

AGENDA

Finance and Management Committee

6:00 pm Monday, Aug. 18, 2025

Council Chambers, Dickson City Hall

Call to Order

Mayor Weiss

Roll Call

City Recorder

Minutes & Check Register

1. June 16, 2025, Finance and Management Committee meeting minutes and the Check Register for checks #101542 to #102334

Public Comments

1. Anyone wishing to provide comments germane to any item on this agenda shall indicate so by registering prior to the start of the meeting on the sign-up sheet provided at the entrance to the council chambers. No registrations will be allowed after the meeting has been called to order. The presiding officer shall establish an allotted time for each speaker and determine the order of speakers under the guidelines established in the City of Dickson Public Engagement Policy adopted in Resolution #2023-12

Old Business

None

New Business

1. Discussion on RESOLUTION #2025-58: A Resolution to approve and authorize the Mayor to sign a Lease Agreement with the Economic and Housing Development Corporation of Dickson County, Tennessee, and 841 Cowan Road LP to accept Payments in Lieu of Taxes (*deferred from Aug. 4, 2025*)
2. Updates on Emergency Communications Department and Office of Emergency Management

Other Business

Adjournment

Beer Board Special Session to follow

MINUTES

Finance and Management Committee
6:00 pm Monday, June 16, 2025
Council Chambers at Dickson City Hall

The Finance and Management Committee of the Council of the City of Dickson, Tennessee, met at 6:00 pm the sixteenth day of June, 2025, for a regular meeting in the Council Chambers of Dickson City Hall, 600 East Walnut Street.

Call to Order

Mayor Don L. Weiss Jr. called the meeting to order at 6:02 pm.

Roll Call	Present	Absent
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Mayor

Don L Weiss Jr.	X	
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City Council (Ward)

Jason Epley (1 st)	X	
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Brett Reynolds (1 st)	X	
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Shane Chandler (2 nd)	X	
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Kyle Sanders (2 nd)	X	
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Stacey Levine (3 rd)	X	
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Horace Perkins III (3 rd)	X	
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Dwight Haynes (4 th)	X	
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Michael Outlaw (4 th)	X	
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A quorum was present and the following business transacted.

Recorder Chris Norman served as recording secretary.

Others present: City Attorney Jerry Smith, Assistant City Attorney Ross Smith, City Administrator David Travis, Tax Collector Angie Brown, Treasurer Tammy Dotson, Fire Chief Richard Greer, Projects Director Christopher Hooper, Police Chief Seth Lyles, Recorder Chris Norman, Planning and Zoning Director Jason Pilkinton, Senior Activity Center Director Joan Rial, Emergency Communications Director Rosalind Sowell, Engineer Bret Stock, Court Clerk Gina Swaner, Assistant Police Chief Todd Christian, Public Works Office Coordinator Jessi Starkey and Sgt. Eric Chandler and others as indicated on the sign-in sheet.

Minutes & Check Register

1. May 19, 2025, Finance and Management Committee meeting minutes and the Check Register for checks #101272 to #101541

No discussion.

Motion to approve: Councilperson Outlaw

Second: Vice Mayor Epley

Roll Call	Yes	No	Abstain	Absent
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Jason Epley (1 st)	X			
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Brett Reynolds (1 st)	X
Shane Chandler (2 nd)	X
Kyle Sanders (2 nd)	X
Stacey Levine (3 rd)	X
Horace Perkins III (3 rd)	X
Dwight Haynes (4 th)	X
Michael Outlaw (4 th)	X

Motion passed 8-0-0

Public Comments

1. Jarrett Hoover, 207 Murrell St., said his petition requesting that the section of Murrell Street from North Mulberry Street to North Charlotte Street be restricted to one-way traffic westbound and that speed humps be added and/or the speed limit reduced to 15 miles per hour will allow on-street parking for the four residences on the north side of the block.

Old Business

None

New Business

1. Administer Peace Officer's Oath to Officer Tim Simmons

Mayor Weiss administered the Peace Officer's Oath to Dickson Police Department Officer Tim Simmons.

2. Petition to restrict Murrell Street to one-way traffic heading west from North Mulberry Street to North Charlotte Street and add speed humps or lower speed limit to 15 miles per hour

Councilperson Sanders presented a petition from Jarrett Hoover, 207 Murrell St., requesting the section of Murrell Street from North Mulberry Street to North Charlotte Street be converted to one-way traffic westbound and speed humps be added and/or the speed limit be lowered to 15 miles per hour. The request was turned over to staff to review and present a recommendation at a future council meeting.

Other Business

None

Adjournment

With no other business to come before the Finance and Management Committee, Mayor Weiss adjourned the meeting at 6:12 pm without objection.

ATTEST:

Chris Norman, RECORDER

Don L. Weiss Jr., O.D., MAYOR

RESOLUTION #2025-58

A RESOLUTION TO APPROVE AND AUTHORIZE THE MAYOR TO SIGN A LEASE AGREEMENT WITH THE ECONOMIC AND HOUSING DEVELOPMENT CORPORATION OF DICKSON COUNTY, TENNESSEE, AND 841 COWAN ROAD LP TO ACCEPT PAYMENTS IN LIEU OF TAXES

WHEREAS, the Dickson County Commission created and authorized the Economic and Housing Development Corporation of Dickson County, Tennessee, to acquire title to and enter into a lease agreement (the Agreement), attached as an exhibit hereto, that provides for payments in lieu of taxes (PILOT) by 841 Cowan Road LP, the lessee proposing to construct a multifamily residential facility known as Cowan Road Apartments (the Project) in the City of Dickson, Tennessee; and

WHEREAS, 841 Cowan Road LP is requesting within the Agreement a PILOT agreement from the City of Dickson, Tennessee, to commence upon completion of the Project with incremental payments through the end of the twelfth (12th) year following the completion date; and

WHEREAS, the Agreement includes a provision that 841 Cowan Road LP will make a one-time Construction Monitoring fee payment of two hundred seventy-five thousand dollars (\$275,000) to the City of Dickson upon closing of the construction loan.

Now, therefore, **BE IT RESOLVED BY THE COUNCIL OF THE CITY OF DICKSON, TENNESSEE**, that:

SECTION 1. The Agreement between the Economic and Housing Development Corporation of Dickson County, Tennessee, and 841 Cowan Road LP attached hereto is approved insofar as it obligates the City of Dickson, Tennessee, to a twelve-year PILOT program for the Project described therein subject to the terms and conditions contained therein.

SECTION 2. The Mayor of the City of Dickson, Tennessee, is authorized to sign and execute said Agreement and all other documents and instruments necessary to its implementation as a third-party participant and accepts no obligations as Lessee or Lessor.

SECTION 3. This Resolution shall take effect upon its passage, the welfare of the City requiring it.

Approved and adopted this ____ day of _____, 2025.

ATTEST:

Chris Norman, RECORDER

Don L. Weiss Jr., O.D., MAYOR



The Clear Blue Company Overview



6,472

Apartment
Homes in
portfolio



58

Communities
owned



54%

Average % of AMI of
residents living
in our properties



5,980/1,000

Total renovated homes /
currently in development
& predevelopment

Who we are

Founded in 2011, The Clear Blue Company (CBC) is an affordable housing owner and developer based in Nashville, Tennessee. With 58 total communities, the company's portfolio includes 6,472 multifamily homes across the Southeast.

Our mission is to **solve the affordable housing crisis** by preserving existing workforce apartments and developing new housing. Our goal is to create a repeatable model with a massive impact on affordability because **we believe everyone deserves a clean, safe, affordable place to live.**

Our portfolio consists of a mixture of workforce, subsidized, new construction, and naturally occurring affordable housing.



Minimum Income Band					
Units	AMI	Rent	Months	Qualifying Ratio*	Annual Income
1 - Bedroom	60%	\$1,187	12	.31	\$45,950
2 - Bedroom	60%	\$1,415	12	.31	\$54,775
3 – Bedroom	60%	\$1,612	12	.31	\$62,400

*FHA guidelines state that up to 31% of a household's gross income should go towards housing

Salaries of Dickson's Workforce



Teachers

\$56,300



Police Officers

\$58,900



Healthcare Technicians

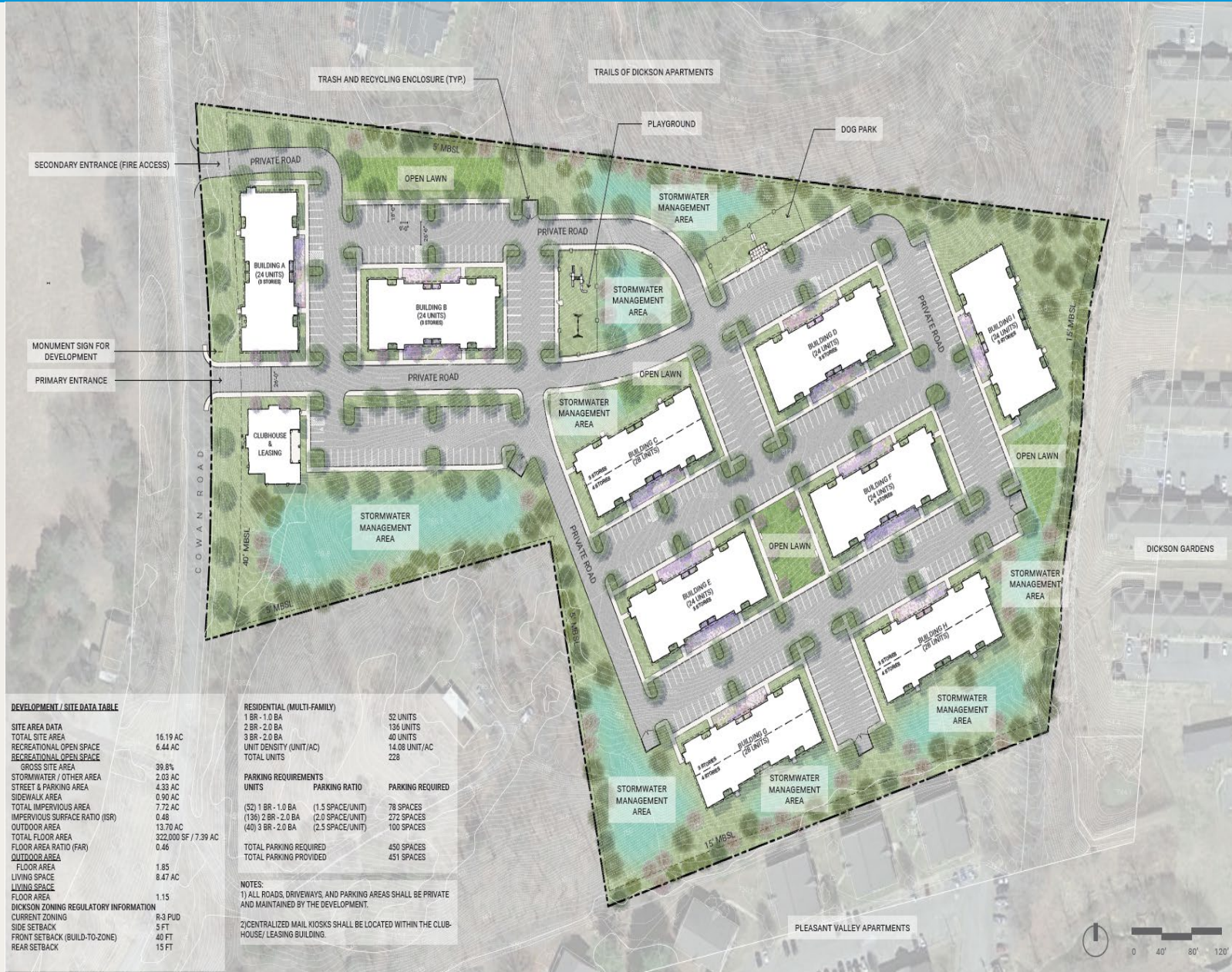
\$44,490



Nurse Assistant

\$38,200

Project Overview



Apartment Homes:
228

1BR - 68

2BR - 60

3BR - 70

4BR - 30

- Total Development Cost \$85,900,000
- Construction Cost: \$57,350,000
- Partnership with Dickson Housing Authority
- Multi-aged playgrounds
- Pool
- Community Building
- Split level buildings

DEVELOPMENT / SITE DATA TABLE

SITE AREA DATA	
TOTAL SITE AREA	16.19 AC
RECREATIONAL OPEN SPACE	6.44 AC
RECREATIONAL OPEN SPACE	
GROSS SITE AREA	39.8%
STORMWATER / OTHER AREA	2.03 AC
STREET & PARKING AREA	4.33 AC
SIDEWALK AREA	0.90 AC
TOTAL IMPERVIOUS AREA	7.72 AC
IMPERVIOUS SURFACE RATIO (ISR)	0.48
OUTDOOR AREA	13.70 AC
TOTAL FLOOR AREA	322,000 SF / 7.39 AC
FLOOR AREA RATIO (FAR)	0.46
OUTDOOR AREA	
FLOOR AREA	1.85
LIVING SPACE	8.47 AC
FLOOR AREA	
DICKSON ZONING REGULATORY INFORMATION	1.15
CURRENT ZONING	R-3 PUD
SIDE SETBACK	5 FT
FRONT SETBACK (BUILD-TO-ZONE)	40 FT
REAR SETBACK	15 FT

RESIDENTIAL (MULTI-FAMILY)

1 BR - 1.0 BA	52 UNITS
2 BR - 2.0 BA	136 UNITS
3 BR - 2.0 BA	40 UNITS
UNIT DENSITY (UNIT/AC)	14.08 UNIT/AC
TOTAL UNITS	228

PARKING REQUIREMENTS		
UNITS	PARKING RATIO	PARKING REQUIRED
(52) 1 BR - 1.0 BA	(1.5 SPACE/UNIT)	78 SPACES
(136) 2 BR - 2.0 BA	(2.0 SPACE/UNIT)	272 SPACES
(40) 3 BR - 2.0 BA	(2.5 SPACE/UNIT)	100 SPACES

NOTES:

1) ALL ROADS, DRIVEWAYS, AND PARKING AREAS SHALL BE PRIVATE AND MAINTAINED BY THE DEVELOPMENT.

2) CENTRALIZED MAIL KIOSKS SHALL BE LOCATED WITHIN THE CLUBHOUSE / LEASING BUILDING.

Quality of Buildings & Interior Finishes



1 Schematic Elevation- Type A - Front
202.101 1/8" = 1'-0"



2 Schematic Elevation- Type A - Rear
202.101 1/8" = 1'-0"



Why Does This Project Need a PILOT?

Answer: Affordable properties are taxed higher than market rate properties

Market Rate Property



East Forest Park Apartments
Units: 226
Year Built: 2000 & 2022

Type: Market Rate

- City Taxes 2024: \$39,533 (\$175 PU)
- County Taxes 2024: \$94,230 (\$417 PU)
- City tax is 56% lower than comparable affordable properties in Dickson

Without PILOT (Not Viable)



Cowan Road Apartments
Units: 228
Year Built: 2027
Type: Affordable

- Forecast of City Taxes 2027: \$91,200 (\$400 PU)
- County Taxes 2027: \$182,400 (\$800 PU)
- Forecasted City tax is 44% higher than Market Rate Comparable

With PILOT



Cowan Road Apartments
Units: 228
Year Built: 2027
Type: Affordable

- City Taxes with PILOT: \$39,100(\$175 PU)
- County Taxes with PILOT: \$45,600 (\$200 PU)
- Economic Investment from Regions Bank of \$40,360,000

Proposed Legislation

- PILOT Construction Monitoring Fee of \$275,000 Paid At Financial Closing, In Lieu of County Adequate Facilities Tax
- 12 Year PILOT That Runs Concurrently With County PILOT
- \$39,100 In City Property Taxes Starting In Year 1 of Operations, Escalating at 3% Annually
- Approved through Economic & Housing Development Corporation of Dickson County

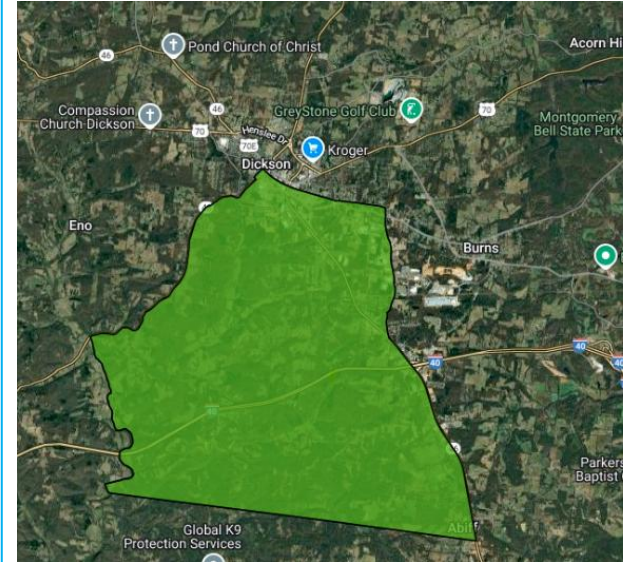
Why These Exceptions Will Not Create Precedence

1) Partnership with Dickson Housing Authority

- Awarded 60 Project Based Vouchers from DHA RFP
- Created Project Based Voucher Program with DHA's Team
- Project Based Vouchers Are a High Barrier to Entry Resource to get Approved by Local and Federal Government, which Decreases the Likelihood of Future Partnership
- In Combination with the Disappearance of the Qualified Census Tract, Future Projects Will Not Be Financially Viable

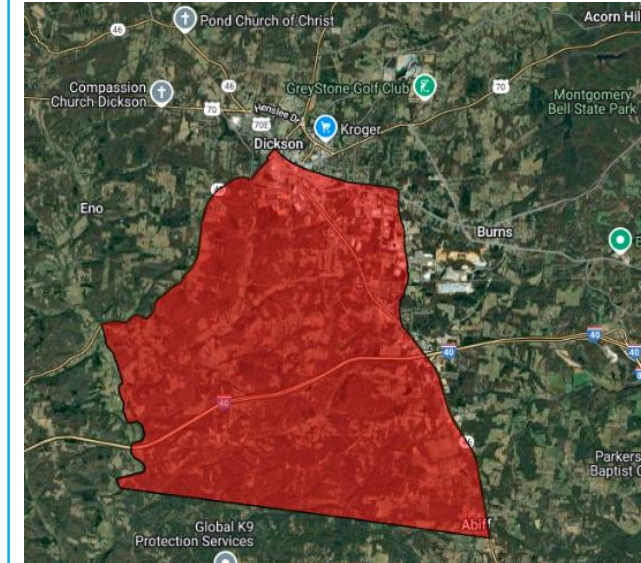
2) Disappearance of Qualified Census Tract

2024



- HUD Incentivizes Creating Affordable Housing in Specific Census Tracts
- The Incentive Helps Make Building Affordable Financially Viable

2025



- In 2025, The Incentive Disappeared, Which Will Deter Future Development of Affordable Housing
- Not Forecasted to Return in Future Years

DRAFT

ECONOMIC AND HOUSING DEVELOPMENT CORPORATION OF DICKSON COUNTY,
TENNESSEE
(a public nonprofit corporation organized
under Tennessee law)

TO

841 COWAN ROAD LP
(a Tennessee limited partnership)

LEASE

DATED AS OF _____, 2025

This instrument prepared by:
Reno & Cavanaugh, PLLC
Dwayne W. Barrett
424 Church Street, Suite 2910
Nashville, Tennessee 37219

LEASE

This Lease, made and entered into as of the ____ day of _____, 2025, by and between the Economic and Housing Development Corporation of Dickson County, Tennessee, a public nonprofit corporation organized under Tenn. Code Ann. §§ 7-53-101, et seq. ("Lessor"), and 841 Cowan Road LP, a Tennessee limited partnership ("Lessee").

WITNESSETH:

WHEREAS, Lessor is a public nonprofit corporation organized under Tenn. Code Ann. §§ 7-53-101, et seq., as amended (the "Act"), and is authorized under the Act to acquire, whether by purchase, exchange, gift, lease, or otherwise, and to own, lease and dispose of properties for certain purposes identified in the Act;

WHEREAS, in order to encourage Lessee to cause the acquisition of land and construction of a multifamily facility for low and moderate-income citizens known as Cowan Road Apartments located in Dickson County, Tennessee (the "Project"), thereby furthering the purposes of the Act, Lessor desires to lease to Lessee and Lessee desires to rent from Lessor certain real property hereinafter more particularly described, on the terms and conditions set forth herein; and

WHEREAS, the County Commission of Dickson County, Tennessee, on or around July 21, 2025, delegated to the Board the authority to acquire title to the Project and negotiate and enter into a lease agreement with the Company which provides for the payment in lieu of taxes; and

NOW, THEREFORE, Lessor, for and in consideration of the payments hereinafter stipulated to be made by Lessee, and the covenants and agreements hereinafter contained to be kept and performed by Lessee, does by these presents demise, lease and let unto Lessee, and Lessee does by these presents hire, lease and rent from Lessor, for the Term (as defined below) and upon the conditions hereinafter stated, the real property described in Exhibit A attached hereto, together with all facilities and improvements now existing or hereafter constructed thereon by Lessee or otherwise;

UNDER AND SUBJECT, however, to deed restrictions, covenants, easements, reservations, rights of way and other encumbrances applicable to the real property to be leased and existing as of the date hereof and any other encumbrance hereafter existing that is not created by Lessor; and

UNDER AND SUBJECT to the following terms and conditions:

ARTICLE I.

Definitions

Section 1.01 In addition to the words, terms and phrases elsewhere defined in this Lease, the following words, terms and phrases as used in this Lease shall have the following respective meanings:

"Acquisition Deed" shall mean the deed pursuant to which Lessor acquires title to the Leased Land.

"Act" shall mean Tenn. Code Ann. §§ 7-53-101, et seq., as amended.

"Additional Rent" shall mean the amounts described in Sections 4.02 and 7.04.

"Basic Rent" shall mean the amounts described in Section 4.01.

"Buildings" shall mean the Buildings to be constructed on the Leased Land including approximately 228 units of rental housing consistent with the site plan and other information provided by Lessee to Lessor.

"City" shall mean the City of Dickson, Tennessee

"City Taxes" shall mean the annual ad valorem taxes levied by the City for City purposes.

"Commencement Date" shall mean the date hereof.

"Completion Date" shall mean the earlier of (i) December 31, 2028; or (ii) the date that a certificate of occupancy is issued for the Buildings. Lessee shall provide a certificate to Lessor evidencing the Completion Date no later than thirty (30) days after the occurrence of the Completion Date.

"County" shall mean Dickson County, Tennessee.

"County Taxes" shall mean the annual ad valorem taxes levied by the County for County purposes.

"First Priority Loan Documents" shall mean the loan documents entered into in connection with the loan secured by the First Priority Mortgage.

"First Priority Mortgage" shall mean the highest priority deed of trust recorded against the Leased Land.

"First Priority Mortgagee" shall mean that lender holding the First Priority Mortgage.

"Force Majeure" means fires, floods, inability to obtain materials, conditions arising from governmental orders or regulations, war or national emergency, acts of God, and any other cause, similar or dissimilar, beyond the applicable party's reasonable control. Where this Lease expressly provides that a party's obligations are subject to Force Majeure, then delay or non-performance on the part of such party will be excused upon the occurrence and during the continuance of such event of Force Majeure, provided that such party promptly gives the other party written notice of the occurrence and abatement of such event of Force Majeure.

"Investor Limited Partner" shall mean _____, LLC, a _____ limited liability company, or its affiliate, and its successors and assigns.

"Lease" shall mean this instrument as originally executed or as it may from time to time be supplemented or amended by one or more instruments supplemental hereto.

"Leased Land" shall mean the real property described in Exhibit A attached hereto.

"Leased Property" shall mean the Leased Land, together with the Buildings and related improvements.

"Lender" shall mean _____, and its successors and assigns, as their interests may appear.

"Lessee" shall mean 841 Cowan Road LP, a Tennessee limited partnership.

"Lessor" shall mean the Economic and Housing Development Corporation of Dickson County, Tennessee, a public nonprofit corporation organized under the Act.

"Loan Documents" shall mean the Loan Agreement, the Multifamily Note, the Leasehold Multifamily Deed of Trust, Assignment of Leases and Rents, and Security Agreement, and other ancillary documents executed in connection therewith between Lessee and Lender dated on or about _____, 2025, as such documents may be amended or extended.

"Tax Credits" shall mean any low-income housing tax credits that have been awarded with respect to the Leased Property pursuant to Section 42 of the Internal Revenue Code of 1986, as amended.

"Tax Year" shall mean each annual period beginning on January 1 of each year and ending on December 31 of that year.

"Term" shall mean the term described in Article III.

ARTICLE II.

Representations and Warranties of Lessee

Section 2.01 Lessee makes the following representations and warranties to induce Lessor to enter into this Lease:

(a) Lessee is a limited partnership duly formed, existing and in good standing under the laws of the State of Tennessee, and has full power and authority to enter into this Lease and to perform all obligations contained herein and therein, and has, by proper action, been duly authorized to execute and deliver this Lease and, when executed and delivered by the parties thereto, this Lease will constitute the valid and binding obligation of Lessee enforceable in accordance with its terms.

(b) Neither the execution and delivery of this Lease, nor the consummation of the transactions contemplated herein by Lessee, nor the fulfillment of or compliance with the terms and conditions of this Lease, does or will conflict with or result in a breach of the terms, conditions or provisions of any restriction or internal governing document of Lessee or any agreement or instrument to which Lessee is now a party or by which it is bound, or any existing law, rule, regulation, judgment, order or decree to which it is subject, or constitutes a default under any of the foregoing or, except as contemplated hereby, results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of Lessee under the terms of any instrument or agreement.

(c) There are no proceedings pending, or to the knowledge of Lessee threatened, against or affecting Lessee in any court or before any governmental authority, arbitration board or tribunal which involve the possibility of materially and adversely affecting the properties, business, prospects, profits or condition (financial or otherwise) of Lessee, or the ability of Lessee to perform its obligations under this Lease. Lessee is not in default with respect to an order of any court, governmental authority, arbitration board or tribunal.

(d) No event has occurred and no condition exists with respect to Lessee that would constitute an Event of Default under this Lease, as defined in Article XIV, or which, with the lapse of time or with the giving of notice, or both, would become such an Event of Default.

(e) To the knowledge of Lessee, there are no substances, materials, wastes, pollutants or contaminants located on the Leased Property that are regulated under any environmental law or regulation except those materials and substances that are maintained in compliance with such laws and

regulations, and Lessee shall not permit material quantities of such substances, materials, wastes, pollutants or contaminants to exist on the Leased Property during the Term of this Lease except in compliance with such laws and regulations. Lessee has obtained an independent third-party report confirming the foregoing representation and will provide such report to Lessor upon request.

(f) The Leased Property will be operated as, and its use restricted to, a multifamily housing facility for low or moderate income persons.

(g) The Leased Property constitutes a "tax-credit housing project" as defined in Tenn. Code Ann. § 7-53-305(a)(2)(C).

ARTICLE III.

Lease Term

Subject to the provisions contained in this Lease, this Lease shall be in full force and effect for a Term commencing on the Commencement Date and ending on the twelfth (12th) anniversary of the Completion Date, unless terminated earlier, in accordance with the terms hereof. Lessee shall provide a certificate to Lessor evidencing the Completion Date no later than thirty (30) days after the occurrence of the Completion Date.

Notwithstanding the foregoing, the Term of this Lease may be terminated at any time upon exercise by Lessee of the purchase option described in Article XV hereof.

ARTICLE IV.

Rent

Section 4.01 Basic Rent. Lessee will pay to Lessor without notice or demand, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, as Basic Rent: (a) annual rent in the amount of \$1.00 payable on the date hereof and on each anniversary of the date hereof, which annual rent Lessee will prepay as of the date hereof, (b) all costs and expenses incurred by Lessor in connection with its obligations described herein including but not limited to attorney fees and expenses incurred by Lessor in connection with this Lease, and (c) an administrative fee payable to the Board in connection with entering into this Lease in the amount of three thousand five hundred dollars (\$3,500).

Section 4.02 Additional Rent. Lessee agrees to pay, as Additional Rent, all other amounts, liabilities and obligations which Lessee herein assumes or agrees to pay under the lease. Lessee shall also pay as Additional Rent the payments in lieu of taxes described in Section 7.04 hereof. In the event of any failure on the part of Lessee to pay any amounts, liabilities or obligations described in this paragraph, Lessor shall have all rights, powers and remedies provided for herein or by law or equity or otherwise in the case of nonpayment of the Basic Rent.

ARTICLE V.

Compliance with Laws; Permitted Contests; Lessee's Acceptance of Leased Property; Reports; Net Lease

Section 5.01 Compliance with Laws. Lessee shall throughout the Term and at no expense to Lessor promptly cure any violations under all laws, ordinances, orders, rules, regulations and requirements of duly constituted public authorities, which are or shall become lawfully applicable to the Leased Property, the repair and alteration thereof, and the use or manner of use of the Leased Property, whether or not such laws, ordinances, orders, rules, regulations and requirements are foreseen or unforeseen, ordinary or extraordinary, and whether or not they shall involve any change of governmental policy or shall require structural or extraordinary repairs, alterations or additions, irrespective of the cost thereof; provided, however, that Lessee, in lieu of compliance with such laws, orders, rules, regulations and requirements, or the making of such additions, changes or alterations, may, at its option, exercise its right to purchase the Leased Property, as provided below and, in such event shall have no further liability hereunder, except as otherwise provided herein.

Section 5.02 Permitted Contests. Lessee shall not be required to comply or cause compliance with the laws, ordinances, orders, rules, regulations or requirements referenced in Section 5.01, so long as Lessee shall, at Lessee's expense, contest the same or the validity thereof in good faith, by appropriate proceedings. Such contest may be made by Lessee in the name of Lessor or of Lessee, or both, as Lessee shall determine and Lessor agrees that it will, at Lessee's expense, cooperate with Lessee in any such contest to such extent as Lessee may reasonably request. It is understood, however, that Lessor shall not be subject to any liability for the payment of any costs or expenses (including attorneys' fees) in connection with any such proceeding brought by Lessee, and Lessee covenants to pay, and to indemnify and save harmless Lessor from, any such costs or expenses.

Section 5.03 Acceptance of Leased Property. Lessee acknowledges that, as between Lessor and Lessee, it has examined the Land described in Exhibit A attached hereto and the state of Lessor's title thereto prior to the making of this Lease and knows the condition and state thereof, including, without limitation, the environmental and soil conditions, as of the first day of the term of this Lease, and accepts the same in said condition and state; that no representations as to the condition or state thereof have been made by representatives of Lessor; and that in entering into this Lease, Lessee is relying solely upon its own examination thereof.

Section 5.04 Construction Monitoring. During the Term, Lessee shall retain the City to conduct construction monitoring of the Improvements. The responsibilities of the City will be the following:

1. Conduct monthly site visits to ensure construction adheres to approved plans, building codes, and safety regulations;
2. Review quarterly reports given from Lessee summarizing construction progress and schedule;
3. Monitor construction impacts on surrounding neighborhoods, including traffic flow, noise levels, and dust control, providing recommendations where necessary; and
4. Oversee traffic control measures and temporary road closures or detours, ensuring safe circulation around the site during construction.

The City will be paid a one-time fee of \$275,000.00 at the closing of the construction loan to conduct the construction monitoring referenced in this Section 5.04 ("CM Fee").

Section 5.05 Triple Net Lease. This is a "triple net lease" and the Basic Rent, Additional Rent and all other sums payable hereunder to or for the account of Lessor shall be paid promptly and without set off, counterclaim, abatement, suspension, deduction, diminution or defense.

ARTICLE VI.

Title and Tax Benefits

Section 6.01 No Conveyance of Title by Lessor. Lessor covenants and agrees that, except as set forth herein, during the Term of this Lease, it will not convey, pledge, encumber or suffer or permit the conveyance of, by any voluntary act on its part, its title to the Leased Property to any person, firm, corporation, or other entity whatsoever, irrespective of whether any such conveyance or attempted conveyance shall recite that it is expressly subject to the terms of this Lease unless such conveyance is consented to, in writing, by Lessee. Lessor will not create any lien, encumbrance or charge upon its interest in the Leased Property except for any such lien, encumbrance or charge otherwise created by this Lease or consented to in writing by both Lessee and First Priority Mortgagee. In the event Lessee or any successor to Lessee requests Lessor's cooperation in effecting any conveyance, pledge, encumbrance of the Leased Property, Lessee covenants to pay, and to indemnify and save harmless Lessor from any costs or expenses (including attorneys' fees) in connection with such request.

Section 6.02 Tax Benefits. During the Term, Lessee shall be entitled to all benefits under federal and state tax laws attributable to the ownership of the Leased Property, including, without limitation, the right to claim deductions for depreciation and the right to claim Tax Credits. Lessor shall execute and deliver other and further certificates, documents, and amendments to this Lease as reasonably requested by Lessee to confirm and establish that Lessee is the owner of the Leased Property for federal income and state franchise and excise tax purposes.

Section 6.03 Taxation of Improvements. This Lease is intended to be a lawful agreement between the Lessee and Lessor, as an instrumentality of a local government, for payments in lieu of taxes and therefore, the Buildings are assessed solely to Lessor and are subject to all applicable exemptions, all in accordance with Tennessee Code Annotated § 67-5-502(d).

ARTICLE VII.

Taxes and Other Charges

Section 7.01 Taxes and Other Governmental Charges. Lessee agrees, subject to the provisions of Section 7.04, to pay and discharge, as Additional Rent, punctually as and when the same shall become due and payable without penalty, all ad valorem taxes that at any time during the Term shall be or become due and payable by Lessor or Lessee and that shall be levied, assessed or imposed upon, or that shall be or become liens upon, the Leased Property or any portion thereof or any interest of Lessor or Lessee therein, under and by virtue of any present or future law, statute, regulation or other requirement of any governmental authority.

Section 7.02 Lessee Subrogated to Lessor's Rights. To the extent of any payments of Additional Rent by Lessee under this Article VII, Lessee shall be subrogated to Lessor's rights in respect to the proceedings or matters relating to such payments, and any recovery in such proceedings or matter shall be used to reimburse Lessee for the amount of such Additional Rent so paid by Lessee.

Section 7.03 Utility Services. Lessee agrees that Lessor is not, nor shall it be, required to furnish to Lessee or any other user of the Leased Property any gas, water, sewer, electricity, light, heat, power or any other facilities, equipment, labor, materials or services of any kind pursuant to this Lease and Lessee agrees that it shall pay all costs and expenses related to the foregoing.

Section 7.04 Payments in Lieu of Taxes.

(a) Recognition of Tax Status. Lessee recognizes that under present law, including specifically the Act, the properties owned by Lessor are exempt from all taxation in the State of Tennessee.

(b) Administrative Provisions. To the extent necessary in furtherance of the agreements in this Section, it is agreed by and between the parties hereto that Lessee, with the reasonable cooperation of Lessor, shall cause all of the Leased Property, including but not limited to, the Leased Land, the Buildings and each expansion of any Building to be valued and assessed separately by the assessor or other official or officials charged with the responsibility of assessing privately owned property in the area where the Leased Property is located at the time such privately owned property is valued or assessed. The right is reserved to Lessee to the same extent as if Lessee were the owner of the Leased Property to contest the validity or amount of any such assessment.

(c) Payments in Lieu of Taxes. In addition to Basic Rent and as part of Additional Rent hereunder, Lessee and Lessor shall pay directly to the City and to the County, or such other place as Lessor may designate in writing, for each Tax Year occurring during the Term, annual payments in lieu of taxes to the City and the County equal to the amounts set forth below (collectively, the "PILOT").

Commencement Date through the Completion Date	100% of the City Taxes + CM Fee to the City + 100% of the County Taxes
Completion Date through the end of the twelfth (12 th) year following the Completion Date	\$39,900.00 to the City (increasing by 3.0%/year) + \$45,600 to the County (increasing by 3.0%/year)
From and after the date that is twelve (12) years following the Completion Date.	100% of the City Taxes + 100% of the County Taxes

Notwithstanding the foregoing, in the event of a material breach of this Lease, including the representations in Section 2.01(f) regarding use of the Leased Property, and continuing so long as such breach remains uncured, the PILOT shall be an amount equal to all ad valorem taxes that would be payable with respect to the Leased Property if Lessee were the owner of the Leased Property.

Amounts payable with respect to any partial Tax Years included within the Term will be prorated based upon the actual number of days included within such Tax Year. Any pro-rated payment due with respect to a Tax Year that is not paid prior to the termination or expiration of this Lease shall not be extinguished as a result of such termination or expiration and shall survive such termination or expiration.

Notwithstanding anything to the contrary contained in this Section, this Lease shall not be extended except pursuant to an amendment in writing and executed by both the Lessor and Lessee. Such reduction in taxes otherwise payable shall not apply with regard to any other tax assessed against Lessee, its income, its other real property or its personality. In the event Lessee assumes ownership of the Leased Property, Lessee shall begin paying all applicable ad valorem and other taxes directly to the County and the

City, as assessed, but shall not make, from the date of such acquisition, any in lieu payments with respect to such property other than those payments that were unpaid at the time of such acquisition.

Notwithstanding anything to the contrary contained in this Section, in the event that the Leased Property no longer constitutes a “tax-credit housing project” as defined in Tenn. Code Ann. §7-53-305(a)(2)(C), or has an uncured violation of the use restrictions related to the Tax Credits applicable to the Leased Property, then Lessee shall make a payment in lieu of taxes with respect to each Tax Year remaining in the Term on behalf of the Lessor to the County and the City in an amount equal to the ad valorem taxes that would otherwise be payable with respect to the Leased Property for each such Tax Year if the Leased Property were owned by Lessee.

(d) Credit for Taxes Paid. Nothing contained in this Section 7.04 is intended or shall be construed to require the PILOT payment by Lessee to be any greater in amount than would be payable as taxes if the Leased Property were owned by Lessee. It is accordingly understood and agreed that the amount payable by Lessee in any year under the provisions of this Section 7.04 shall be reduced by the amount of any ad valorem taxes lawfully levied upon the Leased Property or any part thereof, or upon Lessee’s leasehold estate therein, and actually paid by Lessee pursuant to the requirements of Section 7.01 hereof to the County and the City and to the extent that any such tax payments paid by Lessee pursuant to the requirements of Section 7.01 hereof for any year shall exceed the PILOT payments for such year otherwise provided in this Section 7.04 the amount payable by Lessee in any subsequent year under the provisions of this Section 7.04 shall be reduced by such excess amount.

The payments in lieu of taxes payable hereunder shall only apply to the Leased Land and the Buildings. In the event Lessee constructs improvements on the Leased Land other than the Buildings, Lessee shall make payments in lieu of taxes to the County and the City with respect to such additional improvements in an amount equal to the ad valorem taxes that would otherwise be payable with respect to such improvements if such improvements were owned by Lessee unless Lessor and Lessee shall agree in writing otherwise.

(e) Timing of Payments. Each payment in lieu of taxes required by this Section 7.04 with respect to any Tax Year or partial Tax Year shall be paid not later than February 28th of the following year.

(f) Reports. On behalf of Lessor, Lessee shall, during the term of this Lease, submit on or before October 1 of each year to the Tennessee Comptroller of the Treasury the annual report required to be submitted by it pursuant to Tenn. Code Ann. §7-53-305 along with any other reports currently or hereafter required to be filed by Lessee related to the payment in lieu of taxes provisions of this Lease.

(g) Payment Upon Termination or Expiration. Upon the termination of this Lease for any reason during a Tax Year, Lessee shall pay on the date of such termination, a pro-rated amount of the PILOT, if any, required by this Section 7.04 for the period that this Lease is in effect and for which no payments in lieu of taxes have been made up to the date of such termination.

(h) Cessation of Business or Foreclosure. Except in the event Lessee shall terminate this Lease pursuant to Article IX of this Lease, in the event Lessee ceases the active operation (excluding temporary cessations due to Force Majeure events) of a low-income housing facility for eligible residents at the Leased Property, and notwithstanding any provision herein to the contrary, Lessee shall make payments in lieu of taxes beginning as of the date Lessee ceases such operation equal to the ad valorem taxes that Lessee otherwise would have been required to make with respect to the Leased Property if the Leased Property was owned by Lessee. Upon the foreclosure of Lessee’s leasehold interest in this Lease, any successor to Lessee’s interest hereunder shall, notwithstanding any provisions herein to the contrary,

make payments in lieu of taxes beginning as of the date such successor acquires Lessee's leasehold interest hereunder equal to the ad valorem taxes that such successor otherwise would have been required to make with respect to the Leased Property if the Leased Property was owned by such successor, unless a new lease is requested, pursuant to the terms of Section 13.06 below.

Section 7.05 Permitted Contests. Lessee shall not be required to pay any tax or assessment against the Leased Property or any part thereof, so long as Lessee shall, at Lessee's expense, contest the same or the validity thereof in good faith, by appropriate proceedings which shall operate to prevent the collection of the tax or assessment so contested or resulting from such contest and the sale of the Leased Property or any part thereof to satisfy the same. Such contest may be made by Lessee in the name of Lessor or of Lessee, or both, as Lessee shall determine, and Lessor agrees that it will, at Lessee's expense, cooperate with Lessee in any such contest to such extent as Lessee may reasonably request. It is understood, however, that Lessor shall not be subject to any liability for the payment of any costs or expenses (including attorneys' fees) in connection with any such proceeding brought by Lessee, and Lessee covenants to pay, and to indemnify and save harmless Lessor from, any such costs or expenses.

ARTICLE VIII.

Maintenance and Repair

Lessor shall not be required to rebuild or to make any repairs, replacements or renewals of any nature or description to the Leased Property or to make any expenditures whatsoever in connection with this Lease or to maintain the Leased Property in any way. Lessee expressly waives the right contained in any law now or hereafter in effect to make any repairs at the expense of Lessor.

Except as provided in the next paragraph, Lessee shall keep and maintain in good order, condition and repair (including any such repair as is required due to fire, storm or other casualty) the Leased Property and every part thereof and any and all appurtenances thereto. Lessee shall save Lessor harmless on account of claims for mechanics and materialmen's liens in connection with any work by Lessee, and any such liens shall exist only against Lessee's leasehold interest and shall be discharged, by bond or otherwise, within sixty (60) days after filing. Lessee shall keep and maintain the Leased Property in accordance with all directions, rules and regulations of the proper officials of the government agencies having jurisdiction, at the sole cost and expense of Lessee.

In the event the Buildings are destroyed or substantially damaged by fire, storm or other casualty, Lessee shall not be required to rebuild the Buildings. In the event Lessee does not elect to rebuild the damaged Buildings on the Leased Property in such a case, Lessee shall within ninety (90) days after such casualty (a) remove all rubble, debris, materials of the damaged Buildings on the Leased Property so that the Leased Property is in good condition; provided that additional time may be allowed for such removal if the conditions must be left undisturbed for insurance or other inspection and/or if necessary due to the nature of the damage suffered and debris to be removed, and (b) if no portion of the Leased Property remains operable as residential rental property, exercise the option to purchase described in Section 15.01 of this Lease. By way of clarity, if one Building at the Leased Property is destroyed by fire but the remaining Buildings remain in good, operable condition, Lessee shall remove the debris as set forth above but shall not be required to rebuild the damaged Building and may continue to operate the remainder of the Buildings on the Leased Property under the terms of this Lease.

ARTICLE IX.

Condemnation

Section 9.01 If during the Term, all or any part of the Leased Property be taken by the exercise of the power of eminent domain or condemnation, Lessee shall be entitled to and shall receive the

entire award for the taking. If title to or control of all of the Leased Property shall be taken by the exercise of the power of eminent domain or condemnation, or if such use or control of a substantial part of the Leased Property shall be taken as to result in rendering a substantial part of the Leased Property untenable or of materially reduced value to Lessee, Lessee may terminate this Lease and exercise the purchase option purchase to Article XV by giving written notice to the Lessor and thereafter shall have no further liability hereunder except as specifically provided herein, provided, as a condition of such termination, Lessor may require Lessee to remove all or a portion of the improvements from the remaining portion of the Leased Property. The First Priority Mortgagee shall have the right to participate in condemnation proceedings and any condemnation awards must be paid to the First Priority Mortgagee or an independent trustee acceptable to the First Priority Mortgagee. Any condemnation award will be applied in accordance with the requirements of the First Priority Loan Documents. In the event of a partial taking of any part of the Leased Property, the Lessee may elect to rebuild/restore the Leased Property, provided that First Priority Mortgagee must provide their consent and may instead require distribution of the condemnation award, to be applied in accordance with the terms of the First Priority Loan Documents. Lessor shall have no rights to administer any condemnation award and may not receive any condemnation award until the indebtedness due to the First Priority Mortgagee had been paid in full. Lessee covenants to pay, and to indemnify and save harmless Lessor from any costs or expenses (including attorneys' fees) in connection with any such eminent domain or condemnation proceeding.

ARTICLE X.

Insurance and Indemnification

Section 10.01 Insurance. Lessee shall carry commercial general liability insurance covering the Leased Property and the use and occupancy of the same in a company or companies licensed to do business in Tennessee under a policy satisfactory to Lessor both as to amount and coverage and shall provide evidence of same to Lessor. Lessor shall be listed as an additional insured on such policy. Lessee shall also insure all improvements on the Leased Property at their full replacement value, with Lessor being included as an additional insured, and Lessee shall provide evidence of same to Lessor. Each policy described above shall not be canceled without first giving Lessor not less than thirty (30) days prior written notice. Lessee shall provide to Lessor evidence of all insurance policies contemplated by this Section, including, upon request, annual certificates of continued coverage. Notwithstanding anything herein to the contrary, the First Priority Mortgagee shall have the right to participate in adjustment of losses as to casualty insurance proceeds and any casualty insurance proceeds must be paid to the First Priority Mortgagee or an independent trustee acceptable to the First Priority Mortgagee. Any casualty insurance proceeds will be applied in accordance with the requirements of the First Priority Loan Documents. Lessor shall have no rights to administer the adjustment of losses or payment of casualty insurance proceeds and may not receive any casualty insurance proceeds until the indebtedness due to the First Priority Mortgagee had been paid in full.

Section 10.02 Indemnification. Lessee covenants and agrees, at its expense, to pay, and to indemnify and save Lessor and its directors, agents and employees (collectively, the "Indemnified Parties") harmless against and from any and all claims by or on behalf of any person, firm, corporation, or governmental authority, arising from the approval or execution of this Lease, the occupation, use, possession, conduct or management of or from any work or activity done in or about the Leased Property or from the subletting of any part thereof, including any liability for violation of conditions, agreements, restrictions, laws, ordinances, or regulations affecting the Leased Property or the occupancy or use thereof. Lessee also covenants and agrees, at its expense, to pay, and to indemnify and save the Indemnified Parties harmless against and from, any and all claims, costs or expenses arising from (i) any condition, including

any environmental condition, now existing or hereafter arising, on the Leased Property, (ii) any breach or default on the part of Lessee in the performance of any covenant or agreement to be performed by Lessee pursuant to this Lease, (iii) any act or negligence of Lessee, or any of its agents, contractors, servants, employees or licensees, (iv) the failure of the Acquisition Deed to convey title to the Leased Land to Lessor on the date hereof other than as described in the Acquisition Deed, (v) any disputes, demands or claims related to the title of the Leased Land or any liens or other encumbrances affecting the Leased Land (other than claims originating from an action in violation of Section 6.01 hereof), or (vi) any accident, injury or damage whatever caused to any person, firm or corporation in or about the Leased Property and from and against all costs, reasonable counsel fees, expenses and liabilities incurred in any action or proceeding brought by reason of any claim referred to in this Section. In the event that any action or proceeding is brought against any Indemnified Party by reason of any such claims, Lessee, upon notice from such Indemnified Party, covenants to resist or defend such action or proceeding. Notwithstanding anything in this Lease to the contrary, Lessee shall not be required to indemnify any Indemnified Party in the event of any acts of gross negligence or willful misconduct or intentional misconduct of such Indemnified Party or for any claim or liability which Lessee was not given the opportunity to contest. The indemnification provided shall survive termination of this Lease.

Section 10.03 Limitation of Liability. This Lease and the obligations of Lessor hereunder shall be non-recourse as to Lessor, and Lessor shall have absolutely no personal or individual liability with respect to any of the terms, covenants and conditions of this Lease. Lessee hereby expressly agrees that it shall look solely to the equity of Lessor or its successor(s) interest in the Leased Property for the satisfaction of any remedy of Lessee in the event of any breach by Lessor of any of the terms covenants and conditions of this Lease. This exculpation of Lessor's personal liability is absolute and without any exception whatsoever. Lessee acknowledges that Lessor is a governmental entity and is subject to the protection of the Tennessee Governmental Tort Liability Act, Tennessee Code Annotated § 29-20-101 through 29-20-408 (as amended from time to time), and nothing contained herein shall constitute a waiver or release of Lessor's rights and protections under said Act.

ARTICLE XI.

Construction of Buildings; Alterations

Lessee covenants and agrees at its expense to construct the Buildings and cause the completion thereof to occur not later than December 31, 2028, provided that such date may be extended if Lessee demonstrates to the reasonable satisfaction of Lessor that any delay is due to a Force Majeure event. Lessee agrees that the Buildings will be constructed consistent with description of the proposed improvements that Lessee has made to Lessor in its application requesting that Lessor enter into this Lease. Lessee shall also have the right to construct additional buildings and other improvements on the Leased Land from time to time and to make additions to and alterations of the Buildings and any additional buildings and improvements on the Leased Property. All work done in connection with such additions, alterations, improvements or construction shall be done promptly, and in good and workmanlike manner, and in compliance with all applicable laws, ordinances, orders, rules, regulations and requirements of all federal, state and municipal governments and the appropriate departments, commissions, boards and offices thereof. Lessee shall maintain or cause to be maintained, at all times when any work is in process in connection with such additions, alterations, improvements or construction, workmen's compensation insurance

covering all persons employed in connection with such work and with respect to whom death or bodily injury claims could be asserted against Lessor, Lessee or the Leased Property.

ARTICLE XII.

Equipment

Section 12.01 Installation and Removal of Personal Property. Lessee may at any time or times during the Term install on the Leased Land or any improvement thereon any equipment necessary or appropriate to operate the Lease Property, but any such equipment shall be owned by Lessee and subject to ad valorem taxation for personal property.

ARTICLE XIII.

Subletting, Assignments and Mortgaging

Section 13.01 Limitations on Assignment. Except for leases in the ordinary course of business for operation of an apartment complex (including without limitation, residential leases to tenants at the Leased Property), Lessee shall not have the right to assign or otherwise transfer its rights and interest hereunder except with the prior written consent of Lessor. A change in the ownership equity of Lessee of more than fifty (50%) percent whether in a single transaction or series of transactions shall be deemed an assignment requiring the consent of Lessor. Lessee shall be liable for reasonable fees incurred by Lessor in connection with any assignment, or request for consent to assignment, including but not limited to reasonable attorney's fees. Notwithstanding anything herein to the contrary, the First Priority Mortgagee shall have the right to foreclose on their lien against the Leased Property or to accept a deed-in-lieu of foreclosure without the consent of Lessor. Following such foreclosure or deed-in-lieu of foreclosure by First Priority Mortgagee, the First Priority Mortgagee shall have the right to assign this Lease without the consent of Lessor, provided that any subsequent assignee shall be bound by all terms and requirements of this Lease and must operate the Leased Property in a manner consistent with the uses outlined in Section 2.01(f) and (g). Following an assignment by First Priority Mortgagee, or its assigns, the assignor shall be released from any further liability under this Lease.

Section 13.02 Subletting. Except for the leases permitted by Section 13.01, Lessee may not sublet the Leased Property or any part thereof.

Section 13.03 Mortgages. Notwithstanding the foregoing limitation hereof, and subject to the other terms of this Lease, Lessee is hereby given the right, at any time and from time to time, to mortgage its leasehold estate in the Leased Property. As used in this Section and throughout this Lease, the noun "mortgage" shall include a leasehold deed of trust, the verb "mortgage" shall include the creation of a leasehold deed of trust, the word "mortgagee" shall include the beneficiary under a leasehold deed of trust, and the terms "foreclose" or "foreclosure" shall include a trustee's sale under a deed of trust as well as a foreclosure by judicial process. Lessor specifically consents to the deed of trust and related loan documents executed concurrently with this Lease by Lessee in favor of Lender. At the request of any mortgagee, Lessor will execute and deliver a joinder, in a form reasonably acceptable to Lessor, pledging its interest in the Leased Property, in connection with Lessee's financing or refinancing of the Leased Property and such other related documents as may reasonably be requested by any such mortgagee from time to time, including estoppel certificates as to the status of Lessee's compliance with this Lease, provided that any such joinder or other instrument shall expressly acknowledge that Lessor's liability thereunder is expressly limited to its interest in the Leased Property.

Section 13.04 Investor Rights. If a mortgagee or investor limited partner of Lessee shall have given Lessor, before any Event of Default shall have occurred hereunder, a written notice specifying the

name and mailing address of the mortgagee or investor limited partner, then Lessor shall not terminate this Lease by reason of the occurrence of any Event of Default hereunder unless Lessor shall have given the mortgagee and investor limited partner a copy of its notice to Lessee of such Event of Default addressed to the mailing address last furnished by the mortgagee and investor limited partner, and such Event of Default shall not have been cured by said mortgagee or investor limited partner as provided below. Lessor acknowledges that it has received written notice from (a) Lender that Lender is a mortgagee hereunder, and that Lessor shall send notices required to be sent to a mortgagee hereunder to Lender at the address provided in Section 16.03 and (b) Investor Limited Partner that Investor Limited Partner is an investor limited partner hereunder, and that Lessor shall send notices required to be sent to an investor limited partner hereunder to Investor Limited Partner at the address provided in Section 16.03.

Section 13.05 Limited Mortgagee Rights. Notwithstanding the term of any mortgage, Lessee's mortgagee shall have no further rights in the Lease except as stated herein or as is otherwise may be agreed upon by Lessor with mortgagee.

ARTICLE XIV. **Events of Default; Termination**

If any one or more of the following events (herein called "Events of Default") shall happen:

(a) if Lessee fails to maintain the commercial general liability insurance required by Section 10.01 after being given notice of such failure and not curing such failure within ten (10) days of receipt of such notice; or

(b) if default shall be made in the due and punctual payment of any payment due pursuant to Section 7.04 hereof, and such default shall continue for more than thirty (30) days after receipt of written notice of such default by Lessee from Lessor; or

(c) if default shall be made by Lessee in the due performance of or compliance with any of the terms hereof, other than that referred to in the foregoing subdivisions (a) and (b), and such default shall continue for sixty (60) days after Lessor shall have given Lessee, Lender and Investor Limited Partner written notice of such default (or in the case of any such default which cannot with due diligence be cured within such 60-day period, if Lessee shall fail to proceed promptly to cure the same and thereafter prosecute the curing of such default with commercially reasonable due diligence, it being intended in connection with any such default not susceptible of being cured with commercially reasonable due diligence within the sixty (60) days that the time of Lessee within which to cure the same shall be extended for such period as may be necessary to complete the curing of the same with all commercially reasonable due diligence); then in any such event Lessor at any time thereafter and while such Event of Default shall continue may give a written termination notice to Lessee, which notice shall specify the nature of the Event of Default and a date of termination of this Lease not less than ninety (90) days after the giving of such notice. Upon such termination, Lessor shall have the right, but not the obligation, to enter upon the Leased Property and repossess the Leased Property. This termination right is subject and subordinate to Lessee's and Lender's right to purchase the Leased Property pursuant to Section 15.01 and at any time during or within 30 days after the term of this Lease, Lessee or Lender may exercise its right in Section 15.01 to purchase the Leased Property without regard to whether an Event of Default has occurred. Lessor shall send copies of any and all notices sent pursuant to this Article XIV to Lender and Investor Limited Partners simultaneous with notices sent to Lessee.

ARTICLE XV.
Purchases and Purchase Prices

Section 15.01 Option to Purchase. Lessee shall have an irrevocable and exclusive option to purchase the Leased Property as a whole at any time during the Term or within thirty (30) days after the termination or expiration of the Lease for the amount provided in Section 15.03. To exercise such option Lessee shall (i) give Lessor at least ten (10) days' prior written notice of its intent to exercise any option granted pursuant to this Section 15.01, which notice shall state the purchase date, and (ii) comply with the provisions of Section 15.03 hereof. The option to be exercised by Lessee hereunder may be exercised whether or not a default or Event of Default has occurred hereunder.

Section 15.02 Granting of Easements. From time to time during the Term, Lessee, with the prior written consent of Lessor (not to be unreasonably withheld, delayed or conditioned), shall have the right, at Lessee's expense, to cause Lessor (i) to grant easements affecting the Leased Land, or (ii) to dedicate or convey, as required, portions of the Leased Land for road, highway and utilities and other public purposes. Lessor shall also promptly execute and deliver estoppels, joinders, non-disturbance agreements and other documents required in connection with Lessee's use, financing, and refinancing of the Leased Property in such form as is reasonably satisfactory to Lessor and provided that any liability of Lessor thereunder is expressly limited to its interest in the Leased Property.

Section 15.03 Exercise of Option.

(a) To exercise any option contained in Section 15.01, Lessee shall pay, or cause to be paid, on or prior to the purchase date, as the purchase price the sum of (i) \$1.00 plus (ii) any other amounts that are then due or that have accrued under this Lease (including, without limitation, any amounts due upon termination or expiration of this Lease), but excluding any amounts required to be expended pursuant to Article XI.

(b) On the purchase date for the purchase of the Leased Property pursuant to Section 15.01, Lessor shall convey the Leased Property to Lessee (or its assigns) by quitclaim deed, without warranty of any type, conveying Lessor's interest in the Leased Property being conveyed. The form of the quitclaim deed pursuant to which property will be conveyed pursuant to this Section shall be in the form attached hereto as Exhibit B. Lessee shall pay all expenses relating to such conveyance.

Section 15.04 First Priority Lender Provisions. The First Priority Lender will have the right to exercise the Lessee's option to purchase pursuant to this Article without consent or joinder from Lessee.

ARTICLE XVI.
Miscellaneous

Section 16.01 Applicable Law. This Lease shall be governed exclusively by the provisions hereof and by the applicable laws of the State of Tennessee.

Section 16.02 Severability. In the event that any clause or provision of this Lease shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

Section 16.03 Notices and Demands. All notices, certificates, demands, requests, consents, approvals and other similar instruments under this Lease shall be in writing, and shall be effective either (a) when delivered personally to the party for whom intended, (b) on the second business day following mailing by a nationally recognized overnight courier service, or (c) on the fifth day following mailing by

certified or registered mail, return receipt requested, postage prepaid, in any case addressed to such party as set forth below or as a party may designate by written notice given to the other party in accordance herewith.

To the Lessor:

Economic and Housing Development Corporation of Dickson County, Tennessee
c/o Dickson County Economic Development
4 Court Square
Charlotte, TN 37036
Attention: Chairman

With Copies to:

To the Lessee:

841 Cowan Road LP
601 Woodland Street
Nashville, TN 37206
Attention: Nick Ogden

With a Copy to:

Reno & Cavanaugh, PLLC
424 Church Street, Suite 2910
Nashville, Tennessee 37219
Attention: Dwayne W. Barrett

To Lender (as a mortgagee as provided in Article XIII):

With a Copy to:

To Investor Limited Partner (as an investor limited partner as provided in Article XIII):

_____, LLC

Attention: _____

With a copy to:

Attention: _____

Section 16.04 Headings and References. The headings in this Lease are for convenience of reference only and shall not define or limit the provisions thereof. All references in this Lease to particular Articles or Sections are references to Articles or Sections of this Lease, unless otherwise indicated.

Section 16.05 Successors and Assigns. The terms and provisions of this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

Section 16.06 Multiple Counterparts. This Lease may be executed in multiple counterparts, each of which shall be an original but all of which together shall constitute but one and the same instrument.

Section 16.07 Expenses. Lessee shall pay all costs and expenses of Lessor in connection with (i) the preparation, negotiation and execution of this Lease; (ii) the performance hereof; or (iii) the modification of this Lease or any documents or instruments related hereto, such costs and expenses to include the reasonable fees and expenses of Lessor's attorneys. In addition, in the event that Lessor shall be required to engage legal counsel for the enforcement of any of the terms of this Lease, whether or not such employment shall require institution of suit or other legal services required to secure compliance on the part of Lessee, Lessee shall be responsible for and shall promptly pay to Lessor the reasonable value of said attorneys' fees, and any other reasonable expenses incurred by Lessor as a result of such default.

Section 16.08 No Liability of Officers, Etc. No recourse under or upon any obligation, covenants or agreement contained in this Lease shall be had against any incorporator, members, director or officer, as such, past, present or future, of Lessor, either directly or through the Lessor. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such incorporator, member, director or officer is hereby expressly waived and released by Lessee as a condition of and consideration for the execution of this Lease.

Section 16.09 No Liability of County, Officers, Etc. The County and City and the officers and agents of the County and City shall not in any event be liable for the performance of any obligation or agreement of any kind whatsoever herein, and none of the agreements or obligations of Lessor contained in this Lease or otherwise shall be construed to constitute an indebtedness of the County or City or the officers or agents of the County or City, within the meaning of any constitutional or statutory provision whatsoever.

Section 16.10 Limitation of Liability. Notwithstanding any other provision hereof, Lessor's liability hereunder shall be limited to its interest in the Leased Property and the payments to be made pursuant to this Lease, and Lessee shall not have any recourse against any other assets of Lessor.

Section 16.11 Interest. In addition to all other amounts payable under this Lease, Lessee shall also pay interest on any payment due hereunder that is not paid on the date such payment is due until paid at the interest rate, as it may vary from time to time, that the County would impose on a delinquent tax payment during the period such payment was due.

Section 16.12 Cost Benefit Analysis. Attached hereto as Exhibit C is the analysis of the costs and benefits of the payment-in-lieu of tax provisions of this Lease required by Tennessee Code Annotation § 7-53-305(b).

[Signatures appear on following page.]

IN WITNESS WHEREOF, this Lease has been duly executed by the parties hereto as of the date and year first above written.

ECONOMIC AND HOUSING DEVELOPMENT
CORPORATION OF DICKSON COUNTY, TENNESSEE

ATTEST:

By: _____
Chairman

Secretary

CITY OF DICKSON, TENNESSEE

Mayor

ATTEST:

APPROVED AS TO FORM:

City Recorder

City Attorney

841 COWAN ROAD LP,
a Tennessee limited partnership,

By: 841 COWAN ROAD GP, LLC,
a Tennessee limited liability company,
its General Partner,

By: _____
Nicholas Ogden, President

EXHIBIT A

Legal Description

EXHIBIT B

See Attached

EXHIBIT C

Cost-Benefit Analysis on State Form

See Attached

47707129.4