



**AND IT IS SO ORDAINED**

**Dated this 9th day of March, 2015**

**LANCASTER COUNTY, SOUTH CAROLINA**

  
\_\_\_\_\_  
Bob Bundy, Chair, County Council

  
\_\_\_\_\_  
Steve Harper, Secretary, County Council

ATTEST:

  
\_\_\_\_\_  
Debbie C. Hardin, Clerk to Council

First Reading: February 9, 2015  
Second Reading: February 23, 2015  
Public Hearing: March 9, 2015  
Third Reading: March 9, 2013

**STATE OF SOUTH CAROLINA**

**REAL PROPERTY LEASE**

**COUNTY OF LANCASTER**

This Lease is made and entered into as of the 9<sup>th</sup> day of March, 2015 by and between **LANCASTER COUNTY, SOUTH CAROLINA**, (“County”) and **UNITED GLOBAL SOLUTIONS, INC.** (“Company”), a business entity formed and existing under the laws of the State of South Carolina, and authorized to do business in Lancaster County, South Carolina.

WITNESSETH

WHEREAS, County is the owner of that certain parcel of property containing 5.578 acres identified as 3758 Charlotte Highway, Lancaster, South Carolina; Tax Map Number 0032-00-018.00, and

WHEREAS, Company desires to lease, occupy and use both the acreage and the building located thereon to conduct its materials distribution business; and

WHEREAS, County is willing to authorize and allow Company to lease, occupy and utilize the building and surrounding outside premises, subject to the restrictions and terms provided herein:

NOW, THEREFORE, County and Company agree as follows:

1. Lease. County hereby leases and authorizes the Company to occupy and use the approximately Twenty Two Thousand Three Hundred Sixty (22,360) square foot building together with any surrounding curtilage and parking (“Property”) to be utilized for Company’s materials distribution business.
2. Term. The term of this Lease shall commence on March 10, 2015, and it shall continue in force and effect until February 29, 2020, but no longer than the sixty (60) months from the date of commencement unless otherwise earlier terminated. After actual physical occupancy of the property by Company, either party may terminate this Lease for any reason by giving at least ninety (90) days written notice to the other party. Any act of default hereunder, including without limitation failure to pay the monthly lease payment when due, shall terminate any right, license or permission for use of the entire property immediately upon event of default. This Lease shall not be renewed or extended, nor shall another such Lease be entered into between the same parties.
3. Use. During the term hereof, Company shall occupy and use property authorized by County solely in connection with its materials distribution facility, to the extent permitted by and fully in compliance with all applicable rules, regulations, and requirements of any Federal, State, City or County regulatory agency having jurisdiction over the Company’s operations. Company shall also fully comply with all safety and security policies/directives as established by Lancaster County.

Company's employees and customers will have reasonable access to and from and the right to use and occupy property for the sole purpose of engaging in or furthering Company's business.

4. Lease Payment; Late Payment; Taxes.

A. Lease Payment. As the monthly lease payment for occupancy and use of the property, Company shall pay County monthly payments of **Three Thousand Seven Hundred Twenty Six (\$3,726.00) Dollars** per month for its use of the property from March 10, 2015 through February 28, 2018. Company shall pay said amounts without set-off or deduction, in advance and without demand on or before the first day of each month during the term hereof. Thereafter, beginning March 1, 2018 and continuing on monthly through the ending term of this lease, February 29, 2020, Company shall pay County monthly payments of **Five Thousand Five Hundred Ninety (\$5,590.00) Dollars** subject to the same payment terms and conditions noted herein.

B. Late Payment. Company acknowledges that the late payment by Company of any monthly installment of lease payment or other charges will cause County to incur certain costs and expenses not contemplated under this Lease, the exact amount of which are difficult or impracticable to determine. Therefore, if any such amount owing is not received by County within three (3) days following the due date thereof, Company shall immediately pay to County a late charge of **Two Hundred (\$200.00) Dollars** in addition to the monthly lease payment noted above.

C. Taxes. Beginning in 2015 and continuing throughout the Company's occupancy and usage of the facility and surrounding acreage, all real property taxes and personal property taxes assessed upon the property being utilized and occupied by the Company shall be the sole responsibility of the Company. All taxes of any type shall be paid by the Company in a timely fashion.

5. Utilities and Services. County shall supply access to water, natural gas and electricity to the extent and capacity of the currently existing mains, lines, transformers, and panels. Company shall be solely responsible for the payment of all utility charges, telephone, trash removal, hazardous waste removal and other services used by Company in or on the property, to include hook-up fees, advanced deposits or other such costs, regardless of whether the utility charge is incurred in the name of Company or County. Company shall accept transfer of all applicable utility meters to Company's name when so tendered by County. In the event Company incurs any utility charge in the name of County, Company shall reimburse County for the full amount of the charge within five (5) calendar days of the date of written notice to Company of the amount of the charge. County assumes no responsibility for interruption of such services for any reason whatsoever.

6. Cleaning and Maintenance. Company, at its sole cost and expense, shall keep the facility

and outside property in a clean, neat and orderly condition at all times, and shall be responsible for maintaining all non-structural elements, including without limitation plumbing and HVAC. Company understands that it is responsible for the conduct of its guests, permittees, invitees, and licensees on the premises. Company shall not store any personal property exterior to the building on the unimproved premises associated with the building. Company is prohibited from taking any action which would negate or void the warranty, if any, on the roofs of any building within its facility

7. Alterations. Company may make an alteration, addition, or improvement to the facility with the prior written approval of the County Administrator. Company shall submit a written request for permission to perform such alterations, which shall include a description of the improvements, a site plan, and any other documentation requested by the County Administrator to demonstrate the suitability of the improvements or alterations. Unless County elects otherwise, all permanent alterations, additions, or improvements to the facility shall become the property of County upon termination. All agreed upon improvements must be made in a workmanlike manner, in accordance with all applicable statutes, ordinances, rules and regulations, including without limitation applicable building codes, and may be made only upon written approval of County's Building Department after review of complete plans for such improvements.
  
8. Grant of Option. For and in consideration of the Option Fee payable to the County as set forth herein, County does hereby grant to Company the exclusive right and Option to purchase the 5.578 acre premises upon the terms and conditions set forth herein.
  - a. Payment of Option Fee. Company agrees to pay County Option Fee of **Twenty Five Thousand (\$25,000.00) Dollars** upon the exercise of the option. It is understood and agreed that the Option Fee shall be considered as a credit toward the final negotiated sales price. The exercise of the option must be in writing provided to the County at the address noted herein. The Option Fee must accompany the written notice. The date of sending the notice shall be the Option Exercise Date. In the event that the Company does not exercise its exclusive right to purchase the property through the closing and transfer of the property within one hundred twenty (120) days of the Option Exercise Date, this Option shall become absolutely null and void and neither party shall have any liability regarding this Grant of Option to the other. However, the voiding of this Option by the Company's failure to close shall not infringe upon nor lessen the Company's right to continue utilizing the property for the remaining months of the lease.
  - b. Purchase Price. The price of the 5.578 acres and all improvements thereon from which the County and Company shall decide upon a final sales price will be initially narrowed by the written valuation of the property by two (2) independent certified MAI appraisers. The County shall select one appraiser and be fully responsible for the cost of the services rendered by that appraiser. Likewise, the Company shall select the second appraiser and shall be fully responsible for the cost of the services rendered. It is agreed and understood that the selection of the two appraisers shall be an open process and that the selected appraisers will be acceptable to both parties. Upon presentation and review of the two appraisals by the County and the Company, the parties shall negotiate a final purchase price that both parties believe to be fair and reasonable. If a final purchase price cannot be

agreed upon, the Twenty Five Thousand (\$25,000.00) Dollars Option Fee shall be returned to the Company.

8. Right of Entry. Prior to the Company's purchase of the property, should such occur, County shall have the right to enter the facility and grounds at any time for any reasonable purpose.
9. Compliance with Law.
  - A. General Compliance. Company will comply with all applicable statutes, ordinances, rules, regulations, orders and directives of any governmental authority, including County, in its occupancy and use of the property
  - B. Acceptance of Premises. Company accepts the property in its "as-is" condition and County has no obligation to improve, repair, restore, or alter any portion of the property. Company acknowledges that neither County nor any agent, employee, director or official of County has made any representation or warranty, except as otherwise expressly provided in this Lease, with respect to the property and facility including, without limitation, any representation or warranty with respect to the suitability or fitness of the building or any portion thereof for the conduct of Company's business.
  - C. Jurisdiction of Other Agencies. If Company's activities and operations shall in any way fall within the jurisdiction or regulatory authority of other governmental agencies, including without limitation the South Carolina Department of Health and Environmental Control ("DHEC"), Company must secure and produce evidence of such agency's final approval of such operations or occupancy of Space. If such activities and operations fall outside DHEC's jurisdiction, Company shall procure and submit to County the statement of an appropriately authorized DHEC representative to that effect. Company acknowledges that its representations and warranties pursuant to this subsection are material to the County's agreement to authorize the Company's use of the property.
10. Release and Indemnity.
  - A. Release. Company hereby releases County from any liability to Company for any loss or damage to any property of Company, its officers, directors, employees, agents, customers, concessionaires, vendors, contractors or invitees, and for the death or injury of any officers, directors, employees, agents, customers, concessionaires, vendors, contractors or invitees of Company, occasioned by theft, fire, acts of God, public enemy, injunction, riot, strike, insurrection, war, governmental body or authority including County, or any other matter beyond the control of County, or for any injury or damage or inconvenience which may arise through repair or alteration of any part of the facility, or failure to make repairs, or for any cause whatsoever, except the sole negligence or willful misconduct of

County.

B. Indemnity. Company hereby releases and will defend, indemnify and hold harmless County, its departments, agencies, boards, commissions, committees, officers, directors, employees, and agents and assigns of any of them (“Indemnified Parties”) from and against any and all liability, claims, penalties, fines, causes of action, suits, liens, losses, loss of use, damages, costs and expenses of any kind (including legal fees and litigation costs) which may be suffered by, accrued against, be charged to or be recoverable from the Indemnified Parties by reason of:

(1) any occurrence, in, upon, or at the property, however caused, or any cause of action of any nature whatsoever, in law or equity, arising out of or incidental to this Lease or the use or occupancy of the facility and/or outside grounds; and/or

(2) any occupancy, use, or misuse of the facility, or the areas surrounding the facility, or the service areas, parking areas, pedestrian areas, pedestrian walks or driveways in or around the facility, by Company, its officers, directors, employees, agents, customers, concessionaires, vendors, contractors or invitees, including without limitation uses or misuses which may render the premises subject to the Americans with Disabilities Act in whole or in part; and/or

(3) any violation of any law, regulation or ordinance by Company or its employees, officers, directors, agents, customers, concessionaires, vendors, contractors or invitees; and/or

(4) any occurrence arising in whole or in part out of the negligent act, or negligent failure to act, of Company, its officers, directors, employees, agents, customers, vendors, contractors or invitees.

The provisions of this section shall survive the expiration or early termination of this Lease.

C. Environmental Indemnification. Company shall also indemnify, defend (with counsel satisfactory to County), and hold County, its departments, agencies, council, boards, commissions, committees, members, officers, directors, employees, and agents and assigns of any of them harmless from and against any and all loss, cost, damage, expense, claim, cause of action, judgment, penalty, fine or liability, directly or indirectly, relating to or arising from the use, storage, release, discharge, handling or presence of Hazardous Materials on, under, or about the facility in violation of Company’s obligations under this Lease (“Hazardous Materials Release”). This indemnification shall include, without limitation, (a) personal injury claims, (b) the payment of liens, (c) diminution in

the value of the property, or any building located thereon; (d) damages for the loss or restriction on use of the facility; (e) sums paid in settlement of claims, (f) actual attorneys' fees, consulting fees, court costs, and expert fees, (g) the cost of any investigation of site conditions, (h) the cost of any repair, cleanup, remedial, removal, or restoration work or detoxification if required by any governmental authority or deemed necessary in County's reasonable judgment, (i) and any fines associated with Company's activities. County shall have the right but not the obligation to join and participate in, and control, if it so elects, any legal proceedings or action initiated in connection with the Hazardous Materials Release. County may also negotiate, defend, approve, and appeal any action taken or issued by any applicable governmental authority with regard to a Hazardous Materials Release. Any costs or expenses incurred by County for which Company is responsible under this Paragraph or this Lease and has indemnified County, (i) shall be paid to County on demand, during the term of this Lease as additional lease payments; and (ii) from and after the expiration or earlier termination of the Lease shall be reimbursed by Company on demand. Company's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Lease and shall bind Company's successors and assignees and inure to the benefit of County's successors and assigns.

11. Insurance Required. Company agrees to purchase and keep in force and maintain at all times during the term of this Lease, at its own expense, for the benefit of itself and County as additional named insured, a policy or policies of insurance, issued by an insurance company of generally recognized responsibility and licensed to do business in the State of South Carolina all insurance as may be required under any applicable minimum standards for Lancaster County. At minimum, Company agrees to insure against: (A) all liability for damage to or loss of Company's and its customer's property located on the acreage, (B) liability for property damage and personal injury or death arising from acts or omissions of Company, its agents and employees, (C) liability for any damage or harm resulting from any release of any hazardous material, as that term is defined by the United States Environmental Protection Agency, including, but not limited to, costs of remediation or mitigation of such release of hazardous materials, and (D) Workers Compensation claims of all employees. Said insurance shall be maintained throughout the term of this Lease with an insurance company acceptable to County with liability limits of at least \$1,000,000.00 where such limits are not otherwise set forth in any applicable minimum standards. The policy or policies shall contain a contractual liability endorsement expressly covering the indemnification provisions of Section 10 of this Lease. Company shall also purchase, at its own cost and in its sole discretion, such business interruption or other insurance to protect Company's interest in the event of major or minor damage or disaster to the facility.

This Lease shall not become effective until Company shall provide to the Lancaster County Attorney a copy of certificate(s) evidencing the above insurance. The certificate of insurance shall provide that no material alteration, reduction, or termination of coverage shall occur without the insurance carrier giving County at least thirty (30) days' written notice prior to such alteration, reduction, or termination.

12. Subuse and Assignment. Company shall not allow any other entity to occupy or use any of the property without the written consent of the Lancaster County Council and no attempted assignment of this Lease by Company shall be effective.
13. GOVERNING LAW. THIS PERMIT SHALL BE GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE STATE OF SOUTH CAROLINA. This Lease is not subject to alternative dispute resolution except where ordered by a court of competent jurisdiction or required by operation of law. The forum for any action or claim brought as a result of this contract shall be the Court of Common Pleas, Lancaster County, South Carolina.
14. Entire Agreement/Amendment. This Lease constitutes the complete agreement of the parties with respect to the subject matter hereof and supersedes all previous agreements, representations and understandings concerning the same, whether written or oral. The provisions of the Lease may be modified, amended or waived only by a written instrument executed by County and Company.
15. Termination of Lease. In the event of termination of this Lease by either Party, Company shall promptly cause to be removed all personal property from the facility and real property. Any property left on leased premises by Company and remaining there fifteen days after the date on which Company either vacated the property or should have vacated the property according to the notice of termination sent by the terminating party, may be deemed, at the sole and exclusive option of the County, abandoned. Once so deemed, such property shall become the exclusive property of the County and may be disposed of as such in accordance with applicable statutes, ordinances, and County procedures. Alternatively, County may have such property removed, at Company's sole expense.
16. Notices. Any notices required or sent hereunder shall be in writing and shall be sent as follows:

As to County:

Lancaster County  
Attn: Steve Willis, County Administrator  
Post Office Box 1809  
Lancaster, South Carolina 29271

As to Company:

United Global Solutions, Inc.  
Attn: Michael Hosseini, CFO-CIO  
Post Office Box 19589  
Charlotte, North Carolina 28219

Either party from time to time may change its address by written notice to the other party. Notices hereunder shall be deemed effective when delivered by hand delivery or

overnight courier, or three days after deposit in the United States mail, first class, postage prepaid.

WITNESS the signatures of the parties as of the date first written above.

ATTEST:

\_\_\_\_\_

**LANCASTER COUNTY:**

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_

**UNITED GLOBAL SOLUTIONS, INC.**

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_