

1258  
LEASE AGREEMENT

THIS LEASE AGREEMENT made and entered into as of this 1st day of January, 1989, by and between DANIEL U.S. PROPERTIES LIMITED PARTNERSHIP, a Virginia limited partnership ("Landlord"), and DANIEL MEADOW BROOK III LIMITED PARTNERSHIP, a Virginia limited partnership ("Tenant").

W I T N E S S E T H:

For and in consideration of the mutual promises and covenants hereinafter set forth, Landlord and Tenant hereby agree as follows:

ARTICLE I  
DEFINITIONS

In addition to other definitions set forth herein, the following terms shall have the following meanings as used throughout this Lease:

1.01 Additional Rent. All amounts, liabilities and obligations (other than Base Rent) which Tenant assumes or agrees to pay hereunder, including, without limitation, all Fees, Taxes and Other Charges, utilities (if paid by Landlord) and Common Area Maintenance Expenses (as provided in Article IV hereof), maintenance and repair costs and expenses (as provided in Article V) and insurance premiums (as provided in Article VI hereof).

1.02 Intentionally Deleted.

1.03 Intentionally Deleted.

1.04 Base Rent. The annual sum of Thirteen Thousand Four Hundred Twenty-Five and No/100 Dollars.

1.05 Casualty. Any damage or destruction to the Leased Premises or any part thereof (other than to Tenant's Personal Property) caused by or resulting from any fire, windstorm, tornado, earthquake or other casualty.

1.06 Commencement Date. January 1, 1989.

1.07 Expiration Date. Two (2) years following the Commencement Date, unless otherwise sooner terminated in accordance with the provisions of this Lease.

1.08 Fees, Taxes and Other Charges. All governmental or quasi-governmental fees, taxes (including, without limitation, use, value added, property (real or personal, tangible or intangible)), assessments, levies, impounds, duties, charges or withholdings of any nature whatsoever, together with any and all penalties, fines, additions to tax or interest thereon relating to this Lease, Rent payable hereunder, the Leased Premises, Tenant's Personal Property or any portion thereof and all additions or improvements thereto.

1.09 Intentionally Deleted.

1.10 Intentionally Deleted.

1.11 Landlord's Mailing Address. 1200 Corporate Drive, Meadow Brook Corporate Drive, Birmingham, Alabama 35242, Attention: Stephen R. Monk.

1.12 Leased Premises. The Real Property and all improvements, facilities, fixtures, machinery, installations and equipment constructed thereon by Tenant pursuant to the provisions of Section 10.14 hereof.

THIS INSTRUMENT PREPARED BY AND UPON RECORDING SHOULD BE RETURNED TO:  
STEPHEN R. MONK, 1200 CORPORATE DRIVE, MEADOW BROOK CORPORATE PARK,  
BIRMINGHAM, ALABAMA 35242

*Daniel Corp.*

1.13 Legal Requirements. All laws, statutes, codes, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and agreements with all federal, state, county, municipal or other governments, departments, commissions, boards, courts, authorities, agencies, officers and officials which now or at any time hereafter are applicable to the Leased Premises or any portion thereof, or any use, condition, maintenance or repair thereof.

1.14 Lien. Any interest, consensual or otherwise, whether such interest is based on common law, statute or contract, including, but not limited to, a security interest, security title or lien arising from a mortgage, deed of trust, judgment, encumbrance, pledge, conditional sale, lease, consignment or bailment for security purposes, or mechanics' or materialmen's liens created, allowed or suffered by Tenant to be placed upon the Tenant's interest in this Lease, the Leased Premises, Tenant's Personal Property or any portion thereof.

1.15 Real Property. That certain real property situated in Meadow Brook Corporate Park South, Shelby County, Alabama which is more particularly described in Exhibit A attached hereto, together with all easements, rights, privileges, remainders, reversions and appurtenances thereunto belonging or in any way appertaining.

1.16 Rent. Base Rent, Additional Rent and all other sums, charges and expenses payable hereunder by Tenant.

1.17 Rules and Regulations. The Rules and Regulations attached hereto as Exhibit B and all modifications and amendments made from time to time thereto by Landlord.

1.18 Taking. A taking of all or any portion of the Leased Premises as a result of, in lieu of or in anticipation of the exercise of the right of eminent domain, condemnation, nationalization, seizure, confiscation or requisition pursuant to any law, general or special, or by reason of the requisition of the Leased Premises or any portion thereof by any governmental authority, civil, military or other person legally possessing the power of eminent domain or by private purchase in lieu thereof.

1.19 Tenant's Mailing Address. 1200 Corporate Drive, Meadow Brook Corporate Park, Birmingham, Alabama 35242.

1.20 Tenant's Personal Property. All fixtures, equipment, machinery and other personal property owned or used by Tenant on or about the Leased Premises.

1.21 Term. Two (2) years, commencing on the Commencement Date and expiring on the Expiration Date, unless otherwise sooner terminated in accordance with the provisions of this Lease.

## ARTICLE II LEASE AND USE OF PREMISES

2.01 Lease of Premises. Landlord does hereby lease to Tenant and Tenant does hereby hire and accept from Landlord the Leased Premises for and during the Term, subject to the terms, provisions and conditions set forth in this Lease. Notwithstanding anything provided in this Lease to the contrary, no easement for light, air or view is granted to Tenant hereunder.

2.02 Early Termination Option. If at any time during the Term hereof either (a) Landlord desires to construct improvements on the Real Property or (b) Landlord sells the Real Property to a third party and such third party gives notice to Tenant that it desires to construct improvements on the Real Property, then upon 180 days prior written notice to Tenant, Landlord shall have the right to terminate this Lease and the provisions of Section 5.04 hereof shall be applicable.

2.03 Use of the Leased Premises. Tenant shall use the Leased Premises solely for off-site parking purposes in conjunction with and solely for the office building known as Meadow Brook 1200 situated adjacent to the Real Property and for no other purpose without Landlord's prior written consent, which consent may be given or withheld in Landlord's sole discretion. Tenant shall not use or occupy or permit anything to be done in or upon the Leased Premises in violation of the Rules and Regulations or any Legal Requirements, or which would constitute a public or private nuisance or waste to the Leased Premises or any part thereof. Tenant shall, at Tenant's sole expense, promptly abide by and comply with the Rules and Regulations, all Legal Requirements and the requirements of any board of fire underwriters or any other body exercising similar functions which may be applicable to the Leased Premises.

2.04 Quiet Enjoyment. Subject to the terms of this Lease and to any mortgage, lease or other matters to which this Lease may be subordinate, Tenant shall have the peaceable and quiet enjoyment and possession of the Leased Premises without any manner of hindrance or interference by Landlord.

2.05 Entry. Landlord, its agents and representatives, may enter the Leased Premises at reasonable hours to inspect the Leased Premises and to show the Leased Premises to lenders, prospective purchasers or tenants. Any such entry by Landlord shall not entitle Tenant to any abatement of Rent.

### ARTICLE III RENT

3.01 Base Rent. Commencing on the Commencement Date, Tenant shall pay to Landlord the Base Rent in twelve (12) equal monthly installments in advance on the first day of each calendar month throughout the Term hereof. If the Term of this Lease begins or expires on a date other than the first (or last) day of a calendar month, then the Base Rent for such months shall be prorated on the basis of a 30-day calendar month.

3.02 Intentionally Deleted.

3.03 Additional Rent.

(a) In addition to the Base Rent, Tenant shall also pay to Landlord, or to whomsoever shall be entitled thereto, any and all Additional Rent during the Term promptly as the same shall become due and owing and, in the event of any failure on the part of Tenant to pay any Additional Rent, Landlord shall have all rights, powers and remedies provided for herein or by law or equity or otherwise in the case of nonpayment of Base Rent. Tenant hereby acknowledges and agrees that the Base Rent payable hereunder shall be absolutely net to Landlord and that all costs, expenses, obligations and liabilities of every kind or nature relating to the Leased Premises for which Tenant is responsible hereunder during the Term shall be paid by Tenant.

(b) Tenant shall furnish to Landlord for its approval, review and inspection, within thirty (30) days after request therefor, official receipts from the appropriate authority, or such other proof as is reasonably satisfactory to Landlord, evidencing the payment of Additional Rent.

(c) The obligations of Tenant to pay Additional Rent through the Term shall survive the termination of this Lease even though the amount of the Additional Rent may not be determinable on the Expiration Date.

### 3.04 Payment of Rent, Late Fees and Landlord Cure Rights.

(a) All Rent shall be due and payable by Tenant in all events and Tenant agrees to pay said Rent without notice, demand, offset, counterclaim or deduction and without abatement, suspension, deferment, diminution or reduction, to Landlord at Landlord's Mailing Address or at such other address or to such other person as Landlord may from time to time provide in writing to Tenant. All unpaid Rent shall bear interest after the tenth day that said Rent was due and payable until the same has been paid in full at the per annum rate (the "Applicable Rate") of four percent (4%) above the prime or "base" rate of interest announced or published from time to time by AmSouth Bank N.A., Birmingham, Alabama.

(b) In addition to interest at the Applicable Rate, Tenant shall pay to Landlord a late charge of three percent (3%) of the amount of any Rent not paid within ten (10) days after its due date. Landlord and Tenant agree that such charge is a reasonable estimate of the administrative costs and expenses to be incurred by Landlord in the event any Rent is not paid within ten (10) days after its due date.

(c) If Tenant fails or refuses to perform any of its obligations under this Lease, then Landlord shall have the right, but not the obligation, to perform such obligations of Tenant without waiving or releasing any other rights or remedies of Landlord provided herein or otherwise affecting Tenant's obligations hereunder. Any amounts paid or incurred by Landlord in performing any of the obligations of Tenant shall constitute Rent and shall be due and payable by Tenant upon written notice, together with interest thereon at the Applicable Rate if not paid within ten (10) days after the date of such notice.

## ARTICLE IV FEES, TAXES AND OTHER CHARGES, UTILITIES AND COMMON AREA MAINTENANCE EXPENSES

### 4.01 Fees, Taxes and Other Charges.

(a) Tenant shall pay and assume liability for all Fees, Taxes and Other Charges imposed upon or against the Landlord, the Leased Premises or any part thereof by any federal, state, county, local or other governmental or taxing authority during the Term with respect to (i) the Leased Premises, Tenant's Personal Property or any portion thereof or the construction, installation, manufacture, ownership, possession, use, operation, leasing, subleasing, condition, maintenance or repair of the same and (ii) this Lease and all Rent payable hereunder. In the event the Leased Premises (including any improvements made thereto by Tenant) are not separately assessed for ad valorem tax purposes from other real property owned by Landlord, then Tenant shall pay to Landlord, as Tenant's share of ad valorem taxes assessed against the Leased Premises, an amount equal to the product obtained by multiplying the actual ad valorem taxes for the tract of real estate within which the Leased Premises have been included for ad valorem tax purposes by a fraction, the numerator of which shall be

the acreage of the Leased Premises and the denominator of which shall be the total acreage of the tract of real estate within which the Leased Premises have been included for ad valorem tax purposes. Such payment shall be made by Tenant to Landlord within thirty (30) days after notice of the same and a copy of the then applicable tax notice have been given to Tenant.

(b) Tenant shall have the right to contest in good faith and by appropriate and timely legal proceedings or in such other manner as it shall reasonably deem to be suitable, the legality, assessed valuation or amount of any such Fees, Taxes and Other Charges. Landlord shall reasonably cooperate with Tenant in the prosecution of any such contest, and such proceedings may be brought in the name of Landlord, if necessary, provided that all expenses of same (including, without limitation, all attorneys' fees, court and other costs) shall be paid solely by Tenant. Notwithstanding the foregoing, Tenant shall pay without contest all Fees, Taxes and Other Charges (i) unless Landlord shall consent in writing to the appropriate contest or (ii) unless:

- (1) such contest shall suspend the collection thereof;
- (2) no part of the Leased Premises, or any Rent therefrom, would be subject to loss, sale or forfeiture before final determination of any such contest;
- (3) Landlord would not be subject to any civil or criminal liability as a result of such nonpayment or contest;
- (4) such proceedings shall not affect the payment of Rent hereunder or prevent Tenant from using the Leased Premises for its intended purposes; and
- (5) Tenant notifies Landlord of any such proceedings within ten (10) days after the commencement thereof and describes such proceedings in reasonable detail in such notice.

Tenant, in addition to conducting all contests in good faith and with due diligence, shall pay and discharge all amounts which shall be determined to be payable promptly after the final determination of any contest.

(c) Any refund or rebate obtained on account of Fees, Taxes or Other Charges paid by Tenant shall belong to Tenant. If any such refund or rebate is received by Landlord, the same shall be deemed trust funds and, as such, are to be received by Landlord in trust and paid to Tenant forthwith. Landlord will, upon request of Tenant, sign any receipts which may be necessary to secure the payment of any such refund or rebate and will pay over to Tenant such refund or rebate as and when received.

(d) Nothing contained in this Lease shall require Tenant to pay any franchise, income, receipts, profits, estate, inheritance, succession, gift, or transfer tax imposed upon Landlord or its successors or assigns; provided, however, that if at any time during the Term of this Lease, there shall be levied, assessed or imposed upon Landlord a capital levy, gross receipts, ad valorem or other tax directly on the Rent received hereunder, then such tax shall be deemed to be included within the amount which Tenant is required to pay hereunder.

**4.02 Utilities.** Tenant shall pay or cause to be paid during the Term all charges and deposits for all public or private utility services, sewage treatment services and fire protection services at any time rendered



to or used in connection with the Leased Premises or any part thereof, and will comply with all contracts relating to such services and will do all things required for the maintenance and continuance of such services and service contracts.

4.03 Common Area Maintenance Expenses. Tenant shall pay throughout the Term all common area maintenance expenses ("Common Area Maintenance Expenses") levied or assessed against or upon the Leased Premises pursuant to the Declaration of Covenants, Conditions and Restrictions of Meadow Brook Corporate Park South dated September 1, 1985 and recorded in Real Book 064, Page 91, in the Probate Office of Shelby County, Alabama and all amendments, modifications, extensions and renewals thereto (hereinafter collectively referred to as the "Declaration").

ARTICLE V  
MAINTENANCE AND REPAIR, ALTERATIONS,  
LIENS AND SURRENDER OF POSSESSION

5.01 Maintenance and Repair.

(a) Tenant, at its sole cost and expense, shall keep and maintain, or cause to be kept and maintained, the Leased Premises, the Tenant's Personal Property and all parts thereof in good and clean working order and condition (subject only to ordinary wear and tear) and in compliance with all of the terms and conditions of the Declaration, the Rules and Regulations and all Legal Requirements, and Tenant will promptly, at its sole cost and expense, make all necessary and timely repairs, replacements and renewals thereof, structural or nonstructural, ordinary or extraordinary, foreseen or unforeseen, whether necessitated by wear, tear, obsolescence or defects, latent or otherwise. All repairs, replacements and renewals shall be at least equal in quality, utility and class to original work. Although Landlord is not obligated to make any of the foregoing repairs, Landlord reserves the right to enter upon the Leased Premises and to make the foregoing repairs if Tenant has not done so. In the event such repairs are made by Landlord, Tenant shall reimburse the Landlord upon written notice for the full cost and expense thereof, together with interest thereon at the Applicable Rate if not paid within ten (10) days after the date of such notice. (b) Landlord shall not be required to furnish any services or facilities or to make any repair or alteration in or to the Leased Premises and Tenant hereby assumes the full and sole responsibility for the condition, operation, repair, replacement, maintenance and management of the Leased Premises.

5.02 Alterations. Tenant, at its sole cost and expense, shall have the right to make changes or alterations to any portion of the Leased Premises as provided in Section 10.14 hereof but not further or otherwise.

5.03 Liens. Tenant shall not, directly or indirectly, incur or suffer any undefended Lien arising from any action or inaction of Tenant to exist on or with respect to Landlord, the Leased Premises or any portion thereof, title thereto or any interest therein and Tenant shall promptly, at its own expense, take any action necessary to duly defend and discharge any such Lien.

5.04 Surrender of Possession. Tenant shall surrender possession of the Leased Premises at the expiration of the Term or upon any earlier termination of this Lease. Upon surrender of possession, the Leased Premises shall be in good repair and condition, reasonable wear and tear excepted, free from any Lien arising from any action or inaction of Tenant, and Tenant shall remove all of Tenant's Personal Property from the Leased Premises.

The provisions of this Section 5.04 shall survive the expiration or termination of this Lease.

ARTICLE VI  
INSURANCE AND INDEMNITY

6.01 Insurance.

(a) Tenant, at its expense, at all times during the Term, shall maintain and keep in full force and effect the following types of insurance:

(i) Comprehensive general public liability insurance for third party claims for bodily injury, including death, and property damage, with respect to the Leased Premises with limits of not less than \$1,000,000 combined single limit;

(ii) Intentionally Deleted.

(iii) Workman's compensation, employer's liability and other insurance coverage required from time to time by any of the Legal Requirements; and

(iv) Such other insurance, in such amounts and with such deductibles, as Landlord may reasonably require from time to time.

(b) All insurance required to be maintained by Tenant under this Lease shall be written by insurers licensed or approved to do business in the State of Alabama reasonably approved by Landlord. Each insurance policy shall provide for or be endorsed to name Landlord and the holder of any mortgage or deed of trust encumbering the Leased Premises or any part thereof as additional insureds. Tenant agrees that it will provide for or procure endorsements to all of such policies wherein the insurer agrees that Landlord and all other additional insureds thereunder will be given thirty (30) days prior written notice of any cancellation or change of insurance under said policies and that copies of all endorsements issued after the date of such policies will be forwarded to Landlord and all other additional insureds thereunder.

(c) At least thirty (30) days prior to the expiration date of any insurance policy required to be maintained by Tenant hereunder, a renewal or replacement policy (or a certificate thereof) for such insurance shall be delivered to Landlord and all additional insureds thereunder. Within fifteen (15) days after the premium on any policy shall become due and payable, Tenant shall furnish to Landlord satisfactory evidence of payment of the same.

(d) Landlord and Tenant each hereby waive and release the other from any and all liability or responsibility to the other, or for any other claim through or under them by way of subrogation or otherwise, for any insured loss or damage covered by and claims paid under the insurance policies maintained hereunder, even if such loss or damage shall have been caused by the fault or negligence of the other party or anyone for whom such party may be responsible. Tenant agrees that, if obtainable, it will obtain from its insurance carriers a clause or endorsement to the effect that this waiver shall not adversely affect, impair or prejudice the rights of the insureds to recover thereunder. In the event such clause or endorsement is obtainable only upon the payment of an additional fee or premium, Tenant shall be under no obligation to obtain such clause or endorsement unless Landlord pays such additional fee or premium.

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(e) Upon any Casualty or during any period that the Leased Premises is being restored or repaired as a result of any Casualty, there shall be no abatement of Rent, Tenant understanding that it may obtain appropriate insurance or may take other means to meet its rental obligations while such repairs are being completed. Likewise, while any work is being done under Section 7.02 to restore the Leased Premises after a partial Taking, there shall be no abatement of Rent, it being understood that the Tenant may wish to obtain a form of business interruption insurance to cover such an occurrence.

6.02 Indemnity. Tenant does hereby indemnify and hold Landlord harmless from and against any and all claims, liability, loss, damage or expense (including reasonable attorneys' fees) suffered, paid or incurred by Landlord with respect to any damage or injury (including death) to any third party or the property of any third party occurring in or upon the Leased Premises or any portion thereof which is caused by any negligent, willful or deliberate act or omission of Tenant, its agents, employees, contractors, licensees and invitees (excluding, however, any such damage or injury (including death) resulting from or caused by any negligent, willful or deliberate act or omission of Landlord). The indemnification provisions set forth in this Section 6.02 are in addition to and shall not be deemed a substitute for any of the insurance requirements set forth in this Article VI.

## ARTICLE VII DAMAGE AND DESTRUCTION AND CONDEMNATION

### 7.01 Damage and Destruction.

(a) If all or any part of the Leased Premises shall be destroyed or damaged in whole or in part by any Casualty, then Tenant shall give prompt notice thereof to Landlord, and Tenant, at its sole cost and expense, shall promptly repair, replace and rebuild the same to the same character and quality as existed immediately prior to such Casualty.

- (b) Intentionally Deleted.
- (c) Intentionally Deleted.
- (d) Intentionally Deleted.
- (e) Intentionally Deleted.

(f) No provision hereof shall be construed to require that this Lease be terminated or otherwise affected in any manner solely by reason of any Casualty except as otherwise specifically provided herein, and the Rent reserved in this Lease, as well as all other charges payable hereunder, shall be paid by Tenant, without abatement, diminution, or reduction on account of any such Casualty.

### 7.02 Condemnation.

(a) Upon the Taking of all or substantially all of the Leased Premises or any substantial portion thereof, or any Taking which renders the remainder of the Leased Premises or any substantial portion thereof, not reasonably fit or suitable for the purposes for which the same have been leased to Tenant, then this Lease shall terminate, any unearned Rent paid in advance by Tenant as of the date title to the Leased Premises is conveyed shall be refunded to Tenant and neither party shall have any further obligation hereunder.

(b) Upon any Taking of the Leased Premises or any portion thereof which does not result in the termination of this Lease, then (i) to the extent that restoration is available or feasible, Tenant shall rebuild, repair and reconstruct the Leased Premises as nearly as reasonably possible to their condition as existed immediately prior to



such Taking, (ii) Landlord agrees that any compensation received by Landlord shall be made available to Tenant to rebuild, repair and reconstruct the Leased Premises and (iii) all Rent shall, effective upon the date of completion of such restoration, be equitably apportioned taking into consideration the extent to which the use of the Leased Premises has been impaired as a result of the partial Taking. If the parties cannot agree as to the amount of such apportionment, they shall submit the issue to arbitration pursuant to the provisions of Section 10.03 of this Lease. During any restoration of the Leased Premises as a result of any Taking, or any arbitration proceeding pursuant to Section 10.03 hereof, all Rent reserved herein shall be paid by Tenant, without abatement, diminution or reduction on account of such Taking. Rent shall be equitably apportioned effective upon the date of completion of restoration of the Leased Premises as determined by the mutual agreement of Landlord and Tenant (or retroactively effective to such date upon final resolution of any arbitration proceeding under Section 10.03 hereof of the amount of apportionment of Rent as a result of any such Taking).

(c) All compensation awarded or paid upon any Taking of the Leased Premises shall belong to and be the property of Landlord. However, any separate award for Tenant's Personal Property and any award specified for Tenant's moving and relocation expenses shall belong and be paid to Tenant provided all terms and conditions of this Lease have been complied with by Tenant and such separate award does not reduce or otherwise prejudice the award or compensation to Landlord. In the event of termination of the Lease as a result of any Taking, Tenant shall have no claim against Landlord for the value of any unexpired term of the Lease and no right or claim to any part of the award to Landlord on account thereof.

#### ARTICLE VIII DEFAULT AND REMEDIES

**8.01 Default.** The occurrence of any one or more of the following events shall constitute a default ("Default") by Tenant:

(a) If Tenant fails to pay Rent or any other charges or sums required to be paid hereunder by Tenant;

(b) If Tenant fails to promptly and fully perform any other covenant, condition or agreement contained herein and such failure to perform continues for thirty (30) days after written notice is given to Tenant by Landlord;

(c) If Tenant is adjudicated a bankrupt or files or consents to the filing of a voluntary or involuntary petition in bankruptcy or a petition for relief, reorganization or arrangement in any proceeding under the federal bankruptcy laws, which petition is not withdrawn or dismissed within thirty (30) days thereafter; or

(d) If Tenant (i) seeks, consents to or acquiesces in the appointment of a receiver of all or substantially all of the Tenant's assets or of Tenant's interest in this Lease, (ii) makes an assignment for the benefit of its creditors or enters into an agreement of composition with its creditors, (iii) fails to lift promptly any execution, garnishment or attachment which impairs its ability to carry on its operations in the Leased Premises or (iv) is dissolved, ceases the active conduct of business or makes a bulk sale of all or substantially all of its assets.

**8.02 Remedies.**

(a) In the event of any Default by Tenant, then in addition to all other rights and remedies of Landlord as

may now or hereafter be provided at law or in equity, Landlord may, at its option, either:

- (i) Annul and terminate this Lease upon ten (10) days written notice to the Tenant and thereupon re-enter and take possession of the Leased Premises; or
- (ii) Upon ten (10) days written notice to Tenant, re-enter and re-let the Leased Premises from time to time as agent of Tenant, it being agreed by Tenant that such re-entry and re-letting shall not discharge Tenant from any liability or obligations hereunder (nothing herein, however, shall be construed to require Landlord to re-enter and re-let in such event).

(b) If Landlord re-enters the Leased Premises under the provisions of Section 8.02 (a)(ii) above, Landlord shall not be deemed to have terminated this Lease or the obligation of Tenant to pay any Rent or other charges thereafter accruing, unless Landlord notifies Tenant in writing of Landlord's election to terminate this Lease. In the event of any re-entry and re-letting by Landlord, Landlord shall have the right, but not the obligation, to remove all or any part of Tenant's Personal Property and to place the same in storage at a public warehouse at the expense and risk of Tenant. If Landlord elects to re-enter and re-let the Leased Premises for the account of Tenant, the rent received by Landlord from such re-letting shall be applied as follows: first, to the payment of any indebtedness other than Rent due hereunder from Tenant to Landlord; second, to the payment of reasonable costs of such re-letting, including brokerage fees, if any; third, to the payment of the costs of any alterations, repairs or leasehold improvements to the Leased Facility reasonably necessitated by such re-letting; fourth, to the payment of Rent due and unpaid hereunder; and the balance, if any, shall be held by Landlord and applied in payment of future Rent as it becomes due. If that portion of rent received from the re-letting is insufficient to pay the Rent due hereunder, then Tenant shall pay the deficiency to Landlord promptly upon demand by Landlord. Such deficiency shall be calculated and paid monthly. Tenant shall also pay to Landlord, as soon as determined, costs and expenses reasonably incurred by Landlord in connection with such re-letting or in making alterations, repairs or leasehold improvements to the Leased Facility reasonably necessary for such re-letting which are not covered by the rent received from the re-letting.

**8.03 Waiver.** The failure by Landlord 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.

**8.04 Attorneys' Fees.** If any Rent owing under this Lease is collected by or through an attorney at law, Tenant agrees to pay all costs and expenses, including court costs and reasonable attorneys' fees, incurred by Landlord in connection therewith. Tenant waives all exemptions which it may have under applicable state or federal law with respect to any obligation owing under this Lease.

ARTICLE IX  
ASSIGNMENT AND SUBLETTING, SUBORDINATION  
AND ESTOPPEL CERTIFICATES

**9.01 Assignment and Subletting.**

(a) Tenant shall not assign this Lease and sublet the Leased Premises without the prior written consent of Landlord, which consent may be withheld for any reason;

provided, however, that Tenant may assign this Lease in connection with the sale of the real estate situated adjacent to the Real Property upon which the office building known as Meadow Brook 1200 is situated but only to the extent the owner (or general partner) of the purchaser is Daniel Realty Corporation or any wholly-owned subsidiary or sub-subsidiary thereof.

(b) Intentionally Deleted.

(c) Any attempted assignment or subletting by Tenant in violation of the terms and conditions of this Section 9.01 shall be void and of no force or effect. Notwithstanding anything provided herein to the contrary, in no event shall Tenant mortgage, pledge, hypothecate or otherwise assign or transfer as security or cause any Lien to be granted or conveyed in Tenant's interest in this Lease without the prior written consent of Landlord, which consent may be withheld by Landlord for any reason.

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9.02 Subordination. This Lease is and shall be subject and subordinate to all mortgages (and to all renewals, modifications, consolidations, replacements and extensions thereof) and other matters of title which may now or hereafter affect or encumber the Leased Premises or any portion thereof. Landlord reserves the right to place additional mortgages and encumbrances on the Leased Premises or any part thereof which shall, in all cases, be superior to this Lease and Tenant's interest herein. The subordination of this Lease as provided herein shall be self-operative without the necessity of the execution and delivery of any further instruments on the part of Tenant to effect such subordination; provided, however, that Tenant covenants and agrees to execute without charge or expense any and all further instruments or certificates that Landlord may from time to time request to confirm this subordination. Tenant's failure to execute and deliver any instruments or certificates confirming such subordination within ten (10) days after request therefor by Landlord shall constitute a Default hereunder. Notwithstanding the foregoing, the subordination of this Lease to any present or future mortgage, as provided herein, shall be ineffective as to any such mortgage unless the holder of such mortgage shall execute a non-disturbance and attornment agreement in favor of Tenant providing that so long as Tenant pays the Rent as and when due (prepaying no portion thereof in excess of one (1) month) and performs all of the covenants and conditions of Tenant contained herein, that Tenant shall and may peaceably and quietly continue to hold and enjoy the Leased Premises during the Term and that Tenant's rights hereunder shall not be terminated by the holder of any such mortgage; and further providing that in the event its mortgage shall be foreclosed and so long as Tenant is not in default hereunder and Tenant continues to fully and completely perform Tenant's duties and obligations under this Lease, (i) this Lease shall not terminate by reason of such foreclosure, (ii) Tenant's possession of the Leased Premises shall not be disturbed and (iii) Tenant and the purchaser upon such foreclosure shall attorn to each other and shall agree to be obligated to fully and completely perform the respective obligations of each party as Landlord and Tenant hereunder from and after the date of such foreclosure. As used in this Section 9.02(b), the term "mortgage" shall mean any present or future mortgages, deeds to secure debt, deeds of trust, trust deeds or other similar conveyances of or encumbrances against the Leased Premises.

9.03 Estoppel Certificates. Tenant agrees to execute and deliver to Landlord estoppel certificates (i) certifying whether any default by Landlord or Tenant exists hereunder, (ii) certifying whether any Rent or other

amounts due hereunder have been prepaid and the dates to which all Rent and other sums due hereunder have been paid and (iii) containing such other matters as Landlord may request. Tenant's failure to execute and deliver any such certificate within ten (10) days after request therefor by Landlord shall constitute a Default hereunder.

#### ARTICLE X MISCELLANEOUS

10.01 Holding Over. If after the Expiration Date, Tenant remains in possession of the Leased Premises without Landlord's express written consent, Tenant shall become a tenant at will, subject to and upon all the provisions of this Lease (except as to Term and Base Rent), but the Base Rent payable by Tenant shall be increased to two hundred percent (200%) of the Base Rent payable by Tenant immediately prior to the Expiration Date and Tenant shall be liable for any damages suffered, paid or incurred by Landlord as a result of such wrongful holding over.

10.02 Assignment by Landlord; Successors. The provisions of this Lease shall bind and inure to the benefit of Landlord and Tenant, and their respective successors, heirs, legal representatives and, where permitted, assigns or subtenants. This Lease is freely assignable by Landlord. In the event of any sale or transfer of the Leased Premises, the Landlord named herein shall be and hereby is entirely freed and relieved of all covenants and obligations of Landlord hereunder accruing after the date of such sale or transfer; provided, however, that any successor of Landlord shall be bound to all the terms, covenants and conditions hereof and shall execute any attornment agreement not in conflict herewith at the request of Tenant. Tenant shall be bound to any successor of Landlord for the performance of all the terms, covenants and conditions hereof and shall execute any attornment agreement not in conflict herewith at the request of any successor of Landlord.

10.03 Arbitration. In the event of any arbitration proceeding necessitated by the provisions of Section 7.02 of this Lease, the following provisions shall control. Tenant and Landlord shall, within ten (10) days after request by either of them, each appoint an arbitrator who shall be a real estate appraiser with qualifications of an M.A.I. or its equivalent. These two appraisers shall determine, in their best judgment, the fair market rental value of the remainder of the Leased Premises, taking into consideration the extent to which the use of the Leased Premises has been impaired as a result of the partial Taking and the proportion that the rentable square feet in the Leased Facility taken bears to the total rentable square feet prior to the Taking and shall give notice thereof to the parties. If these two appraisers are unable to mutually agree as to the fair market rental value of the remainder of the Leased Premises within thirty (30) days after their appointment, they shall appoint a third appraiser who shall have the qualifications of an M.A.I. or its equivalent. This third appraiser, within thirty (30) days after his appointment, shall determine the fair rental market value of the remainder of the Leased Premises and shall give written notice thereof to Tenant and Landlord. The fair market rental value as so determined shall be binding upon Landlord and Tenant for purposes of this Section 10.03 and Section 7.02.

10.04 Limitation of Liability. Notwithstanding anything to the contrary provided in this Lease (other than in Section 10.02 hereof) or by law, it is specifically agreed and understood between the parties hereto that there shall be absolutely no personal liability on the part of



the Landlord or any successors in interest or assignees thereof for personal money judgments or monetary damages suffered, paid or incurred by Tenant with respect to any default or breach by Landlord of the terms, covenants and conditions of this Lease and Tenant or any other party claiming by, through or under Tenant (i) agrees to look solely to the interest of the Landlord in the Leased Premises, as its interest may appear, for the collection of any claim, demand, cost, expense, judgment or any judicial process requiring the payment of money (hereinafter collectively "Claim") for any default or breach by Landlord of any of its obligations under this Lease and (ii) waives all rights of recovery of monetary damages or personal money judgments for any such Claim against (1) the stockholders, officers and directors of Landlord if Landlord is a corporation or (2) the partners, both general and limited, if Landlord is a general or limited partnership. No other assets of Landlord shall be subject to levy, execution or other judicial process for the satisfaction of any such Claim of Tenant.

**10.05 Notices.** Any notice required or permitted to be given by either party to the other shall be valid only if in writing and shall be deemed to have been given only if delivered personally or sent by registered or certified mail addressed to Landlord or Tenant, as the case may be, at the respective addresses specified in Article I of this Lease or at such other address as any such party may designate by notice to the other.

**10.06 Captions.** Captions and headings in this Lease are included for convenience of reference only and shall not be taken into consideration in any construction or interpretation of this Lease or any of its provisions.

**10.07 Entire Agreement and Enforceability.** This Lease contains the entire agreement between Landlord and Tenant and no representations, inducements, promises or agreements, oral or otherwise, between Landlord and Tenant not embodied herein shall be of any force or effect. This Lease may be amended only in a writing duly executed by both Landlord and Tenant. No oral agreements between Landlord and Tenant, whether made prior or subsequent to the execution of this Lease, shall be binding on any of the parties hereto. If any term or provision of this Lease or the application thereof to any person or circumstance shall to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

**10.08 Gender.** Words of any neuter gender used in this Lease shall include both the masculine and feminine gender and words in the singular tense shall include the plural, and vice-versa.

**10.09 Brokers.** Landlord and Tenant each warrant and represent to the other that no broker, finder, real estate agent or other person is entitled to a commission, fee or other compensation in connection with or as a result of this Lease or the transactions contemplated hereby or hereunder. Landlord and Tenant each indemnify and hold the other harmless from any and all claims, loss, costs and damages (including reasonable attorneys' fees) arising in connection with any claims against the other for brokerage fees or commissions.

**10.10 No Partnership Created.** The parties hereto have not and do not intend to create by this Lease a joint venture or partnership relationship between them.



10.11 Time of Essence. Time is of the essence of this Lease Agreement.

10.12 Governing Law. This Lease and the rights and obligations of Landlord and Tenant hereunder shall be interpreted, construed and enforced in accordance with the laws of the State of Alabama.

10.13 Exhibits. The following exhibits attached to this Lease are hereby incorporated herein by reference as if fully set forth herein:

Exhibit A: Legal Description of Real Property  
Exhibit B: Rules and Regulations  
Exhibit C: Drawings and Specifications for Parking Lot

10.14 Construction of Parking Facility.

(a) Tenant shall have the right, at Tenant's sole cost and expense, to construct on the Real Property a parking lot in accordance with the Drawings and Specifications (the "Drawings and Specifications") identified in Exhibit C attached hereto. Tenant shall not enter into any change orders or require any changes in the Drawings and Specifications unless Landlord has approved the same.

(b) Intentionally Deleted.

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

LANDLORD:

DANIEL U.S. PROPERTIES  
LIMITED PARTNERSHIP,  
a Virginia limited partnership

By: Daniel Realty Investment  
Corporation, a Virginia  
corporation

By: [Signature]

Its: President

TENANT:

DANIEL MEADOW BROOK III  
LIMITED PARTNERSHIP,  
a Virginia limited partnership

By: Daniel Realty Corporation,  
a general partner

By: [Signature]

Its: Semi Vice President

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STATE OF ALABAMA

COUNTY OF SHELBY

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that T. Charles Tickle whose name as President of DANIEL REALTY INVESTMENT CORPORATION, a Virginia corporation, as general partner of Daniel U.S. Properties Limited Partnership, a Virginia limited partnership, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the said instrument, he, as such officer and with full authority, executed the same voluntarily, for and as the act of said corporation, in its capacity as general partner as aforesaid.

Given under my hand and official seal this 11th day of January, 1989.

Sheila D. Ellis

Notary Public

My Commission Expires: \_\_\_\_\_

My Commission Expires February 5, 1990

STATE OF ALABAMA

COUNTY OF SHELBY

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Stephen R. Monk whose name as Sr. Vice President of DANIEL REALTY CORPORATION, an Alabama corporation, as general partner of Daniel Meadow Brook III Limited Partnership, a Virginia limited partnership, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the said instrument, he, as such officer and with full authority, executed the same voluntarily, for and as the act of said corporation, in its capacity as general partner as aforesaid.

Given under my hand and official seal this 11th day of January, 1989.

Sheila D. Ellis

Notary Public

My Commission Expires: \_\_\_\_\_

My Commission Expires February 5, 1990

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EXHIBIT A  
REAL PROPERTY

Certain real property being part of LOT 11 MEADOW BROOK CORPORATE PARK SOUTH - PHASE II, as recorded in Map Book 12, Page 10 in the office of the Judge of Probate of Shelby County, Alabama, being more particularly described as follows:

Commence at the Southwest corner of LOT 1 MEADOW BROOK CORPORATE PARK SOUTH - PHASE I as recorded in Map Book 11, Page 72 in the office of the Judge of Probate of Shelby County, Alabama, said corner being a common corner with said Lot 11; thence run Southeasterly along the North property line of said Lot 11 a distance of 34.21 feet to the P.C. (point of curve) of a curve to the left having a central angle of  $52^{\circ}00'$  and a radius of 125.02 feet, said point being the point of beginning; thence continue along the arc of said curve and along said North property line in an Easterly direction a distance of 113.46 feet to the P.T. (point of tangent) of said curve; thence turn  $131^{\circ}59'16"$  to the right (angle measured to tangent) and run Southwesterly a distance of 62.64 feet to a point; thence turn  $14^{\circ}03'36"$  to the left and run Southwesterly a distance of 258.00 feet to a point; thence turn  $90^{\circ}00'$  to the right and run Northwesterly a distance of 70.28 feet to a point; thence turn  $31^{\circ}00'$  to the right and run Northwesterly a distance of 72.00 feet to a point; thence turn  $59^{\circ}00'$  to the right and run Northeasterly a distance of 218.00 feet to a point; thence turn  $32^{\circ}07'20"$  to the right and run Northeasterly a distance of 70.84 feet to the point of beginning.

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EXHIBIT B

RULES AND REGULATIONS

1. Tenant shall keep the Premises clean and shall not ~~allow debris from the Premises to collect in any of the~~ ~~corridors, halls, stairways, ventilators, elevators, lobbies,~~ ~~or other areas of the Building.~~ Refuse shall be placed in appropriate containers as Landlord may direct from time to time. Tenant shall not place in any trash receptacle any material which cannot be disposed of in the ordinary and customary manner of trash and garbage disposal.

2. No birds or animals of any kind shall be housed in the Premises, ~~the Building,~~ on the Real Property.

3. ~~Toilets, sinks, urinals, or other apparatus in the~~ Building shall not be used for any purposes other than those for which they were constructed, and no sweepings, rubbish, rags, or other foreign substance of any kind shall be deposited therein. Any damage resulting from misuse of any toilets, sinks, urinals or other apparatus in the Building shall be repaired and paid for by the tenant whose employees, subtenants, assignees or any of their servants, employees, agents, visitors, licensees, or ~~others may have caused such damage.~~

4. No awnings, signs or other projections shall be ~~erected~~ ~~attached to the outside walls of the Building~~ unless approved by Landlord.

5. ~~Tenant shall furnish Landlord with keys to~~ all locked offices, washrooms and other rooms within the Premises and shall promptly furnish Landlord with new keys if those locks are supplemented or changed, except that where Tenant's security requirements preclude issuance of keys, keys will not be provided and other means of entry will be provided for necessary access by Landlord. Tenant must upon the termination of the Lease return to Landlord all keys to offices, washrooms, and other rooms either furnished to or otherwise procured by Tenant, and in the event of the loss of keys so furnished Tenant shall pay to Landlord the cost of replacing the same or of changing the lock or locks opened by such lost ~~keys. If Landlord shall deem it necessary to make such changes,~~

6. The parking areas, ~~stairways, entrances, vestibules,~~ paths, walkways, sidewalks, entrances, ~~stairways, landings,~~ ~~corridors, and halls~~ of the Premises, ~~the Building~~ and the Real Property (a) shall not be obstructed or used for any purpose other than ingress and egress and (b) are not for the use of the general public, ~~and Landlord shall in all cases retain the right to control and prevent access thereto by all persons whose presence in the sole judgment of Landlord, shall be prejudicial to the safety, character, reputation and interests of the Building;~~ provided, however, that nothing herein contained shall be construed to prevent such access to persons with whom Tenant normally deals in the conduct of its business ~~on the Premises~~ (such as clients, customers, office suppliers and equipment vendors, and the like) unless such persons are engaged in illegal activities. ~~Neither Tenant nor any employees of Tenant shall use the roof of the Building without the prior written consent of Landlord.~~

7. ~~Landlord may take all reasonable measures it deems~~ necessary for the safety and security of the Building or Real Property, including, without limitation, ~~evacuation for cause,~~ suspected cause, or temporary denial of Building access. There shall be no abatement of Rent and Landlord shall not be responsible for any damages resulting from such action by ~~Landlord.~~

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8. ~~No cooking shall be permitted within the Building,~~ other than in designated areas, except that the preparation of coffee, tea, hot chocolate, and similar items for Tenant and its employees shall be permitted provided that electric current for such use shall not exceed that amount which can be provided by a ~~50 amp circuit.~~ The Premises shall not be used for manufacturing or for the storage of merchandise except as such storage may be incidental to the permitted use of the Premises.

9. No vehicle belonging to Tenant or to Tenant's agents, employees, or invitees shall be parked so as to impede or prevent ready access to any entrance to or exit from the ~~Building,~~ the Real Property or the parking lot. Subject to the limitations and restrictions set forth below, all vehicles of any nature shall be parked only in designated parking spaces on the Real Property. No vehicles of any nature shall be parked or left unattended for more than seven (7) consecutive days, unless in the ordinary course of Tenant's business and approved by Landlord. The parking of motor homes, trailers, boats or delivery trucks in the parking lot ~~outside the Building~~ is prohibited.

10. ~~Landlord reserves the right to exclude from the Building any person who, in the Landlord's or Agent's sole judgment, is intoxicated, under the influence of liquor or drugs, commits any act in violation of these Rules and Regulations or constitutes a security risk to the Premises, the Building or the Real Property.~~

11. ~~Neither Tenant nor its agents, employees, or invitees shall throw cigar or cigarette butts or other substances or litter or debris of any kind into or about the common areas of the Building and Real Property or from any window or balcony in the Building or Real Property.~~

12. ~~Tenant shall not place anything or allow anything to be placed near the glass of any window, door, partition, or wall of the Premises which appears unsightly from outside the Building. All drywall and wall partitions abutting the exterior portions of the Building shall be installed in such a manner that said drywall and wall partitions shall abut the mullions of the Building and not the glass windows of the Building.~~

13. Tenant shall not install any sunscreening, curtains, blinds, shades, screens, or other objects on any window or door of the Premises without Landlord's prior written consent, which consent shall not be unreasonably withheld. All electric ceiling fixtures hung in offices or spaces along the perimeter of the Building must be fluorescent and of a quality, type, design, and bulb color approved by Landlord, which approval shall not be unreasonably withheld.

14. Tenant shall not install or attach any radio or television antenna, loudspeaker, or other devices or projections on the roof or exterior walls of the Building.

15. Landlord reserves the right to direct electricians as to where and how telephone and telegraph wires are to be introduced to the Premises. Tenant shall not affix any floor covering to the floor of the Premises in any manner except as approved by Landlord, which approval shall not be unreasonably withheld.

16. Landlord reserves the right to exclude from the Building between the hours of 6:00 p.m. and 6:30 a.m. and at all hours on Saturday, Sunday, and legal holidays all persons who do not present a pass to the Building approved by the Landlord. ~~Tenant shall have the right to establish reasonable security~~



~~are occupied solely by Tenant. In the event a card access system is installed for the Building, only authorized employees of Tenant or those individuals nominated by the Tenant shall be provided with access cards.~~

17. Only hand trucks equipped with rubber tires and rubber side guards shall be used by Tenant in the Premises and the Building.

18. If Tenant requires telegraphic, telephonic, burglar alarm or similar services, Tenant shall first obtain, and comply with all instructions regarding their installation.

19. These Rules and Regulations are in addition 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 the Lease.

20. Tenant's use and occupancy of the Premises are subject to all applicable governmental laws and regulations and all matters of title, all restrictive covenants now affecting the Premises, the Building or the Real Property.

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EXHIBIT C

Drawings and Specifications for Parking Lot

The parking lot, as described in Section 10.14 of the Lease Agreement, shall be constructed in accordance with the Layout Plan and the Grading Plan & Details identified as sheets C1 and C2, respectively, prepared by Walter Schoel Engineering Co.

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STATE OF ALA. SHELBY CO.  
I CERTIFY THIS  
INSTRUMENT WAS FILED

89 JAN 18 PM 3:51

*[Signature]*  
JUDGE OF PROBATE

1. Deed Tax	\$ <u>49.50</u>
2. Mtg. Tax	<u>          </u>
3. Recording Fee	<u>50.00</u>
4. Indexing Fee	<u>1.00</u>
TOTAL	<u>100.50</u>