due.

(e) Landlord may perform, as agent for and at the expense of Tenant, any obligation of Tenant under this Lease which Tenant has failed to perform and of which Landlord shall have given Tenant notice and opportunity to cure as provided herein, the cost of which performance by Landlord together with interest thereon at the default rate from the date of such expenditure, shall be deemed additional rental and shall be payable by Tenant to Landlord upon demand, and Tenant agrees that Landlord shall not be liable for any damages resulting to Tenant from such action, whether caused by negligence of Landlord or otherwise.

(f) Landlord may exercise any other legal or equitable right or remedy which it may have, including, but not limited to Landlord's right judicially to obtain possession pursuant to Georgia statutory law.

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(g) Landlord may re-lease the Premises or any part thereof, on such terms and conditions as Landlord may deem satisfactory, and Landlord may then receive the rent for any such re-leasing, the amount of any such rent shall be credited against any liability of the Tenant to the Landlord.

Notwithstanding the provisions of clause (e) above or any other provision of this Lease and regardless of whether a "default" shall have occurred, Landlord may exercise the remedy described in clause (e) without any notice to Tenant if Landlord, in its good faith judgment, believes it would be materially injured by failure to take rapid action or if the unperformed obligation of Tenant constitutes an emergency. Any costs and expenses incurred by Landlord (including, without limitation, reasonable attorneys' fees) in enforcing any of its rights or remedies under this Lease shall be deemed additional rental and shall be repaid to Landlord by Tenant on demand therefore.

Pursuit of any of the foregoing remedies shall not preclude pursuit of any other remedy herein provided or any other remedy provided by law or at equity, nor shall pursuit of any remedy herein provided constitute an election of remedies thereby excluding the later election of an alternate remedy, or a forfeiture or waiver of any Base Rental, Additional rental or other charges and assessments payable by Tenant and due to Landlord hereunder or of any damage accruing to Landlord by reason or violation of any of the terms, covenants, warranties and provisions herein contained.

Neither the commencement of any action or proceeding, nor the settlement thereof, nor entry of judgment thereon shall bar Landlord from bringing subsequent actions or proceedings from time to time, nor shall the failure to include in any action or proceeding any sum or sums then due be a bar to the maintenance of any subsequent actions or proceedings for the recovery of such sum or sums so omitted. Landlord's pursuit of any remedy or remedies, including, without limitation, any one or more of the remedies stated above, shall not (i) constitute an election of remedies or preclude pursuit of any other remedy or remedies provided in this Lease or separately or concurrently or in any combination, or (ii) serve as the basis for any claim of constructive eviction, or allow Tenant to withhold any payments under this Lease.

The failure of Landlord to insist upon strict performance of any of the terms, conditions, and covenants herein shall not be deemed to be a waiver of any subsequent breach or default in the terms, conditions, and covenants herein contained except as may be expressly waived in writing.

Landlord shall in no event be in default in the performance of any of its obligations in this Lease unless and until Landlord shall have failed to perform such obligation within thirty (30) days or such additional time as is reasonably required to correct any such default, after notice by Tenant to Landlord properly specifying wherein Landlord has failed to perform any such obligation; Landlord shall diligently pursue such compliance, but if such compliance is not capable of being completed within thirty (30) days after receipt of written notice, then Landlord shall have up to one hundred and twenty (120) days to cure any such defaults.

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In the event of litigation involving or pertaining to the rights of Landlord and Tenant herein, each party agrees to pay its own legal expenses, including but not limited to court costs and attorney's fees.

15. **Assignment and Subletting.** Except as expressly set forth herein, Tenant shall not assign this Lease or any interest hereunder, or sublet the Premises or any part thereof, without the prior written consent of Landlord, which consent shall not be unreasonably withheld. For purposes hereof, a sale or transfer of interests in the entity comprising Tenant shall be deemed an assignment. Consent to any assignment or sublease shall not impair this provision and all later assignments or subleases shall be made likewise only on the prior written consent of Landlord. Any permitted assignee or sublessee of Tenant, at the option of Landlord, shall become liable to Landlord for all obligations of Tenant hereunder, but no sublease or assignment by Tenant permitted by Landlord shall relieve Tenant of any liability hereunder. Notwithstanding anything contained herein, Tenant shall be permitted to enter into Short Term Rental Agreements with third parties for use of the Premises in connection with special events, in accordance with Paragraph 8 of this Lease. For purposes hereof, "Short Term Rental Agreements" shall mean rentals for seven (7) days or less, whether written or oral. All Short Term Rental Agreements shall be consistent with the Rules and Regulations attached as Exhibit "B."

Landlord hereby expressly consents to the granting by Tenant of a security interest in this Lease to the South Decatur Community Development Corporation ("SDCDC") for the purpose of securing the repayment of a \$25,000 loan (the "Loan") made to Tenant by SDCDC. Landlord's consent to the granting of such a security interest is subject to the following conditions:

- (a) SDCDC shall give Landlord written notice of any failure by Tenant to make the payments required of it under the Loan within ten (10) days of the date of such failure.
- (b) SDCDC shall give Landlord written notice of its intent to accelerate the payment of the balance due on the Loan at the same time as such notice is given to Tenant.
- (c) SDCDC shall give Landlord additional written notice of its intent to exercise its right to assume the Lease upon the default of Tenant under the Loan Documents, and obtain the written acknowledgement of Landlord of that notice of intent.
- (d) SDCDC shall not sell, assign, or otherwise transfer its security interest in this Lease without the prior written consent of Landlord, and shall be bound by all the terms and conditions of the Lease, in the event that it exercises its right to assume the Lease upon the default of Tenant under the Loan Documents.
- (e) SDCDC, in the event it exercises its right to assume the Lease upon default of Tenant, will specifically adhere to the mission of the Tenant as outlined in the original Articles of Incorporation attached hereto as Exhibit "D". The SDCDC will provide programs to the population of South Decatur in form and substance at least equal to those provided by Tenant. SDCDC shall have one hundred and twenty (120) days from the time it exercises its right to assume the Lease, from the date of the written acknowledgement specified in section

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15 (c) herein, in which to begin providing programs to the population of South Decatur. Failure to provide such programs within the time provided shall constitute an Event of Default herein, per the provisions of Paragraph 13 herein.


(f) SDCDC, in the event it exercises its right to assume the Lease upon default of Tenant, shall be bound by all other terms and conditions of the Lease.

16. **Eminent Domain.** If all or any part of the Premises or of the Building or any estate therein is taken by virtue of eminent domain or conveyed or leased in lieu of such taking, at Landlord's option, this Lease shall expire on the date when title shall vest. It is expressly agreed that the Tenant shall not have any right or claim to any award made to or received by the Landlord for such taking, except as set forth below, provided however, that widening of streets abutting the land on which the Project stands shall not effect this Lease, provided no part of the Premises is so taken. In the event that all or any part of the Premises or the Building or any estate therein is taken by virtue of eminent domain or conveyed or leased in lieu of such taking, the proceeds of any award made to or received by the Landlord for such taking shall first be applied to the payment of any outstanding debt on the Project. Tenant shall have the right to receive a pro rata portion of any proceeds of such an award that may remain after all the outstanding debt on the Project is paid, such portion to be determined by comparing the square footage of the total amount of the Project that is so taken to the square footage of the premises that is so taken
17. **Entry for Carding and Repairs.** Landlord may enter Premises, with 24 hours prior notice to Tenant (except in the case of an emergency or if Tenant waives said right to prior notice), at reasonable hours with prospective purchasers or tenants of the Building or to inspect the Premises or to make repairs required by Landlord under the terms hereof or repairs to adjoining space within the Building.
18. **Subordination.** This Lease and Tenant's interest hereunder shall at all times be subject and subordinate to the lien and security title of any deeds to secure debt, deeds of trust, mortgage or other interests heretofore or hereafter granted by Landlord or which otherwise encumber or affect the Premises and to any and all advances to be made thereunder and to all renewals, modifications, consolidations, replacements, substitutions and extensions thereof (all of which are hereinafter called the "Mortgage"). This clause shall be self-operative and no further instrument of subordination need be required by any holder of any Mortgage. In confirmation of such subordination, however, Tenant shall, at Landlord's request, promptly execute, acknowledge and deliver any instrument, within fifteen (15) calendar days, which may be required to evidence subordination to any Mortgage and to the holder thereof, and, in the event of a failure so to do, Landlord may, in addition to any other remedies for breach of covenant hereunder, execute, acknowledge and deliver the same as agent or attorney-in-fact of Tenant, and Tenant hereby irrevocably constitutes Landlord its attorney-in-fact for such purpose, Tenant acknowledges that such appointment is coupled with an interest and is irrevocable. Tenant hereby waives and releases any claim it might have against Landlord or any other party for any actions lawfully taken by the holder of any Mortgage.

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If the holder of any Mortgage shall hereafter succeed to the right of Landlord 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 and shall promptly execute and deliver any instrument that may be necessary to evidence such attornment. Upon such attornment, this Lease shall continue in full force and effect as a direct Lease between such successor Landlord and Tenant, subject to all of the terms, covenants and conditions of this Lease. In the event of a sale or other conveyance by Landlord of Landlord's interest in the Premises, whether voluntary or involuntary, other than a transfer for security purposes only, Landlord shall be relieved, from and after the date of transfer, of all obligations and liabilities hereunder provided such purchaser or other transferee shall take such interest subject to the terms of this Lease. This Lease, shall not be affected by any such sale or other conveyance and Tenant shall attorn to the purchaser or other transferee.

19. **Indemnity and Insurance.** Tenant agrees to and hereby does indemnify and save Landlord harmless against all claims for damages to persons or property by reason of Tenant's use or occupancy of the Premises or any of the acts or omissions of Tenant or its employees, agents, contractors or licensees occurring in or about the Project, and all expenses incurred by Landlord because thereof, including attorney's fees and court costs. Supplementing the foregoing and in addition thereto, Tenant shall during all times of this Lease and any extension or renewal thereof, and at Tenant's expense, maintain in full force and effect (i) comprehensive general liability insurance with limits of \$500,000 per occurrence for personal injury or death to persons, and property damage limits of \$500,000 which insurance shall contain a special endorsement recognizing and insuring any liability accruing to Tenant under the first sentence of this Paragraph 19, and naming Landlord as additional insured and loss payee and (ii) replacement value casualty insurance naming Landlord as additional insured and loss payee, each to be issued by an insurance company which is acceptable to Landlord and provide that said insurance shall not be canceled unless thirty (30) days' prior written notice shall have been given to Landlord. Tenant shall provide evidence of such insurance to Landlord prior to the commencement of the term of this Lease. Failure to comply with this Paragraph 19 shall constitute an Event of Default under Paragraph 13 (c) herein. Landlord and Tenant each hereby release and relieve the other, and waive its right of recovery, for loss or damage arising out of or incident to the perils insured against which perils occur in, on or about the Premises, whether due to the negligence of Landlord or Tenant or their agents, employees, contractors, and/or invitees, to the extent that such loss or damage is within the policy limits of said comprehensive general liability insurance. Landlord and Tenant shall, upon obtaining the policies of insurance required, give notice to the insurance carrier or carriers that the foregoing mutual waiver of subrogation is contained in this Lease.
20. **Remedies Cumulative.** The rights given to Landlord herein are in addition to any rights that may be given to Landlord by any statute or otherwise.

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21. **Holding Over.** In the event of holding over by Tenant subsequent to the expiration or other termination of this Lease and without regard to Landlord's acquiescence or consent, Tenant shall pay as liquidated damages a monthly rent equal to 200% of the monthly rent payable immediately prior to such expiration or termination of this Lease for the duration of such period. Additionally, during such holding over without Landlord's acquiescence and without any express agreement of the parties, the Tenant shall be a tenant at sufferance which tenancy shall be terminated absolutely and without remedy upon thirty (30) days written notice of such intent by either party. There shall be no renewal of this Lease by operation of law. No payments of money by Tenant to Landlord after the termination of this Lease shall reinstate, continue, renew or extend the Term and no extension of this Lease after the termination hereof shall be valid unless and until the same shall be reduced to writing and signed by both Landlord and Tenant. Tenant shall be liable to Landlord for all damage which Landlord shall suffer by reason of Tenant's holding over and Tenant shall indemnify, defend and hold Landlord harmless against all claims made by any other tenant or prospective tenant against Landlord resulting from delay by Landlord in delivering possession of the Premises to such other tenant or prospective tenant.
22. **No Waiver or Changes.** The failure of either party to insist in any instance on strict performance of any covenant or condition hereof, or to exercise any option herein contained, shall not be construed as a waiver of such covenant, condition or option in any other instance. This Lease cannot be changed or terminated orally.
23. **Paragraph Titles.** The paragraph titles in this Lease are included for convenience only and shall not be taken into consideration in any construction or interpretation of this Lease or any of its provisions.
24. **Notice.** (a) Any notice by either party to the other shall be valid only if in writing and shall be deemed to be duly given only if delivered personally or sent by registered or certified mail addressed (i) if to Tenant, at the Premises, and (ii) if to Landlord at the address set forth in Paragraph 2 hereinabove, or at such other address for either party as that party may designate by notice to the other; notice shall be deemed given, if delivered personally, upon delivery thereof, and if mailed upon the mailing thereof.
- (b) Tenant hereby appoints as its agent to receive service of all dispossessory or distraint proceedings, the person in charge of or occupying the Premises at the time of such service; and if there is no person in charge or occupying same, then such services may be made by attachment thereof on the main entrance to Premises.
25. **Heirs and Assigns.** The provisions of this Lease shall bind and inure to the benefit of Landlord and Tenant, and their respective successors, heirs, legal representatives and assigns; it being understood that the term "Landlord", as used in this Lease, means only the owner, or the mortgagee in possession or the Landlord for the time being of the land and Building of which Premises are a part, so that in the event of any sale or sales of said property or of any lease thereof, or if the mortgagee shall take possession thereof, the Landlord named herein, from and after the date of such transfer, shall be and hereby is

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entirely freed and relieved of all covenants and obligations of Landlord hereunder, and it shall be deemed without further agreement that the purchaser, mortgagee in possession or the Landlord, as the case may be, has assumed and agreed to carry out any and all covenants and obligations of Landlord hereunder. Should the land and the entire Building be severed as to ownership by sale and/or lease, then the owner of the entire Building or Tenant of the entire Building that has the right to lease space in the Building to Tenant shall be deemed "Landlord."

26. **Entire Agreement.** This Lease contains the entire agreement relating to the Lease of the Premises of the parties hereto and no representations, inducements, promises or agreements, oral or otherwise, between the parties not embodied herein, shall be of any force or effect.
27. **Attorney's Fees and Homestead.** If any rent owing under this Lease is collected by or through an attorney at law, Tenant agrees to pay any reasonable attorney's fees. Tenant waives all homestead rights and exemptions which he may have under any law as against any obligations owing under this Lease. Tenant hereby assigns to Landlord his homestead and exemption.
28. **The Parties.** "Landlord", and "Tenant", and "Agent", and pronouns relating thereto, as used herein, shall include male, female, singular and plural, corporation, partnership or individual, as may fit the particular parties.
29. **No Estate in Land.** Tenant has only usufruct under this Agreement, not subject to levy and sale; no estate shall pass out of Landlord.
30. **Time of Essence.** Time is of the essence of this Agreement.
31. **Real Estate Commission.** Tenant and Landlord warrant and represent that they have had no dealings with any broker or agent in connection with this Lease.
32. **Exculpation of Landlord and Tenant.** Landlord's and Tenant's obligations to each other with respect to this Lease shall be limited solely to Landlord's and Tenant's interest in the Project and Premises, and neither Landlord nor Tenant nor any joint ventures (if any), partners, officers, directors, members, employees or shareholders of or in Landlord or Tenant shall have any personal liability whatsoever with respect to this Lease toward each other
33. **Hazardous Waste.** The term "Hazardous Substances," as used in this Lease shall mean pollutants, contaminants, toxic or hazardous wastes, or any other substances, the removal of which is required or the use of which is restricted, prohibited or penalized by any "Environmental Law," which term shall mean any federal, state or local law or ordinance relating to pollution or protection of the environment. Tenant hereby agrees that (i) no activity will be conducted on the Premises that will produce any Hazardous Substance, except for such activities that are part of the ordinary course of Tenant's business, such as cleaning supplies sold and used in the ordinary course of business, or the business of any

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permitted assignee or sublessees of Tenant (the "Permitted Activities"), provided such Permitted Activities are conducted in accordance with all Environmental Laws and have been approved in advance, in writing, by Landlord, (ii) the Premises will not be used in any manner for the storage of any Hazardous Substances except for the storage of such materials that are used in the ordinary course of Tenant's business, or the business of any permitted assignee or sublessee of Tenant (the "Permitted Materials"), provided such Permitted Materials are properly stored in a manner and location meeting all Environmental Laws and approved in advance, in writing, by Landlord; (iii) Tenant will not permit any Hazardous Substances to be brought onto the Premises, except for the Permitted Materials described above, and if so brought or found located thereon, the same shall be immediately removed, with proper disposal, and all required cleanup procedures shall be diligently undertaken pursuant to all Environmental Laws. If, at any time during or after the Term of the Lease, the Premises are found to be so contaminated or subject to said conditions, Tenant agrees to indemnify and hold Landlord harmless from all claims, demands, actions, liabilities, costs, expenses, damages and obligations of any nature arising from, or as a result of, the use of the Premises by Tenant and/or the introduction by Tenant or its employees, contractors, invitees, licensees, or agents of any Hazardous Substances to the Project. The foregoing indemnification shall survive the termination or expiration of this Lease.

34. **Governmental Orders.** Tenant agrees, at its own expense, to comply promptly with all requirements of any legally constituted public authority made necessary by reason of Tenant's occupancy of the Premises. Landlord agrees to comply promptly with any such requirements if not made necessary by reason of Tenant's occupancy. It is mutually agreed, however, between Landlord and Tenant, that if in order to comply with such requirements, the cost of Landlord or Tenant, as the case may be, shall exceed a sum equal to \$500,000, then Landlord or Tenant who is obligated to comply with such requirements may terminate this Lease by giving written notice of termination to the other party by registered mail, which termination shall become effective sixty (60) days after receipt of such notice and which notice shall eliminate the necessity of compliance with such requirements by giving such notice unless the other party shall, before termination becomes effective, pay to the party giving such notice all cost of compliance in excess of \$500,000, or secure payment of said sum in manner satisfactory to the party giving notice.
35. **Force Majeure.** In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder or the completion or performance of any work required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, restrictive government laws or regulations, riots, insurrection, war or other reason beyond the reasonable control of such party (other than inability to obtain funds), then performance or completion of such act or work shall be extended for a period equivalent to the period of such delay. The provisions of this Paragraph shall not cancel or postpone or delay the due date of any payment to be made by Tenant hereunder, or operate to excuse Tenant from prompt

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payment of Base Rent, additional rental or any other amount due required by the terms of this Lease.

36. **Severability.** The terms, conditions, covenants and provisions of this Lease shall be deemed to be severable. If any clause or provision herein contained shall be adjudged to be invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, it shall not affect the validity of any other clause or provision herein, but such other clauses or provisions shall remain in full force and effect.
37. **Quiet Enjoyment.** If Tenant shall pay the rent reserved herein and other amounts to be paid by Tenant to Landlord, and well and faithfully keep, perform, and observe all of the covenants, agreements and conditions herein stipulated to be kept, performed and observed by Tenant, Tenant shall at all times during the term of the lease have the peaceable and quiet enjoyment of the premises without hindrance of Landlord or any person lawfully claiming under Landlord subject, however, to the terms of this Lease.
38. **Estoppel Certificate.** Tenant shall upon request from Landlord at any time and from time to time execute, acknowledge and deliver to Landlord a written statement certifying as follows: (a) that this Lease is unmodified and in full force and effect (or if there has been modification thereof, that the same is in full force and effect as modified and stating the nature thereof); (b) that to the best of its knowledge there are no uncured defaults on the part of Landlord (or if any such default exists, the specific nature and extent thereof); (c) the date to which any rents and other charges have been paid in advance, if any; and (d) such other matters as Landlord may reasonably request. Tenant shall have fifteen (15) calendar days in which to return such written statement. Tenant irrevocably appoints Landlord as its attorney-in-fact, coupled with an interest, to execute and deliver, for and in the name of Tenant, any document or instrument provided for in this paragraph.
39. **Governing Law.** The laws of the State of Georgia shall govern the validity, performance and enforcement of this Lease.
40. **Signage.** Landlord and Tenant acknowledge and agree that the Project (including the Premises) has been designated as an "Historic Landmark" and placed on the National Register of Historic Places by the United States Department of the Interior, Heritage Conservation and Recreation Service, and that Tenant, as a result of such designation, may be prohibited from erecting and installing signage thereabout. Landlord and Tenant further acknowledge and agree that Tenant, at Tenant's sole cost and expense, shall be allowed to erect, install and maintain any and all signage at the Premises permitted by and in accordance with any and all statutes, ordinances, rules, and regulations (the "Laws") governing the same. Notwithstanding the foregoing, Tenant shall not place any signs, decals, or other materials upon the windows or suite doors of the Premises nor on the exterior walls of the Premises. Any additional signage desired by Tenant shall be approved, in writing, by Landlord, which shall not be unreasonably withheld, and shall be in compliance with all Laws.

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41. **Liability of Landlord.** Other than as a result of Landlord's gross negligence or willful misconduct, Landlord shall not be liable to Tenant or to any persons, firm, corporation, or other business association claiming by, through, or under Tenant for failure to furnish or for delay in furnishing any service provided for in this Lease, and no such failure or delay by Landlord shall be an actual or constructive eviction of Tenant nor shall any such failure or delay operate to relieve Tenant from the prompt and punctual performance of each and all the covenants to be performed herein by Tenant other than as a result of Landlord's gross negligence or willful misconduct; nor for any latent defects in the Premises or Building; nor for defects in the cooling, heating, electric, water, elevator, or other apparatus or systems or for water discharged from sprinkler systems, if any, or from water pipes and plumbing facilities in the Building; nor for the theft, mysterious disappearance, or loss of any property of Tenant whether from the Premises or any part of the Building or the Project; and nor from interference disturbance, or acts to or omitted against Tenant by third parties, including, without limitation other occupants of the Building or the Project and any such occurrences shall not constitute an actual or constructive eviction of Tenant. Tenant shall look solely to the interest of Landlord in the Building for the satisfaction of any obligation of Landlord hereunder.
42. **Submission of Lease.** The submission of this Lease for examination does not constitute an offer to lease nor a reservation of space even if said lease is executed by Landlord, and this Lease shall be effective only upon execution hereof by Landlord and Tenant and delivery of a counterpart hereof to Landlord and Landlord's acceptance and final approval thereof.
43. **Laws and Regulations; Building Rules and Regulations.** Tenant shall comply with, and Tenant shall cause its agents, contractors, customers, employees, invitees, licensees, servants and visitors to comply with (a) all applicable laws, ordinances, orders, rules and regulations (state, federal, municipal and other agencies or bodies having any jurisdiction thereof) relating to the use, condition or occupancy of the Premises or the conduct of Tenant's business therein, including, without limitation, the Americans With Disabilities Act of 1990; and (b) the Building Rules and Regulations set forth in Exhibit "B", as such Rules and Regulations are modified and supplemented by Landlord from time to time, which changes shall not be inconsistent with Tenant's mission statement, for the safety, care and cleanliness of the Premises and the Building, or for the preservation of good order therein, all of which will be sent by Landlord to Tenant in writing and shall be thereafter consistently applied by Landlord and carried out and observed by Tenant, its agents, contractors, customers, employees, invitees, licensees, servants and visitors. Tenant hereby expressly waives the benefit of all existing and future rent control laws and similar governmental rules and regulations, whether in time of war or not, to the full extent permitted by law.
44. **Contingency.** [Intentionally deleted]

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45. **Special Stipulations.** Special stipulations shall control if in conflict with any of the foregoing provisions in this Lease.

Parking. Tenant shall be restricted to the use by Tenant and its invitees of three (3) designated parking spaces at the Project, from Monday through Friday, during the hours of 8:00 a.m. to 6:00 p.m. At any other times, Tenant shall be permitted to use the parking lots associated with the Project with no limitation as to the number of spaces to be used by Tenant, subject only to availability. However, Tenant is not permitted to park in the marked handicapped-accessible spaces bordering the Independent Communities site and apartments.

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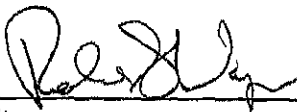
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IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

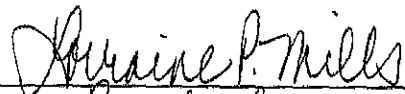
Signed sealed and delivered
in the presence of:



Witness

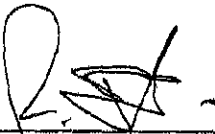
LANDLORD:

PROGRESSIVE DECATUR, LLC

By: 

Title: President


Signed sealed and delivered
in the presence of:



Witness

TENANT:

**COMMUNITY CENTER OF SOUTH
DECATUR, INC.**

By: 

(Authorized Signature)
Name: Kimberly M. Lyle
Title: President, Board of Directors

[CORPORATE SEAL]

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EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROJECT

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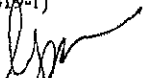
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EXHIBIT "A"

LEGAL DESCRIPTION OF LAND

All that tract or parcel of land lying and begin in Land Lot 213 of the 15th District of DeKalb County, Georgia, and being more particularly described as follows:

BEGINNING at a P.K. nail placed where the Southerly right to way line of West Benson Street (50' R/W) intersects the Southeasterly right of way line of Oakview Road (R/W 60'); running thence South 86 degrees 24 minutes 10 seconds East a distance of 59.34 feet to an iron pin placed; running thence South 01 degrees 15 minutes 33 seconds East a distance of 95.38 feet to an iron pin placed; running thence Southeasterly and following the arc of a curve to the right an arc distance of 7.83 feet to an iron pin placed, said arc being subtended by a chord having a bearing of South 47 degrees 02 minutes 04 seconds East a chord distance of 7.82 feet and a radius of 72.00 feet; running thence South 86 degrees 24 minutes 05 seconds East a distance of 114.76 feet to an iron pin placed; running thence South 03 degrees 35 minutes 50 seconds West a distance of 95.00 feet to an iron pin placed; running thence South 86 degrees 24 minutes 10 seconds East a distance of 117.49 feet to an iron pin found; running thence South 86 degrees 24 minutes 10 seconds East a distance of 50 feet to an iron pin found; running thence South 86 degrees 24 minutes 10 seconds East a distance of 50 feet to an iron pin placed; running thence North 03 degrees 35 minutes 50 seconds East a distance of 77.65 feet to an iron pin placed; running thence South 86 degrees 24 minutes 10 seconds East a distance of 99.06 feet to an iron pin placed; running thence South 04 degrees 03 minutes 23 seconds West a distance of 77.66 feet to an iron pin placed; running thence North 86 degrees 24 minutes 10 seconds West a distance of 97.44 feet to a P.K. nail; running thence South 03 degrees 35 minutes 50 seconds West a distance of 1.00 feet to a P.K. nail; running thence North 86 degrees 24 minutes 10 seconds West a distance of 91.20 feet to an iron pin; running thence South 03 degrees 20 minutes 31 seconds West a distance of 199.89 feet to an iron pin located on the northerly right of way of Hill Street (50' R/W); running thence North 86 degrees 30 minutes 00 seconds West along the Northerly right of way of Hill Street, a distance of 450.64 feet to a P.K. nail found at the intersection of the Northerly right of way line of Hill Street with the Southeasterly right of way line of Oakview Road; running thence North 15 degrees 20 minutes 00 seconds East along said right of way line of Oakview Road a distance of 129.56 feet to a point; running thence North 19 degrees 03 minutes 00 seconds East along said right of way line a distance of 99.38 feet to a point; running thence North 25 degrees 31 minutes 00 seconds East along said right to way line a distance of 23.43 feet to an iron pin placed; running thence South 75 degrees 31 minutes 11 seconds East and leaving said right of way line of Oakview Road a distance of 81.34 feet to an iron pin placed; running thence in a Southeasterly direction and following the curvature of an arc to the left an arc distance of 26.40 feet to an iron pin placed, said arc being subtended by a chord having a bearing of South 80 degree 58 minutes 49 seconds East a chord distance of 26.36 feet and a radius of 138.50 feet; running thence South 86 degrees 26 minutes 28 seconds East a distance of 6.85 feet to an iron pin placed; running thence North 03 degrees 33 minutes 32 seconds East a distance of 24.32 feet to an iron pin placed; running thence in a Northeasterly direction and following the curvature of an arc to the right an arc distance of 19.29 feet to an iron pin placed, said arc being subtended by a chord having a bearing of North 15 degrees 37 minutes 11 seconds East a chord distance of 19.15 feet and a radius of 46.00 feet; running thence Northwesterly and following the curvature of an arc to the left an arc distance of 13.21 feet to an iron pin placed, said arc being

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subtended by a chord having a bearing of North 01 degrees 28 minutes 28 seconds West a chord distance of 12.65 feet and a radius of 13.00 feet; running thence North 70 degrees 12 minutes 24 seconds West a distance of 93.82 feet to an iron pin placed on the Southeasterly right of way line of Oakview Road (50' R/W); running thence North 25 degrees 31 minutes 00 seconds East along said right of way line a distance of 6.82 feet to an iron pin placed; running thence North 32 degrees 01 minutes 00 seconds East along said right to way line a distance of 93.21 feet to a P.K. nail placed and the POINT OF BEGINNING. Said tract containing 2.7787 acres and being more fully described on that plat of survey prepared for Regions Bank, Stewart Title Guaranty Company and Progressive Decatur, LLC by Woolley & Associates, Inc., James W. Woolley, G.R.L.S. No. 1478, dated April 12, 2000, last revised March 8, 2001.

TOGETHER WITH The Appurtenant Easement Rights Benefiting The Above-Described Tract As Such Easement Rights Are Specifically Set Forth In That Certain Reciprocal Easement And Operating Agreement, Dated March 12, 2001 By Progressive Decatur, Llc, Recorded In Deed Book 11935, Page 490, Dekalb County, Georgia Records.

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EXHIBIT "B"

RULES AND REGULATIONS

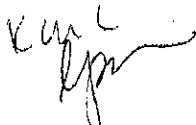
(which are referred to in the within Lease and made a part thereof)

1. The sidewalks, entry passages, corridors, halls, and stairways shall not be obstructed by Tenants, or used by them for any purpose other than those of ingress and egress.
2. The water closet and other water apparatus, shall not be used for any other purpose than those for which they were constructed, and no sweepings, rubbish, or other obstructing substances shall be thrown therein.
3. No advertisement or other notice shall be inscribed, painted or affixed on any part of the outside of the Building. Window shades, blinds or curtains of a uniform color and pattern only, as specified by Landlord, shall be used throughout the Building to give a uniform color exposure through exterior windows. No awnings shall be placed on Building.
4. No Tenant shall do or permit to be done in Building, or bring or keep anything thereon, which shall in any way obstruct or interfere with the rights of other Tenants, or in any way injure or annoy them, or conflict with the laws relating to fires, or with the regulations of the Fire Department, or any part thereof, or conflict with any of the rules and ordinances of the Board of Health. Tenants, their invitees and employees shall maintain order in the Building, shall not make or permit any improper noise in Building or interfere in any way with other Tenants or those having business with them. No rooms shall be occupied or used as sleeping or lodging apartments at any time without prior written permission of Landlord. No part of Building shall be used or in any way appropriated for gambling, immoral or other unlawful practices. No intoxicating liquor or liquors shall be sold in the Building by Tenant without Landlord's permission.
5. No birds, or gas powered vehicles shall be allowed into the offices, halls, corridors, or elsewhere in the Building.
6. All glass, locks and trimmings in or upon the doors and windows of Building shall be kept whole, and when any part thereof shall be broken, the same shall immediately be replaced and put in order under direction and to the satisfaction of Landlord, or its agent, and shall be left whole and in good repair. Tenants shall not deface Building, the woodwork or the walls of the Premises.
7. No additional locks or latches shall be put upon any door without the written consent of Landlord. Tenants at the termination of their Lease of the Premises shall return to Landlord all keys and security cards to doors in Building.
8. Landlord in all cases retains power to prescribe the weight and position of iron safes, files having excessive weight, or other heavy articles. Any damage done to Building or to

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Tenants or to other persons by taking a safe or other heavy article in or out of the Premises, for overloading a floor, or in any other manner shall be paid for by Tenant causing such damage.

9. Parking facilities supplied by Landlord for Tenants shall be used for vehicles that may occupy a standard parking area only (i.e. 8' x 13'). Moreover, the use of such parking facilities shall be limited to normal business parking and shall not be used for a continuous parking of any vehicle or trailer regardless of size.
10. The Landlord shall not be responsible to any Tenant for the non-observance or violation of any of these Rules and Regulations by any other Tenants.
11. Tenant shall not permit in the premises any electrical apparatus likely to cause an overload of electrical circuits, with the exception of a microwave oven, coke and coffee machine.
12. Tenant shall be permitted to maintain food and drink coin operating vending machines within its Premises for use by its employees and customers. Tenant agrees that all personal property, including machines permitted under this paragraph, brought into the Premises by Tenant, its employees, licensees and invitees shall be at the sole risk of Tenant and Landlord and shall not be liable for theft thereof or of money deposited therein or for any damages thereto; such theft or damage being the sole responsibility of Tenant.
13. All Tenants and occupants shall observe strict care not to leave their windows or doors open when it rains or snows, or while air-conditioning or heating systems are in operation, and for any fault or carelessness in any of these respects, shall make good any injury sustained by other Tenants, and to Landlord for damage to paint, plastering or other parts of the building, resulting from such default or carelessness.
14. This is a non-smoking building and Tenant shall not permit Tenant, its agents, employees, contractors, invitees, or guests to smoke in the Building.
15. Landlord may waive one or more of these Rules and Regulations for the benefit of any particular Tenant, but no such waiver by Landlord shall be construed as a waiver of such Rules and Regulations in favor of any other Tenant, nor prevent Landlord from thereafter enforcing such Rules and Regulations against any or all of the other Tenants of the building.
16. These Rules and Regulations are supplemental to, and shall not be construed to in any way modify or amend, in whole or in part, the terms, covenants, agreements and conditions of any lease of any premises in the building.

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EXHIBIT "C"

WORK LETTER

BUILDOUT, SPECIFICATIONS AND COMMENCEMENT DATE CONDITIONS

321 W. Hill Street

East Wing—Community Center of South Decatur

Landlord and Tenant have a shared belief in the value of a restored facility comprised of quality materials. Landlord shall do all work related to the restoration. Landlord as a part of its work shall provide and install the following Building Standard Improvements (collectively referred to as the "Base Building Improvements"). As used herein, the term "Building Standard" shall mean such materials as are described or depicted in the Building plans and specifications or materials of comparable quality as may be substituted therefor by Landlord. In any event, the Building Standard Improvements will be of quality levels comparable to the quality levels found in other historically renovated buildings. Terms capitalized herein and not otherwise defined herein shall have the meaning ascribed to such terms in the Lease.

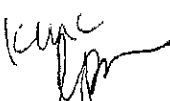
Landlord and Tenant agree that Landlord shall provide the following ("Landlord's Work"):

1. New Building Standard heating, ventilation, and air conditioning systems ("HVAC") installed in accordance with the plans and specifications for the Building including main units, with distribution ductwork installed in place with thermostats. Landlord has removed previously existing mechanical equipment.
2. New Building Standard automatic fire sprinkler system throughout the Premises, not to exceed one (1) semi-recessed type sprinkler head (mounted upright) per two hundred twenty-five (225) square feet of Useable Area (or such density as may be required by applicable codes), affixed to the structure and ready for extension and/or relocation so as to accommodate Tenant's partition plans. Landlord shall also furnish and install the Building Standard fire protection alarm and voice communications systems (including speakers) in the public areas in compliance with all applicable codes, which alarm and voice communications systems shall include provision for Tenant installation of additional speakers, if required by Tenant's layout, throughout the floor. Building fire alarm enunciators, fire extinguishers, exit light and ADA compliant strobes installed per Tenant's occupancy requirements.
3. Roof and exterior Building walls repaired and restored pursuant to the plans and specifications for the Building.

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4. Existing plaster walls patched and repaired as necessary, or covered with gypsum board, in accordance with plans and specifications for the Building. Walls have been painted the color choice provided by Tenant.
5. Floor structure on front porch area of wing repaired as required per plans and specifications for the Building, and ceiling repaired on porch, as necessary.
6. Sub-floor in rooms repaired as necessary, per structural condition. Floor finishes to be provided with a choice of carpet or vinyl composition tile ("VCT"), to be selected jointly between Landlord and Tenant, based upon an allowance of \$2.00 per square foot. Tenant acknowledges that they have chosen to have VCT installed in certain rooms, but have declined either carpet or VCT installed on the front and side porches, the main assembly room, and main hallway. Tenant has requested that Landlord leave those floors unfinished, and wishes to receive the allowance instead, based upon the actual square footage of the designated areas. Tenant intends to install hardwood floors in those areas, at its own cost and expense.
7. All existing single pane wood sash windows repaired and restored. Existing steel sash windows refurbished and reglazed in place.
8. Louvered glass lights in front doors replaced with divided wood frame glass.
9. Historic wooden doors at entries to Premises refurbished or repaired, in accordance with plans and specifications for the Building. All other interior doors have been replaced with new doors painted the color choice of the Tenant.
10. Toilets, partitions and sinks to be provided in bathroom in accordance with Tenant's occupancy and applicable building code requirements. Ceramic flooring has been installed, with color choice at the sole option of Landlord.
11. Landlord will provide kitchen fixtures limited to sink, stove and cabinets, the choice of which shall be at Landlord's discretion. Landlord has installed sink and cabinets.
12. Building Standard electrical equipment necessary to provide base building electrical service including the main electrical switch gear, buss duct, lighting/power panels, and lighting control points. All to be substantially in accordance with plans and specifications for the Building. Landlord shall provide four (4) watts per useable square foot for Tenant's connected load and installation of low voltage (120/208) electrical panels within the Building. Electrical outlets and light switches to be provided in accordance with Tenant's plans and in accordance with code.
13. Existing lighting was removed by Landlord, and new fixtures chosen by Landlord, per the plans and specifications for the Building, were installed.

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14. Building Standard exit signs in the public areas of the Building as required by code, including emergency power requirements for exiting.
15. Landlord provides a new handicap accessible concrete ramp with metal rails at rear exterior door to West connecting corridor. Connecting corridor: Landlord repaired floor and roof structure, and provided new gypsum board ceiling attached directly to the roof structure.
16. Security System, if any, is at the cost of the Tenant. Tenant acknowledges that certain low voltage installations, such as a security system, may require additional permits from the City of Decatur or applicable authority. It is the responsibility of the Tenant to obtain such permits. Tenant shall have the right to install security system once applicable permits have been received. The Security System is considered a permanent improvement to the Premises, pursuant to Paragraph 6 of this Lease.

Landlord and Tenant have approved the preliminary site plan, preliminary floor plan, outline specifications, and other construction criteria for the Premises (the "Plans"). The parties hereto agree that the Plans are sufficient in scope and detail to define the scope of the Landlord's Work.

The "punch list" of items to be completed in accordance with Paragraph 7 herein is attached to and made part of this Exhibit "C".

Tenant may propose changes to the Plans any time after finalization thereof and before the Landlord's Completion Date. As promptly as reasonably practicable after the receipt of any such proposed change, Landlord shall provide Tenant with a written estimate of the delay (if any) in the Landlord's Completion Date (which delay shall be a Tenant delay) and the increase (if any) to the costs of Landlord's Work which will result from such change (whether hard cost or soft costs), which costs shall include, without limitation: (i) the cost of all materials, supplies, and labor used or supplied in making the proposed change, including general conditions and any contractor's fees; (ii) any architectural and engineering fees; (iii) any additional financing costs and/or interest costs resulting from increased borrowing; (iv) a developer's fee to Landlord equal to five percent (5%) of such additional costs; and (v) any other additional costs and expenses of owning and operating the Premises during the extended construction period (if any) resulting solely from such change(s). If Tenant fails to approve of the revised Plans and associated estimate within five (5) business days after delivery of the same, Tenant shall be deemed to have abandoned its request for such change, and Landlord's Work shall proceed in accordance with the then existing Plans. If Tenant approves the revised Plans and associated estimate within said 5-day period by signing and returning a copy of Landlord's estimate, Landlord's Work shall proceed in accordance with the Plans as so revised. Unless requested in writing by Tenant to the contrary, Landlord's Work shall continue in accordance with the then existing Plans during the pendency of any proposed change in the Plans until such change is approved by Landlord and Tenant as provided above. Any halt in construction requested in writing by Tenant shall constitute a Tenant Delay. Notwithstanding anything to the contrary hereinabove provided, any changes to the Plans which are proposed by Tenant shall be subject to Landlord's approval, which approval shall not be unreasonably withheld as long as such changes (i) are interior and non-structural in nature, (ii) do not diminish the value of the Building, and (iii) do not adversely affect the electrical, mechanical, plumbing and life safety systems of the Building.

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If Tenant has requested and approves of Landlord's estimate of the time and cost of a proposed change to the Plans: (i) Tenant shall pay the actual cost of such change (whether or not such actual cost exceeds Landlord's estimate) to Landlord within fifteen (15) days after Landlord's written request, and (ii) Landlord shall not be liable for any delay in Landlord's Completion Date resulting from the requested change, whether or not the delay exceeds Landlord's estimate.

If Tenant requests a change to the Plans pursuant to this work letter, and Tenant does not ultimately approve of the resulting revised Plans, or estimates, Tenant shall promptly reimburse Landlord for any reasonable costs and expenses resulting from such requested changes incurred by Landlord within fifteen (15) days after Landlord's written request.

Landlord shall tender delivery of the Premises to Tenant upon the receipt of the Certificate of Occupancy, and Tenant shall take possession thereof. Subject to the provisions of this work letter and as otherwise provided in the Lease, the Lease shall commence upon the date of the receipt of the Certificate of Occupancy. Landlord will notify Tenant at least five (5) days in advance of the date estimated by Landlord upon which the Certificate of Occupancy will occur.

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EXHIBIT "C" PUNCH LIST

CCSD Punch List September 16, 2002

Walk-through with Beth Thompson, CCSD Board, and Lorri Mills, PRI done on September 12, 2002.

Exterior items: Solarium building

- Clean up copper flashing on small canopy over middle front doors.
- Clean exterior windows/scrape paint
- Clean brick patios on both east and west sides
- Clean paint off brick windowsills
- Paint behind gutter on small canopy over middle front doors.
- Downspout missing on upper roof on east side, rear of building

Interior items: Solarium building

- West front porch: Locks missing on windows closest to exterior doors (with panic bars) on both east and west sides. Sheetrock repair needed around sprinkler heads. Switch plate cover in ceiling (near middle front doors) needs to be changed to white, if that box is necessary.
- East front porch: touch up side light area near front doors.
- Reception rooms: Switch plate cover missing in one reception room. Touch up needed around smoke detector – both reception rooms. West small reception room – needs caulk at baseboard, and touch up paint on baseboard.
- Rotunda: scrape exterior and interior of windows. Touch up paint, touch up white trim.
- Hallway: touch up paint.
- East clerestory/assembly space: sheetrock roughly finished at break with ceiling over entry door. Clean ductwork. Repair dent in ductwork. Change out lighting to track lighting approved by CCSD.
- West clerestory/assembly space: paint touch up needed above door (closest to main building). Clean ductwork. Touch up baseboards. Touch up around doors needed. Switchplate missing. All sprinkler pipes need paint touch up. Sheetrock repair needed around ductwork where it enters space on West wall. Change out lighting to track lighting approved by CCSD.
- West porch: switchplates missing (2). Window needs touch-up paint. Baseboards need touch up paint. Walls need touch up paint. Dark green doors need touch up paint in several places.
- Mechanical room: label circuits on electrical panel.
- Hallway: sheetrock repair around sprinkler head. Needs touch-up paint on walls near water fountains, between bathroom and mop closet, and between art room and break room.
- Break room: door to cabinet over refrigerator is not attached. Patch wall near fire extinguisher.
- Women's bathroom: drain has small amount of grout in it; clean paint splatters on ceramic tile. Repair sheetrock behind door.
- Men's bathroom: touch up paint needed.

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- Mop sink: brass-tone window pulls missing.
- Connecting corridor: ventilation register needs to be installed. Switch plate cover in ceiling near east window needs to be changed to white.

Note: CCSD requested additional plate on exterior door locks to make them more secure. As the door locks are installed correctly and per plans, this request is not considered a "punch list" item.

Elizabeth Wilson building:

- Is handrail on front steps required?
- Flooring in back hallway to be replaced from doorway into storage closet, kitchen and bathroom.
- Bleach solution to be applied to area in back hallway with mold/mildew.
- Kitchen cabinetry and lock repair, and repainting, are not the responsibility of Landlord or contractor.
- Gas meter to be installed for Elizabeth Wilson building is the responsibility of CCSD.

CCSD requested additional grading to build up additional dirt around the front of the building, in order to create a way to channel water to the sides of the building. This is not considered a punch list item, but is being discussed by the contractor.

Schedule: to the best of its ability, and dependent upon certain subcontractors, Landlord and contractor will perform on the following schedule:

- Painting and touch up items, and missing switch plates to be completed within one week of the date of this list, or September 23, 2002.
- Clean-up items, sheetrock repair, completed within two weeks of the date of this list, or September 30, 2002.
- Ductwork repair to be completed within thirty (30) days of the date of this list, or October 16, 2002.
- Downspout to be added within thirty (30) days of the date of this list, or October 16, 2002.
- Lighting in clerestory/assembly space to be changed within thirty (30) days of the date of this list, or October 16, 2002.
- Handrail in front of Elizabeth Wilson building and flooring to be performed within thirty (30) days of the date of this list, or October 16, 2002.

{MS55812.DOC:2} {MS37921.DOC:9}
(2419-1)

Date:

Initial:

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EXHIBIT "D"

Articles of Incorporation, Community Center of South Decatur

{MS55812.DOC:2} {MS37921.DOC:9}

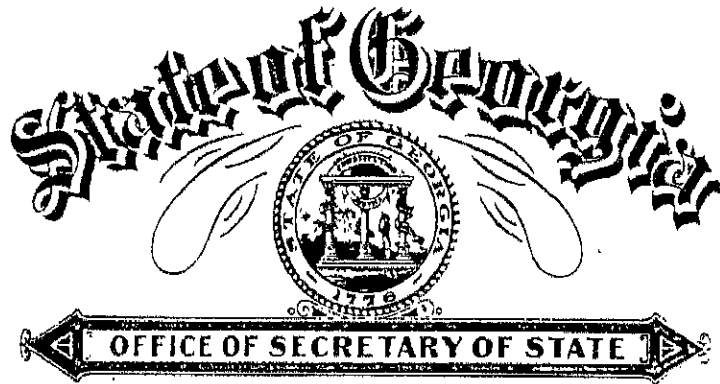
(2419-1)

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Exhibit "D"



I, Ben W. Fortson, Jr., Secretary of State of the State of Georgia, do hereby certify, that

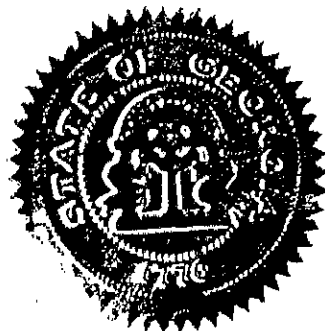
"THE COMMUNITY CENTER OF SOUTH DECATUR, INC."

has been duly incorporated under the laws of the State of Georgia on the 5th day of January, 1979, by the filing of articles of incorporation in the office of the Secretary of State and the fees therefor paid, as provided by law, and that attached hereto is a true copy of said articles of incorporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of my office, at the Capitol, in the City of Atlanta, this 5th day of January, in the year of our Lord One Thousand Nine Hundred and Seventy Nine and of the Independence of the United States of America the Two Hundred and Three.

Ben W. Fortson Jr.

SECRETARY OF STATE, EX OFFICIO CORPORATION
COMMISSIONER OF THE STATE OF GEORGIA



10/11/79

ARTICLES OF INCORPORATION
FOR
THE COMMUNITY CENTER OF SOUTH DECATUR, INC.

I. Corporation Name

The name of this corporation shall be The Community Center of South Decatur, Inc.

II. Duration

The corporation shall have perpetual duration.

III. Corporate Purpose

The purpose of this corporation shall be exclusively for charitable, and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code including:

(a) To improve the quality of life and to combat community deterioration in the City of Decatur with emphasis on the South Decatur area.

(b) To demonstrate how neighborhood control and cooperative community development ventures can be organized.

(c) To provide a facility where locally based public and private agencies can provide needed services to the neighborhood.

(d) To perform administrative functions with respect to the aforementioned facility.

(e) To demonstrate how decentralization of governmental and other organized community services may be effective and beneficial.

(f) To demonstrate how local community self-help programs and use of local economic resources may be beneficial and effective.

IV. Limitation on Corporate Powers

The corporation is organized pursuant to the provisions of the Georgia Non-Profit Corporation Code.

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SEN W. FORBISON
SECRETARY OF STATE

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This corporation is organized for educational and charitable purposes and not for pecuniary gain or profit and shall have no stockholders. No part of the property of said corporation and no part of its net earnings shall enure to the benefit or be distributable to its members, directors, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article III hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing and distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these Articles of Incorporation, the corporation shall not carry on any other activities not permitted to be carried on by (a) a corporation exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue Law), or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 (or corresponding provisions of any future United States Internal Revenue Code.). Subject to the foregoing limitations, this corporation shall have all of the general powers conferred on a non-profit corporation by Section 22-2202 of the "Georgia Non-Profit Corporation Code", and any other powers now or hereafter granted by law.

All of the foregoing purposes and powers and all other purposes and powers in which the corporation is permitted to engage by these Articles of Incorporation shall be exclusively

Kane

for such charitable, educational and other purposes as are within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1954 and the Georgia Non-Profit Code.

V. Membership

The Corporation shall have members. Members of the Corporation shall be all legal residents of South Decatur. South Decatur is defined as that part of the City of Decatur south of the Georgia Railroad Tracks. Each member shall have voting rights.

VI. Election of Directors

The Board of Directors shall consist of 15 to 25 persons. A majority of the Board shall be members of the Corporation. A majority of the Board shall be elected by members in a manner to be set out by the By-laws. The two prior mentioned majorities do not have to consist of the same persons.

The manner in which the Directors will be chosen is, except as limited in other parts of these Articles, to be set out by the By-Laws of the Corporation.

VII. Registered Office and Agent

The initial registered office of the corporation shall be: 315 Adams Street, Decatur, Georgia 30030. The initial registered agent of the corporation at such address shall be: William H. Denton.

VIII. Board of Directors

The initial board of directors shall consist of 15 persons who shall be:

Lewis Bayles - 326 Adams Street, Decatur, Georgia 30030

Susan Bishop - 507 Adams Street, Decatur, Georgia 30030

Norman Coffman - Decatur Cooperative Ministry, 550 Columbia Drive,
Decatur, Georgia 30030

Lyn Deardorff - 726 S. Candler Road, Decatur, Georgia 30030

Evelyn Green - 236 Clarion Avenue, Decatur, Georgia 30030
Martha Hollis - 417 Mimosa Drive, Decatur, Georgia 30030
Eleanor Knox - 3 Charter Square, Decatur, Georgia 30030
Robert Leitch - 201 Winnona Drive, Decatur, Georgia 30030
Nathaniel Mosby - 618 Blake Avenue, S.E., Atlanta, Georgia 30316
Ellen Perry - 213 South Candler Street, Decatur, Georgia 30030
Julian Relf - 2421 Lafortune Drive, Decatur, Georgia
Eleanor Richardson - 755 Park Lane, Decatur, Georgia 30033
Robert Rosenbloom - 115 Fayetteville Road, Decatur, Georgia 30030
Johnny Swanson - 229 McCoy Street, Decatur, Georgia 30030
Leonard Thrower - 946 S. McDonough Street, Decatur, Georgia 30030

IX. Incorporators

The names and addresses of the Incorporators are as follows:

Robert H. Rosenbloom
115 Fayetteville Road
Decatur, Georgia 30030

Susan Bishop
507 Adams Street
Decatur, Georgia 30030

Leonard Thrower
946 S. McDonough Street
Decatur, Georgia 30030

X. Gifts and Bequests

Said corporation shall have the power and authority to accept gifts and contributions, whether made by will or otherwise, in any form of property, provided such contributions and gifts are within the purpose of the corporation. All such gifts and contributions shall be devoted to the objects and purposes of said corporation, however, that the corporation shall not accept any contribution which is to be used in a manner inconsistent with the purpose and permissible activities of this corporation set forth in Article III hereof.

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XI. Dissolution

Upon dissolution of the corporation, the assets shall be applied and distributed by the Board of Directors as follows:

(a) All liabilities and obligations of the corporation shall be paid and discharged, or adequate provision shall be made thereof;

(b) Assets held by the corporation upon condition requiring return, transfer or conveyance, which condition occurs by reason of dissolution, shall be returned, transferred or conveyed in accordance with such requirements;

(c) All other assets held by the corporation shall be transferred or conveyed to one or more domestic or foreign corporations, trusts, societies or organizations engaged in activities substantially similar to those of this corporation and which shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or corresponding provision of any future U.S. Internal Revenue Law), as the Board of Directors shall determine.

Any assets not so distributed by the Board of Directors shall be distributed by the Presiding Judge of the Superior Court of DeKalb County to one or more of the organizations described in subparagraph (c) of this article, as such Judge shall determine.

XII. By-Laws

The By-Laws of the Corporation are to be made and altered by the Directors of the Corporation with prior notice to the members and subject to rescission by the members.

XIII. Amendments

Amendments to these Articles of Incorporation must be approved by separate actions of both the Board of Directors

and the Members in Assembly. Such amendments may be proposed and adopted in the manner provided in the By-Laws of the Corporation.

IN WITNESS WHEREOF the undersigned incorporator(s) hereunto set their hands and seals this 12 day of October, 1978.

Leonard E. Hoover

Susan F. Bishop

Robert H. Rosenthal

CONSENT TO SERVE AS REGISTERED AGENT

I, WILLIAM H. DENTON hereby consent to serve as the registered agent for The Community Center of South Decatur, Inc.

This 12th day of October, 1978.

William H. Denton
WILLIAM H. DENTON

Kan - Lpm

EXHIBIT "E"

SURVEY

{MS55812.DOC:2} {MS37921.DOC:9}
(2419-1)

Date:

Initial:

KMC
gpm

FIRST AMENDMENT TO LEASE

Per the terms of the Lease made September 18, 2002 by and between **PROGRESSIVE DECATUR, LLC**, a Georgia limited liability company (hereinafter called "Landlord") and the **COMMUNITY CENTER OF SOUTH DECATUR, INC.**, a Georgia corporation (hereinafter called "Tenant"), Landlord and Tenant hereby agree to the following change in the Lease.

Paragraph 8 (b) only shall be replaced to read as follows:

"Landlord and Tenant hereby agree that the residents of the Independent Communities, Inc. housing, consisting of 14 rental apartment units sharing the overall historic Scottish Rite site on which the Project is located ("Independent Communities") was granted the right to use the Elizabeth Wilson Building under terms and conditions outlined in that Lease. As long as the Elizabeth Wilson Building is leased to and occupied by a third party tenant, the right to reserve space in the Elizabeth Wilson Building is transferred to the East Wing of the Project, known as The Solarium. Independent Communities shall be allowed to reserve space within The Solarium up to four (4) times per calendar year, for up to four hours at a time, upon ten (10) days notice at no cost, provided that, at the time of notice, there are no previous scheduled events that conflict with Independent Communities desired date for use of the Premises. Independent Communities shall be responsible for any costs associated with its use of the Premises including but not limited to clean up and damage repair cost, if any.

ALL OTHER TERMS AND CONDITIONS OF THE LEASE REMAIN UNCHANGED, AND REMAIN IN FULL FORCE AND EFFECT.

[signatures continue on following page]

AGREED TO AND ACCEPTED THIS 5th DAY OF FEBRUARY, 2004.

LANDLORD:
PROGRESSIVE DECATUR, LLC

By: Virginia P. Mills
Title: President

Witness: A. M. A. Cochet

Signed, sealed and delivered as to Tenant on
5th day of February, 2004 in the presence of

[Signature]
Notary Public
[Notary Seal] Notary Public, DeKalb County, Georgia
My Commission Expires Aug. 2, 2007

TENANT:
THE COMMUNITY CENTER OF SOUTH DECATUR, INC.
D/B/A THE SOLARIUM

By: [Signature]
Title: Pres.

Witness: [Signature]

Signed, sealed and delivered as to Tenant on
5th day of February, 2004 in the presence of

[Signature]
Notary Public
[Notary Seal] Notary Public, DeKalb County, Georgia
My Commission Expires Aug. 2, 2007

EXHIBIT "B"

LETTER OF INTENT FOR OPTION AGREEMENT

STATE OF GEORGIA

COUNTY OF DEKALB

THIS LETTER OF INTENT FOR OPTION AGREEMENT (this "Option"), made this 18th day of September, 2002, between **PROGRESSIVE DECATUR, LLC**, a Georgia limited liability company (hereinafter called "Landlord") and **COMMUNITY CENTER OF SOUTH DECATUR, INC.**, a Georgia corporation (hereinafter called "Tenant").

The following letter sets forth the parties's agreement and understanding regarding the grant of an Option by Landlord to Tenant of the following described space located inside the premises of the Historic Scottish Rite Hospital, located at 321 W. Hill Street, Decatur, Georgia 30030, and being more particularly described on the legal description **Exhibit "A"** attached hereto, (hereinafter called the "Project" or the "Property") consisting of the space to be leased by the Tenant from Landlord approximately 4,624 square feet located in the East Wing, and the connecting corridor connecting the East Wing to the Historic Scottish Rite Hospital, to be known in the future as "The Solarium at Old Scottish Rite" or Suite 1A, and approximately 1,700 square feet located in the "Elizabeth Wilson Building," or Suite 1B and the adjoining land (together hereinafter called the "Premises").

The parties agree to negotiate in good faith to finalize an Option Agreement granting the exclusive right and option to Tenant to purchase ("Purchase Option") the Premises, the buildings containing the Premises, and if capable of subdivision, the underlying and adjoining land, all as marked and indicated by the parties outlined on the survey of the Project, which survey is attached hereto as **Exhibit "B"** and incorporated herein for a purchase price (the "Purchase Price") in the amount of Ten and No/100 Dollars (\$10.00) payable in full at the time of closing.

The parties agree that Tenant shall have a survey prepared at its sole cost to define and delimit the exact legal description of the Premises and adjoining land within the Project subject to the Option Agreement as outlined on the survey of the Project, which survey is attached hereto as **Exhibit "B."**

The parties agree that Tenant may exercise the Purchase Option by giving Landlord notice of its intent to exercise such option within one hundred eighty (180) days, but no less than ninety (90) days, prior to the expiration of the nineteenth (19th) Lease Year hereof. In the event that title to the Project is transferred for any reason prior to the expiration of the nineteenth (19th) Lease Year, and the Premises is free from debt or mortgage, the parties agree that Landlord shall give Tenant written notice of such transfer and Tenant shall be entitled to exercise the Purchase Option by giving Landlord written notice of its intent to exercise such option no later than ninety (90) days after Tenant receives written notice from Landlord that title to the Project will be transferred. Tenant's failure to exercise the Purchase Option at the time title to the Project is transferred shall not be deemed a waiver of Tenant's right to exercise, and shall not prevent Tenant from exercising the Purchase Option prior to the expiration of the nineteenth (19th) Lease Year as set forth above.

Notwithstanding the foregoing, it is further agreed that, at Tenant's sole discretion, at the time set forth above for the Tenant's exercise of its Option to purchase the Premises, the Tenant may

{MSS5812.DOC:2}

elect, in lieu of such Option to purchase, to renew the existing lease between the parties under the same terms and conditions for an additional ninety-nine (99) years with all rights and obligations respect to the lease and all terms and conditions of the existing lease to remain in full force and effect for the extended renewal term.

The parties agree that the closing of the Purchase Option shall take place within sixty (60) days prior to the expiration of the nineteenth (19th) Lease Year. If the Purchase Option is not exercised in connection with the conveyance of title to the Project by Landlord, Landlord will convey title to Tenant by limited warranty deed free and clear of any debt, lien, or other encumbrance, except for (a) any lien for current taxes, which must not be delinquent at the time of closing, (b) the restrictions, covenants and easements affecting title to the Project and the Property providing for, among other things, reciprocal access and parking rights, and (c) such other exceptions to title as shall not materially interfere with Tenant's use and enjoyment of the Property; provided however that Landlord will not be required to convey title to the Premises free and clear of any debt, lien, or other encumbrance unless the exercise of the Purchase Option by Tenant occurs such that the closing date will fall within one hundred eighty (180) days of the expiration of the nineteenth (19th) Lease Year.

The parties agree that if the Purchase Option is exercised in connection with the conveyance of title to the Project by Landlord, Landlord will convey title to Tenant by limited warranty deed subject to (a) any debt, lien, or other encumbrance of record, (b) any lien for current taxes, which must not be delinquent at the time of closing, (c) the restrictions, covenants and easements affecting title to the Project and the Property, providing for, among other things, reciprocal access and parking rights, and (d) such other exceptions to title as shall not materially interfere with Tenant's use and enjoyment of the Property; provided, however that Tenant shall not be required to assume responsibility, in whole or in part, for any debt, lien, or other encumbrance on the Property for which it is not made liable by the Lease.

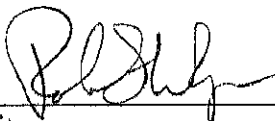
The parties agree that following the exercise of the Option by the Tenant, Tenant shall have the continued right of access to the parking spaces, the easement between the Elizabeth Wilson Building and the East Wing, and the right of access and use of the common areas of the Project as set forth in the Lease between the parties. (hereinafter called the "Lease").

The parties agree to negotiate in good faith to resolve the remaining issues as to the language of the Option, the extent of the adjoining land subject to this Option, and the right of access to the parking spaces, the easement between the Elizabeth Wilson Building and the East Wing, and the right of access and use of the common areas of the Project.

Signed sealed and delivered
in the presence of:

LANDLORD:

PROGRESSIVE DECATUR, LLC



Witness

By: 
Title:  _____

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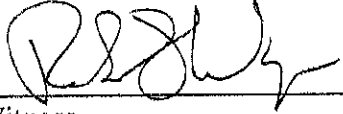
EXHIBIT "A"

LEGAL DESCRIPTION OF LAND

All that tract or parcel of land lying and begin in Land Lot 213 of the 15th District of DeKalb County, Georgia, and being more particularly described as follows:

BEGINNING at a P.K. nail placed where the Southerly right to way line of West Benson Street (50' R/W) intersects the Southeasterly right of way line of Oakview Road (R/W 60'); running thence South 86 degrees 24 minutes 10 seconds East a distance of 59.34 feet to an iron pin placed; running thence South 01 degrees 15 minutes 33 seconds East a distance of 95.38 feet to an iron pin placed; running thence Southeasterly and following the arc of a curve to the right an arc distance of 7.83 feet to an iron pin placed, said arc being subtended by a chord having a bearing of South 47 degrees 02 minutes 04 seconds East a chord distance of 7.82 feet and a radius of 72.00 feet; running thence South 86 degrees 24 minutes 05 seconds East a distance of 114.76 feet to an iron pin placed; running thence South 03 degrees 35 minutes 50 seconds West a distance of 95.00 feet to an iron pin placed; running thence South 86 degrees 24 minutes 10 seconds East a distance of 117.49 feet to an iron pin found; running thence South 86 degrees 24 minutes 10 seconds East a distance of 50 feet to an iron pin found; running thence South 86 degrees 24 minutes 10 seconds East a distance of 50 feet to an iron pin placed; running thence North 03 degrees 35 minutes 50 seconds East a distance of 77.65 feet to an iron pin placed; running thence South 86 degrees 24 minutes 10 seconds East a distance of 99.06 feet to an iron pin placed; running thence South 04 degrees 03 minutes 23 seconds West a distance of 77.66 feet to an iron pin placed; running thence North 86 degrees 24 minutes 10 seconds West a distance of 97.44 feet to a P.K. nail; running thence South 03 degrees 35 minutes 50 seconds West a distance of 1.00 feet to a P.K. nail; running thence North 86 degrees 24 minutes 10 seconds West a distance of 91.20 feet to an iron pin; running thence South 03 degrees 20 minutes 31 seconds West a distance of 199.89 feet to an iron pin located on the northerly right of way of Hill Street (50' R/W); running thence North 86 degrees 30 minutes 00 seconds West along the Northerly right of way of Hill Street, a distance of 450.64 feet to a P.K. nail found at the intersection of the Northerly right of way line of Hill Street with the Southeasterly right of way line of Oakview Road; running thence North 15 degrees 20 minutes 00 seconds East along said right of way line of Oakview Road a distance of 129.56 feet to a point; running thence North 19 degrees 03 minutes 00 seconds East along said right of way line a distance of 99.38 feet to a point; running thence North 25 degrees 31 minutes 00 seconds East along said right to way line a distance of 23.43 feet to an iron pin placed; running thence South 75 degrees 31 minutes 11 seconds East and leaving said right of way line of Oakview Road a distance of 81.34 feet to an iron pin placed; running thence in a Southeasterly direction and following the curvature of an arc to the left an arc distance of 26.40 feet to a iron pin placed, said arc being subtended by a chord having a bearing of South 80 degree 58 minutes 49 seconds East a chord distance of 26.36 feet and a radius of 138.50 feet; running thence South 86 degrees 26 minutes 28 seconds East a distance of 6.85 feet to an iron pin placed; running thence North 03 degrees 33 minutes 32 seconds East a distance of 24.32 feet to an iron pin placed; running thence in a Northeasterly direction and following the curvature of an arc to the right an arc distance of 19.29 feet to an iron pin placed, said arc being subtended by a chord having a bearing of North 15 degrees 37 minutes 11 seconds East a chord distance of 19.15 feet and a radius of 46.00 feet; running thence Northwesterly and following the curvature of an arc to the left an arc distance of 13.21 feet to an iron pin placed, said arc being

Signed sealed and delivered
in the presence of:



Witness

TENANT:

COMMUNITY CENTER OF SOUTH
DECATUR, INC.

By: 
(Authorized Signature)

Name: Kimberly M. Lyle

Title: President, Board of Directors

[CORPORATE SEAL]



subtended by a chord having a bearing of North 01 degrees 28 minutes 28 seconds West a chord distance of 12.65 feet and a radius of 13.00 feet; running thence North 70 degrees 12 minutes 24 seconds West a distance of 93.82 feet to an iron pin placed on the Southeasterly right of way line of Oakview Road (50' R/W); running thence North 25 degrees 31 minutes 00 seconds East along said right of way line a distance of 6.82 feet to an iron pin placed; running thence North 32 degrees 01 minutes 00 seconds East along said right to way line a distance of 93.21 feet to a P.K. nail placed and the POINT OF BEGINNING. Said tract containing 2.7787 acres and being more fully described on that plat of survey prepared for Regions Bank, Stewart Title Guaranty Company and Progressive Decatur, LLC by Woolley & Associates, Inc., James W. Woolley, G.R.L.S. No. 1478, dated April 12, 2000, last revised March 8, 2001.

TOGETHER WITH The Appurtenant Easement Rights Benefiting The Above-Described Tract As Such Easement Rights Are Specifically Set Forth In That Certain Reciprocal Easement And Operating Agreement, Dated March 12, 2001 By Progressive Decatur, Llc, Recorded In Deed Book 11935, Page 490, Dekalb County, Georgia Records.

[Handwritten signature]



EXHIBIT 'C'

R. Kyle Williams
Attorney at Law

404.373.9351 Direct Dial
kwilliams@williamsteusink.com

July 13, 2011

Lorraine (Lorri) Mills
Vice President/C.O.O.
Progressive Redevelopment, Inc.
321 W. Hill St., Suite 3
Decatur, Georgia 30030

Re: Lease (the "Lease") and Letter of Intent for Option Agreement (the "Option") between Progressive Decatur, LLC ("PD") as Landlord and Community Center of South Decatur, Inc. ("CCSD") as Tenant dated September 18, 2002

OFFER TO EXERCISE OPTION

Dear Ms. Mills:

As you know, I represent CCSD. As you requested in our June 23, 2011 meeting, CCSD tenders the following offer to exercise its Option as of the date of this correspondence to purchase the premises of the Historic Scottish Rite Hospital located at 321 W. Hill Street, Decatur, Georgia 30030 as more particularly described in the Lease, including all fixtures, landscaping, improvements and appurtenances located thereon, (the "Premises") as follows:

1. CCSD buys and PD sells the Premises at the purchase price in the amount of Ten and No/100 Dollars (\$10.00), as such price is stipulated in the Option, payable in full at the time of closing, with CCSD and PD agreeing to and executing a Purchase and Sale Agreement;
2. The closing of the transaction on or before August 12, 2011;
3. At closing, PD shall pay the following: (1) Georgia property transfer tax; (2) All costs, fees and charges to have the closing attorney search title and prepare the limited warranty deed and any other related and necessary closing documents; (3) All closing costs, tax service charges, recording costs, courier fees, overnight delivery fees, document preparation fees, underwriting fees, delivery, copying and handling charges, and all other costs, fees, charges and amounts to close this transaction otherwise, except as they relate to the clearance of title encumbrances and/or defects necessary for PD to be able to convey good and marketable title to the Premises as contemplated by the Option; and, (4) Proration share of the real estate taxes for the calendar year of 2011 through the date of the closing; and,
4. At closing, PD shall convey good and marketable title to said Premises by limited warranty deed free and clear of any debt, lien, or other encumbrance, except for (a) any lien for current taxes, which must not be delinquent at the time of closing, (b) the restrictions, covenants and easements affecting title to the Premises providing for, among other things, reciprocal access and parking rights, and (c) such other exceptions to title as shall not materially interfere with CCSD's use and enjoyment of the Premises.

In exchange and in further consideration for this exercise of Option and closing upon the contemplated transaction, CCSD offers and agrees as follows:

1. Waiver of PD by CCSD of any reimbursement for any and all out-of-pocket expenses incurred and paid by CCSD during the duration of the Lease for is due by and the responsibility of PD pursuant to Section 7 of the Lease, including, but not limited to the approximate Six Thousand and No/100 Dollars (\$6,000.00) CCSD paid to repair and replace the roof of the "Elizabeth Wilson Building" or Suite 1B of the Premises; and,
2. Waiver of PD and any and all current or former tenant(s) of PD by CCSD of any over- and/or mis-payment of any utilities during the duration of the Lease for which CCSD is not responsible for under the Lease, including, but not limited to any claim for estimated Thirty Thousand and No/100 Dollars (\$30,000.00) over- and/or mis- payment to Georgia Power.

I look forward to receiving a response from PD to this Offer to Exercise Option.

Sincerely,



R. Kyle Williams

RKW/dm

cc: Community Center of South Decatur, Inc.