

House Ethics Committee  
PO Box 11867  
Columbia, SC 29211

RECEIVED

APR 02 2020

HOUSE ETHICS  
COMMITTEE

March 30, 2020

RE: 1601 Shop Road, Suite B, Columbia, SC

To House Ethics Committee:

In connection with "Real or personal Property Interest II" section of the Statement of Economic Interest filed for Kirkman Finlay III on or about March 30, 2020, I have enclosed a lease dated March 8, 1998 between Hawkeye Partners, Inc. and Richland County.

The lease was assigned by Hawkeye Partners, Inc. to Pinebelt, LLC, which is 100% owned by Kirkman Finlay III.

The lease is still in effect.

Please feel free to contact me if you have any further questions. Office: 803-748-1090

Regards,



Kirkman Finlay III

CC: SC State Ethics Commission

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF RICHLAND )

LEASE AGREEMENT

THIS LEASE AGREEMENT ( the "Lease" ) made and entered into this 8 day of March, 1998, by and between Hawkeye Partners, Inc. ("Landlord") and Richland County ("Tenant").

1. Fundamental Lease Provisions. The following are the fundamental lease provisions.

- a. Date of execution: March 8, 1998
- b. Landlord: Hawkeye Partners, Inc.
- c. Address of Landlord:  

Hawkeye Partners, Inc.  
Post Office Box 146  
Columbia, South Carolina 29202
- d. Tenant: Richland County
- e. Address of Tenant:  

Richland County  
c/o Richland County Administrator  
2020 Hampton Street  
Columbia, South Carolina 29202
- f. Leased Premises: A portion of 1601 Shop Road, Columbia, South Carolina, consisting of 2,645 square feet of interior space.
- g. Lease Term: Five (5) lease years.
- h. Additional Term: Extension of an additional five (5) years after the initial term.
- i. Minimum Annual Rent for Initial Period: \$17,853.75 per annum for years 1 and 2.
- j. Estimated Monthly CAM: \$99.19 per month for year 1.
- k. Total Monthly Payment (Minimum Rent and Estimated CAM): \$1,587.00 for year 1.
- l. Permitted Uses: Office and courtroom space.
- m. Security Deposit: \$1,487.81.

2. Premises. In consideration of the rent to be paid, the mutual covenants and agreements herein contained, and of other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged by the parties hereto, Landlord hereby demises and rents unto Tenant, and Tenant hereby rents and hires from Landlord certain premises (the "Leased Premises") being a portion of a building located at 1601 Shop Road, Columbia, South Carolina, said Leased Premises containing 2,645 square feet of gross floor area. In addition,

Tenant shall have the non-exclusive right to use the entrance ways, parking areas, driveways and other common facilities on the premises and within the building.

3. Term.

- A. The term shall be for five (5) years plus the part of a month, if any, from the date of the commencement of the term through the last day of the month immediately prior to the first full calendar month in the term. The term of this Lease shall commence on March 1, 1998, provided, however, it is agreed that Tenant received possession of the premises and took occupancy thereof on December 15, 1997. Tenant shall be liable to Landlord for rental and any other sums as would be due under the terms of this Lease Agreement from the date of actual occupancy, which sum shall be paid to Landlord immediately following the execution of this Lease Agreement. The Landlord and Tenant agree, upon demand of the other, to execute an amendment to this lease expressing the commencement and termination dates of the term as soon as a commencement date has been determined.
- B. The continuation of this Lease from year to year shall be subject to the appropriation by Richland County Council of funds sufficient to allow Tenant to comply with its financial obligations as set forth herein, provided, that any appropriation is not withheld for the reason to relieve Tenant of its obligations hereunder.

3/1/98 -  
2/28/03

← but  
NOTE

4. Rental. Tenant shall pay and Landlord shall accept an annual rental for the Leased Premises as follows:

- A. First Lease Years. For the first two (2) Lease Years (as hereinafter defined), the annual rental shall be as follows: Tenant shall pay a guaranteed minimum annual rental of \$17,853.75 (rate - \$6.75 per square foot), payable in equal consecutive monthly installments of \$1,487.81 each, in advance, on the first day of the month during each Lease Year, except the first month's rent shall include any pro-rated monthly rental for the period from the date of the commencement of the term to the first full calendar month in the term.
- B. Last Lease Years. For the last three (3) Lease Years (as hereinafter defined), the annual rental shall be adjusted annually to provide for escalations of \$0.25 per square foot. The annual rental for years three (3), four (4) and five (5) shall be as follows:
- (i) Year Three (3). Tenant shall pay a guaranteed minimum annual rental of \$18,515.00, (rate - \$7.00 per square foot), payable in equal consecutive monthly installments of \$1,542.92 each, in advance, on the first day of the month during the Lease Year.
  - (ii) Year Four (4). Tenant shall pay a guaranteed minimum annual rental of \$19,176.25, (rate - \$7.25 per square foot), payable in equal consecutive monthly installments of \$1,598.02 each, in advance, on the first day of the month during the Lease Year.
  - (iii) Year Five (5). Tenant shall pay a guaranteed minimum annual rental of \$19,837.50, (rate - \$7.50 per square foot), payable in equal consecutive monthly installments of \$1,653.12 each, in advance, on the first day of the month during the Lease Year.

The term "Lease Year" as used herein shall mean a period of twelve (12) consecutive full calendar months. The first Lease Year shall commence on the date of the commencement of the term if the date of commencement shall occur on the first day of a calendar month. If the date of the commencement of the term is not the first day of a calendar month, then the first lease year shall commence upon the first day of the calendar month next following the date of commencement of the term. Each succeeding Lease Year shall commence upon the anniversary date of the first Lease Year.

5. Renewal Term. Provided Tenant is then in possession and is not in default with the terms of this Lease on the date the original term expires, and, unless either party has notified the other in writing not less than 180 days prior to the expiration of the original term that it intends to end the Lease at the completion of the original term, then, Tenant shall have the right and option of extending and renewing the term of this Lease for a period of five (5) years (the "Renewal Term"), which Renewal Term shall commence on the date the original term expires; provided, however, it shall be conclusively presumed that Tenant has elected to exercise the right and option to extend and renew unless notice otherwise is provided to Landlord as provided herein. The Renewal Term shall be upon the same covenants and conditions as those contained herein, except as to the annual rent to be paid. Tenant shall have the right and option to further extend and renew the term for additional five (5) year periods upon the same covenants and conditions, except as to the annual rent to be paid.

2003-08  
2008-13  
2013-18

6. Rent During Renewal Term.

A. First Lease Years. For the first two (2) Lease Years of the Renewal Term, the guaranteed minimum annual rental shall be \$20,498.75, (rate - \$7.75 per square foot), payable in equal consecutive monthly installments of \$1,708.23 each, in advance, on the first day of the month during the Lease Year.

B. Last Lease Years. For the last three (3) Lease Years of the Renewal Term, the annual rental shall be adjusted annually to provide for escalations of \$0.25 per square foot. The annual rental for years three (3), four (4) and five (5) shall be as follows:

(i) Year Three (3). Tenant shall pay a guaranteed minimum annual rental of \$21,160.00, (rate - \$8.00 per square foot), payable in equal consecutive monthly installments of \$1,763.33 each, in advance, on the first day of the month during the Lease Year.

(ii) Year Four (4). Tenant shall pay a guaranteed minimum annual rental of \$21,821.25, (rate - \$8.25 per square foot), payable in equal consecutive monthly installments of \$1,818.44 each, in advance, on the first day of the month during the Lease Year.

(iii) Year Five (5). Tenant shall pay a guaranteed minimum annual rental of \$22,312.50, (rate - \$8.50 per square foot), payable in equal consecutive monthly installments of \$1,859.37, each, in advance, on the first day of the month during the Lease Year.

C. For additional renewal terms, the rate per square foot for years one (1) and two (2) of such renewal term shall increase by \$0.25 over the rate for the year immediately preceding year one (1), and for each succeeding year after year two (2), the rate shall increase by \$0.25 per square foot for each year.

7. Security Deposit. Upon execution of this Lease, Tenant shall deposit with Landlord the first month's guaranteed minimum rental and a security deposit in a sum equal to the first month's guaranteed minimum rental of \$1,487.81. Said security deposit sum shall be held by Landlord as security for the faithful performance by Tenant of all terms, covenants and

conditions of this Lease to be kept and performed by Tenant during the term hereof. If Tenant defaults with respect to any provision of this Lease, including, but not limited to the provisions relating to the payment of rent, Landlord may (but shall not be required to) use, apply or retain all or any part of this Security Deposit for the payment of any rent or any other sum in default, or for the payment of any amount which Landlord may spend or become obligated to spend by reason of Tenant's default, or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of said deposit is so used or applied Tenant shall, within ten (10) days after written demand therefore, deposit cash with Landlord in an amount sufficient to restore the Security Deposit to its original amount and Defendant's failure to do so shall be a default under this Lease. Landlord shall not be required to keep this security deposit separate from its general funds, and Tenant shall not be entitled to interest on such deposit. If Tenant shall fully and faithfully perform every provision of this Lease to be performed by it, the Security Deposit or any balance thereof shall be returned to Tenant within ten (10) days following expiration of the Lease Term. In the event of termination of Landlord's interest in this Lease, Landlord shall, after prior written notice to Tenant, transfer said deposit to Landlord's successor in interest.

8. Payment of Rent. Tenant shall pay all rentals required hereunder at the address of Landlord, or at such other place as Landlord may designate by notice to Tenant, and all such rentals shall be payable and due without any prior demand, and without any deduction or set-off whatsoever.

Address for Payment of Rent:

Weaver and Associates  
P.O. Box 11655  
Columbia, South Carolina 29211

9. Late Charge; Interest on Rent Arrearages. If any installment of rent due from Tenant is not received by Landlord when due, Tenant shall pay to Landlord and additional sum equal to five (5%) per cent of the overdue rent as a late charge. Acceptance of any late charge payment shall not constitute a waiver of Tenant's default with respect to the overdue amount or prevent Landlord from exercising any of the other rights and remedies available to Landlord. Any installment of rent accruing under the provisions of this Lease that shall not be paid when due shall bear interest at eight (8%) per cent per annum from the date when the same was payable under the terms hereof, until the same shall be paid by Tenant to Landlord.

10. Common Facilities:

- A. The common facilities upon the premises and within the building for the non-exclusive general common use of tenants, and other occupants of the building, their officers, agents, employees, customers, invitees and guests, including, without limitation, all parking areas, access roads, employee parking areas, driveways, loading docks and areas, pedestrian walkways, landscaped and planted area, retaining walls, light facilities, and other areas and improvements, shall at all times be subject to the exclusive control and management of Landlord. The term "common facilities" as used in this Lease shall mean the facilities described in the immediately preceding sentence, subject to the changes, additions, subtractions, rearrangements, alterations, modifications or supplements thereto as provided in this lease. Landlord shall have the right to establish, modify and enforce reasonable rules and regulations with respect to the common facilities; to change the areas, locations and arrangement of parking areas and other common facilities; to enter into, modify and terminate easement and other agreements pertaining to the use and maintenance of the parking areas and other common facilities; to restrict parking by tenants, their officers, agents, employees and those having business with Tenant to designated employee/visitor parking areas; to close all or any portion of said parking areas or other common facilities to such extent as may, in the

reasonable opinion of the Landlord, be necessary to prevent a dedication thereof or the accrual of any rights to any person or to the public therein; to close temporarily any or all portions of said areas or facilities (Landlord will use reasonable efforts to re-open as soon as possible); to discourage non-customer parking; and to do and perform such other acts in and to said areas and improvements as Landlord shall determine to be advisable.

- B. Tenant, its employees and those upon the premises for conducting business with Tenant shall park their vehicles only in such areas designated for that purpose by Landlord.
- C. Landlord reserves the right in its sole discretion to change, rearrange, alter, modify, reduce or supplement all or any of the common facilities.

11. Expense of Common Facilities. In each Lease Year Tenant will pay Landlord, as additional rent, its proportional share, as herein defined, of Landlord's Operation Costs. Landlord will operate and maintain or cause to be operated and maintained the common facilities referred to in paragraph ten (10). "Landlord's Operation Costs" shall mean the cost and expense of operating and maintaining the common facilities which may be provided pursuant to paragraph ten (10) in a manner deemed by Landlord to be reasonable and appropriate and for the best interest of the premises, including, without limitation, all costs and expense of operating, maintaining, repairing, lighting, signing, cleaning, painting, surfacing, striping, policing and security; alarm systems; insurance (including liability insurance for personal injury, death and property damage, insurance against fire, extended coverage, theft or other casualties, workers' compensation insurance covering personnel), plate glass insurance for glass exclusively serving the common facilities area; removal of snow, ice, trash and debris; regulation of traffic; costs and expense of inspecting improvements, machinery and equipment used in the operation and maintenance of the common facilities and personal property taxes and other charges incurred in connection with such equipment; costs and expense of replacement of paving, curbs, walkways, landscaping, drainage, pipes, ducts, conduits and similar items, and lighting facilities; costs and expense of planting, replanting and replacing flowers, shrubbery and planters; costs of water or other services, if any, furnished by Landlord for nonexclusive use of Tenant; and such fees as may be paid to any third party in connection with such maintenance and operation.

12. Taxes.

- A. Landlord shall pay all real estate taxes and assessments imposed upon the premises during the term of this Lease. In each Lease Year Tenant will pay to Landlord, as additional rent, its proportionate share, as herein defined of the increases in taxes and assessments over the base year of 1997 imposed against the land, buildings and other improvements.
- B. Tenant shall be solely responsible for and shall pay within the time provided by law, all taxes imposed on its inventory, furniture, trade fixtures, apparatus, equipment and any other of Tenant's personal or other property, as may be applicable.
- C. The payment of taxes by Tenant in the performance of its obligations hereunder shall not be construed in any manner whatsoever as vesting in Tenant any interest in the Leased Premises other than the leasehold estate granted herein, and the relationship as Landlord and Tenant shall continue throughout the term of this Lease.

13. Tenant's Proportionate Share; Payment.

- A. Proportionate Share. Tenant's proportionate share of Landlord's Operation Costs and real estate taxes and assessments is defined and shall be computed by multiplying the total operating costs or taxes and

assessments, as the case may be, by the fraction 2,645/55,000 the numerator of which represents the floor area of the Leased Premises and the denominator of which represents the floor area of all of the building.

- B. Payment. Tenant shall pay the common area maintenance fee on a monthly basis concurrent with the payment of rent. Tenant shall continue to make said monthly payments until notified by Landlord of a change thereof.

14. Utilities. Water and sewer service shall be provided by Landlord and the cost thereof is included in the rent being paid by Tenant. Tenant shall pay for gas, electricity and other utilities used on or about the Leased Premises. Landlord shall incur no liability to Tenant whatsoever should any utility become unavailable from any public utility company, public authority or any other person, firm or corporation, including Landlord, supplying or distributing such utility, provided that any such unavailability is not the result of any fault of Landlord.

15. Insurance.

- A. Tenant shall maintain during the entire term of the Lease and during such other time as Tenant occupies the Leased Premises or any part thereof, at Tenant's expense: (a) a Commercial General Liability policy for bodily injury, personal injury and property damage or comparable coverage under a self-funded/excess liability program for the Tenant's liability on the leased premises with coverage amounts sufficient to meet the limits set forth under the S.C. Tort Claims Act in Section 15-78-120, as may be amended; (b) Commercial Property insurance on a Special Form or comparable "all-risk" form at replacement cost to protect its personal property and other property interests.
- B. Landlord shall maintain during the entire term of this Lease, and during such other time as the Tenant occupies the Leased Premises or any part thereof, at Landlord's expense: (a) a Commercial General Liability policy for bodily injury, personal injury and property damage for its liability at the Leased Premises and any other premises (e.g., other space, common areas, driveway, parking lot) at 1601 Shop Road, Columbia, S.C., in a coverage amount of not less than \$2,000,000.00 combined single limit per occurrence, and not less than \$4,000,000.00 general aggregate; (b) Commercial Property insurance on a Special Form or comparable "all-risk" form at replacement cost for the Landlord's realty and other property interests, including (1) boiler and machinery and (2) improvements and betterments in an amount to meet the Landlord's co-insurance requirements.

16. Standards for Insurers and Failure to Insure. Each policy required by this Lease shall at the time of acquisition be issued by an insurer with a rating in the A categories of Best Insurance Reports. Each party shall have certificates of liability insurance issued to the other party. The Landlord's certificate evidencing the coverage required from the Tenant shall be mailed to Bill Weaver, Weaver and Associates, P. O. Box 11655, Columbia, South Carolina, 29211. The Tenant's certificate evidencing the coverage required from the Landlord shall be mailed to Risk Manager, Richland County, 2020 Hampton Street, Columbia, South Carolina, 29204. The certificates shall provide for not less than 30 days notice of cancellation, termination or reduction in coverage, if the insurer provides such notices. Each party shall give proof of insurance and premium payments immediately after the other party requests it.

Any party failing to obtain the agreed insurance coverage shall not claim against the other party or anyone covered by its policy for any damages or losses the promisor incurs because of its failure to obtain the agreed insurance. Each party's property insurance shall be sufficient to prevent a co-insurance penalty. Each party shall be responsible for its acts or omissions in obtaining insurance.

17. Subrogation Waiver. Each party shall make no claim of recovery against the other for damages or loss of any property interests if the damages or losses are covered by any policy of insurance provided: (a) the policy contains a clause permitting the insured to waive such rights prior to the occurrence of the loss or damage and (b) the party invoking the waiver has likewise waived subrogation on its applicable policy.

18. Increase in Insurance Premiums; Mutual Release and Waiver of Subrogation.

- A. Tenant will not do or suffer to be done or keep or suffer to be kept, anything in, upon or about the leased premises which will contravene Landlord's policies insuring against loss or damage by fire or other hazard (including, without limitation, public liability) or which will prevent Landlord from procuring such policies in companies acceptable to Landlord at customary rates. If anything identified with the use of the premises by Tenant or the conduct of Tenant, its employees, agents or those on the premises as guests or invitees of Tenant, shall be done, omitted to be done or suffered by Tenant, its employees, agents, guests or invitees, to be kept in, upon or about the Leased Premises shall cause the rate of fire or other insurance on the Leased Premises or on other property of the Landlord to be increased beyond the minimum rate from time to time applicable to the Leased Premises, Tenant will pay, as additional rent, the amount of any such increase upon Landlord's demand.
- B. All insurance policies obtained by Landlord or Tenant hereunder and pursuant to this Lease shall provide for waiver of subrogation as to Landlord and Tenant, their respective officers, agents and employees. Further, Landlord and Tenant and all parties claiming under them hereby mutually release and discharge each other from all claims and liabilities arising from or caused by any hazard covered by insurance on the Leased Premises, or covered by insurance in connection with property on or activities conducted on the Leased Premises, regardless of the cause of the damage or loss.

19. Use of Premises. The Leased Premises are to be used for the purpose of conducting the business of the Olympia Magistrate's Office and as office space, but for no other purpose, without the prior written consent of Landlord which consent shall be in the sole discretion of Landlord. Tenant shall comply with all laws, ordinances, regulations or orders of the United States, or of the State, County and/or City where the Leased Premises are located, or of any duly constituted department, subdivision, board or other governmental agency thereof.

20. Operation by Tenant.

- A. In regard to the use and occupancy of the Leased Premises, Tenant will, at its expense: (i) keep the inside and outside of all glass and the doors and windows of the Leased Premises clean; (ii) replace properly any cracked or broken glass in the Leased Premises with glass of like kind and quality; (iii) maintain the Leased Premises in a clean, orderly and sanitary condition and free of insects, vermin and other pests; (iv) keep any garbage, trash, rubbish and refuse in appropriate containers within the interior of the Leased Premises until removed; (v) have such garbage, trash, rubbish and refuse removed on a daily basis; (vi) provide its own janitorial services for the Leased Premises; and (vii) comply with and observe all rules and regulations established by Landlord from time to time which apply generally to all Tenants on the premises.
- B. In regard to the use and occupancy of the Leased Premises and the premises, Tenant will not: (i) place or maintain any trash, refuse or other articles in any entry of the Leased Premises, on the footwalk or corridors



adjacent thereto or elsewhere on the exterior of the Leased Premises or premises so as to obstruct any driveway, footwalk, parking area or any other common facilities; (ii) permit accumulations of garbage, trash, rubbish or other refuse within the Leased Premises or on the premises; or (iii) permit the parking of vehicles so as to interfere with the use of any driveway, footwalk, parking area or other common facility.

21. Repairs; Alterations, Additions and Improvements.

- A. Landlord will make, or cause to be made, structural repairs to exterior walls, structural columns and structural floor which collectively enclose the Leased Premises (excluding any doors, door frames, windows and glass) and the roof over the Leased Premises; provided, Tenant shall give Landlord written notice of the necessity of such repairs, and provided that the damage thereto shall not have been caused by Tenant, its employees, licensees, invitees, or contractors, in which event Tenant shall be responsible therefore. Except as set forth in this sub-paragraph Landlord shall have no obligation to make any repair or replacement to the Leased Premises or any improvement thereon.
- B. Subject to the provisions of sub-paragraph A of this paragraph, Tenant shall maintain and keep in good repair, at Tenant's expense, the entire Leased Premises, including improvements thereon, electrical, plumbing, heating and air conditioning systems and other mechanical installations therein, throughout the term of this Lease and keep the same free from waste or nuisance of any kind. The Leased Premises shall not be maintained as, nor shall Tenant permit the Leased Premises to become, a public or private nuisance and the Tenant shall not maintain any nuisance upon the Leased Premises. At the end or other termination of this Lease, Tenant shall deliver up the Leased Premises and all improvements located thereon in good broom clean condition, reasonable wear and tear accepted.
- C. Tenant shall make no alterations, additions or improvements to the exterior or interior of the Leased Premises without written consent of Landlord.
- D. All repairs, alterations, additions and improvements which may be made by either of the parties shall inure to Landlord's benefit, shall become a part of the Leased Premises, and shall belong to the Landlord absolutely as soon as made or installed, provided Tenant shall have the right to remove any alterations, additions or improvements so long as such removal shall not result in damage to the Leased Premises and the Leased Premises are restored by Tenant to the original condition in a workmanlike manner.
- E. Landlord shall not be liable for any loss, damage or injury to person or property, regardless of the cause, arising from the making of repairs, alterations, additions or improvements by Tenant and Tenant shall defend any claims or legal action arising therefrom, and pay all judgments resulting therefrom.
- F. Tenant will not place or suffer to be placed or maintained on the exterior of the Leased Premises or in any windows any sign, advertising matter or any other thing of any kind, and will not place or maintain any declaration, letter or advertising matter on the Leased Premises without first obtaining Landlord's written approval. Tenant will, at its sole cost

and expense, maintain such sign, declaration, lettering, advertising matter or other thing as may be approved in good condition and repair at all times.

22. Signs. Tenant shall pay for all signs, their installation, maintenance and removal. Tenant at Tenant's cost shall obtain all necessary permits and approvals from the local government agency having jurisdiction thereof. All sign design, color, layout, graphics, location and size shall first be submitted to Landlord for approval prior to fabrication. All work must be of good quality. Landlord shall have the right to reject any work judged below standard. No sign shall be manufactured or installed until after Landlord has approved the construction, drawings and specifications of the signs, including all connections. Tenant shall maintain signs in a neat and attractive condition. The signs and support shall be kept painted to maintain an attractive condition and to prevent rust, rot or deterioration.

23. Damage or Destruction by Fire or Other Casualty.

- A. If the Leased Premises shall be damaged by fire, the elements, accident or other casualty but the Leased Premises are not thereby rendered untenable, in whole or in part, Landlord shall promptly at its expense, cause such damage to be repaired without abatement of rent. If, as the result of casualty, the Leased Premises are rendered untenable in part, Landlord shall at its expense cause such damage to be repaired and the guaranteed minimum annual rental shall be abated proportionally as to the portion of the Leased Premises rendered untenable from the date of such casualty until the Leased Premises are rendered tenable. If, as a result of casualty, the Leased Premises are rendered wholly untenable, Landlord shall, at its expense cause such damage to be repaired and the guaranteed minimum annual rental and other charges should be abated from the date of such casualty until the Leased Premises, or any portion thereof, have been rendered tenable. In making such repair or replacement, the proceeds of Landlord's insurance coverage shall be available to Landlord for its use. In no event shall Landlord be liable for interruption to Tenant's business or for damage to or replacement or repair of Tenant's personal property, including inventory, fixtures, floor coverings, furniture and other property removable by Tenant under the provisions of this Lease or to Tenant's Leasehold improvements. Notwithstanding the foregoing, or anything contained herein to the contrary, if the Leased Premises are (a) rendered wholly untenable or (b) damaged as a result of any cause which is not wholly covered by Landlord's insurance or (c) damaged in whole or in part during the last six months of the term, or (d) if the building of which the Leased Premises are a part is damaged to the extent of fifty percent or more of the floor area thereof, then in any of such events, Landlord may terminate this Lease by giving to Tenant notice within ninety days after the occurrence of such event and neither party shall be obligated to the other for repairs or other matters thereafter occurring.
- B. If the Leased Premises is so substantially damaged that it is reasonably necessary in Landlord's judgment, to demolish the building for the purpose of reconstruction, Landlord may demolish the same, in which event the rent and other charge shall be abated as if the Leased Premises were rendered untenable by a casualty.
- C. No damages or destruction to the Leased Premises which shall not prevent Tenant from continuing the use of the Leased Premises as a magistrate's court and related offices shall allow Tenant to surrender possession of the Leased Premises nor effect Tenant's liability for the payment of rent or any other covenant herein contained, except as may be specifically provided in this Lease.

24. Condemnation.

- A. In the event the entire Leased Premises shall be appropriated or taken under the power of eminent domain for any public or quasi-public use or purpose, this Lease shall terminate as of the date title vests in such proceeding.
- B. In the event, as a result of the exercise of eminent domain powers, there shall be acquired a sufficient portion of the leased premises or parking area as shall render the Leased Premises unsuitable for the business of Tenant, then Tenant shall have the right to terminate this Lease, but such right must be exercised by notice to the Landlord within ten days after the vesting of title in such proceeding or be waived.
- C. In the event of a partial taking of the Leased Premises by eminent domain, if Tenant does not terminate pursuant to the right available to Tenant under the provisions of sub-paragraph B immediately above, this Lease shall continue in full force and effect.
- D. In the event of termination in accordance with this paragraph, both parties will be relieved of all further duties and obligations hereunder, and prepaid or unpaid rent shall be adjusted between the parties as of such date. Tenant shall have no claim against Landlord for the unexpired term of the Lease. Any acquisition by means of voluntary negotiations and contract while under threat of condemnation shall be deemed to be acquisition by exercise of the power of eminent domain.
- E. In the event of any condemnation or taking as aforesaid, whether whole or partial, the Tenant shall not be entitled to any part of the award paid for such condemnation and Landlord is to receive the full amount of such award, the Tenant hereby expressly waiving any right or claim to any part thereof; provided, however, nothing contained herein shall prevent Tenant from applying for reimbursement from the condemning authority (if permitted by law) for moving expense, or removal of trade fixtures, but if and only if such action shall not effect the amount of compensation otherwise recoverable by Landlord from the condemning authority.

25. Hazardous Materials. (a) Except for products reasonably necessary and customarily associated with the use of the premises, Tenant shall not use, generate, manufacture, produce, store, release, discharge or dispose of on, in or under the premises or the property of which the premises are a part or transport to or from the premises or the property, any hazardous materials as defined below, or allow any other person or entity to do so.

(b) Tenant shall comply with all local, state or federal laws, ordinances or regulations relating to hazardous materials on, in, under or about the premises.

(c) Tenant shall protect, indemnify and hold harmless Landlord, its directors, officers, employees, agents, successors and assigns from and against any and all loss, damage, cost, expense or liability including attorney's fees and costs directly or indirectly out of or attributable to Tenant's failure to comply with this section. This indemnity shall survive termination or cancellation of this Lease for any reason.

(d) "Hazardous materials" shall mean any flammable explosives, radioactive materials, hazardous wastes, toxic substances or related materials, including, without limitation, any substances defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances", under any applicable federal, or state laws or regulations.

26. Default.

- A. If Tenant defaults in fulfilling any of the covenants of this Lease, Landlord shall give Tenant notice thereof. If such default involves nonpayment of rent or other sums due hereunder or the imposition of a lien against the Leased Premises and if such default is not remedied within ten days following such notice, all of Tenant's rights under this Lease shall terminate and Tenant shall then quit and surrender the Leased Premises to Landlord, but Tenant shall continue liable for the payment of rent and other sums due hereunder, subject to Landlord using its best efforts to relet the Leased Premises as soon as practical and thereby mitigating any losses resulting from Tenant's default.

If such default does not involve nonpayment of rent or other sums due hereunder or the imposition of a lien against the Leased Premises and if such default is not remedied within thirty days following such notice, all of Tenant's rights under this Lease shall terminate and Tenant shall then quit and surrender the Leased Premises to Landlord, but Tenant shall continue liable for the payment of rent and other sums due hereunder. Except for nonpayment of rent or other sums due hereunder or the imposition of a lien against the Leased Premises, if the nature of the default is such that it cannot reasonably be cured within said period of thirty days, but work thereon shall be commenced within said period and diligently prosecuted to completion, Tenant's rights under this Lease shall not terminate as a result of such default.

- B. If Tenant's rights under this Lease shall have been terminated, Landlord may immediately, or at any time thereafter, re-enter the Leased Premises and remove all persons and all or any property therefrom, by any suitable action or proceeding at law, or otherwise, without being liable for any prosecution therefore or damages therefrom, and repossess and enjoy the Leased Premises, together with all additions, alterations and improvements, and Landlord may, at Landlord's option, repair, alter, remodel and/or change the character of the Leased Premises as Landlord may deem fit. Landlord may relet the Leased Premises or any part or parts thereof, as the agent of Tenant or otherwise, for such term (which may be greater or less than the period which would have otherwise constituted the balance of the term of this Lease) and on such conditions as Landlord, in its uncontrolled discretion, may determine and may collect and receive the rents therefore, and any sums received by Landlord on a reletting in excess of the rental due under this Lease shall belong to the Landlord. Landlord shall in no way be responsible or liable for any failure to relet the Leased Premises or any other part thereof, or for any failure to collect any rent due upon any such reletting. The exercise by Landlord of any right granted in this sub-paragraph shall not relieve Tenant from the obligation to make all rental payments, and to fulfill all other covenants required by this Lease, at the time and in the manner provided herein. Provided, however, Landlord shall use its best efforts to relet the premises as soon as practical and to otherwise mitigate any

losses for which Tenant could be held liable under the terms herein and/or under statutory or case law in South Carolina.

- C. The maintenance of any action or proceeding to recover possession of the Leased Premises, or any installment or installments of rent or any other monies that may be due or become due from Tenant to Landlord, shall not preclude Landlord from thereafter instituting and maintaining subsequent actions or proceedings for the recovery of possession of the Leased Premises or of any subsequent installment or installments of rent, or any other monies that may be due or become due from Tenant. Any entry or reentry by Landlord shall not be deemed to absolve or discharge Tenant from liability hereunder.
- D. In the event of a breach by Tenant of any of the covenants or provisions hereof, Landlord shall have, in addition to any other remedies which it may have, the right to invoke any remedy allowed at law or in equity to enforce Landlord's rights or any of them as if re-entry and other remedies were not herein provided for.
- E. If Tenant shall at any time be in default hereunder and following reasonable efforts by Landlord to resolve with Tenant such matters constituting the default it then becomes necessary for Landlord to engage attorneys to enforce Landlord's rights hereunder, the determination of such necessity to be in the sole discretion of Landlord, Tenant will reimburse Landlord for the attorney's fees.

27. Holding Over. In the event Tenant remains in possession of the Leased Premises after the expiration of this Lease and without the execution of a new lease, Tenant shall be deemed to be occupying said Leased Premises as a Tenant from month to month at a rental equal to one hundred twenty percent (120%) of the rental herein provided for immediately prior to the expiration of the Lease, which rental shall be payable monthly, and otherwise subject to all of the conditions, provisions and obligations of this Lease in so far as the same are applicable to a month-to-month tenancy, and in no event shall there be any renewal of this Lease by operation of law.

28. Landlord's Right of Entry. Landlord and/or Landlord's agents or employees may enter the Leased Premises at all reasonable hours to examine them, to show them to persons wishing to rent or purchase them, or to make repairs, additions or other work, and no compensation shall be asked or claim made by Tenant by reason of any inconvenience resulting therefrom.

29. Non-Liability of Landlord. Landlord shall not be liable for loss of or damage to any property at any time located in or about the Leased Premises, whether or not Tenant is the owner thereof, unless such loss or damage is the direct result of the negligence of Landlord, its agents or employees. Landlord shall be under no liability to Tenant on account of any discontinuance of heat, electricity, sewer service, water, air conditioning, sprinkler, gas and/or other utility, convenience, service or facility, if such discontinuance is caused by factors outside Landlord's control.

30. Sale or Transfer of Landlord's Interest. In the event of the sale, assignment or transfer by Landlord of Landlord's interest in the Leased Premises, Landlord shall thereupon be released and discharged from all covenants and obligations of the Landlord thereafter occurring, and Tenant agrees to look solely to such successor in interest of Landlord for performance of such obligations. All covenants and obligations of Landlord shall run with the land and be binding upon each new owner or successor for the time being of the Leased Premises. Landlord's assignment of the Lease or of any or all of Landlord's rights herein shall in no manner affect Tenant's obligations hereunder. Tenant shall thereafter look to such assignee, as Landlord, provided Tenant has first received written notice of such assignment of Landlord's interest.

31. Assignment or Subletting by Tenant. Tenant may not assign or encumber this Lease or Sublet all or any part of the Leased Premises, nor may this Lease be assigned or encumbered or the Leased Premises sublet by operation of law, without the prior written consent of Landlord, which consent shall be in the sole discretion of Landlord. In the event Landlord does so consent, Tenant shall not be relieved or released from its liability hereunder. The proposed assignee or subtenant shall assume Tenant's obligations hereunder and deliver to Landlord an assumption agreement, in form satisfactory to Landlord, within five days after the effective date of the assignment, if such written consent is given by the Landlord. Consent by Landlord to any assignment, encumbrance, or subletting shall not constitute a waiver of the necessity for such consent to any subsequent assignment or subletting.

32. Subordination. This Lease and all leasehold rights hereunder shall be, become and remain subordinate to the lien of any mortgage or mortgages, or to the lien resulting from any other method of financing or refinancing, now or hereafter in force against the land and/or building of which the Leased Premises are a part. Upon the request of the Landlord, Tenant will subordinate Tenant's rights hereunder to the lien of any mortgage or mortgages, or to the lien resulting from any other method of financing or refinancing, now or hereafter in force against the land and/or building of which the Leased Premises are a part. Tenant, in case of foreclosure or sale pursuant to the terms of any such security instrument, agrees to attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as the Landlord under this Lease. Notwithstanding the foregoing, in the event any mortgagee requests that this Lease be made superior, rather than subordinate, to any such mortgage, then upon request of Landlord, Tenant will execute and deliver any and all documents effectuating such priority. Tenant agrees to execute any documents which may be required to effectuate the subordination or superiority and otherwise carry out Tenant's obligations under this paragraph, and failing to do so within ten days after written demand, does make, constitute and irrevocably appoint Landlord as Tenant's attorney in fact and in Tenant's name, place and stead so to do.

33. Estoppel Certificate. Within ten days after request therefore by Landlord or any mortgagee under a mortgage covering the Leased Premises, or if, upon any contract of sale, sale, assignment or other transfer of the Leased Premises by Landlord, an estoppel certificate shall be requested by Landlord, Tenant shall execute and deliver in recordable form a statement to any proposed mortgagee or other transferee, or to Landlord, certifying any facts that are then true with respect to this Lease, including, without limitation, that this Lease is in full force and effect, that Tenant has accepted and is presently occupying said Leased Premises, that Tenant has commenced the payment of rent, that said payments are current, that no default exists under the terms and provisions of said Lease, that there are no defenses or offsets to the Lease claimed by Tenant, and such other matters relating to the Lease as may be reasonably requested by Landlord.

34. Short Form Lease. It is understood and agreed that the terms of this Lease with respect to the term of the Lease and a description of the property may be set forth in a Memorandum of Lease of even date herewith, which said short form of Lease, if prepared, may be used for recording purposes to document the exact commencement and termination dates of the Lease. The party recording such form shall pay all recording costs, including documentary stamp tax, incurred in connection therewith.

35. Surrender of Leased Premises. Tenant shall surrender to Landlord the Leased Premises at the expiration of the term hereof, or any extension thereof, or upon termination by virtue of Tenant's default, in good and broom clean condition, reasonable wear and tear and loss by fire or other casualty covered by insurance payable to Landlord excepted.

36. Notices. Whenever notice shall or may be given to either of the parties by the other, each such notice shall be in writing and be by registered or certified mail, return receipt requested and postage prepaid, addressed as follows:

To Tenant at:

Richland County Administrator  
2020 Hampton Street  
Columbia, South Carolina 29204

To Landlord at:

Hawkeye Partners, Inc.  
c/o Bill Weaver  
P. O. Box 11655  
Columbia, SC 29211

The foregoing addresses may be changed by notice in like manner. Any such notice shall be deemed to have been given at the time it is placed in the mail, unless otherwise provided for herein.

37. Non-Waiver Provision. The failure of Landlord or Tenant to insist upon a strict performance of any of the terms, conditions and covenants herein shall not be deemed to be a waiver of any rights or remedies that Landlord or Tenant may have and shall not be deemed to be a waiver of any subsequent breach or default in the terms, conditions and covenants herein contained, except as may be expressly waived in writing.

38. Severability. If any term, condition or provision of the Lease, or the application thereof to any person or circumstance shall, to any extent be held to be invalid or unenforceable, the remainder hereof and the application of such term, provision or condition to persons or circumstances other than those as to whom or what it shall be held invalid or unenforceable shall not be affected thereby, and this agreement and all of the terms, provisions and conditions hereof shall, in all other respects, continue to be effective and to be complied with to the full extent permitted my law.

39. Rules and Regulations. Landlord shall have the right to promulgate rules and regulations for the safety, care, and cleanliness of the premises, the building in which the Leased Premises are located, including all common areas, or for the preservation of good order, and the right from time to time to promulgate amendments and additional rules in relation thereto. On delivery of a copy of such rules and regulations to Tenant, Tenant shall comply with the rules and regulations and any subsequent amendments thereto, and a violation of any of them shall constitute a default by Tenant under this Lease. If there is a conflict between the rules and regulations and any other provisions of this Lease, the provisions of this Lease shall prevail.

40. Successors and Assigns and Inclusiveness of Terms. The covenants, conditions and agreements contained in this Lease shall bind and inure to the benefit of Landlord and Tenant and their respective legal representatives, successors and, except as otherwise provided in this Lease, their assigns. Whenever Landlord and Tenant are herein referred to, such reference shall be construed as applying to their respective successors in interest and assigns and, where the content requires or admits, to their agents, employees, invitees, and similar representatives. The use of the neuter singular pronoun to refer to Landlord or Tenant shall be deemed a proper reference even though Landlord or Tenant may be an individual, a partnership, a corporation, a governmental entity, or a group of two or more individuals, or entities.

41. Third Party Beneficiary. Nothing contained in this Lease shall be construed so as to confer upon any other party the rights of third party beneficiary (except rights contained herein for the benefit of a mortgagee).

42. Controlling Law. The laws of the State of South Carolina shall govern the validity, construction, performance, interpretation and enforcement of this Lease.

43. Quiet Enjoyment. Landlord covenants that Tenant, on the performance of the terms and conditions of this Lease, shall and may peaceably and quietly have, hold and enjoy the Leased Premises for the term aforesaid, subject, however, to the exceptions, reservations and conditions of this Lease.

44. Captions. The captions in this Lease are for convenience only, are not a part of this Lease and do not in any way limit or amplify the terms and provisions of this Lease.

45. Attorney's Fees. If either party becomes a party to any litigation concerning this Lease, the premises, or the building or other improvements in which the premises are located, by reason of any act or omission of the other party or its authorized representatives, the party that causes the other party to become involved in the litigation shall be liable to that party for reasonable attorney's fees and court costs incurred by it in the litigation. If either party commences an action against the other party arising out of or in connection with this Lease, the prevailing party shall be entitled to have and recover from the losing party reasonable attorney's fees and costs of suit including fees and costs of appeal.

46. Real Estate Commission. Neither Landlord nor Tenant has employed, retained or consulted with any broker, agent or finder with regard to this Lease other than Weaver & Associates, and Landlord agrees to pay Weaver & Associates the commission relating to this Lease as set out in a separate Commission Agreement.

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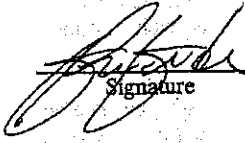
47. Entire Agreement. This Lease contains all of the agreement between the parties hereto and may not be modified in any other manner than by agreement in writing signed by all the parties hereto, or their successors in interest.

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease as of the day and year first above written.

WITNESSES AS TO LANDLORD:

  
\_\_\_\_\_  
Signature

D.S. Nees  
\_\_\_\_\_  
Print Name

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

LANDLORD: HAWKEYE PARTNERS, INC.

  
\_\_\_\_\_  
Signature

By: Bill WEAVER  
\_\_\_\_\_  
Print Name

Its: Agent  
\_\_\_\_\_  
Print Title

WITNESSES AS TO TENANT:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

TENANT: RICHLAND COUNTY

  
\_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Print Name  
TIM GIFFEL

Its: DIRECTOR OF PROCUREMENT  
\_\_\_\_\_  
Print Title

APPROVED COUNTY ATTORNEY

DATE March 5, 1998

SIG' 