

FORSYTH COUNTY
BOARD OF COMMISSIONERS

**BRIEFING
DRAFT**

MEETING DATE: DECEMBER 6, 2018 AGENDA ITEM NUMBER: 8

**SUBJECT: RESOLUTION AUTHORIZING EXECUTION OF A LEASE AGREEMENT
BETWEEN FORSYTH COUNTY AND NORTH CAROLINA BAPTIST HOSPITAL
FOR LEASE OF HOSPITAL PROPERTY LOCATED AT 501 NORTH CLEVELAND
AVENUE, WINSTON-SALEM, NC, FOR THE PUBLIC HEALTH DENTAL CLINIC
AND WIC BUSINESS OFFICES
(GENERAL SERVICES DEPARTMENT)**

COUNTY MANAGER'S RECOMMENDATION OR COMMENTS:

SUMMARY OF INFORMATION:

ATTACHMENTS: YES NO

SIGNATURE: _____ DATE: _____
COUNTY MANAGER

**RESOLUTION AUTHORIZING EXECUTION OF A LEASE AGREEMENT
BETWEEN FORSYTH COUNTY AND NORTH CAROLINA BAPTIST
HOSPITAL FOR LEASE OF HOSPITAL PROPERTY LOCATED AT
501 NORTH CLEVELAND AVENUE, WINSTON-SALEM, NC, FOR THE
PUBLIC HEALTH DENTAL CLINIC AND WIC BUSINESS OFFICES
(GENERAL SERVICES DEPARTMENT)**

WHEREAS North Carolina Baptist Hospital owns property located at 501 North Cleveland Avenue, Winston-Salem, NC, which was leased to Forsyth County through November 30, 2018 for the purposes of providing space for a Public Health Dental Clinic and WIC business offices; and

WHEREAS the County has a continued need for this space and County staff recommends renewing the lease with North Carolina Baptist Hospital for three office suites totaling 5,006 square feet, at a rate of \$12.36 per square foot for an annual amount of \$61,874.16 payable in monthly installments, for a term of three years beginning December 1, 2018 and expiring November 30, 2021;

NOW, THEREFORE, BE IT RESOLVED that the Forsyth County Board of Commissioners hereby determines that the property which is the subject of the proposed lease agreement between Forsyth County and North Carolina Baptist Hospital is needed to continue operations at the Dental Clinic and WIC business offices during the term of the proposed three-year lease; and

BE IT FURTHER RESOLVED that the Chairman or County Manager and Clerk to the Board are hereby authorized to execute, on behalf of Forsyth County, the attached Lease Agreement of the above-described property with North Carolina Baptist Hospital, subject to a pre-audit certificate thereon by the County Chief Financial Officer, where applicable, and approval as to form and legality by the County Attorney. The original Lease Agreement is incorporated herein by reference.

Adopted this the 6th day of December 2018.

NORTH CAROLINA)

FORSYTH COUNTY)

LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into as of the 1st day of December, 2018, by and between North Carolina BAPTIST HOSPITAL (herein referred to as the "Landlord") and FORSYTH COUNTY (herein referred to as the "Tenant").

WITNESSETH:

In consideration of the mutual promises and covenants contained herein, Landlord and Tenant do hereby agree as follows:

1. Premises. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the following property "as is": approximately 2,862 square feet designated as Suite 191; and 1,634 square feet designated as Suite 151; and 510 square feet in Suite 111 (room # 1200, 1203 & 1204A) for a total square footage of 5,006 (combined as the "Premises") in that certain building located at 501 North Cleveland Avenue, Winston-Salem, Forsyth County, North Carolina 27101 (the "Building"), all as more particularly described in Attachments 1 & 3 attached hereto and incorporated herein by reference, together with the non-exclusive use of the parking lot (the "Common Area").

2. Term. The term of this Lease Agreement shall be for a period of three (3) year, beginning as of the day and year first above written and ending November 30, 2021. Notwithstanding anything to the contrary herein, Landlord or Tenant may terminate this Lease Agreement for any reason or for no reason by providing written notice not less than 90 days.

3. Rent. Tenant shall pay to Landlord during the term an annual rent of Sixty-One Thousand Eight Hundred Seventy-Four Dollars and 16/100 (\$61,874.16) and shall be paid in equal monthly installments of Five Thousand One Hundred Fifty-Six Dollars and 18/100 (\$5,156.18) on or before the first day of each month during the term, subject to appropriation of funds for such purpose each year by the Forsyth County Board of Commissioners.

4. Holding Over. In the event the Tenant shall hold over after the expiration of the term (or any written renewal or extension of the same), the Tenant shall be deemed a month-to-month Tenant whose possession shall be terminable by the Landlord by giving thirty (30) days prior written notice to Tenant. Acceptance of rental by Landlord under such circumstances after the term shall not create any lease term other than a month-to-month tenancy.

5. Landlord Responsibilities. Landlord shall be solely responsible for the following expenses and services (collectively, the "Landlord Expenses"): (a) real property taxes; (b) real property insurance; (c) repairs and replacements to the roof of the Building; (d) major repairs to the Premises, such as structural repairs, heating and cooling system repairs, hot water heater repairs, parking lot repairs, and all repairs to under slab utilities; and (e) maintenance, outfitting

and repair of areas as indicated on Attachment 2 as "North Carolina Baptist Hospital Area of Responsibilities", including snow and ice removal for the parking lot and sidewalks, and grounds care and landscaping.

6. Tenant Responsibilities. Tenant shall be solely responsible for the following expenses and services (collectively, the "Tenant Expenses"): (a) any and all utility services (the "Utilities") assessed to the Premises, including the cost of installation and connection of such utilities; (b) Tenant improvements (as defined below); (c) construction changes to the interior of the Premises; (d) costs of purchase and installation of any and all trade fixtures of Tenant; (e) costs of all liability and contents insurance insuring the Premises and any business personal property of Tenant contained thereon; (f) maintenance to the interior of the Premises as indicated in Attachment 2 to include the common lobby area; and (g) janitorial services rendered to the areas indicated on Attachment 2.

In addition, Tenant shall list with the local, state and federal taxing authorities, as the case may be, all business personal property located on the Premises and shall pay, before any fine, penalty or interest may be imposed for the non-payment thereof, any *ad valorem* taxes, assessments and other government charges of any kind and nature whatsoever, which at any time during the term of this Lease may be assessed or become due and payable with respect to any business personal property located thereon. In the event Tenant shall fail to make any payment required by this paragraph after twenty (20) days written notice from the Landlord, the Landlord may, at its option, pay the same, and the amounts so paid, together with reasonable attorneys' fees incurred, shall be paid by Tenant as additional rent. Landlord's election to pay these taxes shall not waive the default by Tenant.

7. Use of the Premises. The Tenant shall use the Premises for medical & business offices and for no other purpose. The Tenant shall not cause or permit a nuisance or undue noise to be created or maintained within the Premises. Tenant agrees to be bound by the rules and regulations as established from time to time by Landlord for the operation of the Building (including grounds and parking areas), said current rules and regulations (subject to change at Landlord's discretion) being made a part hereof and incorporated herein as Exhibit "A."

Tenant shall not use or occupy the Premises for any hazardous trade or occupation, or do or permit anything to be done therein in any manner which shall make it impossible for Landlord to carry any insurance on the Building, or which will invalidate or increase the cost to Landlord of insurance, or cause injury to the Building. Tenant shall not use the Premises in a manner (or otherwise suffer, allow or permit the Premises to be used in a manner) as would reasonably interfere with the safety, comfort or convenience of Landlord or any of the other tenants or persons lawfully in the Building. Tenant shall not overload the electrical system serving the Premises. Tenant shall not do or permit anything to be done on the Premises which would violate any law, regulation, or requirement of federal, state or local government.

Tenant shall make no alterations in, or additions to, the Premises without the prior written consent of the Landlord. In the event Tenant makes any additions, fixtures or improvements to the Premises (even with Landlord's permission), Tenant shall be fully

responsible for any damages caused to the Premises upon removal of the same, and Tenant will promptly repair, at its own expense, any such damage. Any alterations, improvements, and betterments made by the Tenant, with prior written consent of the Landlord, shall become the property of the Landlord and be surrendered with the Premises at the termination of this Agreement.

Tenant shall reimburse Landlord immediately upon demand for any damage to the Premises or to the Building or to the heating, air conditioning, water, plumbing, or electrical systems or any fixtures, appliances or appurtenances of the Building caused by any act or omission of Tenant or its employees or agents, whether or not such act or omission is negligent. Tenant shall keep the Premises in good order and repair, and will surrender the Premises at the expiration of the term or its vacation of the Premises, in as good condition as received, except for ordinary wear and tear and depreciation arising from normal use, and damages by the elements.

8. Common Facilities. Common facilities, which may be furnished in or near the Building for the general use in common by the Tenant and other occupants, shall at all times be subject to the exclusive control and management of Landlord. Landlord shall have the right to do and perform any such acts or things as the Landlord shall determine to be advisable with a view to the improvement of the convenience and use of the common facilities by the Tenant and other occupants.

9. Assignment or Subletting. The Tenant shall not assign this Lease Agreement, nor sublet the Premises, or any part thereof, without the prior written consent of Landlord. Landlord may assign this Lease Agreement to a wholly-controlled subsidiary of Landlord.

10. Tenant's Personal Property. Tenant shall be responsible for insuring and shall insure all personal property, equipment or fixtures placed in or upon the Premises. Any such property placed in the Premises shall be at the risk of Tenant or the owner thereof, and Landlord shall not be liable to Tenant or to any party for any damage to or destruction of said property arising from any cause whatsoever, including, but not limited to, the bursting, leaking or overflowing of water, steam or sewer pipes, or fire, accident, or other casualty, whether or not due to negligent acts or omissions of Landlord or of any party.

11. Subordination. This Lease Agreement shall be subject to and subordinate to all underlying deeds of trust and mortgages, now or hereafter, affecting the real property of which the Premises form a part, and also all renewals, modifications, extensions, consolidations and replacements of the same. Tenant, at Landlord's request, shall execute and deliver such further reasonable instruments as may be desired by any holder or beneficiary of a deed of trust or mortgage on said real property.

12. Estoppel Certificates. Within ten (10) days following any written request which Landlord may make from time to time, Tenant shall execute and deliver to Landlord, or any prospective Landlord or mortgagee or prospective mortgagee, a sworn statement certifying: (a) the date of commencement of this Lease Agreement, (b) the fact that this Lease Agreement is unmodified and in full force and effect (or, if there have been modifications hereto, that this Lease Agreement is in full force and effect, as modified, and stating the date and nature of such

modifications), (c) the date to which the rent and other sums payable under this Lease Agreement have been paid, (d) the fact that there are no current defaults under this Lease Agreement by either Landlord or Tenant except as specified in Tenant's statement, and (e) such other matters as requested by Landlord. Landlord and Tenant intend that any statement delivered pursuant to this article may be relied upon by any mortgagee, beneficiary or purchaser and Tenant shall be liable for all loss, cost or expense resulting from the failure of any sale or funding of any loan caused by any material misstatement contained in such estoppel certificate. Tenant hereby irrevocably appoints Landlord or, if Landlord is a trust, Landlord's beneficiary or agent, as attorney-in-fact for the Tenant with full power and authority to execute and deliver in the name of Tenant such estoppel certificate if Tenant fails to deliver the same within such ten day period and such certificate as signed by Landlord, Landlord's beneficiary or agent, as the case may be, shall be fully binding on Tenant, if Tenant fails to deliver a contrary certificate within five days after receipt by Tenant of a copy of the certificate executed by Landlord, Landlord's beneficiary or agent, as the case may be, on behalf of Tenant.

13. Fire and Casualty. If the Premises or any part thereof shall be damaged by fire, the elements, unavoidable accident or other casualty, the Landlord shall cause the damages to be repaired with reasonable diligence, and if the Premises shall be rendered untenable only in part, the rent shall be abated proportionately as to the portion of the Premises rendered untenable until the repairs are made. If the Premises shall be rendered wholly untenable and shall require substantial reconstruction, without the fault of Tenant, Landlord and Tenant shall each have the option to cancel this Lease Agreement by giving the other written notice thereof within thirty (30) days after the date of any such damage or destruction, and the Lease Agreement shall wholly cease and expire on the date specified in the notice, with the rent being apportioned to the time of damage. Notwithstanding the foregoing provisions of this Paragraph 13, in the event the Premises shall be damaged by fire or other casualty due to the fault or neglect of Tenant, its employees, agents or licensees, there shall be no apportionment or abatement of any rent and the Lease Agreement shall continue. Landlord shall not be liable for any inconvenience or annoyance to Tenant or injury to Tenant's business resulting in any way from damage to the Premises or the repair thereof.

14. Waiver of Subrogation. So long as their respective insurers so permit, Tenant and Landlord hereby mutually waive their respective rights of recovery against each other for any loss insured by fire, extended coverage or all risk insurance now or hereafter existing for the benefit of the respective party. Each party shall obtain any special endorsements required by their insurer to evidence compliance with the aforementioned waiver.

15. Condemnation. If the whole or any part of the Premises shall be taken under the power of eminent domain, this Lease Agreement shall terminate as to the part so taken on the date Tenant is required to yield possession to the condemning authority. Landlord (if it receives adequate compensation from the condemning authority) shall make such repairs and alterations as may be necessary in order to restore the part not taken to useful conditions and the rental shall be reduced proportionately as to the portion of the Premises so taken. If the part so taken substantially impairs the usefulness of the Premises, either party may terminate this Lease Agreement as of the date Tenant is required to yield possession. All compensation awarded for the taking of the fee and the leasehold shall belong to and be the property of the Landlord;

provided, however, nothing contained herein shall prevent Tenant from claiming, proving and receiving awards from the condemning authority for moving expense, removal of trade fixtures, or loss of business goodwill.

16. Indemnification. Landlord shall not be liable and Tenant hereby waives all claims against Landlord for any damage to any property or any injury to any person in or about the Premises or the Building by or from any cause whatsoever, (including without limiting the foregoing, rain or water leakage of any character from the roof, windows, walls, basement, pipes, plumbing works or appliances, the Building not being in good condition or repair, gas, fire, oil, electricity or theft); except that Landlord will indemnify and hold Tenant harmless from such claims to the extent caused by the negligent or willful act of Landlord, or its agents, employees or contractors. Notwithstanding the foregoing, in no event shall Landlord be liable to Tenant for any injury to Tenant's business, interruption of its business, or loss of business goodwill, it being the intent of the parties that Tenant agrees to obtain adequate insurance to protect against such business-related losses and to hold Landlord harmless therefrom. Tenant shall hold Landlord harmless from and defend Landlord against any and all claims, liability or costs (including court costs and attorney's fees) for any damage to any property or any injury to any person occurring in, on or about the Premises or the Building when such injury or damage shall be caused by or arise from, in part or in whole, (a) the act, neglect, fault, or omission to meet the standards imposed by any duty with respect to the injury or damage, by Tenant, its agents, servants, employees or invitees; (b) the conduct or management of any work or thing whatsoever done by the Tenant in or about the Premises or from transactions of the Tenant concerning the Premises; or (c) any breach or default on the part of the Tenant in the performance of any covenant or agreement on the part of the Tenant to be performed pursuant to this Lease Agreement. The provisions of this article shall survive the termination of this Lease Agreement with respect to any claims or liability occurring prior to such termination.

17. Insurance. Tenant agrees to purchase at its own expense and to keep in force during the term of the Lease Agreement a comprehensive public liability and property damage insurance policy to protect against any liability to the public or to any invitee of Tenant or Landlord incident to the use of or resulting from any accident occurring in or upon the Premises with a comprehensive single limit of not less than \$1,000,000 for claims of damage to any property or injury to any person caused by negligent or willful actions of Tenant, its agents, or employees. Said policy or policies shall:

(a) name landlord as an additional insured, and insure Landlord's contingent liability under this Lease Agreement;

(b) be issued by an insurance company whose A.M. Best Rating is at least an "A"; and

(c) provide that said insurance shall not be cancelled unless thirty (30) days prior written notice shall have been given to Landlord. Said policy or policies or certificates therefore shall be delivered to Landlord by Tenant upon the commencement date of said policy or policies and within thirty (30) days following receipt of each renewal of said insurance.

18. Default. The happening of any one or more of the following events shall constitute a breach of this Lease Agreement on the part of the Tenant:

(a) Tenant's failure to pay rent due hereunder for more than five (5) days after due date;

(b) Tenant's failure to fully and promptly perform any other covenant, agreement, condition or act required of it in this Lease Agreement, or to comply with the rules and regulations of Landlord which are incorporated herein, for more than ten (10) days after written notice of such failure by Landlord; or

(c) Commencement of proceedings by or against Tenant in any court under a bankruptcy act or under any other insolvency proceedings; or for the appointment of a trustee or receiver for Tenant's property; or the assignment by Tenant of all or part of its property to the benefit of creditors.

Should an aforesaid breach of this Lease Agreement occur, Landlord, if it shall so elect, may (1) terminate the term of this Lease Agreement, or (2) re-enter the Premises with or without process of law and expel or remove Tenant or any others occupying the Premises, thereby terminating Tenant's right to possession without terminating the term of this Lease Agreement. Upon any termination of the term hereof, Tenant shall promptly surrender possession of the Premises to Landlord. Except as expressly provided herein, Tenant waives the service of any demand for payment of rent or for possession of the Premises, including any demand or notice prescribed by any law.

If Landlord shall elect to terminate Tenant's right to possession only, without terminating the term of this Lease Agreement, Landlord may re-enter the Premises and remove or sell Tenant's property (applying the proceeds first to the costs of sale and then to rents and damages due Landlord), without releasing Tenant from its obligation to pay the rent herein reserved for the remainder of the lease term. In the event Landlord so elects, Landlord may attempt to re-let the Premises, and if the amount of rental collected by Landlord upon such re-letting (or attempted re-letting) is not sufficient to pay monthly the full amount of the rental herein reserved over the remainder of the term, together with all costs of repossession, re-letting, repairs, alterations or redecorations necessary to re-letting, Tenant shall pay to Landlord the amount of each monthly deficiency upon demand; and if the rent so collected from such re-letting is more than sufficient to pay the full amount of rent reserved hereunder, together with the aforementioned costs, Landlord shall be entitled to this surplus or may apply it to the discharge of any obligation of Tenant to Landlord.

19. Notices. Any notice required to be given hereunder shall be in writing, addressed to the party at its address set forth below, or at such other address as may be specified by written notice delivered in accordance with the provisions of this paragraph. Notice is effective upon receipt. Such notice shall be deemed to have been received, if personally delivered, on the date of such delivery, or if sent by Certified or Registered U.S. Mail, postage prepaid and return receipt requested, on the third (3rd) business day following deposit in the U.S. Mail, or if sent by overnight courier with guaranteed overnight delivery, on the day following the date delivered to

such overnight courier.

(a) As to the Landlord:

Karen H. Huey
Vice President, Facilities
Wake Forest University Baptist Medical Center
Medical Center Boulevard
Winston-Salem, NC 27157

With a copy to:

J. McLain Wallace, Jr.,
Vice President and General Counsel
Wake Forest University Baptist Medical Center
Medical Center Boulevard
Winston-Salem, NC 27157

and:

Tim W. Bell
Director, Property Management & Operations
Wake Forest Baptist Medical Center
Medical Center Boulevard
Winston-Salem, NC 27157

(b) As to the Tenant:

Dudley Watts
Forsyth County
501 North Cleveland Avenue
Suite 1
Winston-Salem, NC 27101

With a copy to:

Gordon Watkins
Office of the County Attorney
201 North Chestnut Street
Winston-Salem, NC 27101

20. Right of Re-entry. Landlord, or any of its agents, shall have the right to enter the Premises during all reasonable hours to examine the same or to make such repairs, additions or alterations as it may deem necessary for the safety and comfort of the occupants of the Building or preservation of the Building, or to exhibit the said Premises. The right of entry shall likewise

exist for the purpose of abating, at Tenant's expense, any condition which constitutes a violation of any of the terms of this Lease Agreement or any of the rules and regulations established by Landlord.

21. Hazardous Waste. Tenant agrees that Tenant, its agents and contractors shall not use, manufacture, store or dispose of any flammable explosives, radioactive materials, hazardous wastes or materials, toxic wastes or materials, or other similar substances (collectively "Hazardous Materials") on, under or about the Premises, provided that Tenant may handle, store, use or dispose of products containing small quantities of Hazardous Materials, which products are of a type customarily found in offices and households (such as aerosol cans containing insecticides, toner for copiers, paints, paint remover, and the like), provided further that Tenant shall handle, store, use and dispose of any such Hazardous Materials in a safe and lawful manner and shall not allow such Hazardous Materials to contaminate the Premises or the environment.

If Landlord, in its sole discretion, believes that the Premises, the Building, or the environment have become contaminated with Hazardous Materials, in breach of the provisions of this Lease Agreement, Landlord, in addition to its other rights under this Lease Agreement, may enter upon the Premises and obtain samples from the Premises, including the soil and groundwater under the Premises, for the purposes of analyzing the same to determine whether and to what extent the Premises, the Building, or the environment have become contaminated. Tenant shall reimburse Landlord for the costs of such inspection, sampling and analysis.

Without limiting the above, Tenant shall indemnify and hold harmless Landlord from and against any and all claims, losses, liabilities, damages, costs and expenses, including, without limitation, attorneys' fees and costs, arising out of or in any way in connection with the use, manufacture, storage, or disposal of Hazardous Materials by Tenant, its agents or contractors on, under or about the Premises including, without limitation, the cost of any required or necessary repair, clean-up or detoxification and the preparation of any closure or other required plans in connection herewith.

22. Non-waiver Provision. No waiver of any condition or covenant contained in this Lease Agreement, or of any rule or regulation which is a part hereof, shall be implied as a result of Landlord's failure to enforce such condition, covenant, rule or regulation or to take advantage of any of its rights on account of the same; and no express waiver shall affect any condition, covenant, rule or regulation other than the one specified in such waiver and that one only for the time and in the manner specifically stated. No reference in this Lease Agreement to any specific right or remedy shall preclude Landlord from exercising any other right or having any other remedy or from maintaining any other action to which it may otherwise be entitled at law or in equity.

23. Expense of Enforcement. Tenant agrees to pay to Landlord reasonable attorney's fees if the obligations of Tenant evidenced by this Lease Agreement be referred for enforcement or collection to an attorney at law after maturity or after a breach of this Lease Agreement. Should the Landlord incur any expenses in enforcing any provision of this Lease Agreement, the Tenant shall pay to the Landlord all expenses so incurred, including reasonable attorney's fees.

24. Tenant's Signs. Tenant shall not install or affix any sign, device, fixture or attachment on or to the Building unless Tenant shall first obtain Landlord's written consent thereto.

25. Security Interests. To secure the Tenant's obligation to Landlord, Tenant hereby grants to Landlord a security interest in the Tenant's goods, chattels, fixtures, furniture and other personal property which may have been placed on the Premises by Tenant (together with any additions or replacements thereto), which Landlord may take and apply to any indebtedness owed Landlord by Tenant arising out of any default under this Lease Agreement. To the extent not in conflict with this contract, the provisions of the North Carolina Uniform Commercial Code shall apply.

26. Limited Liability. The liability of Landlord hereunder shall be limited solely to the interest of Landlord in the Building.

27. Entire Agreement. This document constitutes the entire agreement between Landlord and Tenant relating to the Premises, and may be altered or revoked only by a document in writing signed by both parties. The Lease Agreement supersedes and replaces all agreements between the parties regarding the lease of the Premises. The terms, covenants and conditions in this Lease Agreement shall extend to and be binding upon the heirs, representatives, executors, administrators, successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF, Landlord and Tenant have each executed this Lease Agreement in duplicate originals on the day and year first above written.

NORTH CAROLINA BAPTIST HOSPITAL

By: _____

Attest:

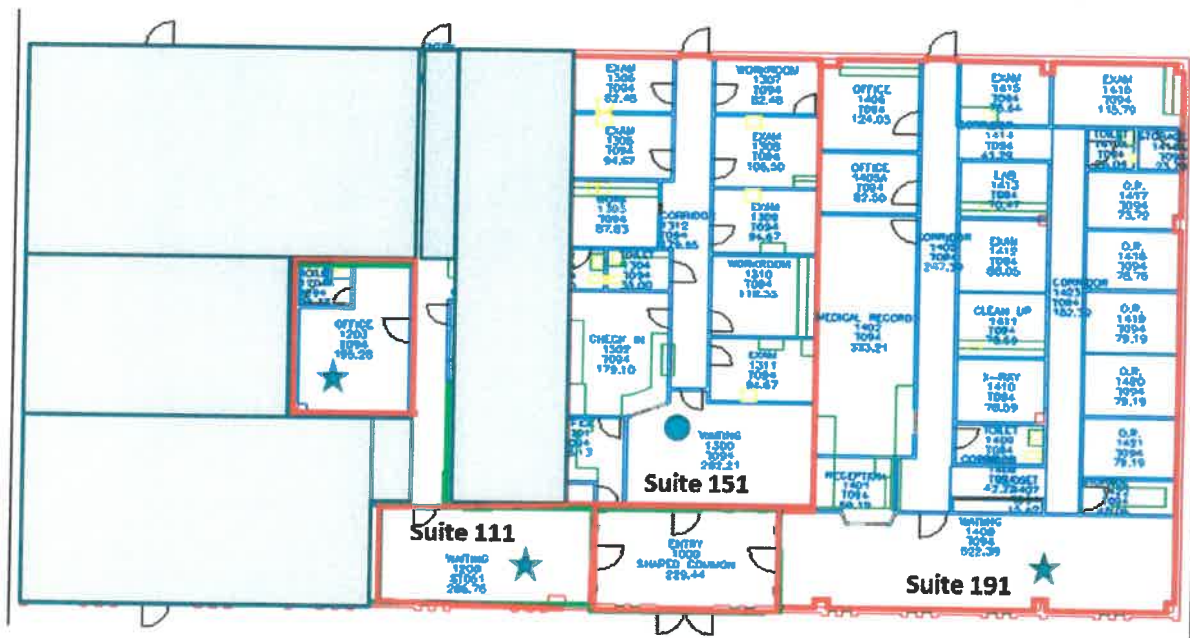
FORSYTH COUNTY

Secretary

By: _____
Dudley Watts, County Manager

[CORPORATE SEAL]

ATTACHMENT 1



501 N Cleveland Ave.

- ★ Dental Clinic
- WIC Office

EXHIBIT "A"

BUILDING RULES AND REGULATIONS

1. The entry and passages shall not be obstructed by the Tenant, nor used by it for any other purpose than for ingress and egress to and from its respective office.
2. The toilets, basins and other water apparatus shall not be used for any purpose other than those for which they were constructed, and no sweepings, rubbish, rags or other substances shall be thrown therein. Any damage resulting to them from misuse shall be borne by the Tenant who shall cause it.
3. No sign, advertisement or notice shall be inscribed, painted or affixed on any part of the outside or inside of the Building, except directories and doors of offices, which shall be of size, color and style as approved by Landlord.
4. No Tenant shall do or permit anything to be done in said Premises, or bring or keep anything therein, which will in any way increase the fire hazard on said Building, or in any other way injure or annoy any other tenant, or conflict with the laws relating to fires, or with the regulations of the Fire Department, or with any insurance policy upon said Building or any part thereof, or conflict with any rules and ordinances of the Board of Health.
5. The Landlord shall in all cases retain the power to prescribe the weight, size and proper position of iron safes. All safes and other unusually heavy business equipment shall be put in the Building and in the place designated by Landlord after notice to, and under the supervision of, the Landlord at Tenant's expense.
6. Each tenant will keep its Premises in good state of preservation and cleanliness.
7. No tenant shall use any other method of heating than that provided for the Premises without special agreement.
8. Any electrical work performed on Tenant's space will be done by a certified electrical contractor and work shall be approved by Landlord prior to commencement. Costs will be paid by Tenant.
9. Tenant shall abide by parking rules and regulations as, from time to time, promulgated by Landlord. Violators of said parking rules and regulations will be towed away at the vehicle owner's expense.
10. Use of tobacco products is prohibited inside and outside of all Landlord's properties.

ATTACHMENT 3

- SUITE 191 - DENTAL CLINIC (2,862 Square feet) & SUITE 111 - DENTAL ROOMS (510 Square feet) = 3,372 square feet.

\$12.36 per sq. foot - annual rental

\$ 3,473.16 monthly payment

\$41,677.92 annual payment

- SUITE 151 - WIC OFFICE (1,634 Square feet)

\$12.36 per sq. foot - annual rental

\$ 1,683.02 monthly payment

\$20,196.24 annual payment

Total monthly payment for all suites is \$5,156.18

Total annual payment for all suites is \$61,874.16