

STATE OF GEORGIA

COUNTY OF RABUN

THIS LEASE, made this 29th day of May, 2018, by and between the City of Sky Valley, Georgia, first party, hereinafter called "Lessor" and Sky Valley-Scaly Mountain Volunteer Fire & Rescue Department, Inc., second party, hereinafter called "Lessee".

WITNESSETH:

1. The Lessor, for and in consideration of the rents, covenants, agreements and stipulations hereinafter mentioned, reserved and contained, to be paid, kept and performed by the Lessee, has leased and rented, and by these presents does lease and rent, unto the said Lessee, and said Lessee hereby agrees to lease and take upon the terms and conditions which hereinafter appear, the fire station building located at 1654 Saddleback Circle, Sky Valley, Georgia.
2. Rent: Lessee agrees to pay lessor, as rent, the sum of \$10.00 per calendar year, or any portion of a calendar year during which this lease is in effect.
3. Renewal of lease: This lease shall renew automatically annually on a calendar year basis.
4. Termination: Either party has the right to terminate this lease at any time provided the terminating party gives the other party a 12 month written notice of its intent to terminate.
5. Abandonment or sublet: Lessee agrees not to abandon or vacate the lease building during the term of this lease. Lessee shall not have the right or option to sublet any portion or all of the leased building. If Lessee determines the building is no longer needed for the purpose described herein, Lessor will take possession of the building for its own use and purposes.

6. Use and Services: Lessee agrees to only use the building in support of fire protection and other emergency services as stated in Lessee's contract with Lessor, and in support of said services to the remainder of Lessee's Rabun County fire district, the Scaly Mountain Community, and to other jurisdictions when deemed responsible and appropriate by Lessee.

7. Utilities: Lessee shall pay all utility bills for the leased building with the exception of water and sewer which shall be supplied by Lessor.

8. Maintenance and repairs:

A. Lessee agrees to make repairs as needed to maintain the usefulness and structural integrity of the building. Repairs of catastrophic damage not covered by Lessee's insurance and exceeding \$5,000 shall be paid for by Lessor.

B. Lessee agrees to perform routine maintenance, such as trimming shrubs and small trees, and raking leaves on Lessor's land immediately adjoining the leased building.

C. Lessor agrees to trim and remove trees as necessary to prevent them from damaging the building. Lessor further agrees to make any and all repairs as needed to the apron between the building and the street, water lines and hydrants serving the building, and the septic system. Lessor also agrees to remove snow and ice from the apron between the building and the street as expeditiously as possible to enable lessee's trucks to safely exit and enter the building.

9. Improvements: Lessee may make alterations and improvements to the building as needed for the furtherance of it's stated mission in paragraph 6 above. Any alteration that would change the exterior appearance of the building must first be approved by Lessor.

10. Lessee agrees to indemnify and save harmless the Lessor against all claims for damages to persons or property by reason of the use and occupancy of the leased building including any claims by Lessee's agents and employees, Lessee's customers and invitees. Lessee shall maintain liability insurance in an amount no less than One Million (\$1,000,000) Dollars per occurrence. Lessee shall provide property and casualty

insurance on the leased building. There shall be sufficient coverage to insure the fair market value of the building. Lessee shall provide proof of all insurance related to the leased building to Lessor on an annual or requested basis. In the event Lessee fails to maintain insurance Lessor has the right to increase the amount of rent to cover the insurance costs. Lessee shall be responsible for maintaining workers' compensation insurance and all other insurance as it deems appropriate on its property and equipment. Lessor shall be named as an additional insured on all insurance policies related to the building.

11. Lessee hereby appoints the Fire Department Chief as its agent to receive service of all dispossessory or distraint proceedings and notices thereunder, and all notices required under this lease.

12. Time is of essence of this agreement.

13. Lessee, upon expiration of this Lease or any extension thereof, may remove all fixtures, equipment, machinery and other property which it has placed in the premises. Lessee shall make any and all repairs required to the leased premises for damages resulting from removal of such furniture, equipment and machinery.

14. Lessee accepts the building in its present condition and as suited for the use intended by Lessee. Lessee shall protect the heating, water and electrical systems against freezing or damage to systems due to neglect of Lessee.

15. Lessor and its agents shall have the right at all reasonable times during the term of this Lease and any renewal thereof to enter the leased building for the purpose of inspecting the building and for the purpose of making any necessary improvements thereon.

16. This Lease contains the entire agreement of the parties hereto and no representations, inducements, promises or agreements, oral or otherwise between the parties not embodied herein, shall be of force or effect.

17. This agreement shall be governed by the laws of the State of Georgia and the parties agree that Rabun County, Georgia is the exclusive venue for the resolution of any dispute under the terms and conditions of this Lease.

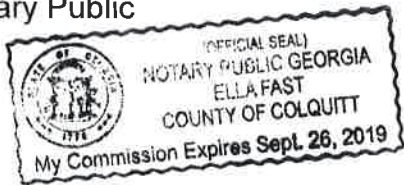
IN WITNESS WHEREOF, Lessor has caused these presents to be executed by its duly authorized officer and has caused its corporate seal to be affixed hereto, and Lessee has hereunto set its hand and seal, in duplicate, the day and year first above written.

Robert Mac Naei (Seal)
"Lessor"

Signed, sealed and delivered as to Lessor in the presence of:

Ella Fast

Ella Fast
Notary Public



May 29, 2018
Date

[Signature] (Seal)
"Lessee" Fire Chief

Signed, sealed and delivered as to Lessee in the presence of:

Catherine L. Sherburn

Catherine L. Sherburn
Notary Public



[Signature] (Seal)
"Lessee" Chairman of the Board

May 21, 2018
Date