

MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF TRUSTEES OF THE
UNIVERSITY OF LOUISVILLE

May 25, 2022

In Open Session

Members of the University of Louisville Board of Trustees met in the Healthful City Initiative Room of the Republic Building, 429 W Muhammad Ali Blvd., both in-person and virtually, on May 25, 2022, at 10:02 a.m., with members present and absent as follows:

Present: Ms. Mary Nixon, Chair
Mr. Jerry Abramson
Dr. Larry Benz
Mr. Scott Brinkman
Dr. Raymond Burse
Mr. Al Cornish
Ms. Diane Medley
Ms. Ugonna Okorie
Mr. James Rogers
Dr. David Schultz
Mr. John Smith
Ms. Sherrill Zimmerman

Absent: Ms. Diane Porter

From the
University: Dr. Lori S. Gonzalez, Interim President
Dr. T. Gerard Bradley, Interim Provost
Mr. Dan Durbin, Executive Vice President for Finance & Administration, CFO
Ms. Angela Curry, General Counsel and Vice President for Legal Affairs
Dr. Toni Ganzel, Vice President for Academic Medical Affairs
Dr. Michael Mardis, Vice President for Student Affairs & Dean of Students
Mr. John Drees, Sr. Assoc. Vice President for Communications and Marketing
Ms. Mariana Barzun, Interim Co-Vice President for University Advancement
Mr. Adam Okuley, University Counsel
Mr. Jake Beamer, Dir. of Governance & Strategic Initiatives & Asst. Secretary

Guest: Ms. Christina Lee Brown

I. Call to Order

Chair Nixon called the roll. Having determined a quorum present, she called the meeting to order at 10:02 a.m.

Conflict of Interest Affirmation

The Chair reminded all members of the board of their responsibility to avoid conflicts of interest and appearances of conflicts of interest. She stated each member has received the agenda and related information for this Board of Trustees' meeting.

Chair Nixon requested if any board member knows of any conflict of interest or appearance of conflict of interest with respect to any matter coming before the Board of Trustees at this meeting, to please identify the conflict or appearance of conflict at this time.

No conflicts were identified.

Approval of Minutes, 5-19-2022

Dr. Burse made a motion, which Dr. Benz seconded, to approve the minutes of the May 19, 2022, meeting.

The motion passed.

II. Action Item: Approval of Gift and Lease Agreements

Chair Nixon explained that the only item of business is the approval of a charitable gift agreement and lease agreement related to a donation by Christina Lee Brown and the Owsley Brown II Family Foundation to support the Envirome Institute and establish A New Vision of Health Project. It is the single, largest gift ever given to the university, and it is a transformational opportunity to support groundbreaking work that can create advances in health to benefit the Louisville Community, the Commonwealth of Kentucky, and individuals around the world.

The chair stated this gift and the project can exhibit the University of Louisville as being an innovative urban campus that is focused on forward-thinking solutions, and she shared the trustees' hope this generous gift will become a jumping-off point that will spur historic research and innovations by the Christina Lee Brown Envirome Institute for years to come.

Ms. Brown thanked the board for their wisdom and understanding that the university's presence in the heart of the city is essential to solving problems that plague the world. She thanked Drs. Aruni Bhatnagar and Ted Smith for leading the Envirome Institute and interim president Gonzalez for her enthusiasm and continual strong support of the transformational gift.

Mr. Cornish made a motion, which Ms. Zimmerman seconded, to approve the

President's recommendation that the Board of Trustees approve the Charitable Gift Agreement and Lease agreement in the forms attached to this recommendation, which Charitable Gift Agreement relates to a donation

by Christina Lee Brown and the Owsley Brown II Family Foundation to support the Christina Lee Brown Envirome Institute and establish the A New Vision of Health project for the Christina Lee Brown Envirome Institute, and which Lease Agreement relates to a lease of space by the University downtown Louisville that will become the A New Vision of Health campus.

The motion passed.

III. Adjournment

Having no other business to come before the board, Ms. Zimmerman made a motion, which Mr. Cornish seconded, to adjourn.

The motion passed and the meeting adjourned at 10:12 a.m.

Approved by:


Signature on file
Assistant Secretary

RECOMMENDATION TO THE UNIVERISTY OF LOUISVILLE BOARD OF TRUSTEES
REGARDING APPROVAL OF GIFT AGREEMENT AND LEASE BENEFITTING THE
ENVIROME INSTITUTE

Board of Trustees – May 25, 2022

RECOMMENDATION:

The President recommends that the Board of Trustees approve the [Charitable Gift Agreement](#) and [Lease Agreement](#) in the forms attached to this recommendation, which Charitable Gift Agreement relates to a donation by Christina Lee Brown and the Owsley Brown II Family Foundation to support the Christina Lee Brown Envirome Institute and establish the A New Vision of Health project for the Christina Lee Brown Envirome Institute, and which Lease Agreement relates to a lease of space by the University downtown Louisville that will become the A New Vision of Health campus.

BACKGROUND:

The Christina Lee Brown Envirome Institute (the “Institute”) is a multidisciplinary institute that turns scientific research into actionable, relevant knowledge that promotes interconnected human health in all its forms: nutritional, economic, environmental, psychological, intellectual, spiritual, cultural, and physical. The Institute works with the Louisville community to develop opportunities for experiential research and discovery with the goal of creating “A New Vision of Health” that will encourage the community to make decisions through the lens of all forms of health, and inspire, teach, and lead everyone to become a community problem-solver. The Institute brings together experts and leaders from various fields to address our community’s most pressing challenges in holistic ways and sets the model for new kinds of collaborative problem-solving within the University as well as with other institutions and partners throughout our city and Commonwealth.

Christina Lee Brown (the “Donor”) owns certain properties in Louisville, Kentucky located at 427 W. Muhammad Ali Blvd. (known as the “Philanthropic Building”), 425 W. Muhammad Ali Blvd. (to be known as the “Harmony Building”), and 411 W. Muhammad Ali Blvd. (known as the “George Garvin Brown Garden”). The Philanthropic Building, the Harmony Building, and the George Garvin Brown Garden shall be collectively known as the “Properties.”

The Donor and the University desire to collaborate on a new project at the Properties, to be known as the A New Vision of Health project (the “Project”), that will include both facilities and programmatic activities within the Properties and involve contributions from both the Donor and the University, as well as contributions from many other partners. The Project will provide the

Institute, the University, and the Louisville community the opportunity to expand research and educational programs to address new frontiers in the prevention of disease and the promotion of a New Vision of Health.

The Charitable Gift Agreement provides a historic commitment from the Donor to help establish the A New Vision of Health campus at the Properties and to support the work of the Institute. The Donor has committed an annual pledge of \$2,000,000 from 2022 through 2032, for a total of \$20,000,000. Further, the Donor has committed to match new philanthropic contributions designated for the benefit of the Institute received between 2033 and 2042, up to \$1,000,000 each year, for a total potential commitment of \$30,000,000.

The Donor and the University also desire to support the mission of the Project by executing the Lease Agreement, by which the University will lease the Properties from the Donor on behalf of the Institute to satisfy the Institute's space needs in connection with the Project. Such space may be used for purposes including office space housing the Institute's staff offices, meeting areas and hospitality space, support spaces, the operation of a biometric suite for the study of biometric science, the operation of a kinetic laboratory for the study of exercise and metabolism, the operation of a sleep center for the study of sleep science, the operation of a variety of laboratories for advanced research, the operation of a conference center for hosting scientific conferences and accommodating tourism, and areas to support environmental research of storm-water diversion by the Institute in partnership with the University of Louisville Speed School of Engineering, among other uses.

In connection with the Charitable Gift Agreement and the Lease, the University and the Institute will commit to supporting the work and mission of the Institute and the Project throughout the pledge term, as well as committing to cover the operational and administrative costs of the Project at the Properties through available revenues flowing to the Project.


The University views this gift as a transformational opportunity to support groundbreaking work that can create advances in health to benefit the Louisville community, the Commonwealth of Kentucky, and individuals around the world. This gift and the Project can exhibit the University of Louisville as being an innovative urban campus that is focused on forward-thinking solutions that can help all those around us. The University hopes that this generous gift from Christina Lee Brown will become a jumping-off point that will spur historic research and innovations by the Christina Lee Brown Envirome Institute for years to come.

BOARD ACTION:

Passed _____

Did Not Pass _____

Other _____

 Signature on file _____
Assistant Secretary

Charitable Gift Agreement

Creating

The Christina Lee Brown Envirome Institute at the University of Louisville *A New Vision of Health Campus – Making Decisions through the Lens of Health*

This Charitable Gift Agreement is entered into by and between Christina Lee Brown and the Owsley Brown II Family Foundation, Inc. (collectively hereinafter referred to as “Donor”), the University of Louisville (the “University”), and the University of Louisville Foundation, Inc. (hereinafter referred to as “Foundation”). Donor, the University, and the Foundation agree that this Charitable Gift Agreement shall be effective as of July 1, 2022.

1. **Purpose of the Envirome Project.**

The World Is Our Lab.

Everyone knows second-hand smoke will make us sick, yet we allow many other second-hand health threats to linger on unaddressed. We know about pollution, but there are also surprising things like ineffective government, low participation in the arts, or neighbors not getting a chance to finish school. When these surround us, it literally takes years off our lives, too. That’s because, just like bobwhite quail and poplar trees, we live in dynamic, interdependent health exchanges called ecosystems, and our lives depend on them.

The drastic reduction in second-hand smoke is one of the great modern achievements of science and public health, but it didn’t happen by yet another study of lung cancer. Instead, this achievement resulted from a different kind of science that took us out of our silos and made the world our lab. Through the study of the ecosystems that gave rise to second-hand smoke, effective interventions were developed that made those ecosystems, and all of us, healthier.

Understanding the dangers of second-hand smoke, and taking affirmative steps to limit it, required a leap of perspective. That perspective was nothing less than a new vision of health. And through that example we see that good health goes far beyond the mere absence of disease and its elements are much more interwoven than conventional specialized health science is prepared to address.

A New Vision of Health

A generation ago, in 1948, the World Health Organization invited us all to step beyond the narrow definition of health as the absence of disease and infirmity to understand that “health is a state of complete physical, mental, and social well-being.” The Envirome Institute at the University of Louisville has picked up the WHO challenge so that a New Vision of Health will inform everything we do and will be the criterion for how we measure our success. Our New Vision of Health is that all forms of health – physical, psychological, nutritional, environmental, economic, cultural, spiritual, and intellectual – affect one another. Certainly, nutritional health affects physical health, but so too does physical health affect nutritional health, and both affect psychological health which in turn is also affected by environmental, economic,

and cultural health, which may not be discussed without reference to intellectual and spiritual health.

Our New Vision of Health calls upon each of us individually, and as a community decision-maker, to insist that all forms of health be considered in our daily lives and public policy deliberations. Every decision must be made through the lens of all forms of Health.

Relationship with the University of Louisville

Our New Vision of Health cannot be pursued without civic, community, philanthropic, and educational partners. Among the most significant is the University of Louisville, which manages the Christina Lee Brown Envirome Institute (hereinafter referred to as the “Institute”), a multidisciplinary institute that turns scientific research into actionable, relevant knowledge that promotes interconnected human health in all its forms: nutritional, economic, environmental, psychological, intellectual, spiritual, cultural, and physical. The Institute works with the Louisville community to develop opportunities for experiential research and discovery that will enable all of us together to discover and to create the New Vision of Health in order to encourage us all to make decisions through the lens of all forms of Health, and inspire, teach, and lead everyone to become a community problem-solver. The Institute brings together experts and leaders from various fields to address our community’s most pressing challenges in holistic ways and sets the model for new kinds of collaborative problem-solving within the University as well as with other institutions and partners throughout our city and Commonwealth.

Because the Envirome Institute is a key priority of the University, the Donor and the University will regularly work together to support the Donor and University’s shared goals of creating a healthier, more vibrant and successful community at the University and in the Louisville community. As Louisville’s key metropolitan research institution brings together its human capital to promote human health in all its forms, our city will prove to be a healthier place to live for everyone.

The Envirome Model

The Envirome Institute has begun and is committed to developing a new model for this New Vision of Health, one that will allow scientists to validate solutions in complex, systemic, real-world environments, and that will allow engagement on the most relevant community issues faced today. Our model begins with work at a local, small-scale level, and employs repeating cycles of investment, investigation, and implementation. By maintaining a diverse funding mix, we can seed investment in projects that don’t conform to the rigid categories of conventional health science, allowing them to earn later institutional support.

As part of ensuring real-world viability, we develop and implement projects in collaborative partnerships within our home city of Louisville, Kentucky, USA and its economic region. The Institute’s facilities will become a home-place for scientific, corporate, political, civic, philanthropic, and citizen partnerships devoted to realizing the New Vision of Health, but its laboratories and investigators are spread across a growing network as wide and diverse as a healthy city must be.

2. Creation of the Christina Lee Brown Envirome Institute's A New Vision of Health Campus.

The Donor owns certain properties in Louisville, Kentucky, located at 427 W. Muhammad Ali Blvd. (known as the "Philanthropic Building"), 425 W. Muhammad Ali Blvd. (to be known as the "Harmony Building"), and 411 W. Muhammad Ali Blvd. (known as the "George Garvin Brown Garden"). The Philanthropic Building, the Harmony Building, and the George Garvin Brown Garden shall be collectively known as the Christina Lee Brown Envirome Institute's A New Vision of Health Campus, hereinafter referred to as the "Properties."

The Donor and the University desire to collaborate on a new project at the Properties, to be known as the A New Vision of Health Project (referred to hereafter as the "Project"), that will include both facilities and programmatic activities within the Properties and involve contributions from both the Donor and the University, as well as contributions from many other partners. The Project will provide the Institute, the University, and the Louisville community the opportunity to expand research and educational programs to address new frontiers in the prevention of disease and the promotion of a New Vision of Health. The Project's goals fit within the University's goal of advancing Health. A New Vision of Health is intended to inspire us all to make decisions through the lens of all forms of Health, and to recognize the interconnectedness of all forms of Health.

This expansion will initially include new research in the areas of nutrition, physical activity/metabolism, and sleep. This research will ultimately focus on the holistic Health challenges of urban populations. It will include regular interactions with Louisville residents, visitors to Louisville, government officials and members of the business and nonprofit community. Therefore, the Donor and the University agree that the Properties are an ideal location for the Project because of their location in the Heart of the City.

To meet its goals for the Project, the University and the Institute will require several different types of laboratory space, instructional space, hospitality and meeting space, and public engagement space. As set forth in a Lease Agreement executed concurrently with this Charitable Gift Agreement, the University intends to lease a significant portion of space at the Properties from the Donor to satisfy its space needs in connection with the Project.

The University will use the space in the Properties for a variety of activities intended to further the mission of the Institute and the Project. Those activities will necessarily change over time but as of the date of this Charitable Gift Agreement the parties recognize that the type of activities could include the operation of a food exchange, the operation of a demonstration kitchen, the operation of an admissions center and gift shop, the operation of a small scale grocery store, the operation of a research kitchen for nutrition studies, office space housing the Institute's staff offices, meeting areas and hospitality space, support spaces, the operation of a biometric suite for the study of Biometric Science, the operation of a kinetic laboratory for the study of exercise and metabolism, the operation of a sleep center for the study of sleep science, the operation of a variety of laboratories for advanced research, the operation of a conference center for hosting scientific conferences and accommodating tourism, and areas to support environmental research of storm-water diversion by the Institute in partnership with the University of Louisville Speed School of Engineering.

3. Commitment of the Donor.

A. *Direct Financial Contribution -- Pledge.* The Donor pledges to the Foundation, for benefit of the University and the Institute, \$2,000,000 to be paid between July 1, 2022, and June 30, 2023 (the “Initial Pledge Term”), to help the University and the Institute continue the ongoing work and established mission of the Institute – making decisions through the Lens of Health. So long as the work of the Institute continues to advance the promotion of A New Vision of Health, which will be evidenced by the University’s commitment to meeting the requirements set forth herein, the Donor shall contribute an additional \$2,000,000 per year for nine years – by June 30 of years 2024 – 2032. The University further commits to provide the Donor with an annual assurance by the University President that the work of the Institute continues to fit within the University’s priority of advancing A New Vision of Health. Donor may, but need not, satisfy this pledge in quarterly installments.

In addition, upon such continuing assurances, for the years 2033 – 2042 (the “Matching Pledge Term,” and together with the Initial Pledge Term, the “Pledge Term”) Donor’s pledge will continue, and Donor will match dollar for dollar all new philanthropic contributions designated by the University for the Institute up to an annual maximum of \$1,000,000. “Philanthropic contributions” are contributions from individuals, for-profit business entities, non-profit organizations, foundations (described in section 509 (a)(1) of the Internal Revenue Code), and donor advised funds (described in section 4966(d)(2) of the Internal Revenue Code). “New” means contributions from a donor that has not expressly contributed to benefit the Institute during the Matching Pledge Term, or the amount by which an existing donor increases its contribution above the amount given during the Matching Pledge Term. No in-kind contribution will be matched and nor will any amount contributed by a governmental entity directly or indirectly. The purpose of this potential matching contribution is to maintain Donor’s close connection with the Institute and University and to encourage the University to focus close attention on the importance of local and national fundraising around the importance of the New Vision of Health.

The pledge will be subject to the following terms and conditions:

- i. Transformational Leadership. The Institute will be directed by Dr. Aruni Bhatnagar or someone of reasonably similar credentials, reputation, and stature in the field of environmental health.
- ii. Location. The headquarters of the Institute will be the Properties.
- iii. Name. The Institute name will remain unchanged for the Pledge Term.
- iv. Intellectual Development. In addition to the research and work currently performed by the Institute member centers, the University, through the Institute, commits to create a new model of transdisciplinary faculty recruitment and development. Specifically, subject to applicable law and the University’s policies

and standard procedures (including, but not limited to, the RedBook and the University's standard hiring practices), as faculty positions become available, the University will seek to hire up to 21 faculty during the Pledge Term whose research efforts will be expended within the Institute, subject to available funding. The University will set a goal that three of those new faculty hires will initially be at the rank of full professor, six initially at the rank of associate professor, and twelve initially at the rank of assistant professor, each funded in full by the University of Louisville salary lines. All of these faculty would have a home department affiliation either in the School of Medicine, in other Schools at the Health Sciences Center, or in other Schools on the Belknap Campus, in addition to their affiliation with the Institute. However, the Promotion-Appointment-Tenure (PAT) decisions for such faculty will be made by the PAT committees of the faculty members' home departments, in consultation with the Director of the Institute, subject to and in accordance with standard University of Louisville policies and procedures. The salary of all such faculty will be covered by the Institute in proportion to the percentage of effort of each that is devoted to the Institute. For any clinical faculty, the remaining salary amounts will be paid through appropriate funding sources within the School of Medicine and/or clinical enterprise. The Institute will also strive to support these new faculty hires by offering start-up costs and research facilities to support their research.

The Institute will continue to pay the salaries of existing faculty affiliated with the Institute based on the percentage of effort of each faculty-member that is devoted to the Institute, in accordance with current practice, with remaining salaries being paid by the faculty members' home departments or clinical practice, as applicable.

In addition, the University will allocate during the Pledge Term to the Institute at least 8 Integrated Programs in Biomedical Sciences (IPIBS)-supported graduate students from any participating department.

- v. Community Engagement. The Institute will continue to make publicly available and publicized programming regularly available addressing all forms of health and the importance of making decisions through the Lens of Health to the University Community, the medical community, and the public generally.
- vi. Financial Sustainability. The Institute must be financially sustainable and prioritize development with the establishment of a full-time position of Executive Director, Marketing and Development and at least 70% of that person's effort will be funded by the Office of the Vice President of University Advancement. The Executive Director of Marketing and Development will be committed to the Institute and advancing and supporting A New Vision of Health and the sustainability of the Project. The Executive Director will be hired and supervised by the Director of the Institute or their designee together with the Office of the

Vice President of University Advancement. The University will support the success of the Project by seeking funding in addition to that being provided by the Donor. The University will advocate for governmental entity funding, apply for grant funding from private, local and national sources, and seek individual support consistent with the Institute's role as a significant research initiative of the University. Through its normal fundraising activities and consistent with the other ongoing priorities of the University, the University will include the Institute, as appropriate, among the University's future advancement and fundraising initiatives.

- vii. Annual Budget Support. The University is committed to providing adequate budgetary support for the Project on an annual basis. Subject to funding availability and required approvals, the University will provide support for the Institute in the University's annual budget of as much as \$1,358,000 annually.
- viii. Administrative Assistance and Infrastructure. The University recognizes the significance and support of the Institute and is committed to providing the necessary administrative assistance and infrastructure. Subject to required approvals, the University will provide administrative expertise and infrastructure to ensure the efficient operation of the Project and enable faculty programming at the Project, to include an effort to bring as many of the University's schools and departments to the collaboration in the Project.
- ix. Project Recognition. The University will deploy its prestige and community connections to highlight the impact and activities of the Project to a national and international audience and attract exciting programming to be hosted at the Project. The University will recognize the importance of the Institute to the University's strategic goals to develop key areas of research affecting the University and the Louisville community.
- x. Advisory Board. The University (with the assistance of the Steering Committee (as defined below)) will help recruit and maintain a transdisciplinary advisory board from across the University for the Institute, with representatives of Nutritional, Economic, Environmental, Psychological, Intellectual, Spiritual, Cultural, and Physical Health committed to pursuing the Institute's collaborative and interconnected model of health. These advisory board members would be the leaders (or, if appropriate, their designees) from the relevant schools and departments of the University of Louisville; for example, the deans and/or department chairs in the disciplines of Nutrition, Economics, Environmental Sciences, Psychology, Education, Religious Studies, Cultural Studies, and Medicine. The advisory board would have, in addition, a representative from each of the business community, the philanthropic sphere, and local government. This board would meet semi-annually.

- xi. Succession Plan. An appropriate succession plan will be developed in the first five years of this Gift Agreement for leadership of the Institute, with a plan to maintain leadership with appropriate credentials, reputation, and stature in the field of environmental health and civic leadership for the life of the Project.

- xii. Urban Design Studio. During the Initial Pledge Term, the University will maintain the Urban Design Studio in the Institute and at the Properties and continue to support at least 70% of the effort of its executive director. The University will maintain its current level of support of the Urban Design Studio following the Initial Pledge Term upon the recommendation of the Steering Committee that the Urban Design Studio continues to serve the mission of the Institute, and upon confirmation of the continuance of the Donor's pledge commitments provided herein.

- xiii. The Center for Healthy Air, Water and Soil. The Center for Healthy Air, Water, and Soil will continue operations to support the overall mission of the Institute with its focus on the fundamental role air, water and soil play in individual and community health. The Center will continue to be led by Dr. Ted Smith or a faculty member of similar credentials. The Center will champion the comprehensive and balanced application of the Donor's owned and trademarked "Harmony and Health Circle" where appropriate as a tool to further understanding and communication about health. All programs of the Center would be designed to be replicable in other cities continually working towards the New Vision of Health.

B. *Renovation and Lease of the Properties.* The Donor will lease the Properties to the University to allow the University, through the Institute, to establish the Project at the Properties with the goal of creating a nexus of innovation in downtown Louisville that can become the focal point of the Institute's mission. The Donor and the University intend for the University to be committed to using the Properties for the Project for a long term, and therefore the term of the lease will be 50 years. The lease rate for the University's activities at the Properties will be \$1 per year. Any rental revenue received by the University through subleases at the Properties will be used by the University to maintain the Properties and to support the Project, and such other terms and conditions of the lease arrangement will be set forth in a Lease Agreement entered into concurrently with this Charitable Gift Agreement. The University may designate an affiliated organization such as the University of Louisville Real Estate Foundation as the lessee of the Properties and may assign the lease to another affiliated organization at any time and from time to time with written notice to Donor provided 30 days in advance of such assignment becoming effective.

The Donor will complete the construction and build out of the Project's space requirements detailed above, as well as any other building requirements as may be established by the Steering Committee and approved by the University over the life of the Project to meet the Project's needs. This commitment from the Donor is expected to be a minimum of \$30,000,000 over the course of the Initial Pledge Term. If the construction and build out costs

total less than \$30,000,000, the remainder of gift will be allocated towards the operation of the Project and the mission of the Institute.

4. Commitment of the University.

Upon completion of the construction of the Project, the Institute and University will operate the Project and will pay all operating costs and administrative costs of the Project from all available Project revenues. The University believes that its commitment to the Project will expand funding opportunities for the Institute, allow the Institute to develop new programming, and help ensure the success and sustainability of the Project. Such costs shall include the costs of operating the University's and the Institute's spaces at the Properties, including maintenance, utilities, as well as the costs for programmatic features. This will include funding the Institute's research and community engagement activities, including equipment costs and costs of faculty and staff, as well as key elements for operation detailed hereafter. The University with the Donor will endeavor to maintain the Properties as a living, vibrant, busy campus, and will continue to work to find innovative ways to achieve A New Vision of Health. The University will support the success of the Project by pursuing funding opportunities in addition to that being provided by the Donor, and the Donor's investment will be used as leverage to inspire other University fundraising for the Institute.

5. Oversight By the Steering Committee.

The plans for the buildout, and for the on-going operation of the Project, will be overseen by the Steering Committee for the Project. The Steering Committee will be a committee made up of members appointed by the University and members appointed by the Donor. The committee will oversee and guide the buildout and operation of the Project, with the goal of continually keeping the Project moving forward in a way that maximizes the benefit of the Project to the community. The Steering Committee will include the President of the University and the Donor, as Principals. In addition, the other initial members of the Steering Committee will be: Turney P. Berry, S. Regina Blake, Angela Curry, Daniel A. Durbin, Mary D. Jones, Theodore R. Smith. There will always be three members of the Steering Committee appointed by the Donor and three members appointed by the University. Each appointed member of the Steering Committee will serve for a five-year term unless removed and replaced sooner by the party that appointed such individual. The appointing Principals can remove or replace any Steering Committee member at their discretion. An individual may serve any number of terms on the Steering Committee.

6. Goals to be Pursued by the University with the Oversight of the Steering Committee.

The University, with assistance from the Donor and with the oversight of the Steering Committee, will endeavor to achieve certain goals for the Project that the parties believe will contribute to the long-term success of the Project. The General Goals for the Project include:

- Ensuring the completion of the buildings, the use of the Properties, and programming of the Project support the mission of the Institute;
- Developing appropriate concepts and designs for the aesthetic of the Properties to support decisions during construction and buildout of the Properties;
- Developing strategies for engaging University students and alumni, as well as other schools and departments at the University; and
- Evaluating ways that the Project can develop the Properties into a hub for research, innovation, hospitality, tourism, and local culture.

In addition, the University and Donor have set out several key elements of the broad plan for the Project, which are important in order to lead us all to make decisions through the Lens of Health. The Steering Committee will endeavor to ensure that these elements be a part of the Project, to the greatest extent reasonably possible and subject to obtaining all permits, approvals or licenses required for each such elements. These key elements will include:

- First floor to have appealing public space that fosters the open exchange of ideas
- Atrium stairs to be inviting for students and others
- Atrium space conservatory to include balconies and rooftop spaces
- Work with Louisville Metro to gain bump out access for vehicle drop off near front door
- Planters to be incorporated into sidewalk design
- Rooftop to be used as public community space, with opportunities for food and beverage service
- Library space and archives to be included within Project campus
- George Garvin Brown Garden to be made inviting and useful as an accessible urban green space, funding plan for design, and partnerships for programming commitments ongoing
- Harmony Circle to be displayed and activated into engaging examples throughout Project, displays in key areas highlighting Harmony principles
- Terrazzo & metal inlay highlighting former room layouts on floors 4&5 for historical reference and storytelling
- Project to be bike friendly, bike storage and shower access
- Attractive stairwells that encourage use of stairs through art
- Creating a high-end art experience and attractive signage
- Interior and exterior digital display screens for events
- Project attaining Well Building and LEED certifications
- Plants being used to clean indoor air, bio-filter research
- Cliff concept in exterior design including conifer forest deciduous bluff planters
- Water retention & treatment, water filtration pathways on exterior on full display for educational and tourist opportunities

- Green infrastructure to Mayor’s Office – walkway with signage connection Project to Mayor’s Office & Government buildings (paths from campus through Armory Place to W Liberty to Mayor’s office)
- Programming and partnerships for addressing urban-rural connections in Project
- Partner with Louisville Tourism for programming – Tourist and visitor opportunities
- Seek partnerships to honor historic significance of the Properties, including highlighting significance of Women’s Business Club history
- Emphasizing interconnectedness with important nearby opportunities, walkability, and encouraging healthy transportation
- Seeking partnerships to develop solutions to relevant community and city issues
- Developing strong philanthropic relationships and partnerships, including space to accommodate philanthropic partnerships
- Creating Museum quality opportunities in sub level walls. Historic significance of Old Walnut Street acknowledged with signage and exhibits, potentially including: Happy Birthday Park & Hill Sisters, history of U of L schools and departments (i.e. Medical School, Hite, Math Books, Photo Archives)
- Creating Marketing for Institute Laboratories
- Conducting health analysis of the buildings themselves (research of past use and health while occupied)
- Conducting life-cycle assessments throughout use of building space, and life cycle & true cost of all the systems on campus, including: biofilter, composting, geothermal, community and hospitality spaces, educational experiences, public engagement, event action results, etc.
- Signage explaining habitats in the green ecosystem, Garden plant markers, decals on glass explaining air lab greenhouse benefits, glass planters to show roots and soil health
- Interactive learning opportunities teaching and foster the health programs on the campus, including monitoring daylight, monitoring air quality improvement of biofilter, monitoring, and explaining the composting on site, the rainwater filtration and water quality, etc.
- The Health-In-All-Policies Ambassador Program will remain active and have a physical presence in the Project
- Work with Louisville Metro and other partners to secure ample parking

7. Termination of this Gift Agreement and the Project.

Either the University or the Donor may terminate the lease of the Properties as provided in the Lease Agreement. Upon notice of such termination by either party, this Gift Agreement and all obligations called for in it will terminate. The intention of the parties is for this Gift Agreement to accompany the lease of the Properties to the University in order to create and operate the Project.

[Signature page follows]

IN WITNESS WHEREOF, this Charitable Agreement has been executed by the parties as of the dates set out below, but shall be effective as of the date first written above.

Christina Lee Brown, Individually,
and as President of the Owsley Brown II
Family Foundation

Date: _____

Dr. Lori Stewart Gonzalez
Interim President
University of Louisville

Date: _____

Keith M. Sherman
Executive Director and Chief Operating Officer
University of Louisville Foundation, Inc.

Date: _____

**427 W. MUHAMMAD ALI BLVD.
425 W. MUHAMMAD ALI BLVD.
411 W. MUHAMMAD ALI BLVD**

LEASE AGREEMENT

BETWEEN

KENTUCKY PROMISE 2012 LLC,
A Kentucky limited liability company,

KENTUCKY PROMISE 2017, LLC,
A Kentucky limited liability company,

(collectively, “LANDLORD”)

AND

THE UNIVERSITY OF LOUISVILLE,
an institution of higher education of the Commonwealth of Kentucky

(“TENANT”)

_____, 2022

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LEASE AGREEMENT

This Lease Agreement (the “Lease”) is made and entered into as of the ____ day of _____, 2022, by and between KENTUCKY PROMISE 2012 LLC, a Kentucky limited liability company (“KP 2012”), KENTUCKY PROMISE 2017, LLC, a Kentucky limited liability company (“KP 2017”), and THE UNIVERSITY OF LOUISVILLE, AN INSTITUTE OF HIGHER EDUCATION OF THE COMMONWEALTH OF KENTUCKY.

I. Basic Lease Information.

- A. Landlord and Tenant are entering into this Lease to allow Tenant to develop the Project (as defined below) on behalf of and for benefit of the University of Louisville Christina Lee Brown Envirome Institute (the “Institute”) such that the Institute will be able to establish and operate it’s A New Vision of Health project.
- B. KP 2017 is the fee owner of that certain property generally located at 427 W. Muhammad Ali Blvd. in Louisville, Kentucky, known as the “Philanthropic Building.” KP 2012 is the fee owner of that certain property generally located at 425 W. Muhammad Ali Blvd., known as the “Harmony Building,” and that certain property generally located at 411 W. Muhammad Ali Blvd., known as “George Garvin Brown Garden.”
- C. “Project” shall mean the Philanthropic Building located at 427 W. Muhammad Ali Blvd., Louisville, KY, the Harmony Building located at 425 W. Muhammad Ali Blvd., Louisville, KY, George Garvin Brown Garden located at 411 W. Muhammad Ali Blvd., and the parcel(s) of land on which each is located, as more particularly described on **Exhibit A** attached hereto, specifically excluding the Manhattan Grill Space, as defined in Section X(C)(1) below.
- D. “Premises” shall mean the entire Project, including the Common Areas (as hereinafter defined).
- E. “Permitted Use”: The Premises shall be used for office, educational, and research purposes and any other uses as permitted by law that may be necessary to further the mission of the Institute, as well as any uses by any subtenants that are reasonably approved by Tenant, with the goal of creating a multidisciplinary institute turning scientific research into actionable knowledge promoting human health in all its forms: nutritional, economic, environmental, psychological, intellectual, spiritual, cultural and physical. Such activities at the Institute may include, but shall not be limited to, the operation of a food exchange, the operation of a demonstration kitchen, the operation of an admissions center and gift shop, the operation of a small scale grocery store, the operation of a research kitchen for nutrition studies, office space housing the Institute’s staff offices, meeting areas and hospitality space, support spaces, the operation of a biometric suite for the study of biometric science, the operation of a kinetic laboratory for the study of exercise and metabolism, the operation of a sleep center for the study of sleep science, operation of a variety of laboratories for advanced research, the operation of a conference center for hosting scientific conferences and accommodating tourism, areas to support environmental research of storm water diversion by the Institute in partnership with the University of Louisville Speed School of Engineering, and any other uses that may be necessary to further the mission of the Institute, as well as any uses by any subtenants that are reasonably approved by Tenant.
- F. “Term”: The Term shall commence on the Commencement Date (hereinafter defined) and continue for a period of fifty (50) years following Commencement Date (hereinafter defined) if the Commencement Date is the first day of a calendar month or (ii) the first day of the first

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calendar month following the Commencement Date if the Commencement Date occurs on any date other than the first day of a calendar month. Promptly after the determination of the Commencement Date, Landlord and Tenant shall enter into a commencement certificate in a form substantially similar to the form attached as **Exhibit B** (“Commencement Certificate”).

- G. “Commencement Date” means the date in which the Premises is delivered to Tenant.
- H. “Base Rent” shall commence on the Commencement Date and shall be payable as follows; provided, however, if the Commencement Date occurs on a date other than the first day of a calendar month, Base Rent for the partial month in which the Commencement Date occurs shall be prorated based upon the amount of Base Rent due during the first month in the following rent schedule which such rent schedule shall commence on the first day of the first calendar month following the Commencement Date:

<u>Period</u>	<u>Annual Base Rent</u>
Lease Years 1 – 50	\$1.00

- I. “Notice Addresses”:

Tenant:

On and after the Commencement Date, notices shall be sent to Tenant at the Premises. Prior to or the Commencement Date or after the expiration or earlier termination of the Term, notices shall be sent to Tenant at the following address:

University of Louisville
Envirome Institute
302 E. Muhammad Ali. Blvd.
Louisville, KY 40202
Attn: Dr. Aruni Bhatnagar
Phone: 502.852.5724
E-mail: envirome@louisville.edu

With a copy to:

University of Louisville
Lease Administration
421 W Cardinal Blvd
Louisville, KY 40208
Attn: Bobbi Carlton
Phone: 502.852.0205
Email: bobbi.carlton@louisville.edu

And:

University of Louisville
Office of University Counsel
206 Grawemeyer Hall
2301 S. 3rd St.

Louisville, KY 40208
Attn: General Counsel
Phone: 502.852.6981
Email: angela.curry@louisville.edu

Landlord:

Amy Golladay
c/o Zelkova Strategic Partners
333 East Main Street
Louisville, KY 40202

With a copy to:
Turney P. Berry
400 W. Market St.
Suite 2000
Louisville, KY 40202

- J. “Business Day(s)” are Monday through Friday of each week, exclusive of New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, or any other holiday observed in the Louisville, Kentucky metropolitan market (“Holidays”).
- K. “Improvement Work” means the improvements that Landlord shall construct at the Project, which work is set forth in **Exhibit D**.
- L. “Law(s)” means all applicable statutes, codes, ordinances, orders, rules and regulations of any municipal or governmental entity.

II. Lease Grant.

Landlord leases the Premises to Tenant and Tenant leases the Premises from Landlord, together with the a non-exclusive license granted by Landlord in favor of Tenant to use any portions of the Project that are improved and designated by Landlord for the common use of others, such as sidewalks, unreserved parking areas, private roadways, common corridors, service areas, elevator foyers, restrooms, vending areas, lobby areas and landscaped areas (the “Common Areas”). All Common Area shall be subject to the exclusive control and management of Tenant. Tenant acknowledges that Landlord makes no representation or warranty whatsoever concerning the safety of the Common Areas or the adequacy of any security system, which is or may be instituted for the Common Areas. Tenant shall have the right to close, if necessary, all or any portion of the Common Areas to such extent as may in the opinion of Tenant be legally necessary to prevent a dedication thereof or the accrual of any rights of any person or of the public therein; to close temporarily all or any portion of the Common Areas to discourage non-customer use; to use portions of the Common Areas while engaged in making additional improvements or repairs or alterations to the Project, and to do and perform such other acts in, to and with respect to, the Common Areas as in the use of good business judgment Tenant shall determine to be appropriate for the Project. With the prior written consent of Landlord, which shall not be unreasonably withheld, conditioned or delayed, Tenant reserves the right to change the Project by increasing, reducing or reconfiguring Common Areas, Project shall not be materially changed, and reasonable access to the Premises and/or Project shall not be materially impaired.

Tenant shall have the right, from time to time, to hold or cause to be held “special events” or “community events” (as so designated by Tenant) or portions of such events within the Common Areas. Tenant shall also have the right to grant rights of access within Common Areas in connection with any such “special events” or “community events” from time to time held outside the Common Areas; provided, however, that Tenant agrees to implement such measures as Tenant deems reasonable to minimize, to the extent reasonably practical, disruption to the flow of pedestrian and vehicular traffic to and within the Project when such events are conducted during normal business hours.

III. Delivery of Premises; and Improvement Work.

- A. Tenant acknowledges and agrees that it shall accept the Premises in “as is” condition and configuration with no improvements except for the any and all improvements currently located at the Premises and/or Project. By taking possession of the Premises, Tenant agrees that it has accepted the Premises in “as is” condition and configuration and that the Premises are in good order and satisfactory condition, and that there are no representations or warranties by Landlord regarding the condition of the Premises or the Project.
- B. Commencing upon the Commencement Date, Landlord and their respective employees, agents, and representatives, shall complete the Improvement Work and such other work as may be necessary to build out the Premises and/or Project in order to operate for its Permitted Use in accordance with the Project plans which will have been mutually and reasonably agreed upon by Landlord, Tenant and the Steering Committee (hereinafter defined) in accordance with the Approved Plans (hereinafter defined). Landlord shall submit to the Tenant and the Steering Committee one (1) reproducible set (electronic/CAD format) of plans and specifications for the Improvement Work (the “Plans”) to be completed at the Premises and/or Project for. Within thirty (30) business days after receipt of the Plans, Tenant or the Steering Committee shall provide written notice (a “Plan Review Notice”) to Landlord setting forth with reasonable specificity any objections to the Plans. Landlord shall within thirty (30) business days after receipt of a Plan Review Notice cause the Plans to be revised to the extent necessary to address the objections and resubmit the revised Plans for Tenant’s and the Steering Committee’s approvals which shall be made in accordance with both the terms and time frames previously set forth in this paragraph. When Tenant and the Steering Committee have approved the original or revised Plans, Tenant shall initial and return one (1) set of approved Plans to Landlord and the same shall become part of this Lease by reference (the “Approved Plans”). Landlord will promptly notify Tenant and the Steering Committee if Landlord desires to make any changes to the Approved Plans and Tenant and the Steering Committee’s shall provide their written approval to any such changes, which approval will not be unreasonably withheld, conditioned or delayed. The Approved Plans shall be deemed a part of this Lease. Upon completion of the Improvement Work, Landlord shall furnish “as-built” plans to the Tenant and the Steering Committee. “Steering Committee” as used herein, shall mean a committee made up of (a) the University of Louisville President, (b) Christina Lee Brown, (c) three (3) members appointed by the University of Louisville President, and (d) three members appointed by Christina Lee Brown. The Steering Committee will be established to guide the buildout and completion of the Improvement Work, oversee the operation and use of the Project, with the goal of continually keeping the Project moving forward in a way that maximizes the benefit of the Project to the Louisville Community by continually evaluating ways that the Project can be developed into a hub for research, innovation, hospitality, tourism and local culture. The Steering Committee’s operations will be governed by terms set out in a separate agreement or Steering Committee governing documents, if deemed necessary by the Steering Committee. The initial members of the Steering Committee shall be, on behalf of Christina Lee Brown, Turney P. Berry, S. Regina Blake, and Mary D. Jones, and, on behalf of the University of Louisville President, Angela Curry, Daniel A. Durbin, and Theodore R. Smith. The appointing Principals can remove or replace any Steering Committee member at their discretion. The buildout in accordance with the Plans shall include, but not be limited to, the buildout of (i) several laboratory spaces, (ii) instructional space, (iii) hospitality and meeting space, and (iv) public engagement space.
- C. Landlord shall obtain all permits, licenses and approvals required for the Improvement Work.

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- D. Landlord shall be solely responsible for all costs incurred in the completion of the Improvement Work. If the total cost for the Improvement Work is less than \$30,000,000, Landlord shall deliver the difference between the total costs of the Improvement Work and \$30,000,000 to be allocated towards the operation of the Project and mission of the Institute.

IV. Rent.

- A. Payments. As consideration for this Lease and commencing on the Commencement Date, Tenant shall pay Landlord, the total amount of Base Rent and Additional Rent (hereinafter defined) due for the Term. "Additional Rent" means all sums (exclusive of Base Rent) that Tenant is required to pay directly to a third (3rd) party provider (or Landlord, if applicable), including without limitation, Tenant's Expenses and Tenant's expenditures for utilities, maintenance and repair, insurance costs and as otherwise provide for herein. Base Rent and Additional Rent are sometimes collectively referred to as "Rent". Landlord shall pay and be liable for all rental, sales and use taxes (but excluding income taxes), if any, imposed upon or measured by Rent under applicable Law. Base Rent shall be paid by Tenant on the first (1st) day of each and every calendar year to Landlord, and recurring monthly charges of Additional Rent shall be due and payable to such third (3rd) party providers, upon the receipt of the invoice from such third (3rd) party providers.
- B. Payment of Tenant's Expenses and Taxes. Tenant shall pay the total amount of Expenses (as hereinafter defined) for each calendar year during the Term directly to such third (3rd) party provider. Notwithstanding anything contained herein to the contrary, Tenant shall not be liable or required to pay any Taxes (as hereinafter defined) levied against the Premises and/or the Project during the Term of this Lease and Landlord shall pay any and all applicable Taxes set forth in Subsection D below. If Tenant receives any tax bill or tax liability statement during the term of this Lease, such tax bill or tax liability statement shall be provided to Landlord and Landlord shall pay and discharge the tax liability on or before the due date set forth by such state or local government agency. If Landlord fails to pay any such tax bill or liability assessed against the Premises and/or Project, Landlord shall be in default of this Lease and Tenant shall be entitled to any and all remedies at law and/or in equity.
- C. Expenses Defined. Subject to the terms hereof, "Expenses" means all costs and expenses incurred in each calendar year in connection with operating, maintaining, repairing, and managing the Project and Common Areas, which may include, but should not be limited to:
1. Labor costs, including, wages, salaries, social security and employment taxes, medical and other types of insurance paid by Tenant, uniforms, training, and retirement and pension plans.
 2. Management fees, the cost of equipping and maintaining a management office, accounting and bookkeeping services, legal fees not attributable to leasing or collection activity, travel expense to the Project and other administrative fees and costs.
 3. The cost of services, including amounts paid to service providers and the rental and purchase cost of parts, supplies, tools and equipment.
 4. Premiums and deductibles paid by Tenant for insurance, including workers compensation, fire and extended coverage, general liability, rental loss, elevator, boiler

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and other insurance customarily carried from time to time by owners of comparable projects.

5. Costs and charges incurred for water, gas, electricity, steam and sewer, and other utility services.
6. Cost of janitorial and cleaning services, trash collection and recycling services, pest control; concierge, lobby or loss prevention service (if any); basic building and grounds maintenances; landscape maintenance costs; security costs; repair and replacement of pylon and other signage, landscaped areas, and lighting; management and administrative fees; permits and licenses; all maintenance and repair expenses as required herein and supplies including replacement and disposal of fluorescent light bulbs and ballasts in building standard lighting fixtures; costs of replacing existing equipment utilized by the Institute; costs of complying with all governmental regulations, including without limitation, the disposal of chlorofluorocarbons and compliance with applicable portions of the Americans With Disabilities Act of 1990 or any other local statute regarding barriers.
7. Costs for programmatic features within the Project to further the mission of the Institute, and any and all other costs for equipment, faculty staff, etc. as well as any key elements for operation of the Institute.

- D. Taxes Defined. "Taxes" shall mean: (1) all real estate taxes and other assessments on the Project, including, but not limited to, assessments for special improvement districts and building improvement districts, taxes and assessments levied in substitution or supplementation in whole or in part of any such taxes and assessments and the Project's share of any real estate taxes and assessments under any reciprocal easement agreement, common area agreement or similar agreement as to the Project; and (2) all costs and fees incurred in connection with seeking reductions in any tax liabilities described in (1) above, including, without limitation, any costs incurred by Landlord for compliance, review and appeal of tax liabilities. Taxes shall further include any income, capital levy, franchise, capital stock, gift, estate or inheritance tax imposed upon Landlord. If an assessment is payable in installments, Taxes for the year shall include the amount of the installment and any interest due and payable during that year. For all other real estate taxes, Taxes for that year shall include either the amount accrued, assessed or otherwise imposed for the year or the amount due and payable for that year, provided that shall be applied consistently throughout the Term.

V. Use of Premises.

- A. Compliance with Laws. The Premises shall be used only for the Permitted Use and for no other use whatsoever, unless such use furthers the mission of the Institute. Except in the event such change furthers the mission of the Institute, Tenant shall not change the use of the Premises without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Tenant shall not use or permit the use of the Premises for any purpose which is illegal. Tenant shall materially comply with all Laws, including the Americans with Disabilities Act, regarding the operation of Tenant's use of the Premises and/or Project and the use, condition, configuration and occupancy of the Premises and/or the Project. Tenant, within thirty (30) days after receipt, shall provide Landlord with copies of any notices it receives regarding a violation or alleged violation of any Laws. Tenant shall obtain, at its own expense, all necessary governmental licenses and permits for the Permitted Use. Should Tenant's operations within the Premises require additional security measures to be taken to ensure the

safety and well-being of the guests, invitees and employees of Tenant and others in the Project, Tenant shall, at its sole expenses, take all such measures reasonably necessary to ensure such safety.

- B. **Signage.** Tenant shall have the right to install signage on the Project or visible from the Premises. All signage visible from the exterior of the Premises shall be in compliance with the signage criteria as reasonably agreed upon by Landlord and Tenant and such signage shall be approved by the Steering Committee and shall be in compliance with any Laws applicable to such signage and/or the Project. Tenant agrees to maintain any sign in good state of repair, and upon expiration of the Term, Tenant agrees to promptly remove such signs and repair any damage to the Premises.

VI. Utilities.

- A. Utility services exclusively used by Tenant in the Premises shall be paid for by Tenant by separate charge billed by the applicable utility company and payable directly by Tenant, which such applicable utility company is providing utility services to the Premises and Project as of the Commencement Date of this Lease. Commencing on the Commencement Date, Tenant shall be solely responsible for payment for all utilities serving the Premises directly to the utility provider with respect to any utilities serving the Premises. Due to Tenant's Permitted Use at the Premises, if Tenant needs to consume excess utility services at the Premises or the Project, Tenant shall install any and all necessary utility service upgrades, meters and submeters.
- B. Except in the event of Landlord's negligence or willful misconduct, Landlord shall not in any way be liable or responsible to Tenant for any loss or damage or expense which Tenant may sustain or incur if, during the Term, because of conditions beyond Landlord's control, the quantity or character of any utility service is changed or is no longer available or suitable for Tenant's requirements. However, Tenant shall be able to contract directly with such utility service provider to obtain any and all necessary utility services needed by Tenant to operate in the Premises for its Permitted Use.

VII. Hazardous Materials and Indemnification.

As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material or waste or pollutant or contaminant, including without limitation any petroleum or crude oil and their derivatives or fractions thereof, which is or becomes regulated by any local governmental authority, the state in which the Project is located or the United States Government, including without limitation, any material regulated under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601 et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901 et seq.), the Oil Pollution Act of 1990, as amended (33 U.S.C. Section 2701 et seq.), any regulations adopted under these acts, or any other present or future federal, state, county or local laws or regulations concerning environmental protection. Except as may be necessary in the ordinary course of Tenant's Permitted Use, Tenant shall not cause, contribute to, allow or permit any Hazardous Material to be brought upon, generated, manufactured, stored, handled, disposed of or used at, on, about or beneath the Premises or any portion of the Project by Tenant, its agents, employees, contractors, invitees, or licensees, without the prior written consent of Landlord. Tenant shall notify Landlord in writing within ten (10) days of any suspected or confirmed release, spill, leasing, or disposal and supply Landlord with copies of all notices, reports, correspondence and submissions by Tenant to any local, state or federal authority of any information concerning environmental matters or Hazardous Materials. If Tenant breaches the obligations stated in this Article, or if the presence of Hazardous Material on the Premises or in the Project caused, contributed to or permitted by Tenant results in

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contamination, release, disposal or risk or threat of release or disposal of Hazardous Material at or from the Premises or Project, or if contamination, release or disposal of Hazardous Substances at or from the Premises or Project otherwise occurs for which Tenant is legally liable to the United States, state or local government, a third party or Landlord for damages resulting therefrom, then, to the extent permitted by the law of the Commonwealth of Kentucky, Tenant shall indemnify, defend by counsel reasonably acceptable to Landlord and save and hold harmless Landlord, its successors and assigns from any and all claims, judgments, damages, penalties, fines, reasonable out-of-pocket costs, liabilities or losses (including, without limitation, sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees, if such fees are awarded by a court of competent jurisdiction) which arise during or after the Term as a result of such contamination, release, disposal or risk or threat of such release or disposal. This indemnification of Landlord by Tenant includes, without limitation, reasonable out-of-pocket costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work, including any costs for natural resource damages and government oversight costs required by any federal, state or local governmental law because of Hazardous Material present in or any risk or threat of release or disposal to the soil or groundwater on, under or emanating from the Premises. Without limiting the foregoing, if the presence of any Hazardous Material on the Premises or Project caused or permitted by Tenant results in any contamination, release or disposal at the Premises or Project, Tenant shall promptly take all actions at its sole expense as are necessary to return the Premises or Project to the condition existing prior to the introduction of any such Hazardous Material to the Premises or Project; provided that Landlord's approval of such actions shall first be obtained. The provisions of this Article shall survive, and remain in full force and effect after, the date hereof and the expiration or earlier termination of the Term.

Notwithstanding anything contained herein to the contrary, Tenant shall have no responsibility or obligation with respect to any Hazardous Materials located in, on, or about the Premises and/or the Project prior to the date Tenant takes possession of the Premises and/or Project or which were placed on the Premises and/or the Project by Landlord, its employees, agents or representatives. For purposes of this paragraph, "Hazardous Materials" shall not include substances which are used by Landlord in the ordinary course of business similar to Landlord's business, provided, however, that such substances are used, handled, transported, stored or disposed of in strict compliance with any applicable federal, state or local law, statute, rule, regulation, code, ordinance or any other governmental restriction or requirement. If such substances are not so used, handled, transported, stored, or disposed of, then they shall be deemed "Hazardous Materials" for purposes hereof.

If the presence of any Hazardous Materials are located in the Premises or the Project by Landlord, its agents, employees and/or contractors results in contamination of the Premises or the Project or gives rise to damages or other obligations to remediate such Hazardous Materials, or if the contamination of the Premises by any Hazardous Materials otherwise occurs for which Landlord is otherwise legally liable to Tenant for damage resulting therefrom, Landlord shall indemnify and save Tenant harmless, and at Tenant's option, defend Tenant, and its agents, employees, officers and directors, if any, from any and all claims, demands, damages, expenses, fees, costs, fines, penalties, proceedings, actions, causes of action, and losses of any and every kind and nature (including, without limitation, diminution in value of the Premises and/or Project, damages for the loss or restriction on use of the Premises and/or Project, or any amenity of the Premises and/or Project, and reasonable attorney's fees, which may arise during or after the Term of this Lease as a result of such contamination. This includes, without limitation, costs and expenses, incurred in connection with any investigation of site conditions or any cleanup, remediation, removal or restoration work required by any federal, state or local government agency or political subdivision because of Hazardous Materials present on or about the Premises and/or Project. Without limiting the foregoing, if the presence of any Hazardous Materials on or about the Premises or the Project caused or permitted by Landlord results in any contamination of the Premises and/or Project, Landlord shall, at its sole expense, promptly take all actions as it is required by law to remediate the contamination in accordance with applicable laws.

VIII. Repairs and Alterations.

- A. Tenant's Repair Obligations. Tenant, or the University of Louisville Real Estate Foundation ("ULREF") on behalf of Tenant, shall, at its sole cost and expense, promptly perform all maintenance and repairs inside of the base, shell and core of the Premises and the Project and shall keep the Premises and Project in good condition and repair, reasonable wear and tear excepted. Tenant's repair obligations include, without limitation, repairs to: (1) floors and floor coverings; (2) the Common Areas; (3) interior partitions; (4) interior doors and windows; (5) the interior side of demising walls of the Premises and/or the Project; (6) electronic, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant and located in the Premises and/or the Project; (7) mechanical, electrical and plumbing systems, including without limitation any hot water heaters, serving the Premises and/or the Project; and (8) Alterations (hereinafter defined) performed by Tenant. All work shall be performed in accordance with the rules and procedures described in Section IX.C below. If Tenant fails to make any repairs to the Premises and/or the Project for more than sixty (60) days after notice from Landlord (although notice shall not be required if there is an immediate emergency), Landlord may make the repairs, and Tenant shall pay Landlord the reasonable cost of the repairs to Landlord, or such repairs may otherwise be managed at the direction of the Steering Committee. Tenant shall be responsible, at Tenant's expense, for the maintenance, repair and replacement of all supplemental HVAC and supplemental air conditioning units for the Premises and/or Project, including HVAC balancing and routine inspections and cleaning. Tenant shall be responsible for maintaining appropriate security over all portions of the Project utilized by Tenant or its affiliates and the Common Areas. Tenant may hire a property manager to manage the Project on behalf of Tenant pursuant to a management agreement reasonably acceptable to the Landlord and the Steering Committee. Landlord and the Steering Committee agree that ULREF may be selected as an acceptable property manager.
- B. Landlord's Repair Obligations. Landlord shall, at its sole cost and expense, promptly perform all maintenance and repairs to the Premises and the Project outside of the base, shell and core of the Premises and the Project and any other maintenance obligations not maintained by the Tenant, which obligations include, without limitation, repairs to: (1) building foundations, (2) the exterior of the Project, including, but not limited to, exterior walls, brick, trim, and roof of all buildings comprising the Project, and (3) exterior doors and windows. Landlord shall be responsible, at Landlord's expense, for the maintenance, repair and replacement of the main HVAC systems of the Premises and/or the Project. Landlord shall be responsible for all costs associated with providing security for the exterior of the Project.
- C. Alterations. Tenant and/or ULREF on behalf of Tenant shall have the right to make alterations, additions or improvements to the Premises and/or the Project (collectively referred to as "Alterations") without first obtaining the written consent of Landlord and the Steering Committee, provided such Alterations are completed in accordance with the plans and specifications mutually agreed upon by Landlord, the Steering Committee and Tenant and further in accordance with the provisions set forth herein. Prior to starting work for the Alterations, Tenant or ULREF shall furnish Landlord and the Steering Committee with plans and specifications reasonably acceptable to Landlord, the Steering Committee and Tenant; names of contractors reasonably acceptable to Landlord, the Steering Committee and Tenant; copies of contracts; necessary permits and approvals; and evidence of contractor's and subcontractor's insurance in amounts reasonably required by Landlord and the Steering Committee and pursuant to the terms of this Lease. Material changes to the plans and specifications must also be submitted to Landlord and the Steering Committee for their reasonable approval. Alterations shall be constructed in a good and workmanlike manner using

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materials of a quality that is at least equal to the quality currently used at the Project or reasonably agreed upon by Landlord, the Steering Committee and Tenant as the minimum standard for the Project. Upon completion, Tenant or ULREF, as applicable, shall furnish “as-built” plans, completion affidavits, full and final waivers of lien and receipted bills covering all labor and materials. Tenant or ULREF, as applicable, shall assure that the Alterations comply with all insurance requirements and Laws and shall not in any event void any warranties with respect to the construction of the Project. Landlord’s and the Steering Committee’s approval of an Alteration shall not be a representation by Landlord or the Steering Committee that the Alteration complies with applicable Laws or will be adequate for Tenant’s use. Any alterations or fixtures constructed or installed by or on behalf of Tenant at the Project shall be considered part of the Project and shall remain the property of Landlord at the conclusion of the Term.

IX. Entry by Landlord.

Upon at least twenty-four (24) hours’ prior written notice to Tenant, Landlord, its agents, contractors and representatives may enter the Premises and/or Project to inspect the Premises and/or Project. Entry by Landlord shall not constitute constructive eviction.

X. Assignment and Subletting.

- A. Tenant shall not assign, sublease, transfer or encumber any interest in this Lease or allow any third party to use any portion of the Premises (collectively or individually, a “Transfer”) without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed.
- B. Tenant, upon the approval of Landlord and the Steering Committee, may sublease portions of the Premises to qualified tenants upon reasonable sublease terms. Tenant shall provide the Landlord and the Steering Committee with the proposed sublease terms and any subtenant information required by the Landlord and the Steering Committee prior to the execution of any sublease.
- C. Existing Leases.
 - 1. Landlord has an existing lease with the Manhattan Grill on the first floor of the Philanthropic Building (the “Manhattan Grill Lease”). The leased premises provided in the Manhattan Grill Lease shall be referred to herein as the “Manhattan Grill Space.” During the continuance of the Manhattan Grill Lease, the Manhattan Grill Space shall continue to be managed by the Landlord, and the Manhattan Grill Space shall not be a part of the Premises pursuant to this Lease. At the election of Landlord and the approval of the Steering Committee, the rental revenues derived from the Manhattan Grill Lease may be contributed to support the Tenant’s operations at the Project.
 - 2. On or about the effective date of this Lease, Landlord and Tenant agree that the existing lease for the Institute’s “Urban Design Studio” shall be terminated and that the Urban Design Studio will be provided space at the Premises in accordance with Tenant’s plans.
 - 3. Landlord and Tenant have discussed a proposed lease of space at the Project to the Center for Interfaith Relations. Landlord and Tenant agree that any lease to the Center for Interfaith Relations shall be between the Center for Interfaith Relations and the Landlord, provided that the rental revenues received under such lease shall be retained

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by the property manager selected by Tenant, which revenues will be used to support the manager's management of the Project. Any buildout or tenant improvements required in connection with any lease to the Center for Interfaith Relations shall be at the sole cost and responsibility of Landlord.

XI. Liens.

Tenant shall not permit mechanic's, materialmen's or other liens to be placed upon the Project, Premises or Tenant's leasehold interest in connection with any work or service done or purportedly done by or for benefit of Tenant. If a lien is so placed, Tenant shall, within sixty (60) days of first becoming aware of the filing of the lien or receiving notice from Landlord of the filing of the lien, fully discharge the lien by settling the claim which resulted in the lien or by bonding or insuring over the lien in the manner prescribed by the applicable lien Law. If Tenant fails to discharge the lien, then, in addition to any other right or remedy of Landlord, Landlord may bond or insure over the lien or otherwise discharge the lien. Tenant shall reimburse Landlord for any amount paid by Landlord to bond or insure over the lien or discharge the lien, including, without limitation, reasonable attorneys' fees within thirty (30) days after receipt of an invoice from Landlord.

XII. Indemnity and Waiver of Claims.

- A. Except to the extent caused by the negligence or willful misconduct of Landlord or any Landlord Related Parties (hereinafter defined), to the extent permitted by the law of the Commonwealth of Kentucky, Tenant shall indemnify, defend and hold Landlord, its trustees, members, shareholders, principals, beneficiaries, partners, officers, directors, employees, Mortgagee(s) (hereinafter defined) and agents ("Landlord Related Parties") harmless against and from all liabilities, obligations, damages, penalties, claims, actions, reasonable out-of-pocket costs, charges and expenses, including, without limitation, reasonable attorneys' fees and other professional fees (if awarded by a court of competent jurisdiction), which may be imposed upon, incurred by or asserted against Landlord or any of the Landlord Related Parties and arising out of or in connection with any damage or injury occurring in the Premises and/or the Project or any acts or omissions (including violations of Law) of Tenant, the Tenant Related Parties (defined below) or any of Tenant's transferees, contractors or licensees.
- B. Except to the extent caused by the negligence or willful misconduct of Tenant or any Tenant Related Parties (defined below), Landlord shall indemnify, defend and hold Tenant, its trustees, members, shareholders, principals, beneficiaries, partners, officers, directors, employees and agents ("Tenant Related Parties") harmless against and from all liabilities, obligations, damages, penalties, claims, actions, costs, charges and expenses, including, without limitation, reasonable attorneys' fees and other professional fees (if and to the extent permitted by Law), which may be imposed upon, incurred by or asserted against Tenant or any of the Tenant Related Parties and arising out of or in connection with the acts or omissions (including violations of Law) of Landlord, the Landlord Related Parties or any of Landlord's contractors.
- C. Except to the extent caused by the negligence or willful misconduct of Landlord or any Landlord Related Parties, Landlord and the Landlord Related Parties shall not be liable for, and Tenant waives, all claims for loss or damage to Tenant's business or loss, theft or damage to Tenant's Property or the property of any person claiming by, through or under Tenant resulting from: (1) wind or weather; (2) the failure of any sprinkler, any electric wiring or any gas, water or steam pipes within the Project buildings; (3) the backing up of any sewer pipe; (4) the bursting, leaking or running of any tank, water closet, drain or other pipe; (5) any act or omission of any party other than Landlord or Landlord Related Parties; and (6) any causes not

reasonably within the control of Landlord. Tenant shall insure itself against such losses under Article XIII below.

XIII. Insurance and Waiver of Subrogation.

Tenant shall carry and maintain the following insurance (“Tenant’s Insurance”), at its sole cost and expense: (1) Commercial General Liability Insurance applicable to the Premises and its appurtenances providing, on an occurrence basis, limits not less than One Million and 00/100 Dollars (\$1,000,000.00) per occurrence and Two Million and 00/100 Dollars (\$2,000,000.00) in the aggregate, including coverage for premises operations, products and completed operations, broad form property damage, blanket contractual liability, independent contractors liability, personal injury and advertising injury, medical payments, and terrorism; (2) Automobile Liability insurance for all owned and non-owned vehicles, including any rented and/or leased vehicles, covering bodily injury (including death), and property damage, with a combined single limit of not less than One Million and 00/100 Dollars (\$1,000,000.00) each accident; (3) All Risk Property insurance on a replacement cost basis with an agreed amount endorsement and no coinsurance provision, without exclusion for fire, lightning, earthquake, windstorm, hail, water damage, explosion, smoke damage, sprinkler leakage, flood, vandalism and malicious mischief, terrorism, debris removal, or any other risks normally covered under an extended coverage endorsement, covering 100% of the full replacement cost value of all of Tenant’s trade fixtures, equipment, furniture, tenant improvements, betterments and other personal property within the Premises (“Tenant’s Property”); (4) Workers’ Compensation Insurance as required by the state in which the Premises is located and in amounts as may be required by applicable statute; and (5) Employers Liability Coverage of at least One Million and 00/100 Dollars (\$1,000,000.00) [\$1,000,000.00 each accident, \$1,000,000.00 disease – each employee and \$1,000,000.00 disease – policy limit].

Any company writing any of Tenant’s Insurance shall have an A.M. Best rating of not less than A-VII. All Commercial General Liability and Automobile Insurance policies shall name Tenant as a named insured and Landlord (or any successor) and Landlord’s lender, if any (collectively, “Landlord Insureds”), as additional insured. All Property Insurance Policies shall name Tenant as a named insured. All policies of Tenant’s Insurance shall contain endorsements that the insurer(s) shall give Landlord and its designees at least thirty (30) days’ advance written notice of any cancellation (except for at least ten (10) days’ advance written notice of cancellation due to non-payment of premium), termination or lapse of insurance. With the exception of the required Workers’ Compensation and Employers Liability coverage, all Tenant insurance policies required above shall be primary to, and not seek contribution from, any insurance maintained by Landlord Insureds. Tenant shall provide Landlord with a certificate of insurance evidencing Tenant’s Insurance prior to the earlier to occur of the Commencement Date or the date Tenant is provided with possession of the Premises for any reason, and upon renewals at least thirty (30) days prior to the expiration of the insurance coverage. Landlord may reasonably, from time to time, and upon notice to Tenant, require Tenant to obtain and maintain market and customary higher liability limits or market and customary additional insurance coverages that are generally available at commercially reasonable rates and are, or have become, standard or typically required under best practices of landlords of similar properties in the same geographic area as the Project.

Tenant shall not intentionally conduct or permit to be conducted any activity, or intentionally place or permit to be placed any equipment or other item in or about the Premises or the Project, which will materially increase the rate of property insurance or other insurance on the Project. If any increase in the rate of property or other insurance is due to any activity, equipment or other item of Tenant, then (whether or not Landlord has consented to such activity, equipment or other item) Tenant shall pay as Additional Rent due hereunder the amount of such increase. The statement of any applicable insurance company that an increase is due to any such activity, equipment or other items shall be conclusive evidence thereof.

So long as the same is available at commercially reasonable rates, Landlord may maintain (i) so called All Risk property insurance on the Project at replacement cost value, as reasonably estimated by Landlord and

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(ii) Commercial General Liability Insurance applicable to the Common Area providing, on an occurrence basis minimum coverage amount as reasonably determined by Landlord. Except as specifically provided to the contrary, the limits of either party's insurance shall not limit such party's liability under this Lease. The premiums for insurance policies maintained by Landlord shall be paid by Landlord.

Notwithstanding anything in this Lease to the contrary, and provided that Landlord acknowledges that nothing herein shall constitute a waiver by Tenant of any rights of recovery, claim, action or causes of action related to property owned by Tenant or any other entity of the Commonwealth of Kentucky, Tenant and Landlord each hereby waives and shall cause its insurance carrier to waive any and all rights of recovery, claim, action or causes of action against the other party and their respective trustees, principals, shareholders, beneficiaries, partners, officers, directors, agents, and employees, for any loss or damage that may occur to Landlord or Tenant, as applicable, or any party claiming by, through or under Tenant or Landlord, as applicable, with respect to the Project, the Premises, any additions, betterments or improvements to the Project or Premises, or any contents thereof, including all rights of recovery, claims, actions or causes of action arising out of the negligence of Landlord or any Landlord Related Parties or Tenant or any Tenant Related Parties, as applicable, which loss or damage is (or would have been, had the insurance required by this Lease been carried) covered by insurance.

XIV. Casualty Damage.

- A. Restoration Obligation. If all or any portion of the Premises is damaged by any cause whatsoever, then Tenant shall promptly repair, restore and/or rebuild the same (a "**Restoration**"), provided that all costs of any such repair, restoration and/or rebuild shall be at Landlord's sole expense. Tenant shall invoice Landlord for the costs of any such Restoration, and Landlord shall reimburse Tenant for the costs of such Restoration within thirty (30) days of receipt of Tenant's invoice.
- B. Termination. If a material portion of the Premises is substantially damaged during the Term, Tenant may terminate this Lease by notice to Landlord provided no later than sixty (60) days after the date the damage occurred.

XV. Condemnation.

Either party may terminate this Lease if the whole or any material part of the Premises shall be taken or condemned for any public or quasi-public use under Law, or by eminent domain (a "**Taking**"). In order to exercise its right to terminate the Lease, Landlord or Tenant, as the case may be, must provide written notice of termination to the other within sixty (60) days after the terminating party first receives written notice of the Taking. Any such termination shall be effective as of the date the physical taking of the Premises or the portion of the Project occurs. If this Lease is not terminated, the Tenant shall continue to operate in the remaining portion of the Premises and/or the Project for its Permitted Use. All compensation awarded for a Taking shall be the property of Landlord, any right to receive compensation or proceeds being expressly waived by Tenant. However, Tenant may file a separate claim at its sole cost and expense for Tenant's Property and Tenant's reasonable relocation expenses.

XVI. Events of Default.

Tenant shall be considered to be in default of this Lease upon the occurrence of any of the following events of default:

- A. Tenant's failure to materially comply with any term, provision or covenant of this Lease, if the failure is not cured within sixty (60) days after written notice to Tenant. However, if Tenant's failure to comply cannot reasonably be cured within sixty (60) days, Tenant shall be allowed

additional time as is reasonably necessary to cure the failure so long as: (1) Tenant commences to cure the failure within sixty (60) days, and (2) Tenant diligently pursues a course of action that will cure the failure and bring Tenant back into compliance with the Lease.

- B. The making by Tenant, if any, of any general assignment for the benefit of creditors; (ii) the filing by or against Tenant of a petition to have Tenant adjudged/adjudicated a “debtor” or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within ninety (90) days); (iii) 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 the Lease, where possession is not restored within ninety (90) days; or (iv) the attachment, execution or other judicial seizure of substantially all of Tenant’s assets located at the Premises or Tenant’s interest in this Lease, where such seizure is not discharged within ninety (90) days.
- C. Except in the event of casualty, condemnation, force majeure, or any other reason outside of Tenant’s control, Tenant abandons or vacates all of the Premises for a period of thirty (30) consecutive days or longer.
- D. Tenant is in default beyond any notice and cure period under any other lease or agreement with Landlord.

XVII. Remedies.

- A. Upon any default, Landlord shall have the right without notice or demand (except as otherwise specifically provided for herein) to pursue any of its rights and remedies at Law or in equity, including the following remedy:
 - 1. Subject to the requirements of Section XVIII(A) below, terminate this Lease, in which case Tenant shall immediately surrender the Premises to Landlord. If Tenant fails to surrender the Premises, Landlord may, in compliance with applicable Law and without prejudice to any other right or remedy, enter upon and take possession of the Premises and expel and remove Tenant, Tenant’s Property and any party occupying all or any part of the Premises. To the extent permitted by law, Tenant shall pay Landlord on demand the amount of all past due Rent and other losses and actual damages which Landlord may suffer as a result of Tenant’s default.
- B. Unless expressly provided in this Lease, the repossession or re-entering of all or any part of the Premises shall not relieve Tenant of its liabilities and obligations under the Lease. No right or remedy of Landlord shall be exclusive of any other right or remedy. Each right and remedy shall be cumulative and in addition to any other right and remedy now or subsequently available to Landlord at Law or in equity.

XVIII. Termination.

- A. Notwithstanding anything herein to the contrary, in addition to any other termination rights available to Tenant herein, pursuant to KRS 56.806(6), Tenant shall have the right to terminate this Lease at any time upon thirty (30) days written notice, which period shall be computed based on the date of Landlord’s receipt of Tenant’s notice.
- B. In the event that Landlord exercises any right of termination provided in this Lease, Landlord agrees that Tenant shall be given reasonable time to remove any specialized equipment being

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used by Tenant and the Institute at the Project and that Landlord shall reimburse Tenant for the costs of all specialized equipment purchased by Tenant (including by the Institute) for use at the Project during the Term, as well as any capital construction costs, if any, expended by the Tenant in connection with the Project. Throughout the Term, Tenant shall maintain a list of any such specialized equipment purchased by Tenant for the Project and any such capital construction costs, which list shall also include an estimated depreciation schedule for any specialized equipment. Tenant shall provide an up-to-date copy of such list reasonably promptly upon written request from Landlord at any time during the Term. Following the effective date of any such termination, Tenant shall provide to Landlord an itemized invoice detailing any such costs, and Landlord shall remit payment of such invoice within thirty (30) days of Landlord's receipt of the invoice.

XIX. No Waiver.

Either party's failure to declare a default immediately upon its occurrence, or delay in taking action for a default shall not constitute a waiver of the default, nor shall it constitute an estoppel. Either party's failure to enforce its rights for a default shall not constitute a waiver of its rights regarding any subsequent default. Receipt by Landlord of Tenant's keys to the Premises shall not constitute an acceptance or surrender of the Premises.

XX. Attorneys' Fees.

If either party institutes a suit against the other for violation of or to enforce any covenant or condition of this Lease, or if either party intervenes in any suit in which the other is a party to enforce or protect its interest or rights, the prevailing party shall be entitled to all of its reasonable out-of-pocket costs and expenses, including, without limitation, reasonable attorneys' fees, if such fees are awarded by a court of competent jurisdiction.

XXI. Quiet Enjoyment.

Tenant shall, and may peacefully have, hold and enjoy the Premises, subject to the terms of this Lease, provided Tenant pays the Rent and fully performs all of its covenants and agreements. This covenant and all other covenants of Landlord shall be binding upon Landlord and its successors only during its or their respective periods of ownership of the Project and shall not be a personal covenant of Landlord or the Landlord Related Parties.

XXII. Holding Over.

If Tenant fails to surrender the Premises at the expiration or earlier termination of this Lease, occupancy of the Premises after the termination or expiration shall be that of a tenancy at sufferance. Tenant's occupancy of the Premises during the holdover shall be subject to all the terms and provisions of this Lease and Tenant shall continue to pay Rent. No holdover by Tenant or payment by Tenant after the expiration or early termination of this Lease shall be construed to extend the Term or prevent Landlord from immediate recovery of possession of the Premises by summary proceedings or otherwise.

XXIII. Surrender of Premises.

At the expiration or earlier termination of this Lease or Tenant's right of possession, Tenant shall (i) remove Tenant's Property which has not become sufficiently annexed to the Premises to constitute a fixture which cannot be removed without causing material damage to the Premises and (ii) quit and surrender the Premises to Landlord, broom clean, and in good order, condition and repair, ordinary wear and tear excepted. If Tenant fails to remove any of Tenant's Property upon the termination of this Lease or of Tenant's right to possession, Landlord, at Tenant's sole cost and expense, shall be entitled (but not obligated) to remove and store

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Tenant's Property. Landlord shall not be responsible for the value, preservation or safekeeping of Tenant's Property. Tenant shall pay Landlord, upon demand, the expenses of repair, removal and storage charges incurred for Tenant's Property.

XXIV. Notice.

If a demand, request, approval, consent or notice shall or may be given to either party by the other, the notice shall be in writing and delivered by hand or sent by registered or certified mail with return receipt requested, email with delivery confirmation, or sent by overnight or same day courier service at the party's respective Notice Address(es) set forth in Article I, except that if Tenant has vacated the Premises (or if the Notice Address for Tenant is other than the Premises, and Tenant has vacated such address) without providing Landlord a new Notice Address, Landlord may serve notice in any manner described in this Article, including without limitation by e-mail for the purpose of any invoices to Tenant, or in any other manner permitted by Law. Each notice shall be deemed to have been received or given on the earlier to occur of actual delivery or the date on which delivery is refused, or, if Tenant has vacated the Premises or the other Notice Address of Tenant without providing a new Notice Address, three (3) days after notice is deposited in the U.S. mail or with a courier service in the manner described above. Either party may, at any time, change its Notice Address by giving the other party written notice of the new address in the manner described in this Article.

XXV. Excepted Rights.

This Lease grants any and all rights to light or air over or about the Project. As may be necessary for Tenant's use of the Properties and management of the Project, Landlord grants Tenant the use of: (1) roofs, (2) telephone, electrical and janitorial closets, (3) equipment rooms, Project risers or similar areas that are used by Tenant for the provision of Project services, (4) rights to the land and improvements below the floor of the Premises, (5) the improvements and air rights above the Premises, (6) the improvements and air rights outside the demising walls of the Premises, and (7) the areas within the Premises used for the installation of utility lines and other installations serving occupants of the Project. Subject to the approval of the Landlord and the Steering Committee as may be required pursuant to the terms of this Lease, Tenant has the right to make such other changes to the Project as Tenant deems appropriate, including without limitation, the alteration of Common Areas as set forth in Article II herein, provided the changes do not materially affect the use the Premises for the Permitted Use and/or the Project. Tenant shall also have the right (but not the obligation) to temporarily close the Project if Tenant reasonably determines that there is an imminent danger of significant damage to the Project or of personal injury to Tenant's employees or the occupants of the Project. The circumstances under which Tenant may temporarily close the Project shall include, without limitation, electrical interruptions, extreme weather events and civil disturbances.

XXVI. Miscellaneous.

- A. This Lease and the rights and obligations of the parties shall be interpreted, construed and enforced in accordance with the Laws of the state in which the Project is located and Landlord and Tenant hereby irrevocably consent to the jurisdiction and venue of the state courts of Franklin County, Kentucky. If any term or provision of this Lease shall to any extent be invalid or unenforceable, the remainder of this Lease shall not be affected, and each provision of this Lease shall be valid and enforced to the fullest extent permitted by Law. The headings and titles to the Articles and Sections of this Lease are for convenience only and shall have no effect on the interpretation of any part of the Lease. Landlord and Tenant hereby waive any right to trial by jury in any proceeding based upon a breach of this Lease.
- B. At the request of Tenant, Landlord shall execute and deliver a "Memorandum of Lease" in form and substance reasonably satisfactory to Landlord and Tenant. Tenant shall not record this

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Lease or any memorandum thereof without Landlord's prior written consent, which such consent shall not be unreasonably withheld, conditioned or delayed. Prior to the recording of a Memorandum of Lease, Tenant shall deliver to Landlord a memorandum of lease termination executed by Tenant, which Landlord shall hold in trust pending the expiration or earlier termination of this Lease. Tenant hereby agrees that Landlord shall have the right to record the termination upon the termination or expiration of this Lease. Upon request by Landlord, in connection with any future modification of this Lease, the parties hereby agree to execute a memorandum of lease modification, in a commercially reasonable form, setting forth such modified terms.

- C. Whenever a period of time is prescribed for the taking of an action by Landlord or Tenant, the period of time for the performance of such action shall be extended by the number of days that the performance is actually delayed due to strikes, acts of God, shortages of labor or materials, war, civil disturbances, epidemic or pandemic, and other causes beyond the reasonable control of the performing party ("Force Majeure"); provided, however, the party claiming delay due to an event of Force Majeure shall notify the other party in writing or by electronic or facsimile transmission as soon as possible, but not later than five (5) days after the time that party first knew of, or in the exercise of reasonable diligence under the circumstances should have known of, any event which constitutes an event of Force Majeure. The written notice submitted pursuant to this paragraph shall describe in detail the basis for the claiming party's contention that it experienced a Force Majeure delay, the anticipated length of the delay, the precise cause or causes of the delay, the measures taken or to be taken to prevent or minimize the delay, and the timetable by which those measures will be implemented. The claiming party shall adopt all reasonable measures to avoid or minimize such delay. Failure to so notify the other party shall render this Force Majeure provision void and of no effect as to the event in question and shall be a waiver of the claiming party's right to obtain an extension of time for its obligation based on such.
- D. Landlord shall not transfer and/or assign, in whole or in part, any of its rights and obligations under this Lease and in the Project referred to herein without Tenant's prior written consent. If Tenant agrees to such transfer, Landlord shall not be released from any further obligations hereunder, and Tenant agrees to look to the successor in interest of Landlord for the performance of such obligations and Landlord if necessary.
- E. Tenant certifies and represents that: (1) each individual executing, attesting and/or delivering this Lease on behalf of Tenant is authorized to do so on behalf of Tenant; (2) this Lease is binding upon Tenant; and (3) Tenant is duly organized and legally existing in the state of its organization and is qualified to do business in the state in which the Premises are located.
- F. Landlord covenants, warrants and represents that: (1) each individual executing, attesting and/or delivering this Lease on behalf of Landlord is authorized to do so on behalf of Landlord; (2) this Lease is binding upon Landlord; and (3) Landlord is duly organized and legally existing in the state of its organization and is qualified to do business in the state in which the Premises are located.
- G. Time is of the essence with respect to this Lease. This Lease shall create only the relationship of landlord and tenant between the parties, and not a partnership, joint venture or any other relationship. This Lease and the covenants and conditions in this Lease shall inure only to the benefit of and be binding only upon Landlord and Tenant and their permitted successors and assigns.

- H. The expiration of the Term, whether by lapse of time or otherwise, shall not relieve either party of any obligations which accrued prior to or which may continue to accrue after the expiration or early termination of this Lease, or which survive the expiration or early termination of this Lease as expressly set forth herein.
- I. Tenant has delivered a copy of this Lease to Landlord for Landlord's review only, and the delivery of it does not constitute an offer to Landlord or an option. This Lease shall not be effective against any party hereto until this Lease has been signed by both parties hereto. This Lease may be executed in one (1) or more counterparts, facsimile, electronic signature or otherwise, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same agreement.
- J. All understandings and agreements previously made between the parties are superseded by this Lease, and neither party is relying upon any warranty, statement or representation not contained in this Lease. This Lease may be modified only by a written agreement signed by Landlord and Tenant.
- K. The invalidity or unenforceability of any particular provision of this Lease shall not affect the other provisions, and this Lease shall be construed in all respects that if such invalid or unenforceable provision had not been contained herein.
- L. The Landlord agrees to notify the Tenant of all persons owning or upon any change or transfer of ownership involving five percent (5%) or more ownership interest or the power to direct the conduct and management of Landlord's business affairs, but only if such ownership or transfer of ownership or transfer of the power to direct the conduct and management of Landlord's business affairs would result in a violation of any conflict of interest statute (KRS 45A.330 - 45A.340 or 45A.990) of the Executive Branch Code of Ethics, KRS Chapter 11 A, or any other applicable statute or principle regarding conflict of interest. Non-compliance may result in termination of this Lease.
- M. This Lease and the following exhibits and attachments constitute the entire agreement between the parties and supersede all prior agreements and understandings related to the Premises, including all lease proposals, letters of intent and other documents: **Exhibit A** ("Project"), **Exhibit B** ("Commencement Certificate"), **Exhibit C** ("Work Letter"), and **Exhibit D** ("Plans/Approved Working Drawings").

[Remainder of page intentionally blank; signatures on following page(s)]

Landlord and Tenant have executed this Lease to be effective as of the day and year first above written.

LANDLORD:

KENTUCKY PROMISE 2012 LLC,
a Kentucky limited liability company

By: _____

Name: _____

Title: _____

KENTUCKY PROMISE 2017, LLC,
a Kentucky limited liability company

By: _____

Name: _____

Title: _____

TENANT:

UNIVERSITY OF LOUISVILLE

By: _____

Name: Lori Stewart Gonzalez

Title: Interim President

STATE OF _____)
) SS:
COUNTY OF _____)

Before me, a Notary Public in and for said County and State, personally appeared _____, the _____ of Kentucky Promise 2012 LLC, a Kentucky limited liability company, who acknowledged the execution of the foregoing Lease Agreement for and on behalf of such company.

WITNESS, my hand and Notarial Seal this _____ day of _____, 20__.

(_____) Notary Public

My Commission Expires:

My County of Residence:

STATE OF _____)
) SS:
COUNTY OF _____)

Before me, a Notary Public in and for said County and State, personally appeared _____, the _____ of Kentucky Promise 2017, LLC, a Kentucky limited liability company, who acknowledged the execution of the foregoing Lease Agreement for and on behalf of such company.

WITNESS, my hand and Notarial Seal this _____ day of _____, 20__.

(_____) Notary Public

My Commission Expires:

My County of Residence:

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STATE OF _____)
) SS:
COUNTY OF _____)

Before me, a Notary Public in and for said County and State, personally appeared _____, the _____ of the University of Louisville, an institution of higher education of the Commonwealth of Kentucky, who acknowledged the execution of the foregoing Lease Agreement for and on behalf of such institution.

WITNESS, my hand and Notarial Seal this _____ day of _____, 20__.

(_____) Notary Public

My Commission Expires:

My County of Residence:

EXHIBIT A

PROJECT

PHILANTHROPIC BUILDING

Located in Jefferson County, Kentucky and being more particularly described as follows:

Beginning at the northeast corner of Fifth Street and Muhammad Ali Boulevard (formerly Walnut Street) thence East with the North line of Muhammad Ali Boulevard, 54 feet and extending back Northwardly between parallel lines a distance of 105 feet, the West line being coincident with the East line of Fifth Street.

Also being described as:

Beginning at the intersection of the north line of Muhammad Ali Boulevard with the east line of 5th Street; thence with said east line North 07 degrees 42 minutes 00 seconds East 105.00 feet to its intersection with the south line of the tract conveyed to Cathedral Heritage Corporation by deed of record in Deed Book 5852, Page 552 in the office of the Clerk of Jefferson County, Kentucky; thence with said south line South 82 degrees 11 minutes 45 seconds East 54.00 feet to its intersection with the West line of the tract conveyed to Morris Weinberg by deed of record in Deed Book 4957, Page 158, in the Office aforesaid; thence with said west line South 07 degrees 42 minutes 00 seconds West 105.00 feet to its intersection with the north line of Muhammad Ali Boulevard aforesaid; thence with said north line North 82 degrees 11 minutes 45 seconds West 54.00 feet to the point of beginning containing 5,670.00 square feet, more or less.

Being the same property conveyed to Blue Venterra, LLC (which subsequently converted to a limited partnership pursuant to the Certificate of Limited Partnership of Blue Venterra, LP dated July 31, 2015 and filed with the Secretary of State of the Commonwealth of Kentucky) by Deed dated September 15, 2006, of record in Deed Book 8903, Page 612, in the Office of the Clerk of Jefferson County, Kentucky.

HARMONY BUILDING

Beginning on the North side of Muhammad Ali Boulevard, formerly Walnut Street, 54 feet East of Fifth Street; thence East along the North side of Muhammad Ali Boulevard, 75 ½ feet and extending back Northwardly between lines parallel with Fifth Street, 105 feet.

Being the same property conveyed to Blue-Molee, LLC pursuant to Deed dated April 4, 2007 recorded in Deed Book 9015, Page 877, in the Office of the Clerk of Jefferson County, Kentucky.

GEORGE GARVIN BROWN GARDEN

BEGINNING on the North side of Muhammad Ali Boulevard, formerly Walnut Street, 130 feet East of Fifth Street; thence East along the North side of Muhammad Ali Boulevard 106 feet to West line of an alley and extending back Northwardly between parallel lines, a distance of 105 feet, the East line of said lot being coincident with the West line of said alley.

BEING the same property conveyed to The Cathedral Heritage Corporation by Deed dated January 1, 1989 and recorded in Deed Book 5852, Page 552, in the Office of the Clerk of Jefferson County, Kentucky.

EXHIBIT B

COMMENCEMENT CERTIFICATE

This Commencement Certificate is made by and between _____, a(n)
_____ ("Landlord") and _____, a(n)
_____ ("Tenant") as of the date of last execution by Landlord and Tenant.

WITNESSETH

Landlord and Tenant are parties to that certain Lease Agreement dated _____, 20__, for certain real estate located at _____ (the "Lease"). Pursuant to the Lease, Landlord and Tenant, intending to be legally bound, hereby agree as follows:

1. The Delivery Date is _____, 20__.
2. The Effective Date of the Lease is _____, 20__.
3. The Commencement Date of the Lease is _____, 20__.
4. The Expiration Date of the Lease is _____, 20__.
5. The Base Rent shall be payable as follows:

<u>Period</u>	<u>Annual Base Rent</u>
Lease Years 1 – 50	\$1.00

6. Tenant is in possession of the Premises and is obligated to pay the Rent as set forth in the Lease.

This Commencement Certificate may be executed in one or more counterparts, facsimile, electronic signature or otherwise, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Commencement Certificate as of the dates set forth below.

LANDLORD:

a(n) _____
C-2

By: ----- Example Only -----
Name: _____
Title: _____
Date: _____

TENANT:

a(n) _____

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT C

IMPROVEMENT WORK

This Work Letter shall set forth the terms and conditions relating to the completion of the Improvement Work within the Premises. All references in this Work Letter to Articles or Sections of “this Lease” shall mean the relevant portions of the Lease to which this Work Letter is attached as Exhibit C, and all references in this Work Letter to Sections of “this Work Letter” shall mean the relevant portions of this Work Letter.

SECTION 1

LANDLORD’S INITIAL CONSTRUCTION IN THE PREMISES

Landlord or its predecessor has constructed previous to the date of this Lease, the base, shell and core (i) of the Premises, and (ii) of the floors of the Building on which the Premises is located (collectively, the “Base, Shell and Core”). Tenant has inspected and hereby approves the condition of the Premises, inclusive of the Base, Shell and Core in their current “as-is” condition.

SECTION 2

CONSTRUCTION DRAWINGS

2.1 Selection of Architect/Construction Drawings. Landlord shall retain an architect/space planner (the “Architect”) approved by the Steering Committee (as such term is defined in the Lease). Architect shall also retain essential and non-essential consultants reasonably approved by the Steering Committee (such consultants, together with the Architect shall be known as the “Design Team”) to assist the Architect in preparing all plans and working drawings relating to the structural, mechanical, electrical, plumbing, HVAC and life-safety work of the Improvement Work. The plans and drawings to be prepared by the Design Team hereunder shall be known collectively as the “Construction Drawings.” All Construction Drawings shall be subject to Tenant’s and the Steering Committee’s reasonable approval.

2.2 Final Space Plan. Landlord and the Design Team shall prepare the final space plan for the Improvement Work at the Premises (collectively, the “Final Space Plan”), which Final Space Plan shall include a layout and designation of all offices, rooms and other partitioning, their intended use, and equipment to be contained therein, and shall deliver the Final Space Plan to Tenant and the Steering Committee for Tenant’s and the Steering Committee’s approval.

2.3 Final Working Drawings. The Design Team shall complete the architectural and engineering drawings and specifications for the Premises, and the final architectural working drawings and specifications in a form which is complete to allow “Contractor,” as that term is defined in Section 3.1, below, to seek bids on the work and to obtain all applicable permits (collectively, the “Final Working Drawings”) and shall submit the same to Tenant and the Steering Committee for their approval.

2.4 Permits. The Final Working Drawings shall be approved by Tenant and the Steering Committee (the “Approved Working Drawings”) prior to the commencement of the construction of the Improvement Work. Architect shall submit the Approved Working Drawings to the appropriate municipal authorities for all applicable building permits necessary to allow Contractor to commence and fully complete the construction of the Improvement Work (the “Permits”). No changes, modifications or alterations in the Approved Working Drawings may be made without the prior written consent of the Steering Committee, which consent shall not be unreasonably withheld.

SECTION 3

CONSTRUCTION OF THE IMPROVEMENT WORK

3.1 Contractor. A general contractor shall be retained by Landlord to construct the Improvement Work. Such general contractor ("Contractor") shall be selected by Landlord through a Request for Proposal process.

3.2 Landlord's Contractors. All subcontractors, laborers, materialmen, and suppliers used by Landlord (such subcontractors, laborers, materialmen, and suppliers, and the Contractor to be known collectively as ("Landlord's Contractors")) must be submitted to the Steering Committee. If the Steering Committee does not approve any proposed subcontractors, laborers, materialmen or suppliers, Landlord shall submit other proposed subcontractors, laborers, materialmen or suppliers for the Steering Committee's approval.

3.3 Construction of Improvement Work by Contractor. Landlord shall independently retain Contractor, in accordance with Section 3.1 above, to construct the Improvement Work in accordance with the Approved Working Drawings.

3.4 Requirements of Contractors. Each of Landlord's Contractors shall guarantee to Landlord that the portion of the Improvement Work for which it is responsible shall be free from any defects in workmanship and materials for a period of not less than one (1) year from the date of completion thereof. All such warranties or guarantees as to materials or workmanship of or with respect to the Improvement Work shall be contained in the contract or subcontract and shall be written such that such guarantees or warranties shall inure to the benefit of both Landlord and Tenant, as their respective interests may appear, and can be directly enforced by either.

SECTION 4

MISCELLANEOUS

4.1 Landlord's Representative. Landlord may choose to designate a single representative with respect to the matters set forth in this Work Letter, who, until further notice to Tenant, shall have full authority and responsibility to act on behalf of the Landlord as required in this Work Letter.

4.2 Time of the Essence in This Work Letter. Unless otherwise indicated, all references herein to a "number of days" shall mean and refer to calendar days.

EXHIBIT D

PLANS/APPROVED WORKING DRAWINGS

[TO BE INSERTED ONCE PLANS ARE APPROVED]