

LEASE AGREEMENT

This LEASE AGREEMENT, dated as of July 1, 2020, ("*Lease Agreement*") between **GREENVILLE COUNTY, SOUTH CAROLINA** ("*County*"), a political subdivision and body corporate and politic of the State of South Carolina ("*State*"), and **GREENVILLE TECHNICAL COLLEGE AREA COMMISSION** ("*College*"), a body politic and corporate of the State.

WITNESSETH:

WHEREAS, the County is a public body corporate and politic and a political subdivision organized and existing pursuant to the laws of the State and is authorized under the provisions of Title 4, Chapter 9, Code of Laws of South Carolina, 1976, as amended, to enter into this Lease Agreement; and

WHEREAS, the County entered into a Base Lease Agreement with the College dated as of July 1, 2020 (the "*Base Lease*") whereby the College leased to the County certain parcels of real property (the "*Real Property*") as more particularly set forth on Exhibit A attached hereto, upon which the acquisition, construction, renovation, installation, furnishing and equipping of certain public facilities of the College (the "*Project Facilities*") will occur; and

WHEREAS, the County and the University Center Public Facilities Corporation (together with its successors and assigns, the "*Corporation*"), a nonprofit corporation formed under the laws of the State entered into a Sub-Base Lease Agreement dated July 1, 2020 (the "*Sub-Base Lease*"), so that the Corporation may (i) provide funds for the acquisition, construction, renovation, installation, furnishing and equipping of the Project Facilities and (ii) sell and convey the Project Facilities to the County; and

WHEREAS, the Project Facilities are to be sold by the Corporation to the County under the terms of a Public Facilities Purchase and Occupancy Agreement dated as of July 1, 2020 (the "*Facilities Agreement*") between the Corporation and the County; and

WHEREAS, in order to provide funds for the payment of the costs of financing the Project Facilities, the Corporation intends to issue its \$_____ Installment Purchase Revenue Bonds, Series 2020, dated the date of their delivery (the "*Series 2020 Bonds*"), under and by the terms of a Trust Agreement dated as of July 1, 2020 (the "*Trust Agreement*") by and between the Corporation and U.S. Bank National Association, as trustee (the "*Trustee*"); and

WHEREAS, the County has agreed to make certain payments (the "*Acquisition Payments*") for its acquisition of the Project Facilities on an installment basis and, in accordance with the terms of the Facilities Agreement, shall be entitled to the use and occupancy of the Real Property and the Project Facilities and certain other matters; and

WHEREAS, the right to receive Acquisition Payments is being assigned to the Trustee under the Trust Agreement as security and the source of payment for the Series 2020 Bonds; and

WHEREAS, the County and the College desire to enter into this Lease Agreement whereby the County will lease the Real Property and Project Facilities to the College; and in order to achieve the foregoing purposes;

SECTION 1. Definitions. Capitalized terms used herein and not otherwise defined shall have the meanings given thereto in the Sub-Base Lease Agreement and the Facilities Agreement.

SECTION 2. Premises. The County hereby delivers and leases to the College hereunder, and the College hereby accepts and leases from the County, subject to the terms, conditions, covenants and provisions hereof, the Real Property, the Project Facilities, and any and all appurtenances, rights, privileges and easements benefiting, belonging or pertaining thereto (all of the foregoing hereinafter sometimes referred to as the "**Premises**").

SECTION 3. Term and Rent.

(a) Term. The term of this Lease Agreement shall commence July 1, 2020, and shall end on _____, 20__, unless sooner terminated as provided herein.

(b) Rent. Rent during the term of this Lease Agreement shall be at the rate of Ten Dollars (\$10.00) per year.

SECTION 4. Subordination of Lease. The College acknowledges and agrees that this Lease Agreement is a sublease subject to the Base Lease and the Sub-Base Lease. Upon request of the County or the Corporation, the College agrees to execute a subordination agreement with the County and/or the Corporation which shall confirm the within subordination. The College further agrees to execute and return within ten (10) days any certificate that the County or the Corporation may reasonably request from time to time, stating (a) that this Lease Agreement is unmodified and in full force and effect, or in full force and effect as modified, and stating the modification, (b) the amount of monthly Rent and the dates to which the Rent has been paid in advance; (c) that there is no present default hereunder on the part of or known to the College, or that a default exists, with a statement of the nature of such instance of default; (d) that the College has no right to set off and no defense or counterclaim against enforcement of its obligations under the Lease Agreement; and (e) the College has no notice of any sale, transfer or assignment of this Lease Agreement by either the County or the College other than to the Trustee pursuant to the Trust Agreement.

SECTION 5. Representations and Warranties. The College represents and warrants as follows:

(a) The College is a body politic and corporate of the State and has all necessary power to enter into this Lease Agreement, and has duly authorized the execution and delivery of this Lease Agreement.

(b) The College has the corporate power and authority to make, execute, deliver and perform this Lease Agreement and this Lease Agreement has been duly authorized and delivered by all required corporate action of the College. This Lease Agreement is a valid and binding obligation of the College enforceable against the College in accordance with its terms, except as such enforceability may be limited to bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity.

(c) Neither the execution and delivery hereof, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or

results in a breach of the terms, conditions and provisions of any restriction or any agreement or instrument to which the College is now a party or by which the College is bound, or constitutes a default under any of the foregoing.

(d) To the knowledge of the College after due investigation with respect thereto, there is no litigation or proceeding pending or threatened against the College or any other person affecting the right of the College to execute or deliver this Lease Agreement, or to comply with its obligations under this Lease Agreement. Neither the execution and delivery of this Lease Agreement by the College, nor compliance by the College with its obligations under this Lease Agreement require the approval of any regulatory body, any parent company, or any other entity, which approval has not been obtained.

(e) The College will not take or permit, or omit to take or cause to be taken, any action which would adversely affect the exemption from federal income taxation of the interest on the Series 2020 Bonds, the interest on which is intended to be exempt from federal income taxes and, if it should take or permit, or omit to take or cause to be taken, any such action, the College shall take or cause to be taken all lawful actions necessary to rescind or correct such acts or omissions promptly upon having knowledge thereof. Without limiting the foregoing, the College will (i) furnish to the County and to the Trustee, upon request thereof, a copy of all written reports, notices, requests, demands or other instruments furnished to or by it relating to the Project Facilities; and (ii) promptly and duly execute and deliver any and all such instruments and documents as County, the Corporation or the Trustee may deem desirable in obtaining the full benefits of the security interests granted with respect to the Premises and of the rights and powers being granted, including any financing statements or filings necessary for the foregoing in any jurisdiction.

(f) The College will take or cause to be taken such action or actions as may be necessary, in the opinion of Bond Counsel, to comply fully with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated, proposed or made by the Department of the Treasury or the Internal Revenue Service pertaining to obligations issued under the Code or any federal tax legislation that may be enacted subsequent to the execution of this Lease Agreement.

(g) The College agrees to perform all covenants relating to the College contained in the Base Lease.

SECTION 6. Enjoyment of the Facilities. The County hereby covenants that the College shall during the Term peaceably and quietly have and hold and enjoy the Premises without suit, trouble or hindrance from the County, except as expressly required or permitted by this Lease Agreement or the Trust Agreement. The County shall not interfere with the quiet use and enjoyment of the Premises by the College during the Lease Term, so long as the Term shall be in effect. The County shall, at the request of the College and at the cost of the College, join and cooperate fully in any legal action in which the College asserts its right to such possession and enjoyment, or which involves the imposition of any taxes or other governmental charges on or in connection with the Premises. In addition, the College may at its own expense join in any legal action affecting its possession and enjoyment of the Premises, and shall be joined (to the extent legally possible, and at the expense of the College) in any action affecting its liabilities hereunder.

The provisions of this Section 6 shall be subject to the Trustee's right to inspect the Premises as provided in the Trust Agreement. The College also hereby consents to the provisions of the Trust Agreement relating to inspection of records by the Trustee.

SECTION 7. Project Fund. The County authorizes the College to use the proceeds of the Series 2020 Bonds deposited in the Project Fund to acquire, construct, renovate, install, furnish and equip the Project Facilities in accordance with Article III of the Facilities Agreement. The County and the College acknowledge and agree that the College shall be the County's designee responsible for acquisition, construction, renovation and equipping of the Project Facilities and the other obligations of the County or its designee under the Facilities Agreement.

SECTION 8. Additional Rent. All Additional Rent, if any, shall be paid by the College on a timely basis directly to the person or entity to which such Additional Rent is owed; provided, however, that the College shall not be required to pay, discharge or remove any tax, lien, or assessment, or any mechanic's, laborer's or materialman's lien or encumbrance, or any other imposition or charge against the Premises or any part thereof, or comply with any law, ordinance, order, rule, regulation or requirement, as long as the College shall, after prior written notice to the County and the Trustee, at the College's expense, contest the same or the validity thereof in good faith, by action or inaction which shall operate to prevent the (a) collection of the tax, lien, assessment, encumbrance, imposition or charge so contested, or the enforcement of such law, ordinance, order, rule, regulation or requirement, as the case may be, and (b) the sale of the Premises or any part thereof to satisfy the same or to enforce such compliance; provided that the College shall have given reasonable security as may be demanded by the County and the Trustee, or both, to ensure such payment and prevent any sale or forfeiture of the Premises or any part thereof by reason of such nonpayment or noncompliance.

SECTION 9. Taxes. The parties contemplate that the Premises will not be subject to ad valorem property taxes because the owner of fee simple title (the College) is a body politic and corporate of the State and the lessee under the Base Lease (the County) is a political subdivision and body corporate and politic of the State, both of which are eligible for exemption from ad valorem property taxation. However, in the event any such taxes should ever be assessed against the Premises, the College will be responsible for the payment of same. The College will also be responsible for the payment of any special or general assessments, including stormwater fees, which may accrue or be assessed in respect of the Premises for any period within the term of this Lease Agreement.

Such taxes and assessments shall be paid on or before the last day on which they may be paid without penalty. In the event that the College shall fail to pay such taxes when due, other than a situation in which the College is following proper procedures for challenging any amount due, the County or Trustee may pay same, and any such advances made shall be deemed Additional Rent immediately due and payable hereunder by the College. The College shall be solely responsible for any and all taxes for personal property owned by the College on the Premises.

SECTION 10. Utilities. During the term of this Lease Agreement and any extensions thereof, the College shall be responsible for the timely payment of all utility charges or services of any nature whatsoever, including without limitation charges for water, gas, electricity, sewage and telephone.

SECTION 11. Insurance. The College covenants to provide insurance in accordance with the Facilities Agreement. The County has no obligation to maintain insurance with respect to the Premises and the obligation to maintain insurance with respect to the Premises shall be borne by the College.

SECTION 12. Destruction of or Damage to Premises: If, during the Term, (i) the Premises or any portion thereof shall be destroyed (in whole or in part), or damaged by fire or other casualty, or (ii) title to, or the temporary or permanent use of, the Premises or any portion thereof or the estate of the

County or the College in the Premises or any portion thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, or (iii) a material defect in construction or installation of the Premises or any portion thereof shall become apparent, or (iv) title to or the use of all or any portion of the Premises or any portion thereof shall be lost by reason of a defect in title thereto, then the College shall be obligated, until such time as the Series 2020 Bonds are paid in full and satisfied, to continue to pay Rent. The College shall cause the proceeds Net Proceeds of any insurance policies, performance bonds or condemnation awards, made available by reason of any occurrence hereinabove to be paid into and distributed from a separate trust fund pursuant to the terms of Article 7 of the Facilities Agreement. Should the Net Proceeds (plus any amounts withheld from such Net Proceeds by reason of any deductible clause) shall be insufficient to pay in full the cost of any repair, restoration, modification, improvement or replacement of the Premises, the College shall be responsible for the completion of the work and the payment of any cost in excess of the amount of the Net Proceeds.

SECTION 13. Use of Premises. The Premises may be used as public facilities and improvements and any purpose related to the administration and educational programs of the College. The Premises shall not be used for any illegal purposes, nor in any manner to create any nuisance or trespass, nor violate any laws, zoning ordinances, or building codes.

SECTION 14. Maintenance and Operation of Project Facilities. The College covenants and represents that during the term of this Lease Agreement and so long as it has possession of and occupies any part of the Premises, it will operate the Premises in a sound and economical manner, in compliance with all present and future laws and governmental regulations applicable thereto, and that it will maintain, preserve and keep the building, fixtures, equipment, appurtenances and all other improvements comprising the Premises in good repair, working order and condition. The College shall make all necessary and proper repairs and renewals so that at all times the operation of the Premises may be properly and advantageously conducted. This covenant shall not prevent the College from discontinuing operation of any of the Premises at any time, in order to make necessary repairs, or for reasons of safety.

SECTION 15. Signs. The College may erect signs on or about the Premises.

SECTION 16. Possession. The College will have the exclusive right to possession of the Premises, subject to the terms and conditions of the Sub-Base Lease, the Facilities Agreement, and this Lease Agreement.

SECTION 17. Replacement of Parts; Alterations. The County shall have no rights, duties or obligations of any kind with respect to replacement of parts or any alterations, improvements or modification of the Premises. All such rights, duties or obligations with respect to such replacement, alteration, improvement or modification, for purposes of this Lease Agreement, shall be borne by the College.

SECTION 18. No Assignment. The County will not assign or convey its right, title and interest in and to this Lease Agreement or the Premises except to the Trustee.

SECTION 19. Default. If the College should default in performance of its obligations under this Lease Agreement and such default continues for more than thirty (30) days after receipt by the College of written notice of such default from the County, which notice shall specify in detail the nature of the default, the County may perform the College's obligations under this Lease Agreement and any amount so expended shall be deemed Additional Rent due the County under this Lease Agreement.

SECTION 20. Notices. It shall be sufficient service of any notice, request, complaint, demand or other paper required by this Lease Agreement to be given to or filed with the County, the College, or the Trustee if the same is given or filed in the manner and at the addresses specified in the Trust Agreement as to the County and Trustee and at the following address for the College: Greenville Technical College Area Commission, Post Office Box 5616, Greenville, South Carolina 29606-5616, Attention: Vice President of Finance, or to such other address as College shall from time to time designate in writing to County.

SECTION 21. Compliance with Environmental Laws. The College warrants and represents to the County and the Trustee that: (i) while the County has any interest in the Premises, the Premises are and at all times hereinafter will continue to be in full compliance with all applicable federal, state and local environmental laws, regulations, ordinances, and judicial opinions including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"), Public Law No. 96-510, 94 Stat. 1613, the Resource Conservation and Recovery Act, as amended ("RCRA"), the Clean Water Act, the South Carolina Hazardous Waste Management Act, the South Carolina Pollution Control Act, and the South Carolina Underground Storage Tank Regulations; and (ii)(A) as of the date hereof, there are no hazardous materials (hereinafter defined), substances, wastes or other environmentally regulated substances (including, without limitation, any materials containing asbestos) located on, in or under the Premises or used in connection therewith. The College further warrants that it will promptly notify the County of any change in the nature or extent of any hazardous materials, substances or wastes maintained on, in or under the Premises or used in connection therewith, and will transmit to the County copies of any citations, orders, notices or other material governmental or other environmentally regulated substances affecting the Premises.

The College's obligations hereunder to the County and the Trustee shall not be limited to any extent by the term of this Lease Agreement and, as to any act or occurrence prior to termination of this Lease Agreement or payment in full and satisfaction of the Series 2020 Bonds which gives rise to liability hereunder, shall continue, survive and remain in full force and effect notwithstanding termination of this Lease Agreement or payment in full and satisfaction of the Series 2020 Bonds.

SECTION 22. Consent of College to Assignment of County's Interest as Security; Exercise of Rights of the County by the Trustee. The County assigns all of its rights hereunder to the Corporation. The College hereby acknowledges and consents to the assignment of the rights of the County under this Lease Agreement by County to the Corporation. The College acknowledges that the Corporation has further assigned those rights to the Trustee. The College acknowledges receipt of a copy of the Trust Agreement, acknowledges and consents to the terms of the Trust Agreement, and agrees for the benefit of the Trustee that as long as any Bonds issued pursuant to the Trust Agreement shall be outstanding and unpaid, all rights of the County with respect to this Lease Agreement and the Premises shall be exercisable by the Trustee, as assignee and secured party, subject to the terms of the Trust Agreement.

SECTION 23. County Lien. The County waives any contractual, statutory or other County lien on the College's fixtures, furniture, supplies, equipment and inventory. The County agrees to execute such confirmation, certificates and other documents as the College's lenders may reasonably request in connection with any financing.

SECTION 24. Amendment. The County and the College agree to enter into any amendments hereto at any time for any of the following purposes: (i) to cure any ambiguity, defect or omission herein or in any amendment hereto; or (ii) to reflect a change in applicable law; or (iii) to make any changes required in connection with a release or substitution of real property or facilities as permitted under the Sub-Base Lease or the Facilities Agreement or to add additional premises; or (iv) to make any amendments required by any rating agency as a condition to rating the Series 2020 Bonds; or (v) to make provision of the issuance of Additional Bonds as provided for in the Trust Agreement.

SECTION 25. Miscellaneous. Any provision of this Lease Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. No term or provision of this Lease Agreement may be changed or waived orally, but only by an instrument in writing signed by the County and College and approved by the Trustee. The Section and paragraph headings in this Lease Agreement are for convenience of reference only and shall not modify, define, expand or limit any of the terms or provisions hereof and all references herein to numbered sections, unless otherwise indicated, are to sections of this Lease Agreement. This Lease Agreement has been delivered in the State and shall in all respects be governed by, and construed in accordance with, the laws of the State, including all matters of construction, validity and performance. This Lease Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. The County and the College will at any time, at the request of the other party, promptly execute duplicate originals of an instrument, in recordable form, which will constitute a short form of this Lease, setting forth a description of the Premises, the term of this Lease and any other portions thereof as such party may reasonably request.

[Signature pages follow]

WITNESS the due execution of this Lease Agreement as of the date first above written.

COUNTY:

GREENVILLE COUNTY, SOUTH CAROLINA

WITNESS:

Herman G. Kirven, Jr., Chairman, County Council

Joseph M. Kernell, County Administrator

ATTEST:

Regina McCaskill, Clerk to County Council

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this ____ day of July, 2020 by the within named Herman G. Kirven, Jr., Chairman of County Council of Greenville County, South Carolina (the “County”), Joseph M. Kernell, County Administrator and Regina McCaskill, Clerk to County Council, as the act and deed of the County.

Notary Public for South Carolina
Print Name: _____
My Commission Expires: _____

EXHIBIT A

DESCRIPTION OF REAL ESTATE