



**BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS**

Award Contract Grant

Requested Board Meeting Date: January 16, 2018

* = *Mandatory, information must be provided*

or Procurement Director Award

***Contractor/Vendor Name/Grantor (DBA):**

Pima County Community Land Trust, Inc.

***Project Title/Description:**

Lease of 17 N. Linda Ave., Tucson

***Purpose:**

Provide safe, decent, affordable and sustainable housing for low-to-moderate income Pima County residents.

***Procurement Method:**

Exempt pursuant to Pima County Code section 11.04.020.D.

***Program Goals/Predicted Outcomes:**

Assist and support the mission of the Pima County Community Development and Neighborhood Conservation Department.

***Public Benefit:**

Promote community revitalization in low-to-moderate income neighborhoods and provide ongoing programs and services to help local residents achieve and preserve affordable housing.

***Metrics Available to Measure Performance:**

Rent received throughout lease term.

***Retroactive:**

No.

*To COB: 12-28-17(1)
Vers.: 1
Pgs.: 23*

COBOW/ET/GE/ET (date added)

Contract / Award Information

Document Type: CTN Department Code: FM Contract Number (i.e., 15-123): 18-095

Effective Date: 02/01/2018 Termination Date: 01/31/2023 Prior Contract Number (Synergen/CMS): _____

Expense Amount: \$* _____ Revenue Amount: \$ 84,000.00

***Funding Source(s) required:**

Funding from General Fund? Yes No If Yes \$ _____ % _____

Contract is fully or partially funded with Federal Funds? Yes No

***Is the Contract to a vendor or subrecipient?**

Were insurance or indemnity clauses modified? Yes No

If Yes, attach Risk's approval

Vendor is using a Social Security Number? Yes No

If Yes, attach the required form per Administrative Procedure 22-73.

Amendment / Revised Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____

Amendment No.: _____ AMS Version No.: _____

Effective Date: _____ New Termination Date: _____

Prior Contract No. (Synergen/CMS): _____

Expense or Revenue Increase Decrease Amount This Amendment: \$ _____

Is there revenue included? Yes No If Yes \$ _____

***Funding Source(s) required:**

Funding from General Fund? Yes No If Yes \$ _____ % _____

Grant/Amendment Information (for grants acceptance and awards) Award Amendment

Document Type: _____ Department Code: _____ Grant Number (i.e., 15-123): _____

Effective Date: _____ Termination Date: _____ Amendment Number: _____

Match Amount: \$ _____ Revenue Amount: \$ _____

***All Funding Source(s) required:**

*Match funding from General Fund? Yes No If Yes \$ _____ % _____

*Match funding from other sources? Yes No If Yes \$ _____ % _____

*Funding Source: _____

***If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?** _____

Contact: Nina Armstrong

Department: Facilities Management Telephone: 724-2725

Department Director Signature/Date: [Signature] 12/27/17

Deputy County Administrator Signature/Date: [Signature] 12-27-17

County Administrator Signature/Date: [Signature] 12/27/17
(Required for Board Agenda/Addendum Items)

PIMA COUNTY REVENUE CONTRACT LANDLORD: PIMA COUNTY TENANT: Pima County Community Land Trust, Inc. PROPERTY: 17 N. Linda Avenue, Tucson, AZ CONTRACT NO.: CTN - FM - 18*095	<table border="1"> <tr> <td align="center" colspan="2">CONTRACT</td> </tr> <tr> <td>NO.</td> <td><u>CTN-FM-18-095</u></td> </tr> <tr> <td>AMENDMENT NO.</td> <td>_____</td> </tr> <tr> <td colspan="2"> This number must appear on all invoices, correspondence and documents pertaining to this contract. </td> </tr> </table>	CONTRACT		NO.	<u>CTN-FM-18-095</u>	AMENDMENT NO.	_____	This number must appear on all invoices, correspondence and documents pertaining to this contract.	
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AMENDMENT NO.	_____								
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ORIGINAL LEASE TERM: 2/01/2018 - 1/31/2023	ORIGINAL LEASE AMOUNT:	\$ 84,000.00
TERMINATION DATE PRIOR AMENDMENT: N/A	PRIOR AMENDMENT:	N/A
TERMINATION THIS AMENDMENT: N/A	THIS AMENDMENT:	N/A
	TOTAL LEASE AMOUNT:	\$ 84,000.00

LEASE

This Lease Agreement ("Lease") is made by and between **PIMA COUNTY**, a political subdivision of the State of Arizona ("**County**" or "**Landlord**"), and **PIMA COUNTY COMMUNITY LAND TRUST, INC.**, an Arizona non-profit and tax exempt corporation ("**Tenant**").

This Lease will become effective on the date it is signed by Landlord and Tenant (the "**Effective Date**"). The date Landlord signs this lease is the date that the Chair of the Pima County Board of Supervisors signs it.

RECITALS

I. Landlord owns the real property located at 17 N. Linda Avenue, Tucson, Arizona (Assessor's Parcel Number 116-20-006A), consisting of a main building of approximately 1,069 square feet and an auxiliary building of approximately 491 square feet used for community purposes (the "**Carriage House**"), collectively referred to herein as the "**Premises**", and an open-air ramada structure (the "**Ramada**"); Landlord also owns the adjacent real property located at 801 W. Congress Street, Tucson (Assessor's Parcel Number 116-20-004A) consisting of a building referred to as "**El Banco**" and a paved parking lot (the "**Parking Lot**"); all of which when taken together are referred to herein as the "**Property**" and are shown on the attached **Exhibit A**.

II. Landlord has authority under A.R.S. §11-256.01 to lease real property that it owns to a nonprofit corporation at less than fair market value. Landlord has published notice of its intent to enter into this Lease as required by law.

III. Tenant is a community based Arizona non-profit corporation exempt from taxation under Section 501(c)(3) of the United States Internal Revenue Code (26 USC §501(c)(3)). It is organized for the purpose of providing permanently affordable housing for low to moderate income individuals and families; promoting community revitalization in the neighborhoods in which it operates; and providing ongoing programs and services to help local residents achieve, preserve, and sustain affordable housing.

IV. Tenant wishes to lease the Premises from Landlord and Landlord is willing to lease the Premises to Tenant under the terms and conditions contained in this Lease.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which the Parties acknowledge, Landlord and Tenant agree as follows:

AGREEMENT

1. Premises; Condition of Premises; Tenant Improvements.

1.1. Premises. For and in consideration of the rent and covenants, conditions and agreements hereinafter described, Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises. The Ramada, El Banco building, and Parking Lot are not part of the Premises, although Tenant will have non-exclusive use of them subject to the terms and conditions of this Lease and subject to Landlord's consent.

1.2. Condition of Premises. Landlord will deliver the Premises to Tenant in "as is - where is" condition, with all currently installed equipment and systems in good and normal working order. Tenant's taking possession of the Premises and any use by Tenant of the Property will be deemed conclusive evidence that they are in good order and satisfactory condition. Landlord has made no promise to Tenant to alter, remodel, repair or improve the Premises or the Property, and has made no express or implied representation regarding any matter or thing related to the Premises or Property or this Lease, including, without limitation, the condition or suitability of the Premises or Property, other than as may be contained herein or in a separate Exhibit or Addendum signed by Landlord and Tenant.

1.3. Tenant Improvements.

1.3.1. By Landlord: None.

1.3.2. By Tenant: Tenant will provide and pay for its own data and telecommunications equipment and services used for Tenant's activities in the Premises, including installation and activation of lines, hardware and software, use and service fees, maintenance and repairs, and for any alarm systems Tenant installs.

2. Term of Lease. This Lease is for a period of Five (5) years, commencing on February 1, 2018, (the "**Commencement Date**"), and terminating on January 31, 2023 (the "**Expiration Date**"), unless sooner terminated by the Parties as provided herein (the "**Term**").

3. Security Deposit. None.

4. Rent and Lease Taxes. This is a full service lease. Beginning no later than the Commencement Date, Tenant will pay to Landlord, at the address shown below, the amount of One Thousand Four Hundred Dollars (\$1,400.00) per month, which equals Sixteen Thousand Eight Hundred Dollars (\$16,800.00) per year (the "**Rent**"), until this Lease expires or is terminated. The total Rent payable throughout the Term is Eighty-Four Thousand Dollars (\$84,000.00). Rent for partial months will be prorated based on a thirty (30) day month.

4.1. Taxes. In addition to Rent, Tenant will pay to Landlord all lawful and applicable commercial lease taxes related specifically to this Lease including any applicable Government Property Lease Excise Tax.

4.2. Payment Due Dates and Mailing Address. All Rent payments are due and payable in advance and without notice or demand on the first (1st) day of each month. Tenant will pay Rent by check or cashier's check made payable to the Pima County Treasurer and mailed to:

Pima County Government Finance, Revenue Management Division
33 N. Stone Ave., 6th Floor, Mail Stop: DT-BAB6-404
Tucson, Arizona 85701.

5. Late Fee. Tenant will pay a late fee of Five Percent (5.0%) of any payment not received by Landlord on or before the 10th day after it becomes due and payable.

6. Permitted Uses.

6.1. Premises. Tenant will use the Premises as offices to operate and administer its programs and projects designed to improve the economic and social well-being of neighborhoods and the broader community by developing and preserving a permanent supply of affordable owned and rented housing for low-to-moderate income residents, and for other uses closely related thereto (the "Permitted Uses"). Tenant will use the Premises solely for providing the Permitted Uses, will conduct the Permitted Uses continuously during the Term of this Lease, and Tenant's use of the Premises will comply with all applicable laws and regulations.

6.1.1. Carriage House. Landlord agrees that other local non-profit tax-exempt organizations providing ongoing programs and services closely related to those of Tenant may use the Carriage House, the Ramada, and the Premises' restroom and breakroom/kitchen on an occasional basis provided the organizations receive prior written approval from Tenant, Tenant schedules the use and maintains a record of such uses for Landlord's review, and the use is not excessive. Tenant will not charge any organization a fee to use the Carriage House, Ramada, restrooms or breakroom/kitchen, but Tenant may charge such users a reasonable refundable cleaning deposit.

Tenant will reimburse Landlord for the cost of cleaning all areas used by the organizations and will indemnify Landlord against all damage and injuries arising from or during such use as provided in paragraph 17, below.

6.2. No Third Party Contract. Tenant will not contract with a third party to conduct the Permitted Uses without Landlord's prior written consent, which consent may be withheld in Landlord's sole discretion. Landlord's consent to any third party contract will not relieve Tenant of its obligations, responsibilities, or liabilities hereunder. Tenant agrees it will be fully liable for, and indemnifies Landlord from and against, any liability, losses, or expenses suffered or incurred by Landlord as a result of Tenant's contractor's operations on the Premises.

6.3. Prohibited Activities. Tenant will not engage in or permit any unlawful activities on the Premises or any activities that unduly interfere with other occupants or users of the Property or neighboring property owners or occupants.

6.3.1. Hazardous Materials Prohibited. Tenant will not cause or permit any hazardous or toxic materials or substances to be brought upon, kept, or used in or about the Premises or Property by Tenant, its agents, employees, contractors or invitees, without the prior written consent of Landlord, other than such materials or substances that are necessary to Tenant's Permitted Uses. Tenant will use, keep and store any such materials in a manner that complies with all laws and regulations

regulating such materials or substances. Tenant will immediately remove and remediate, at its sole cost and expense, any contamination to the Premises or Property occurring during the Term of this Lease or during Tenant's occupancy of the Premises and Property, that is partially or fully caused by Tenant, its agents, employees, contractors or invitees.

7. Parking. Tenant may use up to six (6) unreserved and unmarked parking spaces on the northernmost side of the Parking Lot for staff and visitor parking of passenger vehicles, as shown on Exhibit A. Parking will be subject to the parking fees, if any, and reasonable regulations of Landlord. Landlord will not be responsible for damage to or theft of any vehicle or its accessories or contents, whether the same be the result of negligence or otherwise

8. Utilities, Services, Alarm Systems.

8.1. Utilities and Services. Landlord will provide and pay for reasonable amounts of water, electricity, landscape services, trash and recycling services, Landlord's standard level of custodial services for the maintenance of the Premises and Property, and for interior and exterior maintenance and repairs is as defined below in paragraph 12 ("Baseline Services").

8.1.1. Excess Utilities and Services Usage. If the activities of Tenant, its employees, representatives, agents, guests, or invitees result in costs greater than that of the Baseline Services, Tenant will pay to Landlord the amounts exceeding the Baseline Services costs within twenty (20) days after the date of invoice from Landlord to Tenant.

8.2. Alarm Systems. None currently installed.

8.2.1. Addition of Alarm System(s). Subject to the requirements of paragraph 11, below, Tenant may acquire, install, maintain, repair, and monitor, all at its sole expense, any alarm systems it chooses to install in or on the Premises and Property. At all times, Tenant will provide Landlord with valid alarm access codes.

8.2.2. Alarm Responses. In the event alarm system(s) are installed, Tenant will promptly respond to every alarm and will immediately notify Landlord by telephone at (502) 724-3085 and by email to FM-TenantRequest@pima.gov after any alarm incident occurs.

9. Tenant's Licensure, Registration, and Non-Profit Status.

9.1. Licensure and Registration. Tenant will obtain all applicable licenses, registrations and permits required by the State of Arizona and other government entities and will maintain such licenses, registrations and permits in good standing throughout the term of this Lease. Tenant will immediately notify Landlord in writing if any license, registration or permit is denied, suspended, or terminated. In the event of such denial, suspension, or termination Landlord may, in its sole discretion, terminate this Lease with no further obligation to Tenant.

9.2. Non-Profit Status. Tenant will at all times during the term of this Lease be a non-profit organization exempt from taxation under Section 501(c)(3) of the United States Internal Revenue Code (26 USC § 501(c)(3)). Within ten (10) days after receipt of Landlord's written request, Tenant will provide Landlord a copy of Tenant's letter of exemption from the U.S. Internal Revenue Service granting Tenant such tax exempt status and any analogous ruling

from the Arizona Department of Revenue. Tenant will immediately notify Landlord in writing and provide Landlord with a copy of any ruling or inquiry from any governmental authority affecting or potentially affecting such status.

9.2.1. Reasonable Compensation. Because this Lease is a lease of public property for a public purpose to a tax-exempt non-profit entity, Tenant agrees that any compensation paid by Tenant to its members, officers, employees, or any related entity, will be reasonable and comparable to that paid by similar tax-exempt non-profit entities providing the same or substantially the same services to the community. Landlord will have the right to inspect Tenant's records to verify the levels of compensation paid by Tenant. If Landlord reasonably determines that such compensation is excessive, Landlord may terminate this Lease unless Tenant adjusts its compensation to reasonable levels within sixty (60) days after receiving notice from Landlord of its objection to Tenant's compensation levels.

10. Expenses of Tenant. Tenant will conduct its operations at the Property at its own expense. Tenant will not suggest, state, or imply that Landlord will participate, guarantee or otherwise assist in any financial obligation undertaken by Tenant with respect to its operations under this Lease.

11. Alterations and Improvements to Premises.

11.1. Consent Required. Tenant will not make any improvements, additions, or changes (collectively, "Alterations") to the Premises or Property without obtaining prior written consent from Landlord's Director of Facilities Management Department. Landlord will not unreasonably withhold consent provided, however, it will be reasonable for Landlord to withhold consent if, among other reasons, Landlord determines an Alteration may or will:

11.1.1. Adversely affect the integrity of any grading or any structural, mechanical, or electrical system of any portion of the Premises or Property, or affect the integrity of the Premises' or Property's features or infrastructure;

11.1.2. Result in Landlord being required to perform any work that Landlord would otherwise avoid or defer;

11.1.3. Result in an increase in the premiums for any hazard or liability insurance carried by Landlord or result in an increased risk of liability or pose a safety hazard; or,

11.1.4. Result in an increase in the demand for utilities or services that Landlord provides to the Premises.

11.2. Request for Alterations. Before starting any work, Tenant will submit to Landlord for Landlord's review and approval a written Request for Alterations, which will include plans and specifications developed by an Arizona registered architect or engineer. Landlord will have forty-five (45) days after receipt of the Request for Alterations to approve or deny the proposed Alterations. Failure of Landlord to respond to the Request for Alterations within sixty (60) days after its receipt by Landlord will be deemed approval.

11.3. No Landlord Liability for Approval of Alterations. Landlord's review of the plans and specifications will be solely for Landlord's purposes and will not imply that Landlord has reviewed the plans and specifications for quality, design, laws, compliance or other matters.

Accordingly, notwithstanding that any construction drawings are reviewed by any Landlord architects, engineers, or consultants, Landlord will have no liability whatsoever in connection therewith and will not be responsible for any omissions or errors contained in any documents submitted by Tenant to any person or entity, and Tenant's indemnifications set forth in this Agreement will also apply to such documents. Landlord's review will be solely to determine whether proposed Alterations are consistent with the purposes of this Agreement.

11.4. Construction of Alterations.

11.4.1. Compliance with Law. All Alterations made by Tenant will comply with all applicable federal, state and local statutes, codes, ordinances, rules and regulations.

11.4.2. Permits. Tenant will obtain all necessary permits from the appropriate jurisdictions and provide Landlord with copies of same. Within thirty (30) days after completion of any Alteration, Tenant will deliver to Landlord a complete and reproducible set of as-built plans and specifications of the Alterations, and all applicable permit sign offs, notices of completion, and lien releases.

11.4.3. Insurance. Before any work is begun, Tenant will cause its contractors to obtain insurance coverage of a type and amount acceptable to Landlord, and to name Landlord as additional insured with respect to liability arising out of the performance of Alterations work or projects.

11.4.4. Tenant Indemnification. Tenant will indemnify, hold harmless, and defend Landlord against liability for any damage to property or injury to persons occasioned by any Alterations made by Tenant on the Property.

11.4.5. Contractor Indemnification. All construction contracts will include an indemnification provision requiring the contractor to indemnify, defend and hold harmless Landlord from all losses, claims, suits, demands, expenses, attorneys' fees, or actions of any kind or nature arising from contractor's negligent or intentional acts, errors or omissions.

11.4.6. Property of Landlord. All Alterations made by Tenant on the Premises and Property will become the property of Landlord at the time they are placed thereon and will be surrendered to Landlord upon the termination of this Agreement, free and clear of all liens and encumbrances of every kind, and in good and operable condition.

12. Maintenance and Repairs.

12.1. Landlord Obligations. Except for Tenant Obligations specified in paragraph 12.2., below, Landlord will maintain and repair the interior and exterior of the Property including but not necessarily limited to structural and mechanical components; electrical, plumbing, heating, ventilation and air-conditioning systems; gutters and downspouts if installed, and landscaping (collectively, the "Property Components and Systems"). Landlord will, at its sole cost and expense, repair or replace the Property Components and Systems as necessary to maintain the Property's structural and mechanical integrity as it was on the date Tenant took occupancy.

12.2. Tenant Obligations. Tenant accepts the Premises and Property in their "as is - where is" condition. At all times hereunder Tenant will, at its sole cost and expense, keep the Premises, Property, and Tenant's furniture, fixtures and equipment in a clean, safe and

sanitary condition, and will be responsible for repair of any damage done to the Premises and/or Property by Tenant or its employees, contractors, agents, licensees or invitees .

12.2.1. Notification to Landlord. If repairs are needed that Landlord is obligated to perform, Tenant will give written notice to Landlord at FM-TenantRequest@pima.gov of the required repairs, and Landlord will cause the necessary repairs to be made to correct such condition(s) within a reasonable period of time.

12.3. Entry for Inspections and Repairs. Tenant will permit Landlord or Landlord's authorized representatives to enter the Premises at times reasonably convenient to Tenant for purposes of inspection, making repairs and performing any work therein as may be necessary for Landlord to comply with the provisions of this Lease. Landlord, in the performance of any such work, will cause as little inconvenience, disturbance, or damage to Tenant as may reasonably be possible under the circumstances.

12.4. Emergency Entries. Landlord may enter the Premises immediately and without notice if entry is in response to an emergency. Landlord will notify Tenant of such entry as soon as practicable after the emergency has been resolved.

12.5. Condition at Surrender. Upon the expiration or earlier termination of this Lease, Tenant will leave the Premises and Property in a condition at least as good as when Tenant took possession of them, reasonable wear and tear excepted.

13. Signs. Tenant may affix and maintain upon the Premises signage relating to the services provided on the Premises by Tenant provided, however, if such signs are visible outside the Premises, the signs must first receive written approval from Landlord as to type, size, color, location, text, and display qualities. All signs posted by or for Tenant on or about the Property, whether visible outside the Premises or not, will at all times comply with all applicable sign codes. Tenant will pay all costs for design, construction, installation, maintenance, and repair of any sign either currently in place or to be erected or installed or otherwise placed on or about the Property for Tenant's benefit.

13.1. Tenant will remove any sign that it placed on or about the Premises and Property at its sole cost upon termination of this Lease for any reason, and will repair any damage resulting from such removal immediately at its sole cost.

14. Security. Tenant is responsible for securing the Premises and Property and preventing any unlawful or unauthorized use thereof. When the Premises are not open for business, they will be secured to prevent unauthorized use or entry. Tenant will promptly contact law enforcement authorities when it is prudent to do so to protect the Property and any persons or property therein, and Tenant will fully cooperate with any resulting investigation and prosecution.

15. Insurance. Tenant will maintain the following insurance at all times during the term of this Lease:

15.1. Minimum Coverages.

15.1.1. Commercial General Liability (CGL). Commercial General Liability (CGL) occurrence form covering liability arising from personal injury, bodily injury, broad form contractual liability and products-completed operations with minimum limits not less than \$2,000,000 Each Occurrence and \$2,000,000 General Aggregate. Policy must be endorsed to include Landlord as an additional insured.

15.1.2. Commercial Business Automobile Liability. Coverage for owned and/or non-owned vehicles with minimum limits not less than \$1,000,000.00 Each Accident for vehicles used in the performance of the operations at the Premises.

15.1.3. Workers' Compensation. Statutory limits, with Employers' Liability coverage in an amount not less than \$1,000,000.00 per injury, illness, or disease.

15.1.4. Property insurance coverage by Tenant for losses to any tenant improvements or betterments, tenant floor and wall coverings, and business personal property.

15.2. Insurance Certificates. Tenant will regularly provide Landlord with current certificates of insurance showing Landlord as an additional insured where required. All certificates of insurance must provide for guaranteed thirty (30) days written notice of cancellation, non-renewal or material change.

15.3. Waiver of Subrogation. Each party waives its claims and subrogation rights against the other for losses typically covered by property insurance coverage.

15.4. Changes to Insurance Requirements. Landlord retains the right to reasonably increase the limits or types of coverage from time to time as determined to be in the best interests of County by Pima County Risk Management.

16. Injury and Damage Reports. As soon as possible after an injury to any person or damage to the Property or Premises, Tenant will provide a complete report describing such injury, damage and incident to Pima County Risk Management Department, 130 S. Congress, 6th Floor, Tucson, Arizona 85701, with a copy to Pima County Facilities Management Department, 150 W. Congress Street, 3rd Floor, Tucson AZ 85701. Landlord will have the right to independently investigate any such incident and Tenant will fully cooperate with such investigation and will timely provide Landlord with all information available to Tenant about such incident.

17. Indemnification. Tenant hereby agrees to defend, indemnify and hold harmless Landlord, its officers, employees and agents, from and against any and all claims and demands of any nature whatsoever arising out of the injury to or death of any person or damage to property related to the Premises or Property and not caused by the acts or omissions of Landlord, its employees, agents, guests, licensees or invitees during the Term of this Lease.

To the extent permitted by law, Landlord will defend, indemnify and hold harmless Tenant, its officers, employees and agents, from and against all claims and demands of any nature whatsoever arising out of the injury to or death of any person or damage to property, to the extent caused by negligent acts or omissions of Landlord, its employees, agents, guests, licensees or invitees during the Term of this Lease.

This indemnity and hold harmless agreement will include indemnity against all reasonable costs, expenses and liabilities incurred in or in connection with any such claim or proceeding brought thereon, the expense of investigating the same, and the defense thereof.

18. Damage or Destruction. If the Property or Premises is damaged or destroyed by fire or other casualty:

18.1. If the Property or Premises is rendered wholly unfit for occupancy by fire or other casualty and if, in the reasonable opinion of a reputable contractor or architect designated by Landlord and reasonably acceptable to Tenant, the Property or Premises is not susceptible to

complete repair within ninety (90) days from the date of such damage or destruction, Landlord and Tenant will each have the option to terminate this Lease by so advising the other, in writing, within ten (10) days after said contractor or architect delivers written notice of its opinion to Landlord and Tenant;

18.2. If the Property or Premises is rendered wholly unfit for occupancy by fire or other casualty and if, in the reasonable opinion of a reputable contractor or architect designated by Landlord and reasonably acceptable to Tenant, is not susceptible to complete repair within ninety (90) days from the date of such damage or destruction but neither Landlord nor Tenant terminates pursuant to Section 18.1., above, then Landlord may elect to repair the damage and restore and rebuild the Property or Premises within the time period estimated for such work by the designated contractor or architect. Landlord will use diligent and good faith efforts to make such repair or restoration promptly. Rent will be proportionally abated to the extent of any actual loss of use of the Premises by Tenant while such repairs or restoration is in progress;

18.3. If the Property and/or Premises is, in the reasonable opinion of a reputable contractor or architect designated by Landlord, susceptible to complete repair within ninety (90) days from the date of such damage or destruction, then Landlord will repair the damage and restore and rebuild the Property and Premises within such period. Landlord will use diligent and good faith efforts to make such repair or restoration promptly and in such manner as not to unreasonably interfere with Tenant's use and occupancy of the Premises. Rent will be proportionally abated to the extent of any actual loss of use of the Premises by Tenant while such repairs or restoration is in progress. Notwithstanding the foregoing, if Landlord does not complete or is unable to repair and restore the Premises or Property within ninety (90) days from the date of such damage or destruction, then Tenant will have, at its sole option, the right to terminate this Lease by delivering written notice of its election to terminate not more than thirty (30) days after the end of that ninety (90) day period, and will specify a date not less than thirty (30) days after the giving of such notice as the date for such termination; and,

18.4. If twenty-five percent (25%) or more of the Property or Premises is damaged or destroyed during the last twelve (12) months of the Term, Tenant will have the right to terminate this Lease notwithstanding anything to the contrary above. Tenant will effect such termination by giving written notice to Landlord not more than thirty (30) days after the date of such damage or destruction, and will specify a date not less than thirty (30) days after the giving of such notice as the date for such termination.

19. Condemnation.

19.1. Condemnation of Entire Property. If, during the term of this Lease, the entire Property is taken or condemned for any public purpose, or purchased under threat of such taking or condemnation (hereinafter referred to as the "Proceedings"), this Lease and all right, title and interest of Tenant hereunder will cease and come to an end on the date of vesting of title pursuant to such Proceedings and Landlord will be entitled to and will receive the total award made in such Proceedings; provided, however, that Tenant may make a separate claim for Tenant's lost trade fixtures and equipment, damages for interruption of business and its relocation expenses.

19.2. Partial Condemnation/Termination of Lease. If, during the Term, less than the entire Property but more than twenty-five percent (25%) of the Premises will be taken in any Proceedings, this Lease will, upon vesting of title in the Proceedings, terminate as to the portion of the Premises so taken and Tenant may, at its option, terminate this Lease as to the remainder of the Premises. Such termination as to the remainder of the Premises will be effected by notice in writing given not more than sixty (60) days after the date of vesting of title in such Proceedings, and will

specify a date not more than sixty (60) days after the giving of such notice as the date for such termination. Upon the date specified in such notice, the Term and all right, title and interest of Tenant hereunder will cease and come to an end. If this Lease is terminated pursuant to this Section 19.2., Landlord will be entitled to and will receive the total award made in such Proceedings; provided, however, that Tenant may make a separate claim for Tenant's lost trade fixtures and equipment, damages for interruption of business and its relocation expenses. In the event that Tenant elects to not terminate this Lease as to the remainder of the Premises, the rights and obligations of Landlord and Tenant will be governed by the provisions of Section 19.3. hereof.

19.3. Partial Condemnation/Continuation of Lease. If twenty-five percent (25%) or less the Property is taken in such Proceedings, or if more than twenty-five percent (25%) of the Premises is taken (but less than the entire Property) and this Lease is not terminated as provided in Section 19.2. hereof, this Lease will, upon vesting of title in the Proceedings, terminate as to the parts so taken. Landlord, in such case, covenants and agrees, at Landlord's sole cost and expense, to promptly restore that portion of the Premises not so taken to a complete architectural and mechanical unit for the use and occupancy of Tenant as contemplated in this Lease. Notwithstanding anything to the contrary in this Section 19.3., if Landlord does not complete or is unable to repair and restore the Premises within one hundred twenty (120) days after the date of vesting of title in such Proceedings, then Tenant will have, at its sole option, the right to terminate this Lease. Such termination by Tenant will be effected by notice in writing given not more than one hundred fifty (150) days after the date of vesting of title in such Proceedings, and will specify a date not more than sixty (60) days after the giving of such notice as the date for such termination.

19.4. Adjustment of Rent. In the event of a partial taking of the Property or Premises under Section 19.2. or Section 19.3. hereof, followed by Tenant not exercising its right to terminate this Lease, the Rent payable hereunder during the period from and after the date of vesting of title in such Proceedings to the termination of this Lease will be reduced in proportion to the reduction in size of the Premises.

20. Tenant Not an Agent of Landlord. Tenant is not an agent of Landlord for any purpose under this Lease or otherwise. Tenant will control its activities on the Premises, and Landlord will not control those activities. Tenant's employees and servants will not be under the control of Landlord.

21. Assignment and Subletting. Tenant will not assign, or in any manner transfer this Lease or any interest hereunder, and will not sublet the Premises or any portion thereof, without the prior written consent of Landlord in each instance. Any attempted assignment of this Lease by Tenant without prior written consent from Landlord will be void. Tenant acknowledges that, due to the special nature of this Lease, Landlord may withhold its consent to any such requested assignment or sublease in its sole discretion.

22. Successors and Assigns. The covenants and agreements contained herein will bind and inure to the benefit of Landlord and its successors and assigns, and Tenant and its permitted successors and assigns.

23. Tenant Default. The occurrence of any of the following events will constitute a default by Tenant for which Landlord may terminate this Lease:

23.1. Abandonment of Premises. Vacating or abandoning the Premises or the cessation of activities thereon by Tenant, where such abandonment or cessation continues for a period of ten (10) or more calendar days after notice of such default is sent by Landlord to Tenant.

23.2. Nuisance or Waste. Tenant creates or permits any waste or nuisance in or on the Premises or Property.

23.3. Tax Exempt Status. Loss of Tenant's tax-exempt status or an action by the United States Internal Revenue Service challenging that status.

23.4. Monetary Obligations. The failure by Tenant to make any payment required to be made by Tenant hereunder, where such failure continues for a period of ten (10) calendar days after notice from Landlord that such payment is past due.

23.5. Violation of Law. Violation of any law by Tenant, or the occurrence of any unlawful activities on the Property that are allowed by Tenant, either implicitly or explicitly, or which Tenant has not taken reasonable means to prevent after Tenant becomes, or in exercise of reasonable diligence should have become, aware that such activities are taking place.

23.6. Health and Safety Violation. Any act or omission by Tenant that, in Landlord's reasonable judgment, causes a threat to the health or safety of the general public or to users of the Property.

23.7. Alcohol Use; Smoking. Tenant permits the sale, possession, or consumption of any alcoholic beverage, or smoking of any kind, on the Premises or the Property.

23.8. Other Covenants. The failure by Tenant to observe or perform any other of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant, where such failure continues for a period of thirty (30) days after written notice thereof by Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than thirty (30) days are reasonably required for its cure, then Tenant will not be deemed to be in default if Tenant commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion provided such cure is completed within one hundred and twenty (120) days after the notice by Landlord.

23.9. Multiple Defaults. Tenant commits three (3) or more defaults in any twelve (12) month period, regardless of whether or not Tenant timely cured such defaults.

24. Landlord Default. Landlord will be in default hereunder if Landlord fails to perform any covenant or condition of this Lease to be performed by Landlord and such failure continues for thirty (30) or more days after written notice and demand from Tenant (unless the failure is of such a character as to require more than thirty (30) days to cure, in which event Landlord will be in default only if it fails to initiate the cure within thirty days and thereafter diligently pursue the same to completion).

25. Remedies. Either party may pursue any remedies provided by law and in equity for the breach of this Lease, including termination of the Lease, except that Tenant, because of the special nature of this Lease which does not generate net revenues for Landlord, will not be entitled to pursue any monetary damages or penalties.

26. Compliance with Laws. The Parties will comply with all federal, state and local laws, rules, regulations, standards, Executive Orders, and Pima County Board of Supervisors' policies, including Policy Number C. 3.18 entitled "Tobacco-Free Environment" (attached hereto as Exhibit C), without limitation to those designated within this Lease Agreement. Any changes in the governing laws, rules, regulations, and Board of Supervisors policies during the term of this Agreement will apply but do not require an amendment.

27. Choice of Law. The laws and regulations of the State of Arizona shall govern the rights of the Parties, the performance of this Agreement and any disputes hereunder. Any action relating to this Agreement will be brought and maintained in a court of the State of Arizona in Pima County.

28. Notices. All notices to be given under this Lease will be in writing and will be either served personally or sent by pre-paid certified or registered mail, return receipt requested, to the parties as indicated below or to such other persons or addresses as either party may designate in writing to the other party:

28.1. If to Tenant:

Pima County Community Land Trust, Inc.
Attn.: Maggie Amado-Tellez
17 N. Linda Avenue
Tucson, AZ 85745

28.2. If to Landlord:

Pima County
Facilities Management Department
Attn.: Director
150 W. Congress Street, 3rd Floor
Tucson AZ 85701

29. Quiet Enjoyment. Landlord covenants and agrees that Tenant, upon paying the Rent, and observing and keeping the covenants, agreements and conditions of this Lease on its part to be kept, observed and performed, will lawfully and quietly hold, occupy and enjoy the Leased Premises (subject to the provisions of this Lease) during the term of this Lease without hindrance or molestation by Landlord or by any person or persons claiming under Landlord.

30. Conflict of Interest. This Lease is subject to cancellation within three (3) years after its execution pursuant to A.R.S. §38-511 if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Lease on behalf of Landlord is, at any time while this Lease or any extension of the Lease is in effect, an employee or agent of any other party to the Lease with respect to the subject matter of the Lease.

31. Non-Discrimination. Tenant agrees that during the performance of this Lease, Tenant will not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin. Tenant will comply with the provisions of Arizona Executive Order 75-5, as amended by Executive Order 99-4 and 2009-09 issued by the Governor of the State of Arizona, which is incorporated into this Lease as if set forth in full herein.

32. Americans with Disabilities Act. Both parties will comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36 as it pertains to facilities and use of the facilities. This will not obligate Landlord to make any modifications to the Premises or Property as a result of any change in the law or regulations, if such repairs are not otherwise legally required.

33. Liens. Tenant will timely pay all its contractors, subcontractors, mechanics, laborers, and materialmen providing materials or services with respect to the Premises and Property, and will not permit any lien to attach to the Premises or Property or any interest therein, and will indemnify and defend Landlord against all legal costs and charges resulting from any such lien.

34. Non-Waiver. The failure of either party to insist in any one or more instances upon the full and complete performance of any of the terms and provisions of this Lease to be performed by the other party, or to take any action permitted as a result thereof, will not be construed as a waiver or relinquishment of the right to insist upon full and complete performance of the same or any other covenant or condition either in the past or in the future.

35. Force Majeure. If either Landlord or Tenant is delayed or prevented from the performance of any act required hereunder by reason of acts of God, strikes, lockouts, labor troubles, civil disorder, inability to procure materials, restrictive governmental laws or regulations, or any other cause without fault and beyond the reasonable control of Landlord or Tenant, as applicable, (financial inability excepted) performance of such act will be excused for the period of delay.

36. Surrender/Holding Over. Upon termination of Tenant's occupancy by expiration of the Term or otherwise (the "Termination Date"), Tenant will peaceably surrender the Property in good condition and repair, normal wear and tear excepted. At Landlord's written request, Tenant will remove any furnishings, fixtures, and personal property paid for and installed by Tenant and will restore the Property to substantially the same condition it was in when Tenant took occupancy of the Premises, all at Tenant's sole cost and expense. With Landlord's prior written approval, Tenant may leave said items in place and they will become the property of Landlord.

36.1. If Tenant remains in possession of the Property after the Termination Date with written consent of Landlord, such possession will be a month to month tenancy only and will be subject to all terms and conditions of this Lease except for the Term and the monthly rent will increase to One Hundred and Twenty-Five Percent (125%) of the rent in effect as of the Termination Date. Such tenancy will be terminable by either party, with or without cause, by giving a thirty (30) day notice to the other party.

37. Personal Property. Any of Tenant's personal property left in or on the Property upon expiration or earlier termination of this Lease will become the property of Landlord and may be sold or otherwise disposed of by Landlord without liability to Tenant.

38. Non-Appropriation of Funds. The parties recognize that the performance by both Tenant and Landlord may be dependent upon the appropriation of funds by the State Legislature of Arizona, the Pima County Board of Supervisors, or the availability of funding from other sources. Should the relevant governing body fail to appropriate the necessary funds, or if funding becomes otherwise not legally available to a party hereunder, that party may reduce the scope of this Lease if appropriate or cancel the Lease without further duty or obligation. Each party agrees to notify the other party as soon as reasonably possible after the unavailability of said funds becomes known to that party.

39. Interpretation of Lease. The parties acknowledge that each has had the opportunity to review this agreement with counsel of its or their choice. This Lease will not be construed most strongly in favor nor most strongly against either of the parties, but will be interpreted fairly and equitably to effectuate the intent of the parties. All provisions contained in this Lease will bind and inure to the benefit of the parties hereto, their successors and assigns.

40. Captions. The caption of each article of this Lease is for convenience and reference only, and in no way defines, limits or describes the scope or intent of such article or of this Lease.

41. Entire Agreement. This Lease constitutes the entire contract between Landlord and Tenant with respect to the Premises and no modification hereof will be binding unless in writing and signed by both parties.

42. Severability. If any covenant, condition, provision, term or agreement of this Lease will, to any extent, be held invalid or unenforceable, the remaining covenants, conditions, provisions, terms and agreements of this Lease will not be affected thereby, but each covenant, condition, provision, term or agreement of this Lease will be valid and in force to the fullest extent permitted by law.

43. Time is of the Essence. Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.

44. Counterparts. This Lease may be executed in one or more counterparts, and by different parties hereto on separate counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

45. Exhibits:

Exhibit A: Parcel Number and aerial view of Property.

Exhibit B: Floorplan of Premises and Carriage House.

Exhibit C: Board of Supervisors Policy No. C 3.18.

Exhibit D: Property Rules and Regulations.

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IN WITNESS WHEREOF, each of the parties hereto have executed this Lease Agreement on the day, month and year written below.

TENANT: PIMA COUNTY COMMUNITY LAND TRUST, INC.



Executive Director

12-26-17

Date

LANDLORD: Pima County, a political subdivision of the State of Arizona.

Chair, Board of Supervisors

Date

ATTEST:

Clerk of the Board

Date

APPROVED AS TO CONTENT:




Director, Facilities Management

12/27/17

Date

APPROVED AS TO FORM:



Deputy County Attorney **TOBIN ROSEN**

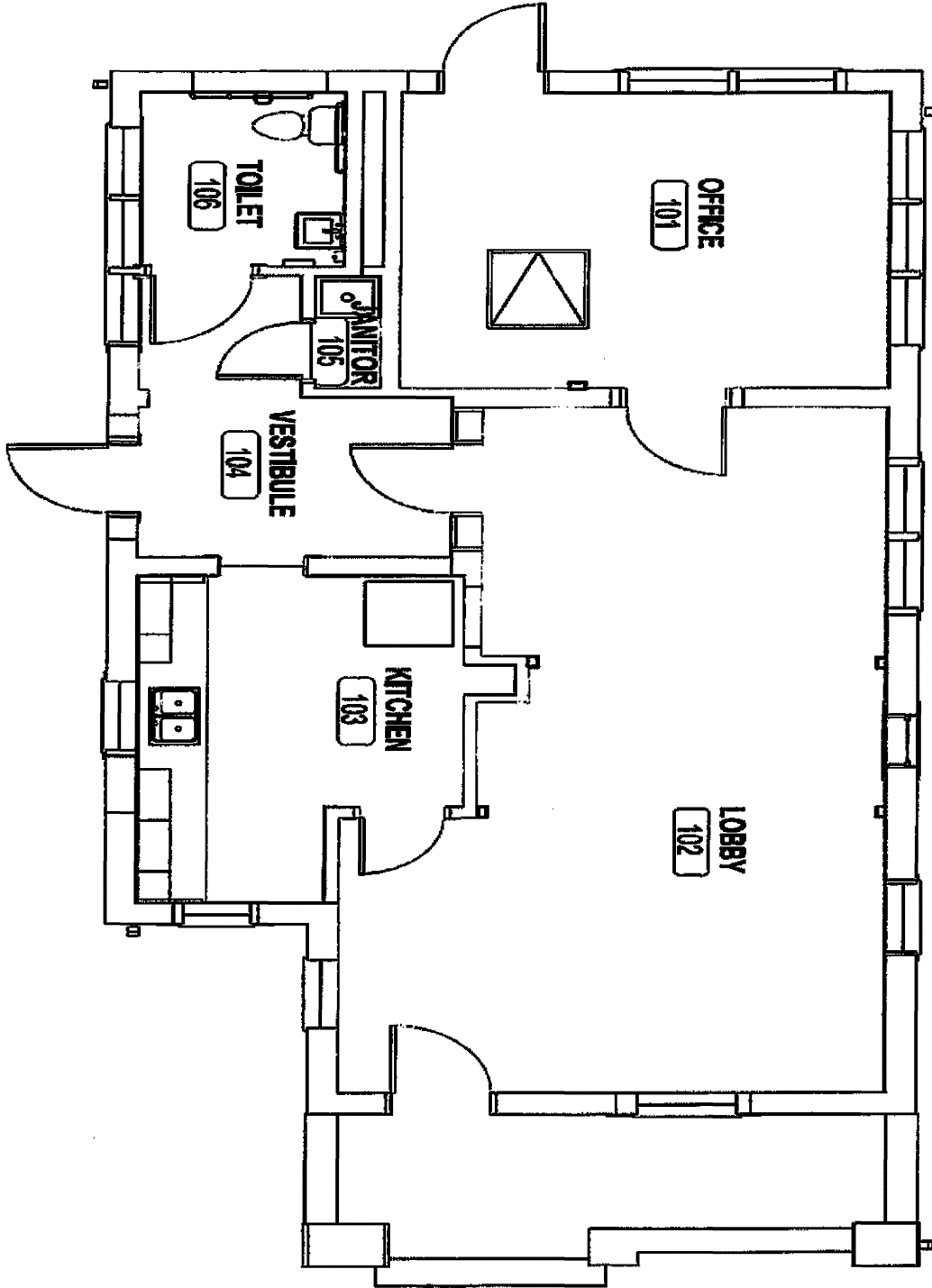
12/27/17

Date

EXHIBIT A
17 N. Linda Ave., Tucson, AZ
Assessor Parcel Number 116-20-006A

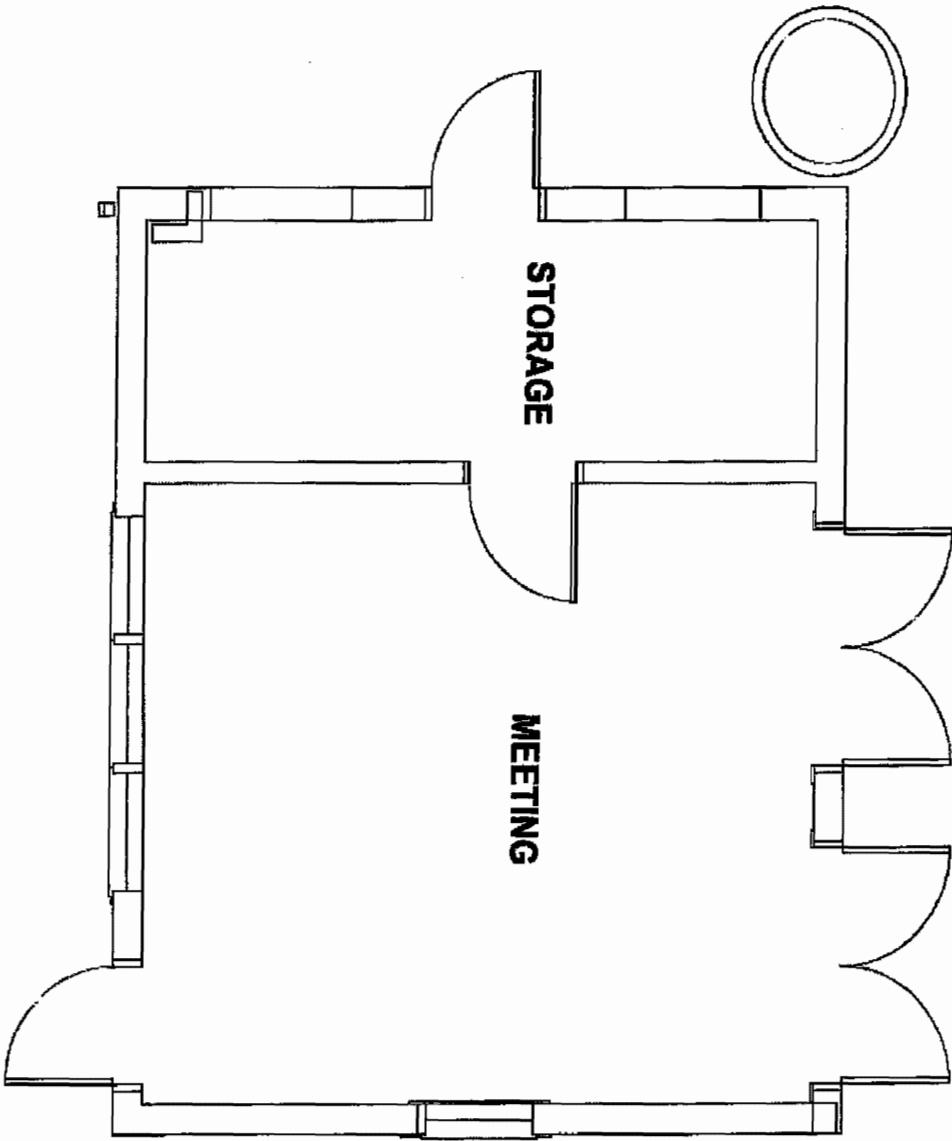


**EXHIBIT B-1
PREMISES FLOORPLAN**



17 N. Linda Ave., Tucson
Approx. 1069 GSF

EXHIBIT B-2
Carriage House Floorplan



CARRIAGE HOUSE
17 N. Linda Ave., Tucson

Approx. 491 GSF

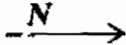


EXHIBIT C
Page 1 of 2

PIMA COUNTY, ARIZONA
BOARD OF SUPERVISORS POLICY
Subject: Tobacco-Free Environment
Policy Number: C 3.18

PURPOSE:

Smoking and the use of tobacco related products are a major cause of preventable disease and death. As a leading employer and health proponent Pima County is committed to the promotion of health, wellness, and the prevention / treatment of diseases. Pima County also serves as a model for the public influencing attitudes about smoking and the dangers of tobacco products. The purpose of this tobacco-free policy is to create tobacco-free environments for all Pima County facilities, public buildings and adjacent properties, to provide Pima County employees and the public with guidelines for managing and supporting this policy, and to encourage a healthy lifestyle for all personnel and visitors.

BACKGROUND:

As a major entity involved in the promotion of public health and safety within Pima County, the Board of Supervisors promotes and encourages the establishment of a tobacco-free zone on County facilities, public buildings and adjacent properties. The Board of Supervisors has previously established wellness as a priority for all County employees, by the adoption of the long-range Sustainability Program and employee incentives in the way of premium discounts for health insurance benefits. The establishment of a tobacco-free policy is the natural continuance of those efforts.

POLICY:

It is the policy of the Board of Supervisors that to provide a safe and healthy environment for all employees, and the general public.

The Board of Supervisors prohibits the use of tobacco products at all times on County facilities, public buildings and adjacent properties, and in County vehicles. This prohibition applies to all employees, and to all visitors and other persons at any County sponsored activity or event conducted on County facilities, in public buildings or on adjacent properties.

DEFINITIONS:

Tobacco Products include cigarettes, cigars, pipes, smokeless tobacco, water pipes, hookah, e-cigarettes, chewing tobacco, snuff and other products containing tobacco.

County Facilities, Public Buildings and Adjacent Properties including County owned or leased properties and a facility occupied or used by any County personnel, visitor, or vendor, and includes but is not limited to buildings, courtyards, walkways, breeze-ways, parking lots, parking structures, County vehicles (owned or leased), loading docks or construction sites.

EXHIBIT C

Page 2 of 2

**PIMA COUNTY, ARIZONA
BOARD OF SUPERVISORS POLICY
Subject: Tobacco-Free Environment
Policy Number: C 3.18**

COMPLIANCE:

County personnel are responsible for compliance with the policy.

Visitors and vendors observed to violate this policy shall be respectfully informed of the Tobacco-Free Environment Policy and asked to comply. If a visitor or vendor neglects to comply, that neglect to comply may be used as grounds for prohibiting access to premises or facilities by said visitor or vendor.

If any individual violating the policy appears agitated or otherwise confrontational regarding compliance, then County personnel shall immediately inform the staff responsible for the facility or security personnel if available and shall engage in no further intervention.

All vendors doing business with Pima County shall be notified of the Tobacco-Free policy and shall be expected to comply with the policy. Organizers and supervisors of public events, conferences, meetings and work activities on County facilities, work sites, public buildings and adjacent properties shall be responsible to communicating the requirements of the Tobacco-Free Policy to such events or conferences for attendees.

All new employees of Pima County will be informed on and educated about the Tobacco-Free Policy and the requirement that employees comply with the policy. Additionally, new employees shall be made aware of the availability of tobacco cessation programs sponsored or funded by Pima County.

REFERENCES:

Pima County Ordinance, Chapter 2.12

Pima County Code, Section 8.50

Adopted Date: November 13, 2012

Effective Date: January 1, 2013

Website: <http://www.pima.gov/cob/POLICY/C3-18.pdf>

EXHIBIT D
Property Rules and Regulations
Page 1 of 3

1. **Entrances and Walkways.** The sidewalks, entrances, and common pathways will not be obstructed by Tenant or used for any purpose other than for ingress and egress to and from the Premises and Property. Tenant will not place or allow to be placed in any public passageway any waste, paper, dust, dirt, garbage, trash or any other thing whatsoever.
2. **Use of Fixtures.** No plumbing, electrical, or other fixtures will be used for any purpose other than those for which they were constructed and intended, and no sweepings, rubbish, rags or other substances will be stored or discarded therein. The expense of any damage resulting from misuse by Tenant will be solely that of Tenant.
3. **Animals.** No birds or animals will be kept in or about the Property.
4. **Noise and Sounds.** Tenant will not operate or permit to be operated any musical or sound-producing instruments or devices which may be heard outside the Premises, or make or permit to be made any objectionable noise inside or outside the Premises, without Landlord's prior written consent which may be withheld in Landlord's sole discretion.
5. **Residential Use or Storage.** Neither the Premises nor the Property will be used for residential purposes or for the storage of personal effects or articles other than those required by Tenant for its business purposes.
6. **Hazardous Materials.** No dangerous, toxic, or explosive materials will be kept or permitted to be kept in the Premises or on the Property at any time.
7. **No Cooking.** Except for use of a non-commercial microwave oven in the Premises' breakroom for lunches and snacks, Tenant will not cook or permit any cooking in the Premises or on the Property without Landlord's prior written consent, which may be withheld in Landlord's sole discretion. Tenant will not install or permit the installation or use of any machine dispensing goods for sale in the Premises or on the Property without the prior written consent of Landlord, which may be withheld in Landlord's sole discretion.
8. **Heavy Equipment.** Tenant will not bring in or remove, position, construct, install or relocate any safe, copier/printer machine or other heavy items without first obtaining the prior written consent of Landlord, which will not be unreasonably withheld. However, Landlord has the right, in its sole discretion, to specify the allowable weight and placement of all such items, and the design and use of planks, skids or platforms to distribute the weight thereof.

Installing and removing heavy items or other office equipment or furniture will occur only on days and at times pre-approved in writing by Landlord, and all persons moving the same in and out of the Property must also be pre-approved in writing by Landlord. Any damage

EXHIBIT D
Property Rules and Regulations
Page 2 of 3

done to the Premises or Property by moving or using any such heavy items or other office equipment or furniture will be promptly repaired at the sole expense of Tenant.

Safes and other heavy items will be moved only on properly sized movers' hand trucks and dollies. No freight or bulky matter of any kind will be brought into the Premises or onto the Property except during hours approved by Landlord.

9. Moving.

9.1. Moving Hours are from 8:00 a.m. to 6:00 p.m. daily. Tenant will notify Landlord at least seventy-two (72) hours in advance to schedule a move. If Tenant does not provide such notice, Tenant may be assessed a penalty of Five Hundred Dollars (\$500.00) at the sole discretion of Landlord.

9.2. At least ten (10) days before a move, Tenant will provide Landlord with a Certificate of Insurance from the moving company naming Landlord an additional insured in the amount of no less than Two Million Dollars (\$2,000,000.00) for general liability and property damage.

9.3. Furniture pads must be used and Masonite must be placed on all floors for all moves. Any damage to the Premises and Property during the moving process is the sole responsibility of Tenant.

9.4. Within seventy-two (72) hours after moving in, Tenant will give Landlord written notice of any repairs needed to, or any defects discovered in, the plumbing, heating, air-conditioning, ventilating, mechanical or electrical systems or any other part of the Premises or Property. Failure to give such notice will be deemed as Tenant's acceptance that the Premises and Property are free of needed repairs and defects.

10. Defacement. Tenant will not mark, drill into or in any way deface the walls, ceilings, partitions, floors or other parts of the Premises or the Property without Landlord's prior written consent, which may be withheld in Landlord's sole discretion.

11. Vendors. Tenant will not use or engage any person or entity for the purpose of maintaining or repairing any aspect of the Premises or Property except with the prior written consent of Landlord, which may be withheld in Landlord's sole discretion.

12. Wires and Cabling. If Tenant desires to install any electrical wiring or cabling, Landlord reserves the right to direct qualified persons as to where and how the wires are to be introduced, and without such directions no borings or cutting for wires will take place. No wires, cables, or conduits of any kind will be introduced into the Premises or onto the Property without the prior written consent of the Landlord.

EXHIBIT D
Property Rules and Regulations
Page 3 of 3

13. Door and Window Locks. Tenant will not re-key any existing door or window lock of the Premises or Property, nor place or cause to be placed any other locks on such doors or windows, without the prior written consent of Landlord which may be withheld in Landlord's sole discretion. All lock changes will be performed by Landlord's personnel at the sole cost of Tenant and will be subject to any conditions imposed by Landlord. Tenant specifically agrees to provide Landlord with at least two (2) keys for each dissimilar lock. Lost and/or additional keys may be obtained from Landlord at the sole cost of Tenant.

14. Signage. Tenant may display its name on the main entrance door of the Premises at Tenant's sole expense. Landlord has the right to approve, in its sole discretion, the style, design, and size of such signage.

14.1. Tenant will not place or permit to be placed any sign, advertisement, notice or other display on any part of the Premises or Property if such sign, advertisement, notice or other display is visible from outside the Premises, without the prior written consent of Landlord, which may be withheld at Landlord's sole discretion. Tenant, upon request of Landlord, will immediately remove any sign, advertisement, notice or other display that Tenant has placed or permitted to be placed which Landlord reasonably determines to be objectionable. If Tenant fails to do so within forty-eight (48) hours after Landlord's request, Landlord may remove the same at the expense of the Tenant.

15. HVAC System. Tenant will not interfere with or obstruct any part of the heating, air conditioning or ventilation systems.

16. Canvassing. Tenant will neither conduct nor permit any canvassing in the Premises or on the Property.

17. Additional Rules. Landlord has the right to make other and further reasonable rules and regulations, and to alter the same, if in Landlord's judgment it is needed for the safety, care, cleanliness and appearance of the Premises and Property, or for the preservation of good order therein. Landlord also has the right to suspend or cancel, with or without prior notice to Tenant, any or all of the rules and regulations set forth herein.

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