University of Alabama System
Board Rule 415 (2/2005)
Board Submittal Checklist Criteria

*Board Submittal Checklist
Lease Agreement

Campus: ____________________________ The University of Alabama
Project Name: ______________________ iPhone Clinic Commercial Lease
Meeting Date: _______________ April, 2012

* 1. Completed Board Submittal Checklist
   2. Transmittal Letter to Chancellor from Campus President requesting the
      project be placed on the agendas for the forthcoming Physical Properties
      Committee and Board of Trustees (or Executive Committee) meetings
   3. Proposed Board Resolution authorizing the campus to execute lease
   4. Campus correspondence providing supporting project information
   5. Proposed Lease Agreement
   6. Location maps and description of lease property
   7. Designated Campus Agent’s declaration of best interest of Institution

Prepared by: ____________________________
Approved by: ____________________________

* Basic documents required for this Board Submittal Package. Include other supporting materials,
correspondence, etc., as may be required to fully describe or illustrate project being submitted for
approval to Physical Properties Committee and Board of Trustees.
MEMORANDUM

TO: Robert E. Witt
FROM: Lynda Gilbert
RE: Board Item—Approval of Commercial Lease to the iPhone Clinic LLC

The University of Alabama requests approval of a commercial lease to the iPhone Clinic LLC. This lease is part of the effort to revitalize the area known as The Strip. The proposed lease area is located at 1209 University Boulevard.

The proposed lease terms are as follows:

- Tenant responsible for repairs and insurance
- Two year initial lease term plus one (1) two (2) year renewal option
- Thirty day build out with rent abated during that term
- Rental amounts
  - 1st month rent abated
  - 1st year of initial term at $24,993.33 in advance
  - 2nd year initial term at $27,200 in advance
  - Option for an additional 2 years, mutually agreed upon
  - $5,444 per year Common Area Maintenance (CAM) charge for ad valorem taxes, garbage, and common area cleaning

The proposed Resolution, Commercial Lease Agreement, Executive Summary, and Designated Agent’s Declaration are attached for your review.

Subject to your approval, I recommend this item be forwarded to the Chancellor for inclusion as an Action item on the Physical Properties Committee agenda at the Board of Trustees regular meeting scheduled for April, 2012.

DDB
Attachments

Cc w/attachments: Gina Johnson
Doug Behm
RESOLUTION

1209 University Boulevard Commercial Lease
(iPhone Clinic LLC)

WHEREAS, the iPhone Clinic LLC, an Alabama corporation, has requested a commercial lease of certain real property owned by The University of Alabama described as 1209 University Boulevard, Tuscaloosa, Alabama, for use as a retail establishment under terms and conditions set forth in the Commercial Lease attached hereto as Exhibit A; and

WHEREAS, the proposed Commercial Lease attached hereto has been studied and approved by appropriate University officials, and its execution and performance is recommended to this Board by the appropriate officials of The University of Alabama as being in the best interest of the University and the State;

BE IT THEREFORE RESOLVED by The Board of Trustees of The University of Alabama that Robert E. Witt, as President and Lynda Gilbert, as Vice President for Financial Affairs and Treasurer of The University of Alabama, Tuscaloosa, Alabama, or any other official authorized by the most recent Board resolution regarding signature authority for The University of Alabama, be, and hereby are, authorized to enter into and execute a Commercial Lease in substantially the form attached hereto as Exhibit “A,” for and on behalf of this Board with the iPhone Clinic LLC for 1209 University Boulevard, Tuscaloosa, Alabama, owned by The University of Alabama for use as a retail establishment.
EXECUTIVE SUMMARY
PROPOSED REAL ESTATE LEASE
BOARD OF TRUSTEES SUBMITTAL
MEETING DATE: April, 2012

CAMPUS: The University of Alabama

PROJECT NAME: Commercial Lease to the iPhone Clinic LLC.

ORIGINAL ACQUISITION DATA:
[ ] Gift
[X] Purchase
[ ]
Date: December, 2006 Value: $2,100,000 (5 storefronts)

PROJECT LOCATION: 1209 University Boulevard
12th Avenue and University Boulevard, Tuscaloosa, Alabama

LEGAL DESCRIPTION: 1209 University Boulevard

ACREAGE: 1,361 Sq Ft

IMPROVEMENTS: Facility requires slatwall to be installed on existing sales floor walls to merchandise product. Other build out items include display counter, work benches, additional lighting, security camera, paint/trim and stock room shelving.

CONSIDERATION:
- 30 days rent abatement for build out
- Initial terms rent- 1st year rent -$24,933.33 annually; 2nd year rent-$27,200 annually; payable one year in advance
- $4.00 per square foot Common Area Maintenance (CAM) charge paid as $5,444 per year
- Mutually agreed upon option to renew for 2 years after initial term expires

TERM OF LEASE: 2 year initial term with one (1) two-year renewal term.

LESSEE: iPhone Clinic LLC
Executive Summary
Real Estate Disposition – Commercial Lease
Board of Trustees Submittal
Meeting Date: April, 2012

JUSTIFICATION
FOR GROUND LEASE
OF PROPERTY: The proposed use of the space will add to the options available to students, employees, and visitors in an area that is convenient to campus. The subject property is located in the area known as The Strip on University Boulevard. A commercial lease to iPhone Clinic LLC will allow a modern, upscale facility that will improve and upgrade the mix of businesses on University Boulevard. The proposed lease will allow the University to obtain a market rate return for property.

OTHER ATTACHMENTS
[ ] Declaration of Designated Campus Agent or Method
    Selected to Dispose of Property.

[ X ] Proposed Board Resolution to Authorize Campus to Proceed With
    Ground Lease of Real Property
Checklist for Sale or Lease of Campus Real Property

1209 University Boulevard
Tuscaloosa, Alabama

1. [ ] Property Sale
[X] Property lease
[ ] Timber sale
[ ] Mineral lease

2. [X] Estimated income is $52,133.33

3. [X] Estimated income based on 2 years at $24,933.33 / $27,200 annually in advance.

4. [X] a. Sale/lease handled through a licensed real estate broker and published by broker in accordance with customary practices.

[X] b. Sale/lease handled by negotiation after a publicly announced request for proposals was made.

[ ] c. Sale/lease handled by sealed bid or auction.

1) Property Located In-State
[ ] Advertised once a week for four (4) weeks in newspaper of general circulation in county of property:
(and)
[ ] Advertised once in three (3) other newspapers of general circulation throughout the state:

2. Property Located Out-of-State
[ ] Advertised once in three newspapers of general circulation throughout the State.

5. [X] Designated agent’s declaration of best interests of the institution to make sale or lease through process other than public auction or sealed bid.

[ ] Date ratified by The Board of Trustees:

Signature of Campus Designated Agent

Date

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1 Other than 1) quitclaim deeds, 2) dispositions associated with the granting of easements and rights-of-way, and 3) leases specifically excluded from the requirements of Board Rule 470.
Designated Agent’s Declaration of Best Interest to the Institution  
Commercial Lease of 1209 University Boulevard  
12th Avenue and University Boulevard  

The subject property is located in the area known as The Strip on University Boulevard. A commercial lease to the iPhone Clinic LLC will allow a modern, upscale facility that will improve and upgrade the mix of businesses on University Boulevard. The proposed lease will allow the University to obtain a market rate return for the property. The proposed use of the space will add to the options of students, employees, and visitors in an area that is convenient to campus. It is believed that the commercial lease of the tract to iPhone Clinic LLC is justified and in the best interest of the University of Alabama and the State of Alabama.

[Signature]  
Designated Agent  
2-28-12  
Date
LEASE OPERATIONS SUMMARY

The iPhone Clinic will provide technical support and repair on all Apple products including but not limited to iPhone, iPad, iPod, computers and other smart phones. The iPhone Clinic also sells the accessories related to the described products.

The store will be interactive with the local community as well as UA students. Store hours will be Monday through Saturday 9:00 a.m. until 9:00 p.m., and hours may be extended on Fridays and Saturdays to provide extended service to the UA students and community. The iPhone Clinic will employ an average of 8 to 10 employees.
COMMERCIAL LEASE AGREEMENT - 1209 UNIVERSITY BOULEVARD

This Commercial Lease Agreement ("Agreement" or "Lease") is made and entered into as of the date of last signature below, by and between THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ALABAMA, for and on behalf of The University of Alabama, Tuscaloosa, Alabama ("Landlord"), and iPhone Clinic LLC ("Tenant").

WITNESSETH

WHEREAS, Landlord is the owner of certain real property lying and being in Tuscaloosa County, Alabama, as designated on Exhibit A, Tuscaloosa, Alabama (the "Premises"); and

WHEREAS, Tenant desires to take and lease the Premises from Landlord upon the following terms and conditions,

NOW THEREFORE, THE PREMISES CONSIDERED, and in further consideration of the sum of Ten ($10.00) Dollars in hand paid, each party to the other, and the mutual undertakings hereinafter recited, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

(1) LEASE: Landlord does hereby lease the Premises unto Tenant and Tenant does hereby lease the Premises from Landlord, together with the improvements and appurtenances located thereon and attached thereto.

(2) PURPOSE: Subject to any existing easements and the regulatory laws and ordinances of the political subdivisions in which the Premises are situated, the Premises shall be used principally for retail space as designated on Exhibit A, and for no other material purpose, unless the written consent of Landlord is obtained in advance of such other usage.

(3) TERM: The term of this Agreement (the "Lease Term") shall be as set on Exhibit A, if not sooner terminated pursuant to the terms herein.

(4) HOLDOVER TENANCY: Should Tenant continue to occupy the Premises after the expiration of the Lease Term, either with or without the consent of Landlord, such tenancy shall be from month to month and upon the terms, conditions, and limitations and at 125% of such rental as provided in this Agreement or except as the parties may otherwise agree in writing.

(5) RENTAL: Tenant shall pay Landlord rent in the amount set out on Exhibit A, without demand, at University of Alabama, Office of Land Management, Box 870176, 102 Hayden Harris Hall, Tuscaloosa, AL 35487, or at such other address as Landlord shall designate from time to time by a notice to Tenant in accordance herewith. The annual rent is due on or before the 1st day of the lease term or the lease shall terminate.

(6) ASSIGNMENT: Each and every transfer or assignment of this Agreement or any portion or interest herein by Tenant and each and every sub-letting of the Premises, any part
thereof or any interest therein by Tenant shall be null, void, and held for naught unless the written consent of Landlord is obtained in advance of such assignment or sub-letting; provided, however, that Tenant may assign as collateral security its rights and interests hereunder (in whole or in part) to a bank or other lender for the purpose of financing or re-financing the operations of Tenant, and Landlord shall execute from time to time such documents and instruments as are reasonably required to effectuate such assignment (including estoppel certificates, attornment and non-disturbance agreements, and the like). Landlord shall not subordinate its fee interest in the Premises pursuant to any such financing or for any other purpose.

(7) UTILITIES, TAXES AND ASSESSMENTS: Tenant shall pay when due any and all assessments, charges, and bills for electricity, gas, water and janitorial charges proportionately allocable to the Premises. Tenant shall pay and discharge when due all bills for rental license fees or like taxes, general and special assessments, and other like charges of every description which may be levied on or assessed against the Premises and all improvements and other property located thereon during the Lease Term; provided, however, that ad valorem real property taxes shall be governed by the terms of Section 10 of Exhibit A attached to this Agreement.

(8) REPAIRS AND MAINTENANCE: Tenant shall make all appropriate repairs to the Premises, at its expense, and shall indemnify and hold Landlord harmless from and against all mechanic’s or materialmen’s liens or other claims, liability, loss, damage, cost, or expense, including, but not limited to, reasonable attorney’s fees, asserted against or incurred by Landlord by reason of any such maintenance and repairs or the lack thereof. Without limiting the generality of the foregoing, Tenant shall be responsible for keeping the interior of the Premises neat and clean. Notwithstanding anything in this Paragraph or the Lease to the contrary, the Tenant shall repair, replace, maintain and be solely responsible for any damage or destruction to the Premises caused by the negligence or willful misconduct of Tenant’s agents, servants, customers, or employees. Landlord shall be responsible for repair to the roof, structure, exterior walls, and HVAC replacement provided that any such replacement is determined by the Landlord. Tenant shall be responsible for doors and windows, and HVAC maintenance, and any damage to the Premises caused by Tenant.

(a) LANDLORD’S RIGHT TO REPAIR: If Tenant neglects to make repairs or maintenance it has a duty to perform hereunder, Landlord or its agents, representatives, or contractors may, at Landlord’s option, repair the same or perform such maintenance on behalf of Tenant. In such event, Landlord shall give Tenant notice in accordance herewith at least five (5) days prior to commencement of such repairs or maintenance. Any amounts so paid by Landlord for such repairs shall become immediately due and payable to Landlord as additional rent. No such payment by Landlord for repairs shall relieve Tenant from any liability hereunder.

(9) IMPROVEMENTS: Tenant shall not make any material alterations or improvements to the Premises or install any fixtures (other than trade fixtures) upon the Premises without the prior written consent of Landlord, which shall not be unreasonably withheld. Any and all alterations, improvements, and fixtures made or placed in or on the Premises shall, upon expiration or any termination of the Lease Term, belong to Landlord without compensation to Tenant; provided, however, that if Tenant is not in default hereunder, it shall be permitted to remove all trade fixtures and other temporary improvements from the Premises at any time during the Lease Term if such removal can be effected without substantial injury or damage to the Premises and if same shall not have become an integral part of the Premises by the manner in which they are affixed. However, Landlord may require Tenant to remove, at Tenant’s expense, any or all such alterations, improvements, or fixtures at the expiration of the Lease Term or any earlier termination of this Lease Agreement.
(10) SIGNS: See attached Exhibit A.

(11) INSURANCE: Tenant shall, at Tenant’s own expense, keep in force and effect during the entire Lease Term commercial general liability insurance insuring Tenant and Landlord against any liability that may accrue against any of them for bodily injury including death, personal injury, property damage, or fire legal liability resulting from any occurrence in or about the Premises during or in consequence of Tenant’s occupancy thereof ("Liability Insurance"). Also, Tenant shall, at Tenant’s own expense, keep in force and effect fire and extended coverage insurance covering the Tenant’s personal property, equipment, and improvements, in an amount equal to the replacement cost thereof ("Hazard Insurance"). If required by Alabama statute, the Tenant shall, at Tenant’s own expense, keep in force and effect during the entire Lease Term workers’ compensation insurance to protect the employees of the Tenant from work-related injuries and occupational illness as defined by Alabama statute or the applicable statute of the employee’s state of residence. The required workers’ compensation insurance must also include employer’s liability coverage.

Landlord must receive from Tenant a Certificate of Insurance prior to occupancy of the Premises naming The Board of Trustees of the University of Alabama, and its respective trustees, officers, directors, employees, agents, and representatives as additional insureds on both Liability Insurance and Hazard Insurance policies. All policies must be issued by an insurance company licensed to do business in the State of Alabama carrying an A.M. Best’s rating of A-VII of Standards & Poor rating of BBB+ or better, and the Certificate must be signed by an authorized agent. If the Tenant elects to participate in a self-insured workers’ compensation program, the A.M. Best’s or Standard & Poor’s rating requirement may be waived as long as self-insured entity or group trust is in good standing with the appropriate governmental agency and holds a current exemption certificate or certificate of authority. All policies must waive the right to recovery or subrogation against The Board of Trustees of the University of Alabama, and its respective trustees, officers, directors, employees, agents, and representatives. The policies may not be canceled without thirty (30) days advance written notice to Landlord. Liability Insurance shall be in general policy limits not less than $2,000,000.00 per occurrence, $3,000,000 general aggregate with a fire legal liability sublimit of no less than $500,000. The employer’s liability coverage within the workers’ compensation insurance policy must have a limit of no less than $500,000. The required limits of liability may be accomplished through a combination of primary and excess/umbrella liability policies written on a follow-form basis.

(a) CERTIFICATES: Tenant shall furnish the Landlord with certificates of all insurance required under this Paragraph upon its execution hereof. The original copies of such insurance policies shall be retained by the Tenant but the Landlord shall have the right to inspect and photocopy any and all such policies at any reasonable time during normal business hours.

(b) PROOF OF PAYMENT: Furthermore, Tenant agrees, upon written demand from Landlord, to furnish him with proof of payment of the premium or premiums due on any such policies. If Tenant at any time during the Lease Term shall fail to procure or maintain the foregoing insurance, Landlord, at his option, may obtain such insurance in the name of or as the agent of the Tenant and pay the cost thereof. Any amounts so paid by Landlord shall become due and payable as additional rent hereunder. No such payment by Landlord shall be deemed a waiver of any other rights which Landlord may have under the provisions of this Agreement or as provided by law.
(c) CONTENTS COVERAGE: Tenant understands that the Hazard Insurance may or may not cover Tenant’s possessions, contents or inventory, and that Tenant shall be responsible for obtaining insurance with respect to same, in amounts and coverages as Tenant shall deem appropriate.

(12) CASUALTY: Subject to the rights of any mortgagees holding mortgages on the Premises, if the Premises are damaged by fire or other casualty, Landlord shall, at his option: (a) repair and restore the Premises within sixty (60) days following the occurrence of such casualty; or (b) terminate this Agreement if the Premises are totally destroyed, or damaged to the extent that the Premises are rendered substantially unfit for occupancy by Tenant. In the event Landlord repairs and restores the Premises, Landlord shall apply the proceeds of the Hazard Insurance policy to the repair and restoration of the Premises. All such repairs and restoration shall be subject to the reasonable approval of Tenant. If Landlord elects to repair the Premises, the Tenant may cancel this Lease upon written notification if the Landlord fails to repair the Premises within the sixty (60) day repair period. If Landlord elects to terminate this Agreement upon the occurrence of the condition stated above, Landlord shall give Tenant written notice of such cancellation within fifteen (15) days following the occurrence of such casualty and, in such event, all proceeds of the aforesaid Hazard Insurance policy shall be paid directly to Landlord, subject to the rights of any mortgagees holding mortgages on the Premises. Upon such termination, Tenant shall be reimbursed for any unearned rent previously paid and Tenant shall immediately surrender possession of the Premises to Landlord.

(13) EMINENT DOMAIN: If the floor area of the building is reduced by an insubstantial amount (as reasonably determined by Landlord) as a result of a taking by Eminent Domain (hereinafter defined), Landlord shall restore, at his expense, the remaining area of the premises to a complete architectural unit with frontage, interior, appearance, and utility substantially equal to that which existed prior to the taking. Tenant shall be entitled to a pro rata reduction of the rent payable for each month thereafter, said reduction to be reasonably determined by Landlord. If all or a substantial portion of the Premises (as reasonably determined by Landlord) are taken by Eminent Domain, then the term of this Agreement shall terminate as of the date possession is taken by the condemning authority, or as of the date the improvements located thereon are ordered torn down or removed, as the case may be, with the rent to be apportioned as of the date of such order, as the case may be.

(a) DEFINITION OF EMINENT DOMAIN: For purposes of this Agreement, "Eminent Domain" shall mean a taking by the exercise of the power of eminent domain by any governmental authority, an act or omission by any governmental authority constituting "inverse condemnation", any purchase or acquisition in lieu of condemnation, or a taking by eminent domain and an order of an appropriate governmental authority specifying that any improvements located on the Premises are to be torn down or removed

(b) AWARD TO LANDLORD: Landlord shall be entitled to receive all of the proceeds of any total or partial taking of the Premises by Eminent Domain, including any part of such award as may be attributable to the unexpired leasehold interest or other rights of the Tenant in the Premises, and the Tenant hereby assigns and transfers to the Landlord all of Tenant’s right to receive any part of such proceeds.

(14) CLEANLINESS: Tenant shall at all times keep the Premises in a reasonably neat, orderly, and sanitary condition. Tenant shall not make or suffer any waste of the Premises or permit anything to be done in or upon the Premises creating a nuisance thereon. Tenant shall
permit Landlord at all reasonable times to enter upon the Premises for the purpose of examining the same.

(15) DEFAULT:

(a) RIGHT TO TERMINATE: Upon the occurrence of any of the Events of Default (as defined in Subparagraph (b) below), Landlord may, at his option, terminate this Agreement by giving written notice to Tenant of the default in accordance herewith and of Landlord’s intention to terminate this Agreement if the default is not corrected within ten (10) days in the case of Tenant’s failure to pay rent when due, and twenty (20) days in the case of all other Events of Default. If said default is not corrected by Tenant to the reasonable satisfaction of Landlord within the applicable cure period, Landlord may terminate this Agreement, re-enter the Premises, and eject Tenant from the same; provided, however, that Tenant shall not be relieved from any liability or obligation hereunder as a result thereof. Tenant hereby waives any and all damages occasioned by such taking of possession by Landlord.

(b) EVENTS OF DEFAULT: Events of default under this agreement shall mean the following events (“Events of Default”) occurring with respect to Tenant:

(i) FAILURE TO COMPLY: Failure to comply with any term, condition, or obligation to be performed under this Lease Agreement, including but not limited to the payment of rent due hereunder; or

(ii) FILING BANKRUPTCY: Filing a petition in bankruptcy for reorganization or for an arrangement pursuant to the U.S. Bankruptcy Code or any similar federal or state law now or hereafter in effect; or

(iii) ADMISSION AS BANKRUPT: Filing an answer admitting the material allegations of or consenting to or defaulting in answering a petition filed against it in any bankruptcy, reorganization, or similar insolvency proceeding, or if any action shall be taken against it for the purpose of effecting any of the foregoing.

(c) ADDITIONAL REMEDIES: Upon the occurrence of an Event of Default hereunder, and Tenant’s failure to reasonably cure same within the applicable cure period. Landlord may, at his option and in lieu of terminating this Agreement, re-enter and take possession of the Premises, and thereafter re-let the same or any part thereof for the balance of the Lease Term or any party thereof, upon such terms and conditions as Landlord may deem proper. Neither re-entry nor re-letting shall discharge Tenant from any obligations or liabilities herein contained, and Tenant shall pay to Landlord, without demand, the difference, if any between the rentals herein provided for and the rentals actually received upon re-letting.

(d) ACCEPTANCE OF RENT IN BANKRUPTCY: Landlord shall have the right, at his option, to accept rental from any receiver, assignee, or trustee of any portion thereof without impairing or affecting Landlord’s rights under this Agreement.

(e) ACCELERATION OF RENT: Upon the termination of this Agreement or re-entry upon the Premises after the occurrence of an Event of Default, and Tenant’s failure to reasonably cure same within the applicable cure period, the remaining rents provided for under this Agreement shall be and become immediately due and payable at the option of Landlord and without regard to whether possession of the Premises shall have been surrendered to or taken by Landlord.
(f) REIMBURSEMENT OF COSTS: Tenant agrees to pay Landlord’s reasonable attorney’s fees, costs, and other expenses in the event Landlord files suit to collect any rents or amounts due hereunder, or to protect the interests of Landlord in the event Tenant is involved in a court or administrative proceeding, legal process is levied upon the goods, furniture, effects, or personal property of Tenant, upon the Premises or upon the interest of Tenant in the Premises under this Agreement.

(g) CUMULATIVE NATURE OF REMEDIES: All rights and remedies of Landlord under this Agreement shall be cumulative and none shall exclude any other right or remedy at law. Such rights and remedies may be exercised and enforced concurrently and whenever and as often as occasion therefor arises, in the absolute discretion of Landlord.

(16) INDEMNITY: Tenant shall indemnify and hold The Board of Trustees of the University of Alabama, and its respective trustees, officers, directors, employees, agents, and representatives, free and harmless from all demands, claims liabilities, damages, suits, costs, attorneys fees, or other expenses arising out of any failure of Tenant to comply with and perform the requirements and provisions of this Agreement. Tenant shall further indemnify and hold The Board of Trustees of the University of Alabama, and its respective trustees, officers, directors, employees, agents, and representatives free and harmless from any loss, cost, damage, or expense arising from injuries to persons or property while in, on, or about the Premises, not attributable to the willfully wrongful act of Landlord, its agents, servants, or employees.

(a) NOTICE AND PROCEDURE: If Landlord becomes aware of any fact or claim that could result in any liability, damage, loss, expense, or cost covered by Tenant’s indemnity, and if Landlord desires to hold Tenant responsible therefor, Landlord shall promptly notify Tenant in writing in accordance herewith of such facts or claim and state in such notice the measures which Landlord proposes to take to resist or dispose of such claim. Unless Tenant shall notify Landlord within ten (10) days after receipt of such notice from Landlord that Tenant will take over the defense of such claim, Landlord may, at his option, proceed to resist or otherwise dispose of such claim. Tenant shall be entitled to designate an attorney to defend any such claim or asserted liability; provided, however, that such attorney shall consult with the attorney for Landlord and keep such attorney advised of all material developments relating thereto.

(17) INSPECTION AND SHOWING: Landlord reserves the right to visit and inspect the Premises at all reasonable times, and within the ninety (90) day period preceding the expiration of the Lease Term or at any time following an Event of Default hereunder and Tenant’s failure to cure the same within the applicable cure period, to show the Premises to prospective tenants and display “For Rent” signs on the Premises. Landlord may display “For Rent” signs and show the Premises to prospective renters at any time.

(18) SUBORDINATION: This Agreement shall at all times be subject and subordinate to the lien of any mortgage that is now or that may hereafter be placed upon the Premises by Landlord. Tenant shall, upon demand by Landlord, execute such documents and instruments as may be reasonably required by counsel for Landlord to effectuate such subordination. Within ten (10) days from the date hereof, as well as prior to Landlord’s execution of any new or substitute mortgage affecting the Premises, Landlord shall obtain from such mortgagee an agreement in writing to be delivered to Tenant, providing that so long as Tenant shall faithfully discharge the obligations of Tenant’s part to be kept and performed under the terms of this Agreement, its tenancy shall not be disturbed, and that, in the event of foreclosure or any enforcement of any such mortgage, this Agreement shall in all respects continue in full force and effect.
(19) SURRENDER OF PREMISES: Except as provided otherwise hereunder, Tenant shall, upon the expiration or earlier termination of this Agreement, promptly remove from the Premises all trash, debris, and property of Tenant and shall leave the Premises in a broom-clean and orderly state, subject to reasonable wear and tear.

(20) QUIET POSSESSION: Landlord shall, on the commencement date of the Lease Term, place Tenant in quiet possession of the Premises and shall secure Tenant in the quiet possession thereof during the Lease Term against all persons lawfully claiming possession of any part thereof.

(21) ENVIRONMENTAL WARRANTIES:

Tenant shall, at tenant’s own expense, comply in all material respects with all federal, state and local statutes, regulations, ordinances, rules, rulings, administrative orders, and the like as issued from time to time (collectively, “Laws”) as relate to environmental matters in connection with Tenant’s occupancy of the Premises in accordance herewith. Tenant shall not use the Premises as a landfill or waste disposal site, nor shall Tenant locate any underground storage tanks for gasoline or other substances on the Premises, during the Lease Term, unless Landlord’s written consent is first obtained. Tenant shall defend, indemnify, and hold Landlord, his personal representatives, heirs, and assigns harmless from and against and shall pay and reimburse Landlord for any and all losses, damages, liabilities, claims, causes of action, penalties, fines, and fees (including reasonable attorney fees) asserted against Landlord resulting from the handling, treatment, storage, or disposal of hazardous or toxic materials, substances, pollutants, contaminants, wastes, asbestos, or urea formaldehyde insulation as relates to the Premises by Tenant or any of its agents, servants, or employees, and not caused by Landlord, his agents, servants, or employees.

(22) SECURITY DEPOSIT. On or before execution of this Agreement, Tenant shall pay to Landlord the sum of see Exhibit A as a security deposit in order to insure Tenant’s performance of its duties and obligations under this Agreement. Such security deposit may be applied by Landlord against Tenant’s obligations under this Agreement should Tenant default in the performance thereof but shall not be Landlord’s sole remedy against the Tenant. Should any of such security deposit be applied by Landlord against Tenant’s obligations upon Tenant’s default, and thereby curing such default, Tenant shall pay the amount of the security deposit so used to Landlord within ten (10) days notice of such use so that the original security deposit amount shall be restored in full. Any security deposit not applied by Landlord at the end of the lease term shall be paid to Tenant if Tenant’s obligations under this Agreement have been performed in full.

(23) MISCELLANEOUS:

(a) FINAL INTEGRATION: This Agreement, together with all exhibits attached hereto, constitutes the entire agreement of the parties, as a complete and final integration thereof with respect to its subject matter. All prior understandings and agreements between and among the parties are merged into this Agreement, which alone fully and completely expresses their understandings. No representation, warranty, or covenant made by a party which is not contained in this Agreement or expressly referred to herein has been relied on by the other party in entering into this Agreement.
(b) AMENDMENT IN WRITING: This Agreement may not be amended, terminated, or waived in any respect whatsoever, except by a further agreement in writing, properly executed by both the parties.

(c) BINDING EFFECT: This Agreement shall bind the parties and their respective personal representatives, heirs, next of kin, legatees, distributees, successors, and assigns.

(d) CAPTIONS: The captions of this Agreement are for convenience and reference only, are not a part of this Agreement, and in no way define, describe, extend, or limit the scope or intent of this Agreement.

(e) WAIVER OF DEFAULT: No waiver by either party of any default, breach, or violation of any term, conditions, or provision of this Agreement shall be deemed to be a waiver of any other default, breach, or violation of the same or any other term, condition, or provision contained herein.

(f) DELAY OR OMISSION NOT WAIVER: No delay in exercising or failure to exercise any right or remedy by either party shall impair any such right or remedy or constitute a waiver of any such right, remedy, or default, breach, or violation of any term, condition, or provision of this Agreement or an acquiescence therein. Every right and remedy given by this Agreement or by law to a party may be exercised from time to time and as often as deemed expedient by such party.

(g) RIGHT AND REMEDIES CUMULATIVE: No right or remedy conferred upon or reserved to either party in this Agreement or any document or instrument delivered in accordance herewith is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given under this Agreement or any document or instrument delivered in accordance herewith or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy under this Agreement or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

(h) NOTICES: All notices, requests, demands, and other communications hereunder (other that those which, under the terms of this Agreement, may be given by telephone, which shall be effective when received verbally) shall be in writing (including, but not limited to facsimile/telecopied communications) and shall be given by personal delivery, delivery via United State mail, with first class postage prepaid, or facsimile/tele-copier,

(i) If to Landlord, to:
University of Alabama
Office of Land Management
Box 870176
Tuscaloosa, AL 35487

With a copy, which shall not itself constitute notice, to:
Office of Counsel
Box 870106
Tuscaloosa, Alabama 35487
Tele-copier: (205) 348-8681
(ii) If to Tenant, to: See Exhibit A.

Either party may change the address to which notices are to be delivered to such party, by a notice given in accordance with this Subparagraph to the other party. All such notices, requests, demands, and other communications shall be effective when received.

(i) WAIVER OF SUBROGATION: Neither Landlord nor Tenant shall be liable to the other for any loss or damage from risks ordinarily insured against under fire insurance policies with extended-coverage endorsements, irrespective of whether such loss or damage results from their negligence or that of any of their agents, servants, employees, licensees or contractors to the extent that such losses are covered by valid and collectible insurance on the premises at the time of the loss.

(j) RECORDATION OF LEASE: At the option of either party, a memorandum of lease in recordable form containing a short form of this Lease shall be executed by the parties and may be recorded in the county wherein the Premises are located. All recording costs and costs for preparation of the memorandum of lease shall be paid by the Tenant.

(k) GOVERNING LAWS: The laws of the State of Alabama shall govern the validity of this Agreement, the construction and enforcement of its terms, the interpretation of the rights and duties of the parties, and all other matters relating to this Agreement.

(l) EXHIBIT A: This lease is subject to all additional provisions as set out on Exhibit A, attached hereto and made a part hereof.

IN WITNESS WHEREOF, the parties have hereunto set their hands under seal on this the day and date first above written.

LANDLORD:

By: ______________________

Name: ______________________

Its: ______________________

TENANT:

iPhone Clinic

By: ______________________

Its: ______________________

I848595 v2 COMMERCIAL LEASE AGREEMENT 9
Landlord's Notary Acknowledgment

THE STATE OF ALABAMA §
TUSCALOOSA COUNTY §

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that ______ whose name as __________________________, of The University of Alabama is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, s/he, as such ______ and with full authority, executed the same voluntarily for and as the act of said __________________________.

Given under my hand and official seal this the ___ day of ______, 2012.

My Commission Expires: __________

NOTARY PUBLIC

Tenant's Notary Acknowledgment

THE STATE OF ALABAMA §
_______________ COUNTY §

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that ______________________, whose name as __________________________ of IPhone Clinic LLC, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of such instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and official seal this the ___ day of ______, 2012.

My Commission Expires: __________

NOTARY PUBLIC
Exhibit “A” to Commercial Lease Agreement (iPhone Clinic LLC)

1. Tenant: iPhone Clinic

2. Premises: 1209 University Boulevard

3. Term: Initial Term: 2 years
   (provided, however, the Initial Term shall end on April 30, 2014 unless sooner terminated pursuant to the terms of the Lease)

4. Rent: Initial Term - 1st year $24,933.33 annually, in advance.
   2nd year $27,200, in advance
   Optional Term: 2 year renewal, at both parties’ agreement confirmed by letter agreement
   (provided, however, any Optional Term shall end April 30, 2016 unless sooner terminated pursuant to the terms of the Lease)

5. Common Area Maintenance (“CAM”) Charge: In addition to rent, Tenant shall pay a CAM charge of $4/SF, paid as $5,444/annually, in advance. The CAM charge shall be increased by 10% during the optional terms above, if any. The CAM coverage shall include garbage dumpster which shall be provided by Landlord, all ad valorem real property taxes, insurance on the building (not including Tenant’s personal property, equipment, and fixtures), maintenance of common areas including landscaping, trash removal, parking lot maintenance (but not parking enforcement).

6. Parking: Tenant shall be allocated 2 parking spaces. These spaces are enforced by Tenant only, and Landlord shall have no obligation to enforce any parking rules. The spaces on the south side of the parking lot are first come, first serve. It is contemplated that the other spaces on north side of the lot shall be allocated to other tenants.

7. Security Deposit: $0; Tenant has provided a check for one year’s rent in advance of $24,933.33 plus one year CAM charges of $5,444 for a total of $30,377.33.

8. Address for Notice to Tenant: iPhone Clinic LLC
   1110 15th Street Suite H
   Tuscaloosa AL 35401

9. Possession and Commencement of Rent: Tenant shall take possession of the Premises upon the completion of mutual lease execution. Tenant shall receive one month’s possession rent-free at the commencement of the lease for build out. The build out month shall be the first month of the 2 year primary term. The rent and CAM charge for the 1st year of the lease term shall be tendered prior to submission for approval by the Board of Trustees.

10. Use: iPhone Clinic is a telephone repair store primarily catering to the University of Alabama students, faculty, and supporting population.
11. **Tenant Improvements:** Landlord will deliver the premises in "AS IS" condition. Tenant will be responsible for all improvements. All permanent and structural improvements and fixtures that shall remain with the premises ("permanent improvements") made by the Tenant will become the property of Landlord at Lease termination.

12. **Real Estate Taxes:** If the Landlord is required to pay taxes, these taxes shall be paid by Landlord and covered under the Common Area Maintenance Charge paid by Tenant.

13. **Signage:** Tenant shall have the right to install building signage on the exterior of the Premises, subject to Landlord’s consent, and subject to compliance by Tenant with all applicable laws and regulations.

14. **Additional Trash Disposal Provisions:** Tenant agrees to dispose of Tenant’s everyday trash in the dumpster provided by the University. Tenant is responsible for the cleaning of Tenant’s leased premises (i.e. Tenant’s janitorial services). Landlord is responsible for cleaning of the Common Area at the beginning of weekdays (Monday-Friday) when the University is open for business. Tenant will clean such areas at all other times.

15. **Recapture:** If Landlord, in its sole discretion, determines that the expansion or development of its campus makes it necessary for it to take over permanently the Premises, then Landlord may take over permanently the Premises, upon giving Tenant at least one hundred eighty (180) days advance notice in writing. If this option is exercised during the primary term of this lease, the Landlord shall pay to Tenant a pro rata share of the remaining prepaid rent. Landlord shall not pay any reimbursement beyond the primary term if the termination option is exercised during any lease extensions.
Dear Chancellor Witt:

I hereby submit for consideration by the Board of Trustees at its April 12, 2012, meeting the following resolutions:

- Board Item – Action: Stage III and Budget Reallocation: Theta Chi
- Board Item – Approval of Commercial Lease to the iPhone Clinic LLC

Please contact us if you have questions or need additional information.

Sincerely,

Judy Bonner
Interim President

REW/dj

Enclosures
RESOLUTION

WHEREAS, the iPhone Clinic LLC, an Alabama corporation, has requested a commercial lease of certain real property owned by The University of Alabama described as 1209 University Boulevard, Tuscaloosa, Alabama, for use as a retail establishment under terms and conditions set forth in the Commercial Lease attached hereto as Exhibit D; and

WHEREAS, the proposed Commercial Lease attached hereto has been studied and approved by appropriate University officials, and its execution and performance is recommended to this Board by the appropriate officials of The University of Alabama as being in the best interest of the University and the State;

NOW, THEREFORE, BE IT RESOLVED by The Board of Trustees of The University of Alabama that Judy Bonner, as Interim President and Lynda Gilbert, as Vice President for Financial Affairs and Treasurer, of The University of Alabama, or any other official authorized by the most recent Board resolution regarding signature authority for The University of Alabama be, and hereby are, authorized to enter into and execute a Commercial Lease in substantially the form attached hereto as Exhibit “D,” for and on behalf of this Board with the iPhone Clinic LLC for 1209 University Boulevard, Tuscaloosa, Alabama, owned by The University of Alabama for use as a retail establishment.
COMMERCIAL LEASE AGREEMENT –
1209 UNIVERSITY BOULEVARD

This Commercial Lease Agreement ("Agreement" or "Lease") is made and entered into as of the date of last signature below, by and between THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ALABAMA, for and on behalf of The University of Alabama, Tuscaloosa, Alabama ("Landlord"), and iPhone Clinic LLC ("Tenant").

WHEREAS, Landlord is the owner of certain real property lying and being in Tuscaloosa County, Alabama, as designated on Exhibit A, Tuscaloosa, Alabama (the "Premises"); and

WHEREAS, Tenant desires to take and lease the Premises from Landlord upon the following terms and conditions,

NOW THEREFORE, THE PREMISES CONSIDERED, and in further consideration of the sum of Ten ($10.00) Dollars in hand paid, each party to the other, and the mutual undertakings hereinafter recited, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

(1) LEASE: Landlord does hereby lease the Premises unto Tenant and Tenant does hereby lease the Premises from Landlord, together with the improvements and appurtenances located thereon and attached thereto.

(2) PURPOSE: Subject to any existing easements and the regulatory laws and ordinances of the political subdivisions in which the Premises are situated, the Premises shall be used principally for retail space as designated on Exhibit A, and for no other material purpose, unless the written consent of Landlord is obtained in advance of such other usage.

(3) TERM: The term of this Agreement (the "Lease Term") shall be as set on Exhibit A, if not sooner terminated pursuant to the terms herein.

(4) HOLDOVER TENANCY: Should Tenant continue to occupy the Premises after the expiration of the Lease Term, either with or without the consent of Landlord, such tenancy shall be from month to month and upon the terms, conditions, and limitations and at 125% of such rental as provided in this Agreement or except as the parties may otherwise agree in writing.

(5) RENTAL: Tenant shall pay Landlord rent in the amount set out on Exhibit A, without demand, at University of Alabama, Office of Land Management, Box 870176, 102 Hayden Harris Hall, Tuscaloosa, AL 35487, or at such other address as Landlord shall designate from time to time by a notice to Tenant in accordance herewith. The annual rent is due on or before the 1st day of the lease term or the lease shall terminate.

(6) ASSIGNMENT: Each and every transfer or assignment of this Agreement or any portion or interest herein by Tenant and each and every sub-letting of the Premises, any part
thereof or any interest therein by Tenant shall be null, void, and held for naught unless the written consent of Landlord is obtained in advance of such assignment or sub-letting; provided, however, that Tenant may assign as collateral security its rights and interests hereunder (in whole or in part) to a bank or other lender for the purpose of financing or re-financing the operations of Tenant, and Landlord shall execute from time to time such documents and instruments as are reasonably required to effectuate such assignment (including estoppel certificates, attornment and non-disturbance agreements, and the like). Landlord shall not subordinate its fee interest in the Premises pursuant to any such financing or for any other purpose.

(7) UTILITIES, TAXES AND ASSESSMENTS: Tenant shall pay when due any and all assessments, charges, and bills for electricity, gas, water and janitorial charges proportionately allocable to the Premises. Tenant shall pay and discharge when due all bills for rental license fees or like taxes, general and special assessments, and other like charges of every description which may be levied on or assessed against the Premises and all improvements and other property located thereon during the Lease Term; provided, however, that ad valorem real property taxes shall be governed by the terms of Section 10 of Exhibit A attached to this Agreement.

(8) REPAIRS AND MAINTENANCE: Tenant shall make all appropriate repairs to the Premises, at its expense, and shall indemnify and hold Landlord harmless from and against all mechanic’s or materialmen’s liens or other claims, liability, loss, damage, cost, or expense, including, but not limited to, reasonable attorney’s fees, asserted against or incurred by Landlord by reason of any such maintenance and repairs or the lack thereof. Without limiting the generality of the foregoing, Tenant shall be responsible for keeping the interior of the Premises neat and clean. Notwithstanding anything in this Paragraph or the Lease to the contrary, the Tenant shall repair, replace, maintain and be solely responsible for any damage or destruction to the Premises caused by the negligence or willful misconduct of Tenant’s agents, servants, customers, or employees. Landlord shall be responsible for repair to the roof, structure, exterior walls, and HVAC replacement provided that any such replacement is determined by the Landlord. Tenant shall be responsible for doors and windows, and HVAC maintenance, and any damage to the Premises caused by Tenant.

(a) LANDLORD’S RIGHT TO REPAIR: If Tenant neglects to make repairs or maintenance it has a duty to perform hereunder, Landlord or its agents, representatives, or contractors may, at Landlord’s option, repair the same or perform such maintenance on behalf of Tenant. In such event, Landlord shall give Tenant notice in accordance herewith at least five (5) days prior to commencement of such repairs or maintenance. Any amounts so paid by Landlord for such repairs shall become immediately due and payable to Landlord as additional rent. No such payment by Landlord for repairs shall relieve Tenant from any liability hereunder.

(9) IMPROVEMENTS: Tenant shall not make any material alterations or improvements to the Premises or install any fixtures (other than trade fixtures) upon the Premises without the prior written consent of Landlord, which shall not be unreasonably withheld. Any and all alterations, improvements, and fixtures made or placed in or on the Premises shall, upon expiration or any termination of the Lease Term, belong to Landlord without compensation to Tenant; provided, however, that if Tenant is not in default hereunder, it shall be permitted to remove all trade fixtures and other temporary improvements from the Premises at any time during the Lease Term if such removal can be effected without substantial injury or damage to the Premises and if same shall not have become an integral part of the Premises by the manner in which they are affixed. However, Landlord may require Tenant to remove, at Tenant’s expense, any or all such alterations, improvements, or fixtures at the expiration of the Lease Term or any earlier termination of this Lease Agreement.
(10) SIGNS: See attached Exhibit A.

(11) INSURANCE: Tenant shall, at Tenant’s own expense, keep in force and effect during the entire Lease Term commercial general liability insurance insuring Tenant and Landlord against any liability that may accrue against any of them for bodily injury including death, personal injury, property damage, or fire legal liability resulting from any occurrence in or about the Premises during or in consequence of Tenant’s occupancy thereof (“Liability Insurance”). Also, Tenant shall, at Tenant’s own expense, keep in force and effect fire and extended coverage insurance covering the Tenant’s personal property, equipment, and improvements, in an amount equal to the replacement cost thereof (“Hazard Insurance”). If required by Alabama statute, the Tenant shall, at Tenant’s own expense, keep in force and effect during the entire Lease Term workers’ compensation insurance to protect the employees of the Tenant from work-related injuries and occupational illness as defined by Alabama statute or the applicable statute of the employee’s state of residence. The required workers’ compensation insurance must also include employer’s liability coverage.

Landlord must receive from Tenant a Certificate of Insurance prior to occupancy of the Premises naming The Board of Trustees of the University of Alabama, and its respective trustees, officers, directors, employees, agents, and representatives as additional insureds on both Liability Insurance and Hazard Insurance policies. All policies must be issued by an insurance company licensed to do business in the State of Alabama carrying an A.M. Best’s rating of A-VII of Standards & Poor rating of BBB+ or better, and the Certificate must be signed by an authorized agent. If the Tenant elects to participate in a self-insured workers’ compensation program, the A.M. Best’s or Standard & Poor’s rating requirement may be waived as long as self-insured entity or group trust is in good standing with the appropriate governmental agency and holds a current exemption certificate or certificate of authority. All policies must waive the right to recovery or subrogation against The Board of Trustees of the University of Alabama, and its respective trustees, officers, directors, employees, agents, and representatives. The policies may not be canceled without thirty (30) days advance written notice to Landlord. Liability Insurance shall be in general policy limits not less than $2,000,000.00 per occurrence, $3,000,000 general aggregate with a fire legal liability sublimit of no less than $500,000. The employer’s liability coverage within the workers’ compensation insurance policy must have a limit of no less than $500,000. The required limits of liability may be accomplished through a combination of primary and excess/umbrella liability policies written on a follow-form basis.

(a) CERTIFICATES: Tenant shall furnish the Landlord with certificates of all insurance required under this Paragraph upon its execution hereof. The original copies of such insurance policies shall be retained by the Tenant but the Landlord shall have the right to inspect and photocopy any and all such policies at any reasonable time during normal business hours.

(b) PROOF OF PAYMENT: Furthermore, Tenant agrees, upon written demand from Landlord, to furnish him with proof of payment of the premium or premiums due on any such policies. If Tenant at any time during the Lease Term shall fail to procure or maintain the foregoing insurance, Landlord, at his option, may obtain such insurance in the name of or as the agent of the Tenant and pay the cost thereof. Any amounts so paid by Landlord shall become due and payable as additional rent hereunder. No such payment by Landlord shall be deemed a waiver of any other rights which Landlord may have under the provisions of this Agreement or as provided by law.
(c) CONTENTS COVERAGE: Tenant understands that the Hazard Insurance may or may not cover Tenant's possessions, contents or inventory, and that Tenant shall be responsible for obtaining insurance with respect to same, in amounts and coverages as Tenant shall deem appropriate.

(12) CASUALTY: Subject to the rights of any mortgagees holding mortgages on the Premises, if the Premises are damaged by fire or other casualty, Landlord shall, at his option: (a) repair and restore the Premises within sixty (60) days following the occurrence of such casualty; or (b) terminate this Agreement if the Premises are totally destroyed, or damaged to the extent that the Premises are rendered substantially unfit for occupancy by Tenant. In the event Landlord repairs and restores the Premises, Landlord shall apply the proceeds of the Hazard Insurance policy to the repair and restoration of the Premises. All such repairs and restoration shall be subject to the reasonable approval of Tenant. If Landlord elects to repair the Premises, the Tenant may cancel this Lease upon written notification if the Landlord fails to repair the Premises within the sixty (60) day repair period. If Landlord elects to terminate this Agreement upon the occurrence of the condition stated above, Landlord shall give Tenant written notice of such cancellation within fifteen (15) days following the occurrence of such casualty and, in such event, all proceeds of the aforesaid Hazard Insurance policy shall be paid directly to Landlord, subject to the rights of any mortgagees holding mortgages on the Premises. Upon such termination, Tenant shall be reimbursed for any unearned rent previously paid and Tenant shall immediately surrender possession of the Premises to Landlord.

(13) EMINENT DOMAIN: If the floor area of the building is reduced by an insubstantial amount (as reasonably determined by Landlord) as a result of a taking by Eminent Domain (hereinafter defined), Landlord shall restore, at his expense, the remaining area of the premises to a complete architectural unit with frontage, interior, appearance, and utility substantially equal to that which existed prior to the taking. Tenant shall be entitled to a pro rata reduction of the rent payable for each month thereafter, said reduction to be reasonably determined by Landlord. If all or a substantial portion of the Premises (as reasonably determined by Landlord) are taken by Eminent Domain, then the term of this Agreement shall terminate as of the date possession is taken by the condemning authority, or as of the date the improvements located thereon are ordered torn down or removed, as the case may be, with the rent to be apportioned as of the date of such order, as the case may be.

(a) DEFINITION OF EMINENT DOMAIN: For purposes of this Agreement, "Eminent Domain" shall mean a taking by the exercise of the power of eminent domain by any governmental authority, an act or omission by any governmental authority constituting "inverse condemnation", any purchase or acquisition in lieu of condemnation, or a taking by eminent domain and an order of an appropriate governmental authority specifying that any improvements located on the Premises are to be torn down or removed.

(b) AWARD TO LANDLORD: Landlord shall be entitled to receive all of the proceeds of any total or partial taking of the Premises by Eminent Domain, including any part of such award as may be attributable to the unexpired leasehold interest or other rights of the Tenant in the Premises, and the Tenant hereby assigns and transfers to the Landlord all of Tenant's right to receive any part of such proceeds.

(14) CLEANLINESS: Tenant shall at all times keep the Premises in a reasonably neat, orderly, and sanitary condition. Tenant shall not make or suffer any waste of the Premises or permit anything to be done in or upon the Premises creating a nuisance thereon. Tenant shall
permit Landlord at all reasonable times to enter upon the Premises for the purpose of examining the same.

(15) DEFAULT:

(a) RIGHT TO TERMINATE: Upon the occurrence of any of the Events of Default (as defined in Subparagraph (b) below), Landlord may, at his option, terminate this Agreement by giving written notice to Tenant of the default in accordance herewith and of Landlord’s intention to terminate this Agreement if the default is not corrected within ten (10) days in the case of Tenant’s failure to pay rent when due, and twenty (20) days in the case of all other Events of Default. If said default is not corrected by Tenant to the reasonable satisfaction of Landlord within the applicable cure period, Landlord may terminate this Agreement, re-enter the Premises, and eject Tenant from the same; provided, however, that Tenant shall not be relieved from any liability or obligation hereunder as a result thereof. Tenant hereby waives any and all damages occasioned by such taking of possession by Landlord.

(b) EVENTS OF DEFAULT: Events of default under this agreement shall mean the following events (“Events of Default”) occurring with respect to Tenant:

(i) FAILURE TO COMPLY: Failure to comply with any term, condition, or obligation to be performed under this Lease Agreement, including but not limited to the payment of rent due hereunder; or

(ii) FILING BANKRUPTCY: Filing a petition in bankruptcy for reorganization or for an arrangement pursuant to the U.S. Bankruptcy Code or any similar federal or state law now or hereafter in effect; or

(iii) ADMISSION AS BANKRUPT: Filing an answer admitting the material allegations of or consenting to or defaulting in answering a petition filed against it in any bankruptcy, reorganization, or similar insolvency proceeding, or if any action shall be taken against it for the purpose of effecting any of the foregoing.

(c) ADDITIONAL REMEDIES: Upon the occurrence of an Event of Default hereunder, and Tenant’s failure to reasonably cure same within the applicable cure period. Landlord may, at his option and in lieu of terminating this Agreement, re-enter and take possession of the Premises, and thereafter re-let the same or any part thereof for the balance of the Lease Term or any party thereof, upon such terms and conditions as Landlord may deem proper. Neither re-entry nor re-letting shall discharge Tenant from any obligations or liabilities herein contained, and Tenant shall pay to Landlord, without demand, the difference, if any between the rentals herein provided for and the rentals actually received upon re-letting.

(d) ACCEPTANCE OF RENT IN BANKRUPTCY: Landlord shall have the right, at his option, to accept rental from any receiver, assignee, or trustee of any portion thereof without impairing or affecting Landlord’s rights under this Agreement.

(e) ACCELERATION OF RENT: Upon the termination of this Agreement or re-entry upon the Premises after the occurrence of an Event of Default, and Tenant’s failure to reasonably cure same within the applicable cure period, the remaining rents provided for under this Agreement shall be and become immediately due and payable at the option of Landlord and without regard to whether possession of the Premises shall have been surrendered to or taken by Landlord.
(f) REIMBURSEMENT OF COSTS: Tenant agrees to pay Landlord’s reasonable attorney’s fees, costs, and other expenses in the event Landlord files suit to collect any rents or amounts due hereunder, or to protect the interests of Landlord in the event Tenant is involved in a court or administrative proceeding, legal process is levied upon the goods, furniture, effects, or personal property of Tenant, upon the Premises or upon the interest of Tenant in the Premises under this Agreement.

(g) CUMULATIVE NATURE OF REMEDIES: All rights and remedies of Landlord under this Agreement shall be cumulative and none shall exclude any other right or remedy at law. Such rights and remedies may be exercised and enforced concurrently and whenever and as often as occasion therefor arises, in the absolute discretion of Landlord.

(16) INDEMNITY: Tenant shall indemnify and hold The Board of Trustees of the University of Alabama, and its respective trustees, officers, directors, employees, agents, and representatives, free and harmless from all demands, claims liabilities, damages, suits, costs, attorneys fees, or other expenses arising out of any failure of Tenant to comply with and perform the requirements and provisions of this Agreement. Tenant shall further indemnify and hold The Board of Trustees of the University of Alabama, and its respective trustees, officers, directors, employees, agents, and representatives free and harmless from any loss, cost, damage, or expense arising from injuries to persons or property while in, on, or about the Premises, not attributable to the willfully wrongful act of Landlord, its agents, servants, or employees.

(a) NOTICE AND PROCEDURE: If Landlord becomes aware of any fact or claim that could result in any liability, damage, loss, expense, or cost covered by Tenant’s indemnity, and if Landlord desires to hold Tenant responsible therefor, Landlord shall promptly notify Tenant in writing in accordance herewith of such facts or claim and state in such notice the measures which Landlord proposes to take to resist or dispose of such claim. Unless Tenant shall notify Landlord within ten (10) days after receipt of such notice from Landlord that Tenant will take over the defense of such claim, Landlord may, at his option, proceed to resist or otherwise dispose of such claim. Tenant shall be entitled to designate an attorney to defend any such claim or asserted liability; provided, however, that such attorney shall consult with the attorney for Landlord and keep such attorney advised of all material developments relating thereto.

(17) INSPECTION AND SHOWING: Landlord reserves the right to visit and inspect the Premises at all reasonable times, and within the ninety (90) day period preceding the expiration of the Lease Term or at any time following an Event of Default hereunder and Tenant’s failure to cure the same within the applicable cure period, to show the Premises to prospective tenants and display “For Rent” signs on the Premises. Landlord may display “For Rent” signs and show the Premises to prospective renters at any time.

(18) SUBORDINATION: This Agreement shall at all times be subject and subordinate to the lien of any mortgage that is now or that may hereafter be placed upon the Premises by Landlord. Tenant shall, upon demand by Landlord, execute such documents and instruments as may be reasonably required by counsel for Landlord to effectuate such subordination. Within ten (10) days from the date hereof, as well as prior to Landlord’s execution of any new or substitute mortgage affecting the Premises, Landlord shall obtain from such mortgagee an agreement in writing to be delivered to Tenant, providing that so long as Tenant shall faithfully discharge the obligations of Tenant’s part to be kept and performed under the terms of this Agreement, its tenancy shall not be disturbed, and that, in the event of foreclosure or any enforcement of any such mortgage, this Agreement shall in all respects continue in full force and effect.
(19) SURRENDER OF PREMISES: Except as provided otherwise hereunder, Tenant shall, upon the expiration or earlier termination of this Agreement, promptly remove from the Premises all trash, debris, and property of Tenant and shall leave the Premises in a broom-clean and orderly state, subject to reasonable wear and tear.

(20) QUIET POSSESSION: Landlord shall, on the commencement date of the Lease Term, place Tenant in quiet possession of the Premises and shall secure Tenant in the quiet possession thereof during the Lease Term against all persons lawfully claiming possession of any part thereof.

(21) ENVIRONMENTAL WARRANTIES:

Tenant shall, at tenant's own expense, comply in all material respects with all federal, state and local statutes, regulations, ordinances, rules, rulings, administrative orders, and the like as issued from time to time (collectively, "Laws") as relate to environmental matters in connection with Tenant's occupancy of the Premises in accordance herewith. Tenant shall not use the Premises as a landfill or waste disposal site, nor shall Tenant locate any underground storage tanks for gasoline or other substances on the Premises, during the Lease Term, unless Landlord's written consent is first obtained. Tenant shall defend, indemnify, and hold Landlord, his personal representatives, heirs, and assigns harmless from and against and shall pay and reimburse Landlord for any and all losses, damages, liabilities, claims, causes of action, penalties, fines, and fees (including reasonable attorney fees) asserted against Landlord resulting from the handling, treatment, storage, or disposal of hazardous or toxic materials, substances, pollutants, contaminants, wastes, asbestos, or urea formaldehyde insulation as relates to the Premises by Tenant or any of its agents, servants, or employees, and not caused by Landlord, his agents, servants, or employees.

(22) SECURITY DEPOSIT. On or before execution of this Agreement, Tenant shall pay to Landlord the sum of see Exhibit A as a security deposit in order to insure Tenant’s performance of its duties and obligations under this Agreement. Such security deposit may be applied by Landlord against Tenant’s obligations under this Agreement should Tenant default in the performance thereof but shall not be Landlord’s sole remedy against the Tenant. Should any of such security deposit be applied by Landlord against Tenant’s obligations upon Tenant’s default, and thereby curing such default, Tenant shall pay the amount of the security deposit so used to Landlord within ten (10) days notice of such use so that the original security deposit amount shall be restored in full. Any security deposit not applied by Landlord at the end of the lease term shall be paid to Tenant if Tenant’s obligations under this Agreement have been performed in full.

(23) MISCELLANEOUS:

(a) FINAL INTEGRATION: This Agreement, together with all exhibits attached hereto, constitutes the entire agreement of the parties, as a complete and final integration thereof with respect to its subject matter. All prior understandings and agreements between and among the parties are merged into this Agreement, which alone fully and completely expresses their understandings. No representation, warranty, or covenant made by a party which is not contained in this Agreement or expressly referred to herein has been relied on by the other party in entering into this Agreement.
(b) AMENDMENT IN WRITING: This Agreement may not be amended,
terminated, or waived in any respect whatsoever, except by a further agreement in writing,
properly executed by both the parties.

(c) BINDING EFFECT: This Agreement shall bind the parties and their
respective personal representatives, heirs, next of kin, legatees, distributees, successors, and
assigns.

(d) CAPTIONS: The captions of this Agreement are for convenience and
reference only, are not a part of this Agreement, and in no way define, describe, extend, or limit
the scope or intent of this Agreement.

(e) WAIVER OF DEFAULT: No waiver by either party of any default, breach,
or violation of any term, conditions, or provision of this Agreement shall be deemed to be a
waiver of any other default, breach, or violation of the same or any other term, condition, or
provision contained herein.

(f) DELAY OR OMISSION NOT WAIVER: No delay in exercising or failure to
exercise any right or remedy by either party shall impair any such right or remedy or constitute a
waiver of any such right, remedy, or default, breach, or violation of any term, condition, or
provision of this Agreement or an acquiescence therein. Every right and remedy given by this
Agreement or by law to a party may be exercised from time to time and as often as deemed
expedient by such party.

(g) RIGHT AND REMEDIES CUMULATIVE: No right or remedy conferred
upon or reserved to either party in this Agreement or any document or instrument delivered in
accordance herewith is intended to be exclusive of any other right or remedy, and every right and
remedy shall, to the extent permitted by law, be cumulative and in addition to every other right
and remedy given under this Agreement or any document or instrument delivered in accordance
herewith or now or hereafter existing at law or in equity or otherwise. The assertion or
employment of any right or remedy under this Agreement or otherwise, shall not prevent the
concurrent assertion or employment of any other appropriate right or remedy.

(h) NOTICES: All notices, requests, demands, and other communications
hereunder (other than those which, under the terms of this Agreement, may be given by telephone,
which shall be effective when received verbally) shall be in writing (including, but not limited to
facsimile/telecopied communications) and shall be given by personal delivery, delivery via
United States mail, with first class postage prepaid, or facsimile/tele-copier,

(i) If to Landlord, to:
University of Alabama
Office of Land Management
Box 870176
Tuscaloosa, AL 35487

With a copy, which shall not itself constitute notice, to:
Office of Counsel
Box 870106
Tuscaloosa, Alabama 35487
Tele-copier: (205) 348-8681
Either party may change the address to which notices are to be delivered to such party, by a notice given in accordance with this Subparagraph to the other party. All such notices, requests, demands, and other communications shall be effective when received.

(i) WAIVER OF SUBROGATION: Neither Landlord nor Tenant shall be liable to the other for any loss or damage from risks ordinarily insured against under fire insurance policies with extended-coverage endorsements, irrespective of whether such loss or damage results from their negligence or that of any of their agents, servants, employees, licensees or contractors to the extent that such losses are covered by valid and collectible insurance on the premises at the time of the loss.

(j) RECORDATION OF LEASE: At the option of either party, a memorandum of lease in recordable form containing a short form of this Lease shall be executed by the parties and may be recorded in the county wherein the Premises are located. All recording costs and costs for preparation of the memorandum of lease shall be paid by the Tenant.

(k) GOVERNING LAWS: The laws of the State of Alabama shall govern the validity of this Agreement, the construction and enforcement of its terms, the interpretation of the rights and duties of the parties, and all other matters relating to this Agreement.

(l) EXHIBIT A: This lease is subject to all additional provisions as set out on Exhibit A, attached hereto and made a part hereof.

IN WITNESS WHEREOF, the parties have hereunto set their hands under seal on this the day and date first above written.

LANDLORD:

By: _______________________

Name: _______________________

Its: _______________________

TENANT:

iPhone Clinic

By: _______________________

Its: _______________________

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**Landlord’s Notary Acknowledgment**

THE STATE OF ALABAMA §
TUSCALOOSA COUNTY §

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that ______ whose name as ______________________________________, of The University of Alabama is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, s/he, as such ______ and with full authority, executed the same voluntarily for and as the act of said _____________.

Given under my hand and official seal this the ___ day of ______, 2012.

My Commission Expires: ______________

________________________
NOTARY PUBLIC

**Tenant’s Notary Acknowledgment**

THE STATE OF ALABAMA §
_______________ COUNTY §

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that ________________, whose name as ___________________________ of iPhone Clinic LLC, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of such instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company.

Given under my hand and official seal this the ___ day of ______, 2012.

My Commission Expires: ______________

________________________
NOTARY PUBLIC
Exhibit “A” to Commercial Lease Agreement (iPhone Clinic LLC)

1. Tenant: iPhone Clinic

2. Premises: 1209 University Boulevard

3. Term: Initial Term: 2 years
   (provided, however, the Initial Term shall end on April 30, 2014 unless sooner terminated pursuant to the terms of the Lease)

4. Rent: Initial Term - 1st year $24,933.33 annually, in advance.
   2nd year $27,200, in advance
   Optional Term: 2 year renewal, at both parties’ agreement confirmed by letter agreement
   (provided, however, any Optional Term shall end April 30, 2016 unless sooner terminated pursuant to the terms of the Lease)

5. Common Area Maintenance (“CAM”) Charge: In addition to rent, Tenant shall pay a CAM charge of $4/SF, paid as $5,444/annually, in advance. The CAM charge shall be increased by 10% during the optional terms above, if any. The CAM coverage shall include garbage dumpster which shall be provided by Landlord, all ad valorem real property taxes, insurance on the building (not including Tenant’s personal property, equipment, and fixtures), maintenance of common areas including landscaping, trash removal, parking lot maintenance (but not parking enforcement).

6. Parking: Tenant shall be allocated 2 parking spaces. These spaces are enforced by Tenant only, and Landlord shall have no obligation to enforce any parking rules. The spaces on the south side of the parking lot are first come, first serve. It is contemplated that the other spaces on north side of the lot shall be allocated to other tenants.

7. Security Deposit: $0; Tenant has provided a check for one year’s rent in advance of $24,933.33 plus one year CAM charges of $5,444 for a total of $30,377.33.

8. Address for Notice to Tenant: iPhone Clinic LLC
   1110 15th Street Suite H
   Tuscaloosa AL 35401

9. Possession and Commencement of Rent: Tenant shall take possession of the Premises upon the completion of mutual lease execution. Tenant shall receive one month’s possession rent-free at the commencement of the lease for build out. The build out month shall be the first month of the 2 year primary term. The rent and CAM charge for the 1st year of the lease term shall be tendered prior to submission for approval by the Board of Trustees.

10. Use: iPhone Clinic is a telephone repair store primarily catering to the University of Alabama students, faculty, and supporting population.
Exhibit “A” to Commercial Lease Agreement (iPhone Clinic LLC)

11. Tenant Improvements: Landlord will deliver the premises in “AS IS” condition. Tenant will be responsible for all improvements. All permanent and structural improvements and fixtures that shall remain with the premises (“permanent improvements”) made by the Tenant will become the property of Landlord at Lease termination.

12. Real Estate Taxes: If the Landlord is required to pay taxes, these taxes shall be paid by Landlord and covered under the Common Area Maintenance Charge paid by Tenant.

13. Signage: Tenant shall have the right to install building signage on the exterior of the Premises, subject to Landlord’s consent, and subject to compliance by Tenant with all applicable laws and regulations.

14. Additional Trash Disposal Provisions: Tenant agrees to dispose of Tenant’s everyday trash in the dumpster provided by the University. Tenant is responsible for the cleaning of Tenant’s leased premises (i.e. Tenant’s janitorial services). Landlord is responsible for cleaning of the Common Area at the beginning of weekdays (Monday-Friday) when the University is open for business. Tenant will clean such areas at all other times.

15. Recapture: If Landlord, in its sole discretion, determines that the expansion or development of its campus makes it necessary for it to take over permanently the Premises, then Landlord may take over permanently the Premises, upon giving Tenant at least one hundred eighty (180) days advance notice in writing. If this option is exercised during the primary term of this lease, the Landlord shall pay to Tenant a pro rata share of the remaining prepaid rent. Landlord shall not pay any reimbursement beyond the primary term if the termination option is exercised during any lease extensions.
CERTIFICATE

STATE OF ALABAMA

COUNTY OF TUSCALOOSA

I, Michael A. Bownes, hereby certify that I am Secretary of The Board of Trustees of The University of Alabama; that I have custody of the minutes of said Board of Trustees, that the foregoing is a true and correct copy of a resolution adopted by The Board of Trustees of The University of Alabama in a meeting held on April 13, 2012, as the same appears of record in my office, and that said resolution is in full force and effect as of the date set forth below.

WITNESS my hand and the seal of The Board of Trustees of The University of Alabama on this 17th day of April, 2012.

[Signature]

Secretary, The Board of Trustees of The University of Alabama
Chairman Brooks called for a motion to approve the resolution. On motion of Trustee Sexton, seconded by Trustee Wilson, the item was approved.

**RESOLUTION**

WHEREAS, the iPhone Clinic LLC, an Alabama corporation, has requested a commercial lease of certain real property owned by The University of Alabama described as 1209 University Boulevard, Tuscaloosa, Alabama, for use as a retail establishment under terms and conditions set forth in the Commercial Lease attached hereto as Exhibit A; and

WHEREAS, the proposed Commercial Lease attached hereto has been studied and approved by appropriate University officials, and its execution and performance is recommended to this Board by the appropriate officials of The University of Alabama as being in the best interest of the University and the State;

NOW, THEREFORE, BE IT RESOLVED by The Board of Trustees of The University of Alabama that Judy Bonner, as Interim President and Lynda Gilbert, as Vice President for Financial Affairs and Treasurer, of The University of Alabama, or any other official authorized by the most recent Board resolution regarding signature authority for The University of Alabama be, and hereby are, authorized to enter into and execute a Commercial Lease in substantially the form attached hereto as Exhibit “A,” for and on behalf of this Board with the iPhone Clinic LLC for 1209 University Boulevard, Tuscaloosa, Alabama, owned by The University of Alabama for use as a retail establishment.

Chairman Brooks called on Brooks H. Baker III, Associate Vice President of Facilities, to present the UAB construction item.

Mr. Baker presented item one for consideration, a resolution authorizing UAB to negotiate an Owner/Consultant Agreement for Construction Professional Services.

Trustee St. John asked if the agreement would be presented to the Board for approval prior to execution. Mr. Rodgers said Board Rule 415 requires notification of final selection be provided to the Chancellor’s Office and the Physical Properties Committee Chair.

Chairman Brooks called for a motion to approve the resolution. On motion of Trustee Wilson, seconded by Trustee Cooper, the item was approved.
STATE OF ALABAMA §
TUSCALOOSA COUNTY §

COMMERCIAL LEASE AGREEMENT –
1209 UNIVERSITY BOULEVARD

This Commercial Lease Agreement ("Agreement" or "Lease") is made and entered into as of the date of last signature below, by and between THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ALABAMA, for and on behalf of The University of Alabama, Tuscaloosa, Alabama ("Landlord"), and iPhone Clinic LLC ("Tenant").

WITNESSETH

WHEREAS, Landlord is the owner of certain real property lying and being in Tuscaloosa County, Alabama, as designated on Exhibit A, Tuscaloosa, Alabama (the "Premises"); and

WHEREAS, Tenant desires to take and lease the Premises from Landlord upon the following terms and conditions,

NOW THEREFORE, THE PREMISES CONSIDERED, and in further consideration of the sum of Ten ($10.00) Dollars in hand paid, each party to the other, and the mutual undertakings hereinafter recited, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

(1) LEASE: Landlord does hereby lease the Premises unto Tenant and Tenant does hereby lease the Premises from Landlord, together with the improvements and appurtenances located thereon and attached thereto

(2) PURPOSE: Subject to any existing easements and the regulatory laws and ordinances of the political subdivisions in which the Premises are situated, the Premises shall be used principally for retail space as designated on Exhibit A, and for no other material purpose, unless the written consent of Landlord is obtained in advance of such other usage.

(3) TERM: The term of this Agreement (the “Lease Term”) shall be as set on Exhibit A, if not sooner terminated pursuant to the terms herein.

(4) HOLDOVER TENANCY: Should Tenant continue to occupy the Premises after the expiration of the Lease Term, either with or without the consent of Landlord, such tenancy shall be from month to month and upon the terms, conditions, and limitations and at 125% of such rental as provided in this Agreement or except as the parties may otherwise agree in writing.

(5) RENTAL: Tenant shall pay Landlord rent in the amount set out on Exhibit A, without demand, at University of Alabama, Office of Land Management, Box 870176, 102 Hayden Harris Hall, Tuscaloosa, AL 35487, or at such other address as Landlord shall designate from time to time by a notice to Tenant in accordance herewith. The annual rent is due on or before the 1st day of the lease term or the lease shall terminate.

(6) ASSIGNMENT: Each and every transfer or assignment of this Agreement or any portion or interest herein by Tenant and each and every sub-letting of the Premises, any part
theorof or any interest therein by Tenant shall be null, void, and held for naught unless the written
cconsent of Landlord is obtained in advance of such assignment or sub-letting; provided, however,
that Tenant may assign as collateral security its rights and interests hereunder (in whole or in part)
to a bank or other lender for the purpose of financing or re-financing the operations of Tenant,
and Landlord shall execute from time to time such documents and instruments as are reasonably
required to effectuate such assignment (including estoppel certificates, attornment and non-
disturbance agreements, and the like). Landlord shall not subordinate its fee interest in the
Premises pursuant to any such financing or for any other purpose.

(7) UTILITIES, TAXES AND ASSESSMENTS: Tenant shall pay when due any and all
assessments, charges, and bills for electricity, gas, water and janitorial charges proportionately
allocable to the Premises. Tenant shall pay and discharge when due all bills for rental license fees
or like taxes, general and special assessments, and other like charges of every description which
may be levied on or assessed against the Premises and all improvements and other property
located thereon during the Lease Term; provided, however, that ad valorem real property taxes
shall be governed by the terms of Section 10 of Exhibit A attached to this Agreement.

(8) REPAIRS AND MAINTENANCE: Tenant shall make all appropriate repairs to the
Premises, at its expense, and shall indemnify and hold Landlord harmless from and against all
mechanic’s or materialmen’s liens or other claims, liability, loss, damage, cost, or expense,
including, but not limited to, reasonable attorney’s fees, asserted against or incurred by Landlord
by reason of any such maintenance and repairs or the lack thereof. Without limiting the generality
of the foregoing, Tenant shall be responsible for keeping the interior of the Premises neat and
clean. Notwithstanding anything in this Paragraph or the Lease to the contrary, the Tenant shall
repair, replace, maintain and be solely responsible for any damage or destruction to the Premises
caused by the negligence or willful misconduct of Tenant’s agents, servants, customers, or
employees. Landlord shall be responsible for repair to the roof, structure, exterior walls, and
HVAC replacement provided that any such replacement is determined by the Landlord. Tenant
shall be responsible for doors and windows, and HVAC maintenance, and any damage to the
Premises caused by Tenant.

(a) LANDLORD’S RIGHT TO REPAIR: If Tenant neglects to make repairs or
maintenance it has a duty to perform hereunder, Landlord or its agents, representatives, or
contractors may, at Landlord’s option, repair the same or perform such maintenance on behalf of
Tenant. In such event, Landlord shall give Tenant notice in accordance herewith at least five (5)
days prior to commencement of such repairs or maintenance. Any amounts so paid by Landlord
for such repairs shall become immediately due and payable to Landlord as additional rent. No
such payment by Landlord for repairs shall relieve Tenant from any liability hereunder.

(9) IMPROVEMENTS: Tenant shall not make any material alterations or improvements
to the Premises or install any fixtures (other than trade fixtures) upon the Premises without the
prior written consent of Landlord, which shall not be unreasonably withheld. Any and all
alterations, improvements, and fixtures made or placed in or on the Premises shall, upon
expiration or any termination of the Lease Term, belong to Landlord without compensation to
Tenant; provided, however, that if Tenant is not in default hereunder, it shall be permitted to
remove all trade fixtures and other temporary improvements from the Premises at any time during
the Lease Term if such removal can be effected without substantial injury or damage to the
Premises and if same shall not have become and integral part of the Premises by the manner in
which they are affixed. However, Landlord may require Tenant to remove, at Tenant’s expense,
any or all such alterations, improvements, or fixtures at the expiration of the Lease Term or any
earlier termination of this Lease Agreement.
(10) SIGNS: See attached Exhibit A.

(11) INSURANCE: Tenant shall, at Tenant’s own expense, keep in force and effect during the entire Lease Term commercial general liability insurance insuring Tenant and Landlord against any liability that may accrue against any of them for bodily injury including death, personal injury, property damage, or fire legal liability resulting from any occurrence in or about the Premises during or in consequence of Tenant’s occupancy thereof (“Liability Insurance”). Also, Tenant shall, at Tenant’s own expense, keep in force and effect fire and extended coverage insurance covering the Tenant’s personal property, equipment, and improvements, in an amount equal to the replacement cost thereof (“Hazard Insurance”). If required by Alabama statute, the Tenant shall, at Tenant’s own expense, keep in force and effect during the entire Lease Term workers’ compensation insurance to protect the employees of the Tenant from work-related injuries and occupational illness as defined by Alabama statute or the applicable statute of the employee’s state of residence. The required workers’ compensation insurance must also include employer’s liability coverage.

Landlord must receive from Tenant a Certificate of Insurance prior to occupancy of the Premises naming The Board of Trustees of the University of Alabama, and its respective trustees, officers, directors, employees, agents, and representatives as additional insureds on both Liability Insurance and Hazard Insurance policies. All policies must be issued by an insurance company licensed to do business in the State of Alabama carrying an A.M. Best’s rating of A-VII or Standard & Poor’s rating of BBB+ or better, and the Certificate must be signed by an authorized agent. If the Tenant elects to participate in a self-insured workers’ compensation program, the A.M. Best’s or Standard & Poor’s rating requirement may be waived as long as self-insured entity or group trust is in good standing with the appropriate governmental agency and holds a current exemption certificate or certificate of authority. All policies must waive the right to recovery or subrogation against The Board of Trustees of the University of Alabama, and its respective trustees, officers, directors, employees, agents, and representatives. The policies may not be canceled without thirty (30) days advance written notice to Landlord. Liability Insurance shall be in general policy limits not less than $2,000,000.00 per occurrence, $3,000,000 general aggregate with a fire legal liability sublimit of no less than $500,000. The employer’s liability coverage within the workers’ compensation insurance policy must have a limit of no less than $500,000. The required limits of liability may be accomplished through a combination of primary and excess/umbrella liability policies written on a follow-form basis.

(a) CERTIFICATES: Tenant shall furnish the Landlord with certificates of all insurance required under this Paragraph upon its execution hereof. The original copies of such insurance policies shall be retained by the Tenant but the Landlord shall have the right to inspect and photocopy any and all such policies at any reasonable time during normal business hours.

(b) PROOF OF PAYMENT: Furthermore, Tenant agrees, upon written demand from Landlord, to furnish him with proof of payment of the premium or premiums due on any such policies. If Tenant at any time during the Lease Term shall fail to procure or maintain the foregoing insurance, Landlord, at his option, may obtain such insurance in the name of or as the agent of the Tenant and pay the cost thereof. Any amounts so paid by Landlord shall become due and payable as additional rent hereunder. No such payment by Landlord shall be deemed a waiver of any other rights which Landlord may have under the provisions of this Agreement or as provided by law.

(c) CONTENTS COVERAGE: Tenant understands that the Hazard Insurance may or may not cover Tenant’s possessions, contents or inventory, and that Tenant shall be
responsible for obtaining insurance with respect to same, in amounts and coverages as Tenant shall deem appropriate.

(12) CASUALTY: Subject to the rights of any mortgagees holding mortgages on the Premises, if the Premises are damaged by fire or other casualty, Landlord shall, at his option: (a) repair and restore the Premises within sixty (60) days following the occurrence of such casualty; or (b) terminate this Agreement if the Premises are totally destroyed, or damaged to the extent that the Premises are rendered substantially unfit for occupancy by Tenant. In the event Landlord repairs and restores the Premises, Landlord shall apply the proceeds of the Hazard Insurance policy to the repair and restoration of the Premises. All such repairs and restoration shall be subject to the reasonable approval of Tenant. If Landlord elects to repair the Premises, the Tenant may cancel this Lease upon written notification if the Landlord fails to repair the Premises within the sixty (60) day repair period. If Landlord elects to terminate this Agreement upon the occurrence of the condition stated above, Landlord shall give Tenant written notice of such cancellation within fifteen (15) days following the occurrence of such casualty and, in such event, all proceeds of the aforesaid Hazard Insurance policy shall be paid directly to Landlord, subject to the rights of any mortgagees holding mortgages on the Premises. Upon such termination, Tenant shall be reimbursed for any unearned rent previously paid and Tenant shall immediately surrender possession of the Premises to Landlord.

(13) EMINENT DOMAIN: If the floor area of the building is reduced by an insubstantial amount (as reasonably determined by Landlord) as a result of a taking by Eminent Domain (hereinafter defined), Landlord shall restore, at his expense, the remaining area of the premises to a complete architectural unit with frontage, interior, appearance, and utility substantially equal to that which existed prior to the taking. Tenant shall be entitled to a pro rata reduction of the rent payable for each month thereafter, said reduction to be reasonably determined by Landlord. If all or a substantial portion of the Premises (as reasonably determined by Landlord) are taken by Eminent Domain, then the term of this Agreement shall terminate as of the date possession is taken by the condemning authority, or as of the date the improvements located thereon are ordered torn down or removed, as the case may be, with the rent to be apportioned as of the date of such order, as the case may be.

(a) DEFINITION OF EMINENT DOMAIN: For purposes of this Agreement. “Eminent Domain” shall mean a taking by the exercise of the power of eminent domain by any governmental authority, an act or omission by any governmental authority constituting “inverse condemnation”, any purchase or acquisition in lieu of condemnation, or a taking by eminent domain and an order of an appropriate governmental authority specifying that any improvements located on the Premises are to be torn down or removed

(b) AWARD TO LANDLORD: Landlord shall be entitled to receive all of the proceeds of any total or partial taking of the Premises by Eminent Domain, including any part of such award as may be attributable to the unexpired leasehold interest or other rights of the Tenant in the Premises, and the Tenant hereby assigns and transfers to the Landlord all of Tenant’s right to receive any part of such proceeds.

(14) CLEANLINESS: Tenant shall at all times keep the Premises in a reasonably neat, orderly, and sanitary condition. Tenant shall not make or suffer any waste of the Premises or permit anything to be done in or upon the Premises creating a nuisance thereon. Tenant shall permit Landlord at all reasonable times to enter upon the Premises for the purpose of examining the same.
(15) DEFAULT:

(a) RIGHT TO TERMINATE: Upon the occurrence of any of the Events of Default (as defined in Subparagraph (b) below), Landlord may, at his option, terminate this Agreement by giving written notice to Tenant of the default in accordance herewith and of Landlord’s intention to terminate this Agreement if the default is not corrected within ten (10) days in the case of Tenant’s failure to pay rent when due, and twenty (20) days in the case of all other Events of Default. If said default is not corrected by Tenant to the reasonable satisfaction of Landlord within the applicable cure period, Landlord may terminate this Agreement, re-enter the Premises, and eject Tenant from the same; provided, however, that Tenant shall not be relieved from any liability or obligation hereunder as a result thereof. Tenant hereby waives any and all damages occasioned by such taking of possession by Landlord.

(b) EVENTS OF DEFAULT: Events of default under this agreement shall mean the following events (“Events of Default”) occurring with respect to Tenant:

(i) FAILURE TO COMPLY: Failure to comply with any term, condition, or obligation to be performed under this Lease Agreement, including but not limited to the payment of rent due hereunder; or

(ii) FILING BANKRUPTCY: Filing a petition in bankruptcy for reorganization or for an arrangement pursuant to the U.S. Bankruptcy Code or any similar federal or state law now or hereafter in effect; or

(iii) ADMISSION AS BANKRUPT: Filing an answer admitting the material allegations of or consenting to or defaulting in answering a petition filed against it in any bankruptcy, reorganization, or similar insolvency proceeding, or if any action shall be taken against it for the purpose of effecting any of the foregoing.

(c) ADDITIONAL REMEDIES: Upon the occurrence of an Event of Default hereunder, and Tenant’s failure to reasonably cure same within the applicable cure period. Landlord may, at his option and in lieu of terminating this Agreement, re-enter and take possession of the Premises, and thereafter re-let the same or any part thereof for the balance of the Lease Term or any party thereof, upon such terms and conditions as Landlord may deem proper. Neither re-entry nor re-letting shall discharge Tenant from any obligations or liabilities herein contained, and Tenant shall pay to Landlord, without demand, the difference, if any between the rentals herein provided for and the rentals actually received upon re-letting.

(d) ACCEPTANCE OF RENT IN BANKRUPTCY: Landlord shall have the right, at his option, to accept rental from any receiver, assignee, or trustee of any portion thereof without impairing or affecting Landlord’s rights under this Agreement.

(e) ACCELERATION OF RENT: Upon the termination of this Agreement or re-entry upon the Premises after the occurrence of an Event of Default, and Tenant’s failure to reasonably cure same within the applicable cure period, the remaining rents provided for under this Agreement shall be and become immediately due and payable at the option of Landlord and without regard to whether possession of the Premises shall have been surrendered to or taken by Landlord.

(f) REIMBURSEMENT OF COSTS: Tenant agrees to pay Landlord’s reasonable attorney’s fees, costs, and other expenses in the event Landlord files suit to collect any
rents or amounts due hereunder, or to protect the interests of Landlord in the event Tenant is involved in a court or administrative proceeding, legal process is levied upon the goods, furniture, effects, or personal property of Tenant, upon the Premises or upon the interest of Tenant in the Premises under this Agreement.

(g) CUMULATIVE NATURE OF REMEDIES: All rights and remedies of Landlord under this Agreement shall be cumulative and none shall exclude any other right or remedy at law. Such rights and remedies may be exercised and enforced concurrently and whenever and as often as occasion therefor arises, in the absolute discretion of Landlord.

(16) INDEMNITY: Tenant shall indemnify and hold The Board of Trustees of the University of Alabama, and its respective trustees, officers, directors, employees, agents, and representatives, free and harmless from all demands, claims, liabilities, damages, suits, costs, attorneys' fees, or other expenses arising out of any failure of Tenant to comply with and perform the requirements and provisions of this Agreement. Tenant shall further indemnify and hold The Board of Trustees of the University of Alabama, and its respective trustees, officers, directors, employees, agents, and representatives, free and harmless from any loss, cost, damage, or expense arising from injuries to persons or property while in, on, or about the Premises, not attributable to the willfully wrongful act of Landlord, its agents, servants, or employees.

(a) NOTICE AND PROCEDURE: If Landlord becomes aware of any fact or claim that could result in any liability, damage, loss, expense, or cost covered by Tenant's indemnity, and if Landlord desires to hold Tenant responsible therefor, Landlord shall promptly notify Tenant in writing in accordance herewith of such facts or claim and state in such notice the measures which Landlord proposes to take to resist or dispose of such claim. Unless Tenant shall notify Landlord within ten (10) days after receipt of such notice from Landlord that Tenant will take over the defense of such claim, Landlord may, at his option, proceed to resist or otherwise dispose of such claim. Tenant shall be entitled to designate an attorney to defend any such claim or asserted liability; provided, however, that such attorney shall consult with the attorney for Landlord and keep such attorney advised of all material developments relating thereto.

(17) INSPECTION AND SHOWING: Landlord reserves the right to visit and inspect the Premises at all reasonable times, and within the ninety (90) day period preceding the expiration of the Lease Term or at any time following an Event of Default hereunder and Tenant's failure to cure the same within the applicable cure period, to show the Premises to prospective tenants and display "For Rent" signs on the Premises. Landlord may display "For Rent" signs and show the Premises to prospective renters at any time.

(18) SUBORDINATION: This Agreement shall at all times be subject and subordinate to the lien of any mortgage that is now or that may hereafter be placed upon the Premises by Landlord. Tenant shall, upon demand by Landlord, execute such documents and instruments as may be reasonably required by counsel for Landlord to effectuate such subordination. Within ten (10) days from the date hereof, as well as prior to Landlord's execution of any new or substitute mortgage affecting the Premises, Landlord shall obtain from such mortgagee an agreement in writing to be delivered to Tenant, providing that so long as Tenant shall faithfully discharge the obligations of Tenant's part to be kept and performed under the terms of this Agreement, its tenancy shall not be disturbed, and that, in the event of foreclosure or any enforcement of any such mortgage, this Agreement shall in all respects continue in full force and effect.

(19) SURRENDER OF PREMISES: Except as provided otherwise hereunder, Tenant shall, upon the expiration or earlier termination of this Agreement, promptly remove from the
Premises all trash, debris, and property of Tenant and shall leave the Premises in a broom-clean and orderly state, subject to reasonable wear and tear.

(20) QUIET POSSESSION: Landlord shall, on the commencement date of the Lease Term, place Tenant in quiet possession of the Premises and shall secure Tenant in the quiet possession thereof during the Lease Term against all persons lawfully claiming possession of any part thereof.

(21) ENVIRONMENTAL WARRANTIES:

Tenant shall, at tenant’s own expense, comply in all material respects with all federal, state and local statutes, regulations, ordinances, rules, rulings, administrative orders, and the like as issued from time to time (collectively, “Laws”) as relate to environmental matters in connection with Tenant’s occupancy of the Premises in accordance herewith. Tenant shall not use the Premises as a landfill or waste disposal site, nor shall Tenant locate any underground storage tanks for gasoline or other substances on the Premises, during the Lease Term, unless Landlord’s written consent is first obtained. Tenant shall defend, indemnify, and hold Landlord, his personal representatives, heirs, and assigns, harmless from and against and shall pay and reimburse Landlord for any and all losses, damages, liabilities, claims, causes of action, penalties, fines, and fees (including reasonable attorney fees) asserted against Landlord resulting from the handling, treatment, storage, or disposal of hazardous or toxic materials, substances, pollutants, contaminants, wastes, asbestos, or urea formaldehyde insulation as relates to the Premises by Tenant or any of its agents, servants, or employees, and not caused by Landlord, his agents, servants, or employees.

(22) SECURITY DEPOSIT. On or before execution of this Agreement, Tenant shall pay to Landlord the sum of see Exhibit A as a security deposit in order to insure Tenant’s performance of its duties and obligations under this Agreement. Such security deposit may be applied by Landlord against Tenant’s obligations under this Agreement should Tenant default in the performance thereof but shall not be Landlord’s sole remedy against the Tenant. Should any of such security deposit be applied by Landlord against Tenant’s obligations upon Tenant’s default, and thereby curing such default, Tenant shall pay the amount of the security deposit so used to Landlord within ten (10) days notice of such use so that the original security deposit amount shall be restored in full. Any security deposit not applied by Landlord at the end of the lease term shall be paid to Tenant if Tenant’s obligations under this Agreement have been performed in full.

(23) MISCELLANEOUS:

(a) FINAL INTEGRATION: This Agreement, together with all exhibits attached hereto, constitutes the entire agreement of the parties, as a complete and final integration thereof with respect to its subject matter. All prior understandings and agreements between and among the parties are merged into this Agreement, which alone fully and completely expresses their understandings. No representation, warranty, or covenant made by a party which is not contained in this Agreement or expressly referred to herein has been relied on by the other party in entering into this Agreement.

(b) AMENDMENT IN WRITING: This Agreement may not be amended, terminated, or waived in any respect whatsoever, except by a further agreement in writing, properly executed by both the parties.
(c) BINDING EFFECT: This Agreement shall bind the parties and their respective personal representatives, heirs, next of kin, legatees, distributees, successors, and assigns.

(d) CAPTIONS: The captions of this Agreement are for convenience and reference only, are not a part of this Agreement, and in no way define, describe, extend, or limit the scope or intent of this Agreement.

(e) WAIVER OF DEFAULT: No waiver by either party of any default, breach, or violation of any term, conditions, or provision of this Agreement shall be deemed to be a waiver of any other default, breach, or violation of the same or any other term, condition, or provision contained herein.

(f) DELAY OR OMISSION NOT WAIVER: No delay in exercising or failure to exercise any right or remedy by either party shall impair any such right or remedy or constitute a waiver of any such right, remedy, or default, breach, or violation of any term, condition, or provision of this Agreement or an acquiescence therein. Every right and remedy given by this Agreement or by law to a party may be exercised from time to time and as often as deemed expedient by such party.

(g) RIGHT AND REMEDIES CUMULATIVE: No right or remedy conferred upon or reserved to either party in this Agreement or any document or instrument delivered in accordance herewith is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given under this Agreement or any document or instrument delivered in accordance herewith or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy under this Agreement or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

(h) NOTICES: All notices, requests, demands, and other communications hereunder (other than those which, under the terms of this Agreement, may be given by telephone, which shall be effective when received verbally) shall be in writing (including, but not limited to facsimile/telecopied communications) and shall be given by personal delivery, delivery via United State mail, with first class postage prepaid, or facsimile/tele-copier,

   (i) If to Landlord, to:
   University of Alabama
   Office of Land Management
   Box 870176
   Tuscaloosa, AL 35487

   With a copy, which shall not itself constitute notice, to:
   Office of Counsel
   Box 870106
   Tuscaloosa, Alabama 35487
   Tele-copier: (205) 348-8681

   (ii) If to Tenant, to: See Exhibit A.
Either party may change the address to which notices are to be delivered to such party, by a notice given in accordance with this Subparagraph to the other party. All such notices, requests, demands, and other communications shall be effective when received.

(i) WAIVER OF SUBROGATION: Neither Landlord nor Tenant shall be liable to the other for any loss or damage from risks ordinarily insured against under fire insurance policies with extended-coverage endorsements, irrespective of whether such loss or damage results from their negligence or that of any of their agents, servants, employees, licensees or contractors to the extent that such losses are covered by valid and collectible insurance on the premises at the time of the loss.

(j) RECORDATION OF LEASE: At the option of either party, a memorandum of lease in recordable form containing a short form of this Lease shall be executed by the parties and may be recorded in the county wherein the Premises are located. All recording costs and costs for preparation of the memorandum of lease shall be paid by the Tenant.

(k) GOVERNING LAWS: The laws of the State of Alabama shall govern the validity of this Agreement, the construction and enforcement of its terms, the interpretation of the rights and duties of the parties, and all other matters relating to this Agreement.

(l) EXHIBIT A: This lease is subject to all additional provisions as set out on Exhibit A, attached hereto and made a part hereof.

IN WITNESS WHEREOF, the parties have hereunto set their hands under seal on this the day and date first above written.

LANDLORD:  
By: Dana S. Keith  4/14/12  
Name: 

Dana S. Keith  
The Board of Trustees of The University of Alabama, a public corporation  
for and on behalf of The University of Alabama as its  
Associate Vice President for Financial Affairs

TENANT: 

iPhone Clinic  
By:  
Its: Founder / CEO
Landlord's Notary Acknowledgment

THE STATE OF ALABAMA §
TUSCALOOSA COUNTY §

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that [Signature] whose name as [Title] is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such [Title] and with full authority, executed the same voluntarily for and as the act of said [Company].

Given under my hand and official seal this the [Date] day of [Month] 2012.

NOTARY PUBLIC

My Commission Expires: 4-20-13

Tenant's Notary Acknowledgment

THE STATE OF ALABAMA §
TUSCALOOSA COUNTY §

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that [Signature] whose name as [Title] of [Company] is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of such instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said [Company].

Given under my hand and official seal this the [Date] day of [Month] 2012.

NOTARY PUBLIC

My Commission Expires: 5-17-2014
Exhibit “A” to Commercial Lease Agreement (iPhone Clinic)

1. Tenant: iPhone Clinic
2. Premises: 1209 University Boulevard
3. Term: Initial Term: 2 years beginning May 1, 2012
   (provided, however, the Initial Term shall end on April 30, 2014 unless
   sooner terminated pursuant to the terms of the Lease)
4. Rent: Initial Term - 1st year $24,933.33 annually, in advance.
   2nd year $27,200, in advance
   Optional Term: 2 year renewal, at both parties’ agreement confirmed by letter agreement
   (provided, however, any Optional Term shall end April, 30 2016 unless sooner terminated pursuant to the terms of the Lease)
5. Common Area Maintenance (“CAM”) Charge: In addition to rent, Tenant shall pay a CAM charge of $4/SF, paid as $5,444/annually, in advance. The CAM charge shall be increased by 10% during the optional terms above, if any. The CAM coverage shall include garbage dumpster which shall be provided by Landlord, all ad valorem real property taxes, insurance on the building (not including Tenant’s personal property, equipment, and fixtures), maintenance of common areas including landscaping, trash removal, parking lot maintenance (but not parking enforcement).
6. Parking: Tenant shall be allocated 2 parking spaces. These spaces are enforced by Tenant only, and Landlord shall have no obligation to enforce any parking rules. The spaces on the south side of the parking lot are first come, first serve. It is contemplated that the other spaces on north side of the lot shall be allocated to other tenants.
7. Security Deposit: Rent is in advance
8. Address for Notice to Tenant: iPhone Clinic LLC
   1110 15th Street Suite H
   Tuscaloosa AL 35401
9. Possession and Commencement of Rent: Tenant shall take possession of the Premises upon the completion of mutual lease execution. Tenant shall receive one month’s possession rent-free at the commencement of the lease for build out. The build out month shall be the first month of the 2 year primary term. The rent and CAM charge shall for the 1st year of the lease term shall be tendered prior to submission for approval by the Board of Trustees.
10. Use: iPhone Clinic is a telephone repair store primarily catering to the University of Alabama students, faculty, and supporting population.
11. Tenant Improvements: Landlord will deliver the premises in “AS IS” condition. Tenant will be responsible for all improvements. All permanent and structural improvements and
fixtures that shall remain with the premises ("permanent improvements") made by the Tenant will become the property of Landlord at Lease termination.

12. Real Estate Taxes: If the Landlord is required to pay taxes, these taxes shall be paid by Landlord and covered under the Common Area Maintenance charged paid by Tenant.

13. Signage: Tenant shall have the right to install building signage on the exterior of the Premises, subject to Landlord's consent, and subject to compliance by Tenant with all applicable laws and regulations.

14. Additional Trash Disposal Provisions: Tenant agrees to dispose of Tenant's everyday trash in the dumpster provided by the University. Tenant is responsible for the cleaning of Tenant's leased premises (i.e. Tenant's janitorial services). Landlord is responsible for cleaning of the Common Area at the beginning of weekdays (Monday-Friday) when the University is open for business. Tenant will clean such areas at all other times.

15. Recapture: If Landlord, in its sole discretion, determines that the expansion or development of its campus makes it necessary for it to take over permanently the Premises, then Landlord may take over permanently the Premises, upon giving Tenant at least one hundred eighty (180) days advance notice in writing. If this option is exercised during the primary term of this lease, the Landlord shall pay to Tenant a pro rata share of the remaining prepaid rent. Landlord shall not pay any reimbursement beyond the primary term if the termination option is exercised during any lease extensions.