

BREAZEALE, SACHSE & WILSON, L.L.P.

ATTORNEYS AT LAW

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February 17, 2020

VIA E-MAIL (mmoore@wbrz.com) AND U.S. MAIL

Melissa Moore WBRZ-TV 1650 Highland Road Baton Rouge, Louisiana 70802

Re: Bridge Center for Hope

Public Records Request of February 17, 2020

(for Lease Agreement between RI International and Collis Temple, Jr.)

Dear Ms. Moore:

Enclosed is a copy of the Lease Agreement which we received today for the first time.

Sincerely,

BREAZEALE/SACHSE & WILSON, L.L.P.

Murph

MJF/cdi

Enclosure

cc: Blake Paterson, The Advocate (via e-mail – <u>bpaterson@theadvocate.com</u>)

Stephanie Riegel, Business Report (via e-mail – sriegel@businessreport.com)

Charlotte Claiborne (via e-mail) Kathy Kliebert (via e-mail)

BATON ROUGE = NEW ORLEANS = MONROE

LEASE AGREEMENT

This **LEASE AGREEMENT** (this "<u>Lease</u>") is dated and effective as of the 1st day of February, 2020 by and between **HUMAN RESOURCE GROUP**, **INC.**, a Louisiana corporation (hereinafter referred to as "<u>Landlord</u>") and **RECOVERY INNOVATIONS**, **INC.**, an Arizona non-profit corporation (hereinafter referred to as "<u>Tenant</u>") whose mailing address is 2701 N 16th Street, Suite 316, Phoenix, AZ 85006.

Landlord hereby leases to Tenant and Tenant hereby leases from Landlord 17,220 square feet of floor space consisting of the four suites within the ground floor of the building (the "Building") located at 3455 Florida Blvd., Baton Rouge, LA 70806, along with approximately 6,780 square feet of storage space within the Building (the actual square footage of the storage space subject to measurement and agreement by the parties) (all of such floor space and storage space hereinafter referred to as the "Premises") for the term and the rent hereinafter set forth and upon and subject to the terms, conditions and covenants hereinafter provided, along with any Exhibits and addendum attached hereto. A site plan of the building and grounds on which the Premises is located, including an indication of the location of the Premises is attached hereto as Exhibit B (hereinafter referred to as the "Building Site").

Landlord or Tenant shall, as applicable, construct the improvements to the Premises in accordance with Exhibits A-1 and A-2 attached hereto ("Improvements") and in compliance with all applicable zoning ordinances, building regulations and state and municipal departments and any other bodies exercising similar functions.

Landlord grants to Tenant, its respective customers, employees, agents and invitees, the non-exclusive right to all easements, rights and privileges appurtenant to the Premises including without limitation the right to use in common with all other tenants of the building, all areas designated or considered to be Common Areas.

1. TERM AND COMMENCEMENT DATE; TENANT TERMINATION RIGHT.

1.1 Term and Commencement Date. The term hereby granted shall be for a period of five (5) years ("Primary Term" and together with the Option Term(s) (as defined in Section 3 below), if any, the "Term") and shall commence upon the date on which all improvements to the Premises are complete and a certificate of occupancy has been issued by all applicable government agencies and authorities, including but not limited to all governing bodies and licensing agencies; provided that in no event shall such date be later than September 1, 2020 ("Commencement Date"). In the event the Primary Term commences on a day other than the first day of a month, the Rent shall be prorated from the date of occupancy to the end of the month and thereafter the first month of the term shall be the next succeeding full calendar month, and the Rent payable for the first calendar month shall include any immediately preceding Partial Month. The parties shall within fifteen (15) days after the Commencement Date execute a Commencement Date Agreement setting forth the Commencement Date and the termination date of the Primary Term of this Lease.

The term "Partial Month" as used herein shall mean the period from the Commencement Date to the beginning of the first full calendar month of the term if such Commencement Date is on a day other than the first day of a calendar month.

Notwithstanding the provisions of this Section 1.1, Landlord agrees that Tenant shall have the right to occupy the Premises to use the Premises as an onsite temporary office within ten (10) days of the execution of this Lease in order to coordinate its future occupancy and licensing matters, and such occupancy shall not constitute the occupancy and conducting of business within the Premises for purposes of determining the Commencement Date.

1.2 <u>Tenant Right to Terminate</u>. In addition to the rights set forth in <u>Section 15</u> hereof, in the event of the termination, expiration or non-renewal of Tenant's contract with The Bridge Center for East Baton Rouge, or the cessation or discontinuance of funding from that relationship, Tenant shall have the right to terminate this Lease upon sixty (60) days' written notice. Upon Landlord's request following notice of termination pursuant to this <u>Section 1.2</u>, Tenant shall provide Landlord with reasonable documentation showing the termination, expiration or non-renewal, or cessation or discontinuance of funding, associated with such relationship.

2. RENT: OPERATING EXPENSES.

2.1 <u>Base Rent</u>. Tenant shall pay to Landlord or Landlord's designee during the Primary Term of this Lease, for the clinic space consisting of approximately 17,220 square feet base rent in the amount outlined below in each month during the Term ("<u>Base Rent</u>").

Lease Year	Base Rent PSF	Monthly Base Rent	Annual Base Rent
1	\$12.00	\$ 17,220.00	\$206,640.00
2	\$12.24	\$ 17,564.40	\$210,772.80
3	\$12.48	\$ 17,915.69	\$214,988.26
4	\$12.73	\$ 18,274.00	\$219,288.02
5	\$12.99	\$ 18,639.48	\$223,673.78

In addition to the Base Rent set forth above, Tenant and Landlord shall measure the storage space in the Building to be leased to Tenant (estimated to be approximately 6,780 square feet), and Tenant shall pay \$10.00 PSF for such storage space during the entirety of the Term, or \$67,800 per year (\$5,650.00 per month) for five (5) years which amount shall also be included within "Base Rent."

Base Rent will commence on the Commencement Date. If the Commencement Date is not the first day of a calendar month, the first month's Base Rent shall be prorated on the basis of a thirty (30) day month, and shall be payable with the first full monthly Base Rent due hereunder. Base Rent shall be paid in advance on the first day of each month and shall not be considered past due by Landlord if received prior to the tenth (10th) day of the month in which it becomes due. Base Rent required to be paid to Landlord shall be remitted by check payable to Human Resource Group, Inc. and mailed to 1225 North St, Baton Rouge, LA 70802 until otherwise notified by Landlord from time to time. Until notification is received by Tenant, payment by Tenant in the foregoing manner shall constitute a valid payment of Rent hereunder.

2.2 Operating Expenses.

(a) Beginning January 1, 2022 during each month of the remaining Term, on the same date that Base Rent is due, Tenant shall pay Landlord an amount equal to 1/12 of the annual cost of increases in Operating Expenses (hereinafter defined, and together with Base Rent, "Rent") for the Common Areas above Operating Expenses incurred in the calendar year 2021 (the

"Base Year"), based on Landlord's estimate of projected Operating Expenses; provided that notwithstanding any provision herein to the contrary, Landlord hereby agrees that the Operating Expenses shall not increase, on a non-cumulative basis, by more than four percent (4%) per annum. Payment thereof for any fractional calendar month shall be prorated.

- (b) If Tenant's total payments of Operating Expenses for any year are less than actual Operating Expenses for such year, then Tenant shall pay the difference to Landlord within 30 days after demand, and if more, then Landlord shall retain such excess and credit against Tenant's next payments, unless such year is the final year of the Lease in which event Landlord shall reimburse Tenant such excess. Tenant, upon reasonable prior written request, shall be entitled to audit Operating Expenses for which Tenant is obligated to pay Tenant's Proportionate Share. Tenant shall not be entitled to conduct such audits more frequently than annually. Tenant's obligation to pay for Operating Expenses under this Lease for the calendar year in which the Term of this Lease, as the same may be extended, expires shall be pro-rated.
- (c) The "Common Areas" shall include solely the parking lots, exterior paved areas, driveways, access ways (including all means of ingress and egress including the access ways to adjoining streets for guest and law enforcement access), alleys, perimeter fencing, exterior landscaping, exterior lighting and other exterior areas which are for the general use, convenience and benefits of the tenants and their customers or guests. Common Areas shall not include any portion of the building structure and the equipment serving the same.
- The term "Operating Expenses" means all costs and expenses incurred by Landlord with respect to the ownership, maintenance, repair, replacement and operation of the Common Areas. All of the Landlord's costs associated with the Operating Expenses shall be in accordance with sound accounting practices and principles; provided that Operating Expenses shall not include debt service under mortgages or ground rent under ground leases, costs of restoration to the extent of net insurance proceeds received by Landlord with respect thereto, leasing commissions, the costs of renovating space for tenants or any cost associated with any building other than the There shall be no duplication of costs or reimbursements. Notwithstanding anything contained in this Section 2.2 to the contrary, in no event shall Operating Expenses include any costs which are actually reimbursed by an insurance carrier or a third party (i.e., there shall be no duplication of costs or reimbursements). Operating Expenses shall be "net" only, and for that purpose shall be reduced by the amounts of any reimbursement, refund, credit or discount received or receivable by Landlord with respect to any item of cost that is included in Operating Expenses. Operating Expenses also exclude the following: the cost of correcting defects in the original construction of the Project; the cost of any repairs, alterations, additions, changes, replacements and other items that are the responsibility of the Landlord pursuant to Sections 4, 6 or 19 of this Lease; the cost of any repairs, alterations, additions, changes, replacements and other items which are made in order to prepare for a new tenant's occupancy; all leasing expenses, including any real estate brokerage commissions or other costs (including concessions) incurred in procuring tenants.
- option to extend the term of this Lease for two (2) additional term of five (5) years ("Option Terms") subject to the terms and conditions of the Landlord and Tenant. In the event the options are exercised the

Base Rent shall increase by two percent (2%) each year, with Base Rent in the first year in the Option Term being two percent (2%) higher than Base Rent in the last year of the Primary Term. In order to exercise said option, Tenant must give Landlord notice in writing not less than one hundred eighty (180) days prior to the expiration of the immediately preceding term.

4. IMPROVEMENTS; CONDITION OF PREMISES.

- 4.1 Landlord Improvements. Landlord shall commence construction of the improvements set forth on Exhibit A-1 attached hereto (the "Landlord Improvements") within five (5) business days following the full execution of this Lease by both Landlord and Tenant. Landlord shall deliver the Premises to Tenant clean and free of debris on the Commencement Date. Should Landlord fail to commence such construction of the Landlord Improvements within the period set forth above, Tenant shall have the option of canceling this Lease upon written notice to Landlord and the Security Deposit and prepaid Rent made by Tenant shall be returned by Landlord to Tenant within ten (10) days following receipt by Landlord of such notice of cancellation. Should Landlord, however, commence construction of the Landlord Improvements to the Premises within the period set forth above, Landlord shall prosecute such construction at a rate of progress that insures the completion of the Landlord Improvements as soon as possible following the execution of this Lease. Landlord shall provide Tenant with a budget that includes all third party costs, and related documentation, for the Landlord Improvements, and Tenant shall thereafter pay to Landlord the sum of \$150,000 (the "Improvements Deposit") which shall be nonrefundable and used by Landlord to complete the Landlord Improvements and make the Premises and Building ready for the Tenant Improvements, and, in the event that any amount of the Improvements Deposit remains after such work, to maintain the Common Areas. Landlord shall document all of its expenses in the utilization of the Improvements Deposit, and provide such documentation to Tenant on demand. Upon completion of the Landlord Improvements and Landlord's delivery to Tenant of documentation of costs Landlord incurred in connection with the completion of the Landlord Improvements, Tenant shall provide Landlord with an additional sum of up to \$50,000 to compensate Landlord for the costs of the Landlord Improvements in excess of the Improvements Deposit.
- Tenant shall commence construction of the Tenant Improvements. improvements set forth on Exhibit A-2 attached hereto (the "Tenant Improvements") as soon as reasonably practicable following Landlord's delivery of the Premises to Tenant. Tenant will provide architect and engineering to produce a permit set suitable to local city and fire officials in completing the Tenant Improvements, and Tenant shall have the right to self-manage all aspects of the Tenant Improvements using Tenant's preferred project management team, subject to local laws. Tenant and Landlord will work with Baton Rouge planning and permit office to expedite the construction and occupancy of the Tenant Improvements. Tenant has submitted to Landlord Tenant's proposed changes, plans and/or design for the Tenant Improvements. All Tenant Improvements will be subject to bids once design and architectural drawings are complete, and Tenant shall provide final plans and design for review to Landlord as soon as available to Tenant. Except as included in an arms' length bid for the general contractor completing the Landlord Improvements or the Tenant Improvements, Landlord shall not charge a construction management fee and/or other fee in connection with either the Landlord Improvements or the Tenant Improvements, and Landlord shall bear all of its own costs in connection with the completion of the Landlord Improvements or Landlord's review of Tenant's architectural and MEP plans in connection with the Tenant Improvements. Tenant shall hold all contracts including but not limited to General Contractor, Architectural, Project Management and Vendor contracts in connection with the Tenant Improvements. All of the Tenant Improvements shall

comply will all applicable laws, and Tenant shall provide Landlord with copies of licensing, and insurance of construction employees and work to the reasonable satisfaction of Landlord's insurers and mortgage holders.

5. PERMITTED USE.

- 5.1 <u>Permitted Use</u>. The Premises are to be used by Tenant for services associated with Crisis Stabilization, Short Term Psychiatric Care, Detox and Sobering beds, Mobile Response teams, Respite Unit, and behavioral health and administrative office ("Permitted Use"), which shall expressly include overnight stays and medical behavioral health services. Tenant shall have the right to use the Premises for the Permitted Use 24 hours per day, 7 days per week. Upon occupancy of the Premises by Tenant, Tenant shall comply with all statutes, ordinances and requirements of all municipal, state and federal regulations now in force or which may hereinafter become in force pertaining to the Tenant's specific use of the Premises. Landlord agrees, subject to Landlord's right to cure as set forth below, that in the event Tenant shall for any reason (other than acts of Tenant) be prevented at any time from using the Premises for any and all of the Permitted Uses expressed above, or in the event the required access to the Premises shall not be available ("Use Defect"), then Tenant may, at its option, terminate this Lease by delivering written notice to Landlord in the manner hereinafter provided and thereafter neither Landlord nor Tenant shall have any further rights, duties or obligations under this Lease subsequent to the date specified in Tenant's notice, and the Rent payable for the remainder of the lease term shall wholly abate. Any prepaid Rent and security deposits, if any, shall promptly be returned to Tenant within ten (10) days of Tenant's notice.
- 5.2 <u>Landlord's Special Right to Cure.</u> In the event of a Use Defect as set forth in this Section 5, the Landlord shall have thirty (30) days to correct or cause to be corrected said Use Defect prior to the Tenant having the right to terminate the tenancy as set forth in this <u>Section 5</u>. Said thirty (30) day period shall commence upon written notice to Landlord from Tenant of the existence of said Use Defect.
- 6. MAINTENANCE, REPAIRS AND ALTERATIONS. Except as otherwise provided for herein, Tenant shall be responsible for all maintenance, repairs and alterations. Landlord, at its sole cost and expense, shall keep the building structure, roof structure, exterior walls, interior bearing walls, floor, overhead doors, foundations, exterior gutters and water spouts, all paved areas systems, utility lines and other portions of the Premises in good condition and repair, and shall make all necessary replacements thereof. Landlord shall, within a reasonable time and at Landlord's sole expense, remedy all defects in Landlord Improvements, if any, and in the Premises of which Tenant gives written notice. Landlord, at Landlord's sole cost and expense, shall also maintain and keep in good condition the Common Areas of the Building Site, subject only to Tenant's payment of Operating Expenses. If Landlord fails to maintain the Building, Premises or Common Areas as herein provided or in the event of an emergency, Tenant may perform such obligations on Landlord's behalf, and shall be entitled to deduct the reasonable cost thereof from Tenant's next installment of Rent.

7. INSURANCE.

7.1 <u>Tenant's Insurance</u>. During the Primary Term hereof and any extension thereof, Tenant shall, at its sole cost and expense, provide and maintain commercial liability insurance insuring Landlord and Tenant against all bodily injury or property damage occurring on the Premises and the Common Areas with limits of One Million Dollars (\$1,000,000.00) in respect to any one occurrence,

with such deductibles as Tenant may customarily carry in the conduct of its business. Tenant will provide Landlord with a Certificate of Insurance showing Landlord as an additional insured. The Certificate of Insurance shall provide for a ten (10) day written notice to Landlord in the event of cancellation or material change of coverage.

7.2 Landlord's Insurance. During the Primary Term of this Lease and any extension thereof, Landlord shall, at its sole cost and expense, provide and maintain a broad form of insurance with respect to the building of which the Premises are a part (the "Building"). Landlord agrees that said insurance shall be in an amount equal to the full replacement value of the Improvements naming Landlord as loss payee, and shall name Tenant as an additional insured as its interest may appear. Landlord shall maintain public liability insurance on an occurrence basis with a minimum single limit of not less than One Million Dollars (\$1,000,000.00) insuring Landlord and Tenant against claims, demands or actions for personal injury or death, or damage to property while in the areas reserved to Landlord or shared in common with other tenants, or arising from any tortious act or negligence of Landlord or any of Landlord's agents, employees or contractor, and such policy shall contain a clause pursuant to which the insurance carriers waive all rights of subrogation against Tenant with respect to losses payable under such policies.

Landlord shall also maintain commercial general liability insurance with personal injury coverage and contractual liability coverage at its sole cost and expense, with minimum combined bodily injury, property damage, land and personal injury limit of \$2,000,000 per occurrence, insuring Landlord and Tenant against claims, demands or actions for bodily injury, property damage, and personal injury arising out of the Landlord's ownership, operation, use or occupancy of the Building and/or Building Site. The liability insurance obtained by Landlord under this Section 7 shall insure Tenant against Landlord's acts, omissions and negligence hereunder as well Landlord's performance of the terms and conditions of this Lease. Landlord will provide Tenant with a Certificate of Insurance showing Tenant as an additional insured. The Certificate of Insurance shall provide for a ten (10) day written notice to Tenant in the event of cancellation or material change of coverage. The amount and coverage of such insurance shall not limit Landlord's liability, nor relieve Landlord of any other obligations under this Lease.

- 7.3 Mutual Waiver of Subrogation. Unless prohibited under any applicable insurance policies maintained, Landlord and Tenant each hereby waiver any and all rights of recovery against the other, or against the officers, employees, agents or representatives of the other, for loss of or damage to its property or the property of others under its control, if such loss or damage is covered by any insurance policy in force (whether or not described in this Lease) at the time of such loss or damage. Upon obtaining the required policies of insurance, Landlord and Tenant shall give notice to the insurance carriers of this mutual waiver of subrogation.
- 8. MUTUAL INDEMNIFICATION. Tenant agrees to indemnify the Landlord against any loss, liability or damages that may arise from events that occur upon the Premises to the extent and degree resulting from the Tenant's negligent acts or omissions, which are not the fault of Landlord, its agents, employees, contractors and invitees or which are not the result of Landlord's failure to perform Landlord's obligations under the terms of this Lease. Landlord agrees to indemnify the Tenant against any loss, liability or damages that occurs on or within the Building or Building Site which are a result of Landlord's negligence or failure to perform any of its obligations under this Lease that result in a loss, liability or damages on the part of Tenant, its agents, employees and invitees, and which are not the result of Tenant's failure to perform Tenant's obligations under the terms of this Lease. Landlord

or Tenant, as the case may be, shall defend any lawsuits with respect to claims for loss, liability or damages against the indemnity provided herein and shall pay any judgments which results from any legal action. The foregoing indemnifications shall include the officers, directors and employees of the Landlord and Tenant.

- 9. REAL ESTATE TAXES. Tenant shall, at its sole cost and expense, timely and fully pay all real estate taxes levied against the Building Site, including the Premises.
- days of the execution of this Lease or the start date of access for construction, whichever is later, and thereafter all utilities shall be billed directly to the Tenant during the Term. Tenant agrees that it shall be responsible for the payment of all utilities, including water, gas and electricity delivered to the Premises which are separately metered. Landlord shall, at Landlord's sole cost, provide separate metering for all utilities that serve the Premises.
- **DAMAGE AND DESTRUCTION.** It is agreed that if the Premises hereby leased shall be damaged or destroyed, in whole or in part, by fire or other cause, during the term hereof, the Landlord shall repair and restore the same to a good tenantable condition with reasonable dispatch, to the value, condition and character thereof existing prior to said destruction, and the rent herein provided for shall abate entirely in case the entire Premises are untenantable, and pro-rata for the portion rendered untenantable in case a part only is untenantable, until the same shall be restored to a tenantable condition. In the event the Premises, because of such damage or destruction, are not repaired, or are not repairable to a condition suitable for use by the Tenant within a period of ninety (90) days from the date of damage or destruction, the Tenant may, at its option, terminate this Lease by written notice to the Landlord, and thereupon the Tenant shall be released from all liability and obligations under this Lease. In the event the Premises are totally destroyed by fire or other casualty and the Landlord intends to rebuild, the Landlord shall give Tenant written notice of its intention to rebuild, and the Tenant shall have the option, to be exercised by the Tenant in a written statement delivered to the Landlord within thirty (30) days after the Tenant's receipt of such notice, of continuing its tenancy in the new building for the then unexpired term of this Lease under the terms hereof, such unexpired term to commence from the date the rebuilt Premises are ready for occupancy. Landlord hereby waives and releases any and all claims or rights of recovery against Tenant for any loss or damage to the Premises resulting from the perils customarily included in fire insurance with extended coverage endorsement, regardless of cause or origin, including negligence of the Tenant, its agents or employees.
- 12. EMINENT DOMAIN. In the event (a) the Premises, or any part thereof, are taken pursuant to eminent domain or similar proceedings, or voluntarily conveyed in lieu of such proceedings, or (b) construction by public agencies or authorities of adjacent highways or other projects, or of elevated highways, bridges, overpasses, or similar projects adjacent to or over the Premises lessens the desirability of the Premises in consequence of which the Landlord would be entitled to claim damages for the lessening of the value of the Premises, or (c) the use of the Premises for the purposes herein specified should be or become unlawful by reason of any law, regulation or other official action, then the Tenant may terminate this Lease by giving ten (10) days prior written notice to the Landlord and Tenant shall owe Rent only until Tenant surrenders possession of the Premises. In the alternative, if any taking, voluntary conveyance or damage is only partial, then the Tenant may elect to continue in possession of the portion not so taken or voluntarily conveyed, in which event, the Rent shall, as of the date of surrender of possession, or award of damages, whichever

is earlier, be reduced by an amount per month representing the lessened fair market value of the leasehold, if any, for the balance of the term, said amount to be determined, in the absence of agreement of the parties hereto, by a Member of the Appraisal Institute of America to be selected by Landlord and Tenant. Nothing herein shall be construed as a waiver by the Tenant of its claim for damages against the party which is asserting any public rights described herein. If this Lease is cancelled pursuant to the provisions of this paragraph, Tenant shall be entitled to participate in the award to the extent, if any, that the fair market value of the leasehold at the time of termination exceeds the rent provided for herein. Tenant shall also be entitled to claim, prove and receive in any proceedings such award as may be allowed for Tenant's property located in the Premises, interruption of business, moving expenses and other damages available under applicable law.

13. ALTERATIONS; IMPROVEMENTS. Tenant shall, at Tenant's sole cost and expense, be permitted, without Landlord's consent, to make non-structural alterations and/or additions to the Premises, provided such alterations or improvements comply with all applicable zoning ordinances, building regulations, relevant statutes, ordinances and requirements of all federal, state and municipal departments and local Board of Fire Underwriters and any other body or bodies exercising a similar function. Landlord shall cooperate with Tenant in obtaining any necessary governmental permits or approvals or otherwise in making said alterations and improvements; provided however, such cooperation shall be without cost or expense to Landlord. In addition, Tenant shall have the right to equip and maintain the Premises with a generator that can service Tenant's use of the Premises.

14. DEFAULT BY TENANT; REMEDIES OF LANDLORD.

- 14.1 Each of the following shall be deemed an event of default by Tenant and a breach of this Lease.
- (a) Default in the payment of the Rent and other charges hereunder reserved for a period of fifteen (15) days after written notice is received from Landlord that such Rent or other charges are past due; provided, however, that in the event Tenant deducts from said Rent and other charges such sums expended by Tenant to remedy defects or make repairs required by Landlord pursuant to the terms of this Lease, such action by Tenant shall not be construed as a default in the payment of Rent and other charges due hereunder.
- (b) Default in the performance of any other covenant or condition of this Lease on the part of the Tenant to be performed for a period of thirty (30) days after receipt of written notice from Landlord describing with specificity the details of such default; provided, however, no work required to be performed or acts to be done or conditions to be modified shall be deemed to exist if steps shall have been commenced by Tenant to rectify the same and shall be prosecuted to completion with reasonable diligence, subject to unavoidable delays.
- (c) The making by Tenant of any general assignment for the benefit of creditors; the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or of a petition for reorganization or arrangement under any federal or state bankruptcy law (unless in the case of a petition filed against Tenant, the same is dismissed within ninety (90) days after filing); the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease and possession is not restored to Tenant within ninety (90) days thereafter; or the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease and possession is not

restored to Tenant within ninety (90) days thereafter.

- 14.2 Upon the occurrence of any event of default by Tenant hereunder, Landlord may, at its option, in addition to any other rights and remedies given hereunder, do any of the following:
- (a) Give written notice of termination to Tenant, and on the date specified in such notice (which shall not be less than thirty (30) days after the Tenant's receipt of such notice) this Lease shall terminate and come to an end as fully and completely as if such date were the day herein fixed for the expiration of this Lease. In the event of any such termination of this Lease, Landlord may then or at any time thereafter re-enter the Premises by summary proceedings or otherwise and remove therefrom all persons and property and again repossess and enjoy the Premises, without prejudice to any other remedies that Landlord may have by reason of Tenant's default or of such termination.
- (b) Landlord may declare the entire amount of Rent calculated on the current rate being paid by Tenant, discounted to present value by using a reasonable discount rate, to be due and payable immediately.
- (c) Landlord may pursue all other remedies available pursuant to the law in the State in which the Premises is located.
- (d) In the event of any re-entry or termination of this Lease pursuant to this Section, Landlord agrees to use its best commercially reasonable efforts to relet the Premises at a commercially reasonably rent.
- (e) In the event that Tenant fails to pay any Rent or other undisputed charges hereunder when due and such failure continues for ten (10) days after receipt of written notice thereof from Landlord to Tenant, then such unpaid amounts shall bear interest from the date due until payment thereof at an annual interest rate of ten percent (10%).
- perform any of its obligations under this Lease, and such failure continues for more than thirty (30) days after delivery of Tenant's notice specifying the nature thereof, or if the failure is of a nature to require more than thirty (30) days to cure and continues beyond the time reasonably necessary with the exercise of due diligence, such failure shall be deemed a default by Landlord and Tenant may, at its option terminate this Lease upon written notice, or Tenant may incur and deduct from Rent the expense necessary to perform said obligation of Landlord. Landlord's performance of each of Landlord's covenants contained in this Lease shall be a condition precedent to Landlord's right to collect rents and to enforce this Lease. If Tenant shall incur any expense, including reasonable attorney's fees, in instituting, prosecuting or defending any action or proceedings instituted by reason of any default by Landlord, Landlord shall reimburse the Tenant for the amount of such expense, provided that if Landlord fails to reimburse Tenant within thirty (30) days of Tenant's written request for such reimbursement, Tenant may offset or deduct such amounts owing by Landlord from any subsequent payment of Rent, and any other charges due hereunder.
- 16. SURRENDER OF PREMISES AND REMOVAL OF PROPERTY. On or before the last day of the Primary Term or any Option Term, as applicable, Tenant shall surrender the

Premises to Landlord in good condition and repair, except for reasonable wear and tear, repairs which are Landlord's obligation hereunder, and damages by casualty or the elements. On or before said day, Tenant shall remove all its personal property from the Premises. All fixtures and realty in the Premises shall be the property of Landlord, and Tenant shall not remove any of the same.

- 17. ASSIGNMENT AND SUBLETTING. Tenant shall have the right, subject to Landlord's consent, which shall not be unreasonably withheld, delayed, or conditioned, to sublease or assign any portion of the Premises, and any portion of any space subsequently leased, at any time during the Term; provided that Landlord may sublease or assign this Lease without Landlord's consent at any time to The Bridge Center for Hope. Tenant will be allowed to sublease or assign to any Tenant affiliates or successor groups, subject to the Landlord's consent, which shall not be unreasonably withheld, delayed, or conditioned.
- 18. QUIET ENJOYMENT. Upon Tenant paying the Rent for the Premises and observing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises for the Primary Term, any Option Term hereof and any permitted hold over term, without hindrance, ejection or molestation by Landlord or any other person, subject to the terms of this Lease.

19. LANDLORD'S WARRANTIES; BREACH OF WARRANTY; HAZARDOUS MATERIALS.

- 19.1 <u>Landlord's Warranties</u>. Landlord warrants and represents to Tenant that as of the date of execution of this Lease and throughout the Primary Term or any extension thereof: (a) Landlord is the owner of a fee simple estate in the Premises and the Building Site and has the right and power to enter into this Lease and to perform same, and by this instrument conveys a good leasehold interest to Tenant in accordance with the terms, conditions and provisions hereof; (b) that there are no claims of other parties, encumbrances, mortgages or other liens, restrictions, reservations, or defects in Landlord's title which could interfere with or impair or result in any interference with or impairments of Tenant's use, occupancy or enjoyment of the Premises or with Tenant's rights hereunder; (c) that the water lines, gas mains, electric power lines, and sanitary and storm sewers on the Premises are adequate for Tenant's intended use; and (d) that any obligations pursuant to mortgages or other obligations or liens on the Building are in good standing and all taxes on the Building or Building Site are current and have been paid in full.
- 19.2 <u>Breach of Warranty</u>. In the event that Landlord breaches any of the foregoing warranties and representations, Landlord shall indemnify and hold harmless Tenant from and against any loss and expense, including reasonable attorneys' fees and consequential damages, incurred by Tenant as a result thereof, and if Landlord fails to rectify any such breach within thirty (30) days following receipt of Tenant's notice regarding the same, Tenant may, at its option, terminate this Lease upon notice to Landlord and be released of and from all further liability hereunder, and upon such notice of termination, Landlord shall refund to Tenant within ten (10) days of receipt of said notice any deposits or prepaid rent paid hereunder.
- 19.3 <u>Hazardous Materials</u>. Landlord also warrants that there have been no EPA or other governmental authority notices, suits, citations or investigations relating to Hazardous Substances or environmental contamination on, about or contiguous to the Premises, and that Landlord has no knowledge or information relating to any Hazardous Substance or environmental contamination

on, about or contiguous to the Premises. Landlord agrees to indemnify and hold Tenant harmless for any environmental contamination or Hazardous Substances found on, about or contiguous to the Premises, and any liability or expense arising therefrom, except for any Hazardous Substances on the Premises or environmental contamination caused by Tenant. This indemnification obligation shall survive the expiration or earlier termination of this Lease Agreement. "Hazardous Materials" for purposes of this Section 19 shall mean and refer to any wastes, materials, or other substances of any kind or character that are or become regulated as hazardous or toxic, or which require special handling or treatment, under any applicable local, state or federal law, rule, regulation or order, as well as petroleum products and related products and by-products of any kind, liquid hydrocarbons and natural or synthetic gas.

20. ESTOPPEL CERTIFICATES; SUBORDINATION AND ATTORNMENT.

- 20.1 <u>Estoppel Certificates</u>. Landlord and Tenant will, from time to time, within ten (10) business days after receipt of a written request by the other party, execute and deliver to the requesting party, for the benefit of the requesting party or any third party, a statement certifying in writing that (subject to the exceptions set forth in the statement) this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications); the amount of rent due and payable hereunder; the dates to which rent has been paid; and the amount of security deposit held by Landlord, if any.
- Subordination; Attornment. This Lease and all of Tenant's rights hereunder shall be subordinate to any ground lease or underlying lease, and the lien of any mortgage, deed of trust, or any other security instrument now or hereafter affecting or encumbering the Building, or any part thereof or interest therein, and to any and all advances made on the security thereof or Landlord's interest therein, and to all renewals, modifications, consolidations, replacements and extensions thereof (an "encumbrance", the holder of the beneficial interest thereunder being referred to as an "encumbrancer"); provided that so long as there is no Event of Default hereunder with respect to Tenant's performance of this Lease, this Lease shall not be terminated and Tenant shall generally be entitled to the benefit of each of the agreements, terms, covenants and conditions set forth herein. An encumbrancer may, however, subordinate its encumbrance to this Lease, and if an encumbrancer so elects by notice to Tenant, this Lease shall be deemed prior to such encumbrance. In the event any proceedings are brought for the foreclosure of, or in the event of the conveyance by deed in lieu of foreclosure of, or in the event of exercise of the power of sale under, any mortgage and/or deed of trust made by Landlord covering the leased premises, or in the event Landlord sells, conveys or otherwise transfers its interest in the leased premises, this Lease shall remain in full force and effect and Tenant hereby attorns to, and covenants and agrees to execute an instrument in writing reasonably satisfactory to the new owner whereby Tenant attorns to, such successor in interest and recognizes such successor as the landlord under this Lease.
- 21. PARKING. Tenant shall have the right, at no additional cost to Tenant, to utilize at least twenty (20) and up to twenty-five (25) guest and public parking spaces on an unreserved, first come, first serve basis, in common with other tenants and users of the Building. In addition Landlord shall provide Tenant with at least sixty (60) parking spaces for Tenant's staff, and four (4) spaces for a van and mobile response team. All of the foregoing parking spaces shall be located in the Building's parking facilities.
 - 22. NOTICES. Any notice, request or demand permitted or required to be given by the

terms and provisions of this Lease, or by law or governmental regulation, either by Landlord to Tenant or by Tenant to Landlord, shall be in writing and shall be sent by United States certified mail, return receipt requested, or by overnight delivery service, addressed to Landlord or Tenant, as the case may be, at the following addresses:

If to Landlord:

Human Resource Group, Inc.

1225 North St

Baton Rouge, LA 70802

If to Tenant:

Recovery Innovations, Inc.

2701 N. 16th Street, Suite 316

Phoenix, AZ 85006

Attn: Thomas Castellanos

and

Hill, Kertscher & Wharton, LLP

3350 Riverwood Parkway

Suite 800

Atlanta, GA 30339 Attn: Scott Wharton

Either party may, by notice aforesaid, designate different addresses or addresses for notices, requests or demands to it.

- 23. HOLDING OVER. Any holding over after the expiration of this Lease shall be construed as a month-to-month tenancy at the rent payable to Landlord during the last month of the current term. Said tenancy may be terminated by either Landlord or Tenant by notice given the other at least thirty (30) days prior to the periodic rental date.
- 24. UNAVOIDABLE DELAYS. In the event that either party shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of extraordinary events, such as acts of God, strikes, lockouts, labor troubles, inability to procure materials, failure of power, riots, insurrection, war or other reason of a similar nature not the fault of such party, then performance of any such act shall be extended for a period equivalent to the period of such delay, as long as written notice of the occurrence of such is promptly given to the other party. The foregoing shall not operate to excuse the prompt payments of money hereunder from one party to the other, nor shall it apply to Landlord's covenant of quiet enjoyment or Landlord's obligation to pay for the construction of any improvements to the Premises nor Landlord's obligation to join in the execution of permits and licenses necessary for the conduct of Tenant's business in the Premises.

25. SIGNS.

25.1 <u>Tenant Signage</u>. Tenant shall, at its expense, have the right to install and maintain one or more signs on the exterior of the Building and/or Premises (including the Building monument) in conformity with applicable local regulations and codes, and subject to the Landlord's approval, such approval not to be unreasonably withheld. Landlord agrees to cooperate with Tenant in procuring the required permits or licenses. Tenant's installations and removal of such sign or signs

shall be in such manner as to avoid injury or defacement of the Premises or the building.

- 25.2 <u>Temporary Sign Removal</u>. Landlord shall have the right to temporarily remove Tenant's sign or signs to enable the Landlord to paint and make repairs to the exterior walls, if needed. If Landlord removes any such sign or signs, it shall be at Landlord's expense, and Landlord shall replace the sign or signs as soon as the painting or repairs to the exterior walls are completed.
- 26. ATTORNEY'S FEES. If either Landlord or Tenant shall bring any action to enforce the terms hereof or declare rights hereunder, the prevailing party in any such action shall be entitled to recover its litigation costs and expenses from the losing party, including reasonable attorneys' fees.
- **27. WAIVER.** No waiver of any default hereunder shall be implied from any omission by either party to take action on account of such default if such default persists or is repeated. One or more waivers of any breach of any covenant, term and condition of this Lease shall not be construed as a waiver of any subsequent breach of the same covenant or condition.
- 28. SUCCESSORS AND ASSIGNS. The covenants and conditions contained in this Lease shall apply to, inure to the benefit of, and be binding upon Landlord and Tenant and their respective successors and assigns.
- **29. GOVERNING LAW; VENUE.** The validity, performance and enforcement of this Lease shall be governed by the laws of the state in which the Premises are located. Each of Landlord and Tenant irrevocably consent to the nonexclusive jurisdiction and venue of the State of Louisiana 19th Judicial District Court.
- **30. INVALID PROVISIONS.** The invalidity and enforceability of any provision of this Lease shall not affect or impair any other provision.
- 31. CAPTIONS. The captions of this Lease are for convenience and reference only and shall not be deemed or construed to define, limit or describe the scope of the intent of this Lease or affect its interpretation or construction.
- 32. TIME IS OF THE ESSENCE. Time is the essence of all conditions of this Lease in which time is an element.
- 33. LANDLORD LIEN WAIVER. Notwithstanding anything herein to the contrary, Landlord expressly waives and disclaims any lien or right of lien upon the inventory, merchandise, equipment and other property of the Tenant, located on the Premises or elsewhere, to secure the payment of Rent, or any other amounts due and owing under the Lease by the Tenant or the performance by the Tenant of any other covenants of this Lease, whether such lien or right of lien shall be created by statute, court decision, common law, custom or otherwise. Landlord shall execute, acknowledge and deliver to Tenant a written agreement subordinating and waiving any rights in Tenants' inventory and other collateral in which any of Tenant's creditors hold a lien or security interest, on such debt holders standard Landlord Waiver form. Landlord shall execute such Landlord Waiver for Tenant's current lender immediately upon the execution of this Lease and within ten (10) days of the written request of Tenant or of Tenant's lender.
 - 34. BROKER'S COMMISSIONS. Landlord and Tenant each represents to the other

that no real estate brokers or agents are involved in this Lease, and each shall indemnify and hold the other harmless from any breach by it of this representation.

- **35. NO RELOCATION.** Landlord shall have no right at any time to relocate the Tenant to another area of the Building in which the Premises is located or otherwise.
- 36. CONSENT. Wherever in this Lease Landlord or Tenant is required to give its consent or approval, such consent or approval shall not be unreasonably withheld, conditioned, or delayed.
- 37. INTERPRETATIONS. This Lease shall not be construed more strictly against one party than against the other merely because it may have been prepared by counsel for one of the parties, it being recognized that both parties have contributed to its preparation.
- 38. SUBMISSION OF LEASE. The submission by Tenant to Landlord of this Lease shall have no binding force and effect, shall not constitute an option for leasing of the Premises, nor confer any rights or impose any obligations upon either party until the execution thereof by both parties and the delivery of an executed original copy thereof to both parties. This Lease may be executed in one or more counterparts, each of which shall be deemed to be an original.
- 39. ENTIRE AGREEMENT. The foregoing constitutes the entire agreement between the parties and may be modified only by a writing signed by both parties. It is acknowledged that Exhibits A-1, A-2 and B have been made a part of this Lease prior to the execution hereto.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed hereto as of the day and year first above written.

Witnesses as to Landlord

LANDLORD:

Human Resource Group, LLC

By: Lattic B ...

Title: UMEN

Thomas Castellanos

Title: CFO

02/01/2020

EXHIBIT A-1

LANDLORD IMPROVEMENTS

- 1. Except for the Landlord Improvements, Landlord shall deliver the Premises to Tenant AS IS.
- 2. Landlord shall remediate and demo all interior nonstructural walls and flooring from the Tenant spaces, and seal any flooring
- 3. Landlord shall secure new roofing with a water barrier for the Building and install such roofing for the entire space within four (4) to six (6) weeks of the execution of this Lease, assuming Tenant's delivery of the Improvement Deposit.

EXHIBIT A-2

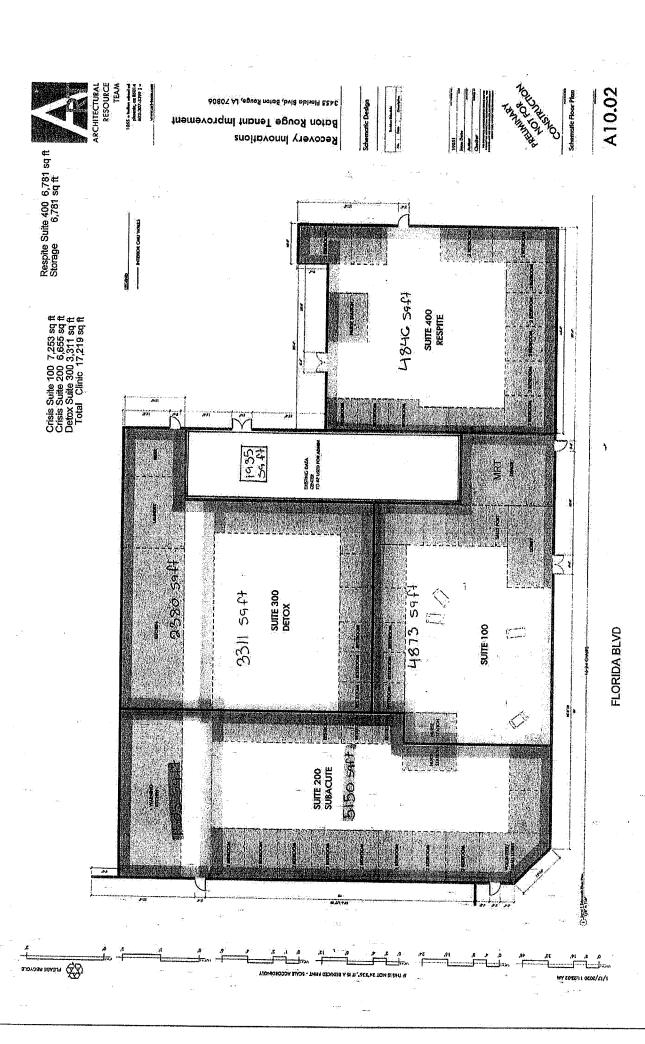
TENANT IMPROVEMENTS

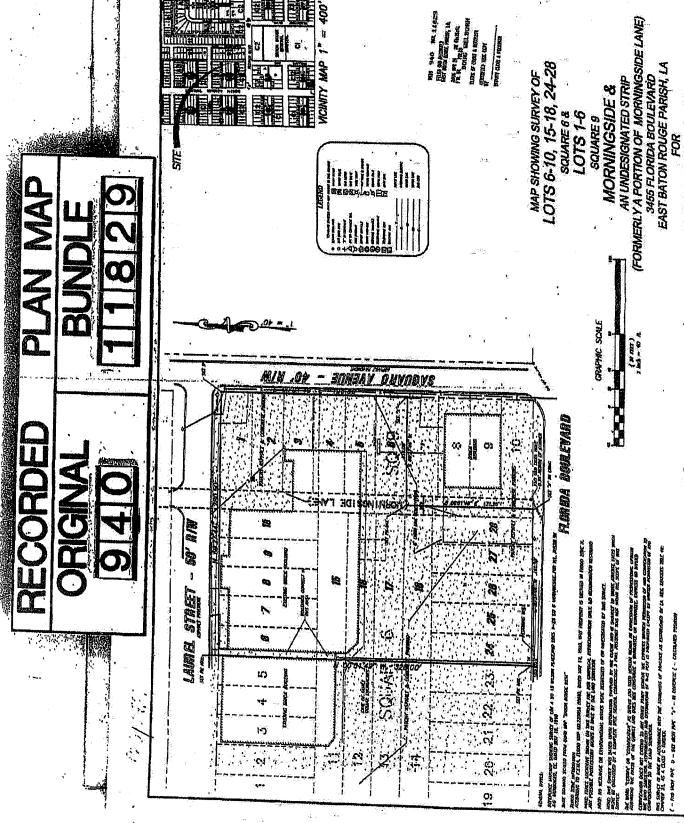
[Preliminary Tenant plans to be attached.]

EXHIBIT B

BUILDING SITE

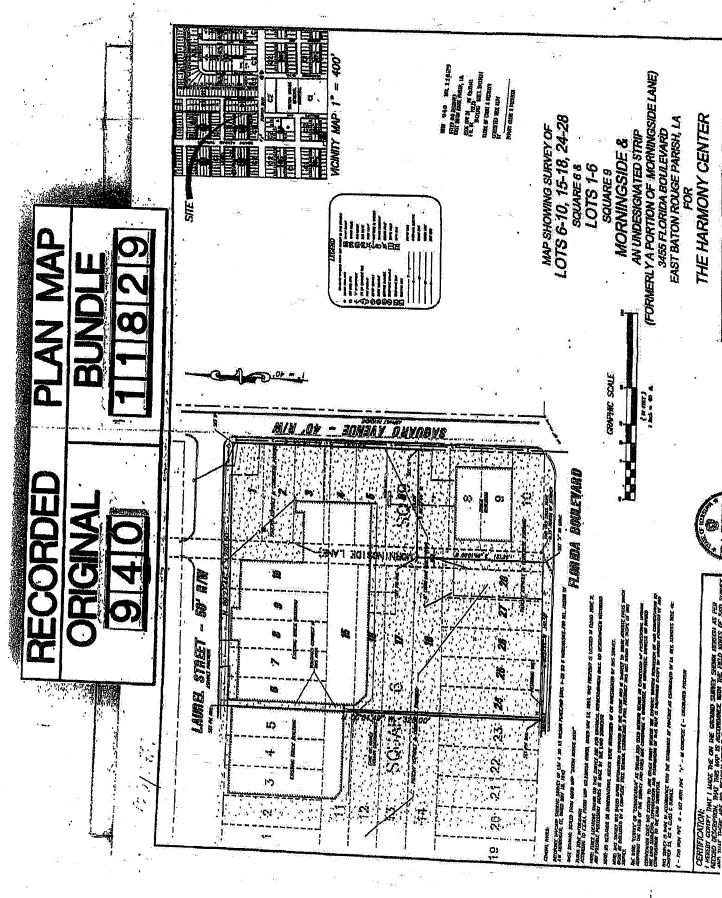
[To be attached.]





BATON ROUGE LAND SURVEYING INC.

THE HARMONY CENTER



BATON ROUGE LAND SURVEYING INC.