

February 3, 2021

Senator Rick Girdler
Representative Chris Freeland
Capital Projects and Bond Oversight Committee
Legislative Research Commission
Capital Annex Room 34
Frankfort, KY 40601

RE: Lease – Aptitude 4th Street LLC

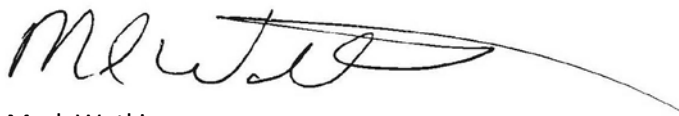
Dear Senator Girdler and Representative Freeland:

In accordance with provisions of KRS 56.823, I am writing to report a proposed new lease. The lease is with Aptitude 4th Street, LLC for housing to accommodate the University of Louisville Athletic Football program. I am providing required information in the attached master lease agreement.

The lease will provide 52 beds for a first-year lease amount of \$506,112. This lease amount equates to 12 equal installments of \$42,176 each, commencing on August 1, 2021. Tenant rental fees will cover the monthly lease amount.

Please contact Kim Noltemeyer at 852-5699, if you have any questions regarding the lease. Thank you for your continued support.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark Watkins', with a long, sweeping horizontal line extending to the right.

Mark Watkins
Chief Operating Officer
University of Louisville

cc: President Neeli Bendapudi
Dan Durbin, CFO
Vince Tyra, VP, AD
Shaun McKiernan (CPE)
Carla Wright (OSBD)

MASTER LEASE AGREEMENT ATHLETICS FOOTBALL

THIS MASTER LEASE AGREEMENT (the “Lease”) is entered into this 12th day of January, 2021, but effective the Starting Date set out below, by and between:

APTITUDE 4TH STREET, LLC, a Kentucky limited liability company (“Landlord” sometimes referred to as “us”, “we”, or “our”) acting by and through B.HOM Student Living, LLC, its duly authorized property manager (hereinafter the “Manager” or “Management”) with a local address of 2400 South Fourth Street, Louisville, KY 40208, and

The **UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.** a Kentucky not-for-profit corporation (“Tenant” sometimes referred to as “you”). The Tenant is affiliated with the University of Louisville, a Kentucky not-for-profit corporation that is a part of the Kentucky state higher education system, with an address of 2800 South Floyd Street, Louisville, KY.

SUMMARY OF MAJOR TERMS USED IN THIS LEASE. When used in this Lease, the following terms shall have the meanings set out in this section, unless the context requires otherwise. These terms are incorporated into and made a part of this Lease.

Name of Apartment Community: THE MARSHALL (the “Property”)

Address of Property: 2400 South Fourth Street, Louisville, KY 40208

Lease Term: The Starting Date is the 1st day of August 2021, (“Starting Date”) for a term of one year, ending the 31st day of July 2025 (“Ending Date”). The Starting Date and Ending Date constitute the term of the Lease (“Lease Term”). A “Lease Year” shall be August 1 of each year to July 31 of the following year.

Lease Type: Master Lease. This is a master lease for a group of apartments (the “Apartments”) leased by the Tenant for a term of Four (4) years, for use and occupancy as personal residences by persons designated by the Tenant in accordance with the terms and conditions of this Lease. NOTE: This Lease form was originally drafted for a term of one year. Any provision herein that would otherwise limit or be read as a one-year lease is hereby amended to reflect the four-year term.

Apartment Types: The Property has apartment configurations with one, two, three, and four-bedroom apartments. In multi-bedroom configurations, each bedroom is for single person occupancy, is provided with an individual lock and a private bathroom. The apartments with multiple bedrooms are designed with common or shared kitchen, dining, and living room, with separate bedrooms and bath designed to accommodate one individual occupants for each bedroom.

Number of Payments in each Lease Year of the Term: Twelve (12).

Monthly Base Rental Payment for First Lease Year: **\$42,176.**

Monthly Base Rental Payment for Second Lease Year: **\$43,444.**

Monthly Base Rental Payment for Third Lease Year: **\$44,780.**

Monthly Base Rental Payment for Fourth Lease Year: **\$46,120.**

1. LEASE, BASE RENT, ADDITIONAL RENTS, UTILITIES, & FEES.

The Tenant hereby Leases:

4 One-Bedroom Apartments (A-1 for one single person occupancy).

8 Two-Bedroom Apartments (B-1 for two single person occupancy),

8 Four-Bedroom Apartments (D-2 for four single person occupancy).

A total of 52 beds.

The Apartments shall be selected and designated by Manager and shall constitute the "Premises".

At any time during the Term of this Lease, the Tenant may request additional Apartments at the same rental rates at any time during the term. If the additional Apartment are available as determined by the Manager, this Lease will be amended to include the additional Apartments for the balance of the Term of the Lease. Such amendment shall be in writing and signed by both parties.

The Tenant shall pay Base Rent for the first Lease Year as follows:

Rent for each A-1 Apartment \$1,084

Rent for each B-1 Apartment \$837

Rent for each D-2 Apartment \$764

First Lease Year Total Base Rent for all leased Apartments is **\$506,112;** the total base rent shall be payable in 12 equal installments of **\$42,176** each, commencing on the August 1, 2021, and on the first day of each month thereafter during the First Lease Year.

The Tenant shall pay Base Rent for the second Lease Year as follows:

Rent for each A-1 Apartment \$1,117. Rent for each B-1 Apartment \$862.

Rent for each D-4 Apartment \$787.

Second Lease Year Total Base Rent for all leased Apartments is **\$521,328;** the total base rent shall be payable in 12 equal installments of **\$43,444.** each, commencing on the August 1, 2022, and on the first day of each month thereafter during the Second Lease Year.

The Tenant shall pay Base Rent for the third Lease Year as follows:

Rent for each A-1 Apartment \$1,151. Rent for each B-1 Apartment \$889.

Rent for each D-4 Apartment \$811.

Third Lease Year Total Base Rent for all leased Apartments is **\$537,360;** the total base rent shall be payable in 12 equal installments of **\$44,780.** each, commencing on the August 1, 2023, and on the first day of each month thereafter during the Third Lease Year.

The Tenant shall pay Base Rent for the fourth Lease Year as follows:

Rent for each A-1 Apartment \$1,186. Rent for each B-1 Apartment \$916.

Rent for each D-4 Apartment \$835.

Fourth Lease Year Total Base Rent for all leased Apartments is **\$553,440;** the total base rent shall be payable in 12 equal installments of **\$46,120.** each, commencing on the August 1, 2024, and on the first day of each month thereafter during the fourth Lease Year.

Additional Fees and Additional Rent (as applicable):

Pet Fees shall be paid in installments at the time the Base Rent is due and payable: **\$25. per** pet per month.

Parking Fees shall be paid in installments at the time the Base Rent is due and payable: **\$50. per** parking space per month.

Initial Fees due on the Date of Lease:

Application Fee:	<u>\$ 0</u>
Activity Fee:	<u>\$ 0</u>
Administration Fee:	<u>\$ 0</u>
Reservation Fee:	<u>\$ 0</u>
Telecom Fee:	<u>\$2,860 per year</u>

First Payment Due: August 1, 2021;

Following the first Lease Year, upon not less than a thirty (30) day written notice, Additional Fees and Additional Rents may be increased by Management one time per Lease Year after the first Lease Year, in an amount not to exceed 3% per fee or additional rent.

The Tenant is leasing the apartments for the benefit of its proposed occupants. The Tenant shall designate the names and identification information of the persons who it authorizes for occupancy or as the Tenant's designated occupant (the "Occupant"). The Occupant will be a U of L student or employee or an employee of the Tenant. Such information shall be provided not less than ten (10) days prior to the person taking occupancy. The Landlord or its Manager shall have the right to review information on each designated Occupant. Management shall have the right to reject any proposed Occupant.

The Tenant shall provide Manager with a schedule of Tenant's Occupants who will reside at the leased Apartments during the Lease Term and subject to the terms and conditions of this Lease (the "Occupant Schedule"; the persons identified on the Occupant Schedule are the "Occupants"). The Tenant may designate the Occupant for each of the Apartments. If 10 days prior to the Starting Date, the Tenant has not made the designation, the Manager may make the designation, which will be binding on both the Tenant and the Occupants, notwithstanding, the Tenant, at its expense (including relocation costs) may re-designate Occupants between its bedrooms and Apartments during the Lease Term. The Tenant may amend the Schedule from time to time and from Lease Year to Lease Year.

If The Tenant provides written notice to Manager that Tenant desires to lease a greater number of Apartments than designated above, the Landlord may, but shall have no obligation to, provide additional Apartments at the same rates as set forth in above ("Additional Apartment Rent") and the Base Rent shall increase accordingly with payments due as provided above.

Any reference under this Lease to "Tenant" shall also mean the "Occupants" as applicable and as the context may require.

2. RENT PAYMENT & LATE CHARGES

- a. Tenant shall pay all money due us for rent, deposits, damages, fees, or other charges, through our on-line payment site or by electronic bank transfer/ACH, money order, or

other method permissible by Landlord, without offset or deduction. Rent and related charges are due in the Management Office on the Property no later than 5:00 PM on the first (1st) of each month. Regardless of whether or not it is a holiday or weekend, if you have not paid all monies that are due by the 3rd of each month, a late fee of Five Percent (5%) be assessed on all unpaid amounts.

- b. If Tenant does not pay rent on time, we will provide Tenant with a thirty--day written notice of our intention to terminate this Lease unless Tenant pays in full, within the thirty days. If Tenant does not make such payment within the thirty-day period, this Lease will terminate, and the Landlord may commence eviction proceeding against the Tenant and all Occupants.
- c. At our option and without notice to Tenant, any money that we receive can be applied first to Tenant's non-Rent obligations and then to Rent (any past due Rent being paid first), regardless of whether or not Tenant have made notations on the checks or money orders and regardless of when the obligation came about.
- d. If we are required to enforce payments, the Tenant will be responsible for our reasonable attorney fees, costs, and a service fee of 1.5% per month.

3. UTILITIES

Utilities included in the Base Rent are Electric, Gas, Water, Sewer, and Internet.

4. DESCRIPTION OF PREMISES

We agree to lease to Tenant, and Tenant agrees to lease from us, the Premises on the terms and conditions set forth in this Lease. You may also use in common with other residents the Common Areas and Community Spaces (for purposes of this Lease, "Common Areas" are those areas within an apartment to which Tenant have access without going into another bedroom, and Community Spaces are those areas within the Property to which residents have general or specific access, including but not limited to kitchens, laundry facilities, courtyards, breezeways, fitness rooms, game rooms, great rooms, computer labs, and recreational areas and walkways). However, following five (5) days after we provide written notice to Tenant, we have the right to relocate Tenant from one room to another room in the Property. If we relocate Tenant at Tenant's request, or because of Tenant violating this Lease or the Community Policies, Tenant will incur all costs, including our administrative loss, resulting from such relocation. Upon such relocation, the new premises shall be the "Premises" for all purposes under this Lease.

5. OCCUPANTS

Only the Occupants can live in the Premises. This Lease may not be assigned, or the Premises sublet by Tenant or any Occupant without the prior written consent of Landlord, which may be granted or withheld in Landlord's discretion. The Premises may only be used as a private residence and for no other purpose.

6. AGREEMENT TO LIVE IN A COOPERATIVE MANNER

Tenant knowingly consents to having the Occupants live in a cooperative manner with the other tenants who will share the apartment. If the apartment is rented at less than full occupancy, we may lock the doors to the bedrooms which are not leased and deny access to that area. Tenant understands that we have no way of insuring that other tenants of the apartment will be acceptable to or compatible with the Occupants or their character or that they will be students. The communal living arrangement created by this Lease is structured as an accommodation to Tenant. Tenant assumes the risk of living with others under this arrangement. A conflict or disagreement between co-tenants does not constitute grounds for Tenant to terminate this Lease. Any serious problems with co-tenants should be reported to us in writing immediately. One of the intended purposes of Management is to assist in the mediation of differences between or among tenants. Tenant agree to have or have Tenant submit any differences to Management for mediation prior to taking any other actions.

7. LEASE TERMS

The term of this Lease begins on the Starting Date and ends on the Ending Date. If we do not provide the Premises to Tenant when we are supposed to, whether on the Starting Date or during the Term, we will not be liable to Tenant for damages, but Tenant will not owe us Rent for that period. Until we can provide the Premises to Tenant, we may relocate an Occupant to other premises in the Property or another facility operated by Landlord. If we cannot provide one or more of the leased Apartments to the Tenant within thirty (30) days after the Starting Date or the start of each Lease Year of the term, then Tenant will have the right to terminate this Lease as to that Apartment for the balance of that Lease Year, by giving us written notice before we provide the Premises to Tenant. Except as set forth in this Section, no other remedy is available to Tenant and Tenant waives the right to any other remedy

8. HOLDOVER

If Tenant occupy the Premises after the Ending Date, we have the right to recover possession of the Premises in accordance with all applicable laws. We may also recover other damages for the period during which Tenant refuses to surrender possession, including, without limitation, consequential damages, and/or lost rents.

9. MOVE-IN

The Move-In form will be provided to Tenant or Occupant at the time each Occupant takes possession of the premises. Within twenty-four (24) hours after Tenant (or its designated Occupant) moves in, the Occupant (or Tenant) must return the move-in forms, notifying us in writing of any defects or damages

in Tenant's Premises; otherwise, the Premises, fixtures, appliances and furniture, if any, will be considered to be in a clean, safe and good working condition. Except for what Tenant tell us in writing, Tenant accepts the Premises, fixtures, appliances, and furniture in their "AS-IS" CONDITION, WITH ALL FAULTS AND IMPERFECTIONS. WE MAKE NO EXPRESS, AND DISCLAIM ANY AND ALL IMPLIED, WARRANTIES WITH REGARD TO THE PREMISES, FIXTURES, APPLIANCES OR FURNITURE.

10. MOVE-OUT

a. When an Occupant leaves, whether at or prior to the Ending Date, the Premises, including, but not limited to, the windows, bathroom, patios, and kitchen appliances, must be clean and in good repair and condition, reasonable wear excepted. If Occupant fails to clean or if anything has been damaged or is missing, the Occupant will be liable for reasonable charges to complete such cleaning, repair, or replacement.

b. If an Occupant leaves any of the Occupant's personal property in the Premises after the Occupant vacates or moves, or after the end of this Lease, that personal property will be deemed to have been abandoned by Tenant and Occupant, and we can, without delay, take such action as we desire and charge Tenant with costs incurred to keep, sell or dispose of such property in accordance with state law.

Professional cleaning will occur after each resident (Occupant) vacates its bed space, at the expense of the Tenant except, the Marshall will be responsible for the final cleaning at the end of the lease. The assigned Occupant, not Tenant, is financially responsible for any damages to room, lost keys, damages to property/common area, et cetera.

11. ATTORNEY FEES

Any provision in this lease that allows or permits attorney fees or recovery of attorney fees is hereby modified to provide that attorney fees are recoverable only to the extent permitted by a final judgement of a court of competent jurisdiction as permitted by Kentucky Law.

It is further provided that in the event of any litigation under this lease, the court may grant appropriate attorney fees to the prevailing party.

12. NO ASSIGNMENT OR SUBLETTING

This Lease may not be assigned, or the Premises sublet by Tenant without the prior written consent of Landlord, which may be granted or withheld at Landlord's sole and absolute discretion. With the Landlord's permission Tenant may designate a replacement Occupant, subject to the provisions above.

13. INTENTIONALLY OMITTED

14. DAMAGES

Tenant will be responsible for any damages by an Occupant and for all costs to make any repairs to the Premises made necessary by Tenant's actions or inactions, the failure of Tenant to return the leased premises in a clean and neat condition, or the failure of Tenant to return all keys/gate controls to the aforementioned premises. Said deposit and/or any portion thereof may be retained specifically for the purpose of hiring a third-party cleaning service to clean the subject premises upon vacancy by Tenant. Such cleaning shall include, but not be limited to routine cleaning, carpet cleaning, cleaning of appliances and the like.

Landlord shall invoice Tenant for any such damages or costs owed by Tenant. Any invoices may be delivered by mail, electronic mail, or by hand, in a manner deemed necessary and reasonable by Landlord. All payments for damages and costs for repairs will be due and payable no later than 30 days from the invoice date. If any payments are made after 30 days, any applicable late fees & penalties will BE applied to Tenant's account and payable immediately.

15. PETS

Unless otherwise specified in a Pet Addendum to this lease, no pets are allowed at the premises. "Pets" include all mammals, reptiles, amphibians, birds, fish, and insects. Feeding stray animals is also prohibited. If Tenant or Tenant's guests, with or without Tenant's knowledge or permission, violate the above Tenant may be charged for damages, evicted, and/or subject to other remedies of this lease. The following paragraph applies to unauthorized pets: We may remove an unauthorized pet if we provide written notice of our intent to remove the pet. We may turn the pet over to a humane society or local authority. We will return the pet to Tenant upon request if it has not already been turned over to a humane society or local authority. We have no lien on the pet for any purpose; but Tenant agree to pay for reasonable care and kenneling charges for such pet. If Tenant do not pick up the pet within two (2) days after removal, the pet shall be deemed abandoned.

16. NOTIFICATION OF INFESTATION

In the event Tenant observe a rodent or an insect, including but not limited to so-called bed bugs, or experience symptoms consistent with insect bites, Tenant is obliged to promptly notify Management in writing of that fact. A pest infestation can occur suddenly, even in a sanitary living environment, and proliferate if not treated quickly. In the event of an infestation, remediation methods will be determined by us, in our sole discretion. You must follow all directions from us or our agents to clean and treat the Premises, and Tenant acknowledges that follow-up treatments or inspections may be necessary. You agree to properly dispose of refuse, to refrain from using and/or storing second-hand clothing, mattresses, linens and bedding items, luggage, and furnishings in the Premises, and to always maintain the Premises in a clean and sanitary condition. You further agree to immediately report to Management in writing any pest infestation Tenant discovers, identifying the location of such infestation within the Premises or the Property. If we ask Tenant to do so, Tenant agree to continuously use a vinyl mattress

cover on all mattresses in the Premise. You further agree that we may relocate Tenant to another premises, to another comparable facility, or to temporary reasonable housing in the event of an infestation of the Premises. You also agree that we may dispose of infested furniture and clothing articles, unless Tenant immediately remove such items from the Property, without reimbursement to Tenant. During any period of pest infestation and remediation, whether Tenant continue to occupy the Premises, Tenant must continue to pay Rent in full in accordance with the Lease. We will not be responsible for any injuries or damages to Tenant or any other person that result from a pest infestation. In addition, Tenant understands and acknowledges that Tenant are responsible for reimbursing us for all remediation costs and expenses resulting from Tenant's failure to comply with this provision. In the event of a Bed Bug infestation, see the Bed Bug Addendum attached, the terms of which will control in the event of any conflict with this Section 16.

17. COMMUNITY POLICIES; COMPLIANCE WITH LAWS

You and Tenant's Occupants and their guests must, always, comply with all written rules and policies which we adopt for the Property from time to time (the "Resident Handbook"). You should obtain and review a copy of the current Resident Handbook policies prior to signing this lease. The Resident Handbook is incorporated as a part of this Lease and we can revise, amend, expand or discontinue the Resident Handbook at any time in our sole discretion by posting a notice on a bulletin board or other area that we designate for notices to residents. If Tenant violate any terms or policies of the Resident Handbook, Tenant will be in violation of this Lease. You also agree to comply with all ordinances, laws, and regulations of all governmental authorities applicable to Tenant's use and occupancy of the Premises.

18. MAINTENANCE, ALTERATIONS, AND REPAIRS

- a. You are responsible for and will take good care of the Premises and Common Areas. You will not remove or relocate any of our property, furniture, fixtures, appliances, *et cetra*, and Tenant will not perform any repairs, painting, wall papering, electrical changes or other alterations of the Premises without our prior written consent in each instance. If Landlord approves Tenant's request to paint any portion of the Premises, Landlord may require, and Tenant will pay, a deposit to Landlord to cover the cost of repainting the Premises after the expiration or termination of this Lease to then-standard colors. You may not remove furniture from any room and store it in an alternative location. We can require Tenant to prepay or, if we elect, Tenant agree to repay us, within ten (10) days after we send Tenant an invoice, the cost of all repairs made necessary by Tenant, Tenant's guest's or any other person's violation of this Lease. This includes the negligent or careless use of the Premises or any part of the Property including without limitation damage from waste water stoppages caused by foreign, excessive or improper objects in lines serving Tenant's bathroom, damages to appliances, doors, walls, windows or screens, damage from windows or doors left open and repairs or replacements to security devices necessitated by misuse or damage by Tenant, Tenant's approved occupants or Tenant's guests (this includes damages that may have been caused to

the Premises by other residents or guests of the Premises if we cannot determine who is responsible. This is referred to as Community Damage Billing and is described in the Community Policies). For purposes of waste water stoppages, in the event of such stoppages after which foreign, excessive or improper items are found in the waste water lines serving only the apartment being leased herein (i.e., in any portion of the lines exclusively dedicated to the apartment being leased, as opposed to in any portion of a waste water line serving any other apartment or units in addition to the apartment being leased), it shall be conclusively presumed that said items were placed there by, and that responsibility for correction and/or removal of same should be borne by Tenant. If Tenant prepay, any over-payment will be applied against any amount that Tenant owes us, and the remainder will be returned to Tenant; if Tenant's prepayment was less than the cost incurred, Tenant will pay us that amount within ten (10) days of demand after we send Tenant an invoice. Your obligations to pay the charges described in this paragraph will survive after the ending of this Lease.

b. Tenant and Occupants must not disconnect or intentionally damage a smoke detector or remove the battery without immediately replacing it with a working one. AFTER AN MOVES IN, OCCUPANT AND TENANT ALONE ARE RESPONSIBLE FOR KEEPING THE SMOKE DETECTOR IN WORKING ORDER.

c. Except in the event of an emergency, if Tenant or an Occupant has had a request for repairs or services to the Premises, or repairs or replacements of security devices, the request must be in writing to us. In case of malfunction of utilities or damage by fire, water, or similar cause, Tenant must notify us immediately. In case of malfunction of air conditioning or other equipment, Tenant must notify us in writing as soon as possible. Additionally, Tenant are required to notify us immediately of water leaks, electrical problems, broken glass, broken locks, or latches, and any condition which Tenant reasonably believe poses a material hazard to the health or safety of yourself or others. Once we receive the notice, we will act with reasonable diligence in making repairs and reconnections, but during that time Tenant cannot stop payment or reduce the Rent. Tenant specifically allow us, our respective agents, employees, repairers, servicers, and representatives to enter the Premises to conduct such repairs and reconnections.

d. With or without notice, we can temporarily turn off equipment and interrupt utilities to avoid property damage or to perform work requiring such interruption as determined in our sole judgment.

e. Neither we nor the Manager will be liable for any inconvenience, discomfort, disruptions, or interference with your use of the Premises because we or the Manager are making repairs, alterations or improvements to the Premises, or the Property. If Tenant request any repairs, they will be done during our usual working hours unless Tenant request in writing that such repairs be done during other hours. If we approve such request, unless the repairs are

required by an emergency, Tenant will have to pay in advance any additional charges (such as overtime) resulting from such request.

f. With or without notice, we can temporarily turn off equipment and interrupt utilities to avoid property damage or to perform work requiring such interruption as determined in our sole judgment.

g. Neither we nor the Manager will be liable for any inconvenience, discomfort, disruptions, or interference with Tenant's use of the Premises because we or the Manager are making repairs, alterations or improvements to the Premises, or the Property. If Tenant request any repairs, they will be done during our usual working hours unless Tenant request in writing that such repairs be done during other hours. If we approve such request, unless the repairs are required by an emergency, Tenant will have to pay in advance any additional charges (such as overtime) resulting from such request.

To minimize the potential for any mold growth in the Premises, Tenant and all Occupants are responsible for the following:

1. Keep the Premises clean – especially bathroom(s), tubs and showers, carpets, and floors. Immediately throw away moldy food.
2. Remove visible moisture from windows, walls, ceilings, floors, and other surfaces as soon as possible. Turn on any exhaust fans in the bathroom before Tenant start showering. When showering, be sure to keep the shower curtain inside the tub.
3. Promptly notify us in writing about air conditioning, heating or plumbing problems Tenant discover and about any signs of water leaks, water infiltration or mold. We will respond in accordance with state law and this Lease to repair or remedy the situation, as necessary.
4. Immediately report to us orally and in writing any water leaks or water intrusions into the Premises, or any excess water in or in the vicinity of the Premises (walls, floor, ceiling, etc.) or in the building, such as plumbing leaks, roof leaks, foundation leaks, drips, sweating pipes, flooding or puddling of water.
5. Clean any small areas of mold, which Tenant discover on non-porous surfaces (such as ceramic tile, Formica, vinyl flooring, metal, wood, or plastic). The Federal Environmental Protection Agency (EPA) recommends that Tenant first clean the areas with soap (or detergent) and water, let the surface dry, and then within 24 hours apply a pre-mixed, spray-on-type household biocide (which should be of the non-staining variety and whose label states that it will kill mold). Always clean and apply a biocide

to an area 5 or 6 times larger than any visible mold because mold may be adjacent in quantities not yet visible to the naked eye.

6. DO NOT CLEAN OR APPLY BIOCIDES TO: (1) visible mold on porous surfaces, such as sheetrock walls or ceilings or (2) large areas of visible mold on non-porous surfaces. Instead, notify us in writing, and we will take appropriate action in accordance with state law.

Molds are naturally occurring microscopic organisms that reproduce by spores and have existed practically from the beginning of time. There is conflicting scientific evidence as to what constitutes a sufficient accumulation of mold which could lead to adverse health effects, nevertheless, appropriate precautions need to be taken. Compliance with these provisions will help prevent mold growth in the Premises and allow both Tenant and us to respond appropriately to conditions that could result in mold growth. If Tenant fail to comply with these provisions, Tenant will be held responsible for property damage to the Premises or any health problems that may result. See attached Mold Addendum.

19. CASUALTY LOSS

If in our reasonable judgment, fire or other casualty materially damages the Premises or the Property, we may terminate this Lease within a reasonable time after such determination by giving Tenant written notice. If we terminate this Lease, and Tenant did not cause the loss, we will refund prorated, prepaid Rent and all deposits(s), less any applicable lawful deductions. If we determine that material damage has not been caused to the Premises or the Property, or, if we have elected not to terminate this Lease, we will, within a reasonable time, rebuild the damaged improvements or, at our election, move Tenant to an alternative premise at the Property. During such reconstruction, there shall be a reasonable reduction of the Rent for the unusable portion of the Premises unless Tenant or Tenant's guests are the cause of the fire or other casualty. Alternately, we may choose to relocate Tenant to another apartment or even another comparable facility.

20. LANDLORD'S RIGHT OF ENTRY

As Landlord, we and our respective agents, employees, repairers, servicers, and representatives may at any time enter the Premises for any reason, and Tenant for itself and on behalf of all Occupants, waives any notice requirement for entry. The waiver notwithstanding, we will endeavor to give advance notice to the Occupant of intended entry when possible, but notice is not required in the event of an emergency or for entry on common areas in each Apartment.

21. DEFAULT

You are in violation of this Lease if:

- a) You fail to timely pay Rent, or any other amount owed under this Lease.
- b) You, any Occupants approved by Landlord, or any guests of the Tenant or Occupants, violate, either knowingly or unknowingly, this Lease or any addendum to it, the Community Policies, any rules, or fire, health or criminal laws, regardless of whether arrest or conviction occurs;
- c) You or the approved Occupants fail to move into any portion of the Premises after completion of all required documentation, or, if Tenant or the designated Occupant abandons any portion of the Premises (that is, Tenant or Occupant appears to have moved out before the end of the term of this Lease, clothes and personal belongings have been substantially moved out and Tenant have not been in the Premises for seven [7] consecutive days);
- d) You or any Occupant have made any false statement or misrepresentation on any information provided to us, which includes any application;
- e) Any Occupant or Occupant's guest is arrested for a felony offense involving actual or potential physical harm to a person, or a felony or misdemeanor offense involving possession, manufacture or delivery of a controlled substance, marijuana, or illegal drug paraphernalia as defined in applicable law;
- f) Any illegal drugs or illegal drug paraphernalia are found in the Premises (whether we can establish possession); or
- g) You fail to pay any fine, charge, or penalty within ten (10) days after it is levied in accordance with this Lease or the Community Policies.
- h) An Occupant, in Management's sole discretion, are unable or show a refusal to adjust to the concept and requirements of living in a student residential environment.

22. REMEDIES

If Tenant are in violation of this Lease we can, without demand or notice (other than as provided in this Lease) in addition to other remedies allowed by law:

- a) Collect any fine imposed by this Lease or the Resident Handbook;
- b) Sue to collect past due Rent and any other damages we have incurred because of the violation of the Lease;
- c) Terminate Tenant's right to occupy the Premises (or that portion in which the violation occurred) and institute eviction proceedings, but not terminate the Lease or end Tenant's monetary obligation for the Premises;
- d) Commence a legal action to collect all unpaid Rent and other sums which would become due until the Ending Date of this Lease or until another person takes occupancy (and then, we can still recover from Tenant the difference between the Rent Tenant were supposed to pay and the Rent actually paid by the new resident together with the relet charge of \$350.00)
- e) Any other remedies allowed or permitted by law, and
- f) Do any combination of a, b, c, d, or e.

If there is a violation by an Occupant that we may terminate this lease to the bed space of the Occupant while the remainder of the lease remains in full force and effect. Upon removal of that Occupant, the Lease may be reinstated as to that bed space and the Tenant may designate a replacement Occupant.

23. CUMULATIVE REMEDIES

The exercise of any remedy by us shall not be deemed to exclude or waive the right to exercise any other right or remedy which we might have. After we give Tenant notice to leave the Premises, even if we accept Rent or other sums due, such acceptance does not waive or diminish our continuing rights unless we specifically agree to it in writing.

24. COST AND FEES

In the event we bring an action against Tenant and/or an Occupant because of a violation of this Lease, we can recover all costs or fees involved as part of any judgment as permitted by Kentucky Law. Collections and attorney fees under Section 11 provisions above.

25. SUBORDINATION AND RIGHT TO ENCUMBER

The lien of any lender(s) on the Property will be superior to Tenant's rights as a tenant. Therefore, if we violate the loan and a lender takes over ownership, it can end this Lease, or it may elect to continue this Lease. It is at the discretion of the holder of the mortgage documents. Your rights under this Lease are therefore subject to the rights of the lender(s) on the Property. If we request, Tenant agree to sign any document confirming the subordinate status of this Lease and Tenant appoint us as Tenant's attorney-in-fact to execute any such document for and in Tenant's name.

26. SALE OF PROPERTY

Any sale of the Property shall not affect this Lease or any of Tenant's obligations, but upon such sale we will be released from all of our obligations under this Lease and the new owner of the Property will be responsible for the performance of the duties of "Landlord" from and after the date of such sale.

27. TENANT INFORMATION

If Tenant or any Occupant has supplied information to us whether by means of a rental application or other materials or documents, or information or data in our files that was given by Tenant or Occupant voluntarily and knowingly, all such information is presumed to be true and correct. If someone requests information on Occupant's rental history for law enforcement, governmental or business purposes, we can provide it without notice to Tenant or any further consent.

28. GENERAL

TIME IS OF THE ESSENCE IN THE PERFORMANCE OF ALL MATTERS UNDER THIS LEASE. Your execution of this Lease confirms that no oral promises, representations, or agreements have been made by us or any of our representatives. Our representatives (including management and leasing personnel, employees, and other agents) have no authority to waive, amend or terminate this Lease or any part of it and have no authority to make promises, representations or agreements which impose duties of security or other obligations on us unless done in writing and signed by us. Unless this Lease states otherwise, all sums owed by Tenant is due upon demand. Our delay or non-enforcement of our rights shall not be a waiver under any circumstances of our future right to enforce such rights.

29. SEVERABILITY

If any clause or provision of this Lease is held to be illegal, invalid, or unenforceable, or the application to any person or circumstance shall to any extent be illegal, invalid or unenforceable under present or future laws effective during the term of this Lease, then it is the express intention of the parties that the remainder of this Lease, or the application of such clause or provision other than to those as to which it is held illegal, invalid or unenforceable shall not be affected thereby, and each clause or provision of

this Lease and the application thereof shall be legal, valid and enforceable to the fullest extent permitted by law.

30. LIABILITY OF OWNER – WAIVER OF JURY TRIAL

If we violate this Lease, Tenant's damages (and those of any Occupant or anyone else) cannot exceed the amount of the Landlord's equity in the Property (value less the total dollar amount of encumbrances). Before Tenant or any of its Occupants may bring any action against us, the claimant must first give us written notice of the nature of our violation and allow us the shorter of (i) thirty (30) days, and (ii) any period permitted by applicable law, to cure it. In no event shall Landlord be responsible for consequential damages.

THE TENANT, ITS OCCUPANTS, AND ANY WHO MAY BE CLAIMING BY, THOUGH, OR UNDER THE TENANT OR ANY OF ITS OCCUPANTS, HEREBY EXPRESSLY AND KNOWINGLY WAIVE AND FORGO ANY RIGHT TO A TRIAL BY JURY ON ANY CLAIMS AGAINST THE LANDLORD.

31. SAFETY

YOU AND YOUR OCCUPANTS MUST EXERCISE DUE CARE FOR YOUR AND OTHER'S SAFETY AND SECURITY. PLEASE READ THE SECURITY GUIDELINES INCLUDED IN THE COMMUNITY POLICIES PROVIDED TO TENANT AND OCCUPANTS. None of our safety measures are an express or implied warranty of security or are a guarantee against crime or of a reduced risk of crime. We are not liable to Tenant or, any Occupant or any of Occupant's or Tenant's guests for injury, damage, or loss to person or property caused by criminal conduct of other persons. We are not obligated to furnish security personnel, security lighting, security gates or fences, or other forms of security and we may discontinue any such items provided at any time without notice.

32. METHOD OF NOTICE

All "notices" to us must be in writing and either hand delivered or sent by U.S. certified mail, return receipt requested, postage prepaid, to 2400 South Fourth Street, Louisville, KY 40208, with a copy delivered to the on-site property Manager.

All "notices" to Tenant or any Occupant may be hand delivered or mailed, certified mail, postage prepaid at the address set out on the first page of this Lease.

Tenant or Landlord may change the address for notices by providing written notice of change of address in accordance with the above provisions. Moreover, either party may add a requirement for a copy to be provided to one additional address.

33. SPECIAL PROVISIONS

The Application for Housing, the Community Policies, all attached addendums, and, if applicable, the Resident Handbook, any and all Financial Aid Materials and applications, Financial Aid Deferment Form and/or the Success Addendum are all hereby incorporated by reference and made a part hereof as if set out in full herein, and considered to be a part of this Lease. In the event of a conflict by any such incorporate material and this Lease, the Lease will control except for attached Addendums unless otherwise specified. Attached addendums shall control over a conflict with any other incorporated materials.

34. LEASE RENEWAL

If Tenant intends to renew this Lease, Tenant must renew no less than 30 days prior to the Ending Date of the Lease.

35. GOVERNING LAW

This Lease is governed by and to be construed in accordance with the laws of the Commonwealth of Kentucky and venue shall only be proper in the courts having jurisdiction in Jefferson County, Kentucky.

36. ACKNOWLEDGMENT OF AGREEMENT

TENANT HEREBY ACKNOWLEDGES THAT IT HAS READ THIS LEASE, INCLUDING ITS EXHIBITS. TENANT ACKNOWLEDGES THAT THIS LEASE IS A LEGAL DOCUMENT AND IS INTENDED TO BE ENFORCEABLE AGAINST TENANT AND TENANT'S OCCUPANTS, IN ACCORDANCE WITH ITS TERMS AND CONDITIONS. TENANT ACKNOWLEDGES THAT IT HAS COMPETENT LEGAL ADVICE THAT HAS REVIEWED THIS LEASE FOR TENANT. TENANT FURTHER REPRESENTS THAT IT WILL PROVIDE ALL OCCUPANTS WITH INSTRUCTIONS ON THEIR OBLIGATIONS AND DUTIES AND THE INFORMATION PROVIDED AND PROVIDED IN THIS LEASE, AND THE REQUIRED CONDUCT.

37. MISCELLANEOUS

If any section, subsection, paragraph, sentence, clause, phrase or portion of this Lease is, for any reason, held invalid or unlawful by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions of this Lease. Where this Lease is executed by more than one person as Tenant, all such persons shall be jointly and severally liable for payment of the agreed Rent and for the performance of all covenants to be kept by Tenant hereunder. It is understood and agreed that all the terms, covenants, agreements, and conditions in this Lease shall succeed to and be binding upon the respective heirs, executors, administrators, successors and assigns of the parties hereto. Gender and number shall be changed as the context requires. Each party acknowledges receipt of a duplicate original of this Lease. This Lease is the entire agreement between Tenant and us and may be modified only in writing.

38. LIABILITY AND INSURANCE

Neither the Landlord, our representatives, employees, officers, directors, agents and affiliates (collectively the "Released Parties"), will be liable to Tenant or any of Tenant's Occupants or their guests for injury, damage, or loss to person or property caused by criminal conduct of other persons, including theft, burglary, assault, vandalism, or other crimes or Tenant's personal conflict with Tenant's roommates. The Released Parties shall not be liable to Tenant or any of Tenant's Occupants or their guests for any personal injury or damage or loss to property from fire, flood, water leaks, rain, hail, ice, snow, smoke, lightning, wind, explosion, earthquake, interruption of utilities, or other act of God. Tenant acknowledges for itself and on behalf of its Occupants that Landlord does not carry insurance to cover Tenant's personal property, possessions, perishable goods, or personal liability. We have recommended the Tenant obtain and maintain coverage for itself and its Occupants for both liability for personal injury or damages to others and loss or damage and personal injury to Occupants. Tenant represents and warrants that it has obtained such insurance coverage as it deems appropriate.

39. NO GUARANTEE OF ACCOMMODATIONS

Submission of this completed Lease DOES NOT guarantee Tenant accommodations until a counterpart hereof is executed by Landlord and delivered to Tenant.

40. PHOTO RELEASE

You hereby give us permission to take Tenant's and Tenant's Occupants photos during any of the functions or activities of or at the Property. You acknowledge that these photos may be used for the community newsletter, leasing office bulletin boards, websites, digital and social or any other publication of the same utilized by Property owners or management for any reason.

41. LEASE ADDENDUMS

The Lease Addendums listed below that are marked with an "X" are a part of this lease and incorporated by reference as if set out in full herein.

- ☐ Bed Bug Addendum
- ☐ Mold
- ☐ Parking Addendum
- ☐ Other (specify) _____

Signature page to follow

IN WITNESS WHEREOF, the parties have executed this Agreement:

UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC.

By: _____
Jeff Spoelker
Associate Athletic Director

Date: _____

APTITUDE 4TH STREET, LLC,

By: _____
Name: _____
Title: _____

Date: _____

Attachment A

UNIVERSITY OF LOUISVILLE TERMS AND CONDITIONS

1. **Termination of Lease:** Pursuant to KRS 56.806(6), the TENANT shall have the further right to terminate this Lease at any time upon thirty (30) days written notice, time to be computed from date of mailing notice; termination under this paragraph shall not be considered effective until the last day of the month in which the notice period ends.
2. **Fiscal Funding Out Clause:** The TENANT reserves the right to cancel and/or suspend the established lease if funds for the continuation of these contracted services are eliminated or are not fully appropriated in subsequent years. The TENANT will make all efforts, though annual budget requests to meet financial obligations for continuing contractual obligations; however this does not guarantee that funds will be made available from one fiscal year to the next.

The TENANT also reserves the right to cancel and/or suspend the established lease if changes in University policy and/or the way business are conducted regarding contracted services.

3. **Maintenance:** Unless otherwise specified, the LANDLORD shall maintain the premises in good repair and tenantable condition, including, but not limited to heating and/or air conditioning equipment, electrical wiring, plumbing, sprinkler system, roof, and all structural parts of the building, common areas, except in case of damage arising from the negligent acts of the TENANT'S agents or employees. For the purpose of maintaining the premises and to make necessary repairs, the LANDLORD will notify the TENANT within twenty-four (24) hours prior to the entering Lease Premises. In cases of emergency the LANDLORD reserves the right to enter and inspect the Leased Premises without prior notification.
4. **Standards:** The LANDLORD shall comply with all standards set by the Kentucky Department of Housing, Buildings and Construction, Division of Building Codes Enforcement, and that of the Kentucky Occupational Safety and Health Standards Board and the Americans with Disabilities Act (ADA), as well as any state or municipal regulations or ordinances, include adoption of the Uniform Landlord Tenant Act.
5. **Indemnification:** Any liability of the TENANT to LANDLORD is limited to and as specified, shall be in accordance with Kentucky Revised Statutes KRS 49.010 through 49.180 – by the powers and authority vested in the Kentucky Claims Commission - and KRS 45A.225 through 45A.275 (Contract Claims).

The LANDLORD shall defend, indemnify and hold harmless the TENANT, its trustees, officers, employees and agents from and against all losses and expenses (including reasonable

cost of attorney's fees) by reason of liability imposed by law upon the LANDLORD for damages because of bodily injury, including death, personal injury, including data loss at any time resulting there from, sustained by any person or persons including the LANDLORD'S employees, or on account of damage to property, including loss of use thereof, arising out of or in consequence of the negligent or intentional action or omission, or willful misconduct of the LANDLORD, provided however, that nothing contained herein shall require the LANDLORD to indemnify the TENANT for such injuries to persons or damage to property arising out of, or in consequence to the negligent or intentional action, omission or willful misconduct of the TENANT, its officers, employees and agents.

6. **Conflict of Interest:** The LANDLORD is required to disclose any potential conflict of interest. If the owner of your organization is related to a University of Louisville employee, that relationship must be disclosed in writing prior to or in no case later than at time of award/execution of agreement. For purposes of disclosure of a conflict, a person is a related person if related to a University employee in any of the following ways, and includes those within these categories who are referred to as adopted, step-, foster, grand-, half-, in-law, spouse of, or great- : parent, child or ward, sibling, uncle or aunt, first cousin, nephew or niece, spouse, domestic partner, or significant other.
7. **Kentucky Campaign Laws:** The LANDLORD representative certifies that neither he/she nor any member of his/her immediate family having an interest of 10% or more in any business entity involved in the performance of this lease, has contributed more than the amount specified in KRS121.056 (2), to the campaign of the gubernatorial candidate elected at the election last preceding the date of this contract. The signee further swears under the penalty of perjury, the neither he/she or the Landlord which he/she represents, has knowingly violated any provisions of the campaign laws of the Commonwealth, and that the award of a contract to him/her or the Landlord which he/she represents will not violate any provisions of the campaign finance laws of the Commonwealth.
8. **Eligibility to Participate in Governmental Programs Certification:** Landlord's acceptance of award/execution of agreement certifies that the Landlord, and where applicable subcontract Landlord, or any person performing services under this agreement (i) is not now nor have ever been excluded, suspended, debarred or otherwise deemed ineligible to participate in governmental healthcare, procurement, or other programs; (ii) is not now nor have ever been charged with or been convicted of a criminal offense related to the provision of government healthcare, procurement, or other programs and have not been reinstated in such programs after a period of exclusion, suspension, debarment, or ineligibility. If the Landlord, and where applicable subcontract Landlord, or any person performing services under this agreement becomes ineligible for participation in such governmental programs in the future, Landlord will have a process in place such that subcontract Landlord(s) and any person performing services under this agreement will promptly notify the Landlord of such ineligibility. The Landlord will notify the University buyer of record within seventy-two (72) hours of the Landlord becoming

aware of the governmental ineligibility of the Landlord, any subcontract Landlord, or any person performing services under this agreement.

9. **Insurance:** The LESSOR shall be responsible for procuring and continuously maintaining casualty and liability insurance on the Premises as defined within this Lease.

MINIMUM COVERAGE AMOUNT

Type of Insurance	Minimum Limits of Liability
General Liability* Including: Completed Products Personal and Advertising Injury Products/Completed Operations Sexual Abuse & Molestation	\$1,000,000.00 Each Occurrence \$2,000,000.00 General Aggregate
Auto Liability* (all owned, hired and non-owned vehicles)	\$1,000,000 Combined Single Limit (Bodily Injury, Property Damage)
Property Insurance Broad Form Comp. Insurance	Replacement Cost of Building and LESSOR contents LESSEE responsible for their contents
Workers Compensation	Statutory Limits – Kentucky and the state(s) of domicile of University's contractor and any subcontractor(s). The all state and voluntary compensation endorsement is to be attached to the policy.
Employers Liability	\$1,000,000 (each employee, each accident and policy limit)

**Occurrence coverage is required. Claims-made coverage is not acceptable.*

These policies (except Workers' Compensation) shall name the LESSEE, its trustees, officers, employees and agents as Additional Insured and shall contain a covenant requiring no less than thirty (30) days written notice to the LESSEE before cancellation, reduction or other modification of coverages.

These policies shall be primary and non-contributing with any insurance carried by the LESSEE shall contain a severability of interests clause in respect to cross liability, protecting each Additional Insured as through a separate policy had been issued to each. Certificate of the above policies shall be furnished, to the LESSEE, at least thirty (30) days prior to the commencement of services provided under this Lease.

All Certificates of Insurance must clearly state that the LESSOR'S insurance(s) is PRIMARY. If LESSOR'S policy has deductibles, self-insured retentions or co-insurance penalties, then all such costs shall be solely borne by LESSOR and not by the LESSEE. The LESSEE will not share in any policy deductibles.

It is hereby agreed that in event of a claim arising under this policy, the company will not deny liability by reason of the Additional Insured being a state, county, municipal corporation or governmental agency.

The limits listed above may be accomplished through a combination of primary and excess/umbrella liability policies written on a "follow form" basis or forms no more restrictive than the primary policies.

Accepted on behalf of The Marshall:

Sign _____
Name
Title

Date _____