

SUBLEASE AGREEMENT
between
Anderson County and Lake Hartwell Development Group, LLC
LEASE NO. DACW21-1-20-0063
HARTWELL LAKE PROJECT
ANDERSON COUNTY, SOUTH CAROLINA

This SUBLEASE AGREEMENT is made and entered into by and between Anderson County, (hereinafter referred to as "SUB-LESSOR") and Lake Hartwell Development Group, LLC, (hereinafter referred to as "SUB-LESSEE").

In consideration of the mutual covenants and agreements set forth in this SUBLEASE and for other good and valuable consideration, the receipt of which is hereby acknowledged, SUB-LESSOR does hereby sublease to SUB-LESSEE and SUB-LESSEE does hereby sublease from SUB-LESSOR the premises generally described as follows:

Approximately 35 acres of land and water area under the primary jurisdiction of the Department of the Army in the Hartwell Project Area, hereinafter referred to as the premises as shown on attached Exhibit "A", for public park and recreational purposes from the Department of the Army of the United States; on Hartwell Lake, Anderson County, South Carolina (hereafter referred to as the "PREMISES").

1. TERM

The term of this SUBLEASE is twenty-five years (25) years, beginning on December 15, 2020 and ending on December 14, 2045, unless sooner terminated as provided for in this SUBLEASE and in no case shall the SUBLEASE exceed the term of the Prime Lease DACW21-1-20- 0063 (hereinafter referred to as "LEASE"). SUBLESSEE will receive first right of refusal for any extension of the LEASE. SUB-LESSOR agrees to negotiate with the Army Corps of Engineers for a lease extension starting no later than 20 years from date of this sub lease agreement.

2. RENT

SUB-LESSEE agrees to pay to the SUB-LESSOR rental payments in the amount of one dollar per year and to assume and pay to SUB-LESSOR three (3) % of net sales annually from operation of the Asbury Park project to be included in a Fee Agreement with placement of the project in a Multicounty Park Agreement. This fee is being paid to SUB-LESSOR in lieu of all county property taxes on all taxable improvements made on the PREMISES.

3. FEES

Fees may be charged by the SUB-LESSEE for use of the premises or any facilities, however, no user fees may be charged by the SUB-LESSEE or its sub-lessees for use of facilities developed in whole or part with federal funds if a user charge by the Corps of Engineers for the facility would be prohibited under law.

4. SUBLEASE

SUB-LESSEE accepts this SUBLEASE subject to all of the terms and conditions of a certain Lease Agreement, Supplemental Agreement, Extension or Modification of the Lease for the property described in the U.S. Army Corps of Engineers Lease No. DACW21-1-20-0063, under which the SUB-LESSOR holds the premises as Lessee. SUB-LESSEE is hereby charged at all times with full knowledge of all the limitations and requirements of above said lease, and the necessity for correction of deficiencies, and with compliance with requests by the Government. Sublease is subject to the prime Lease, and all activities must be approved by the District Engineer. In the event of a conflict between the prime lease and the sublease, the prime lease shall be the controlling document. SUB-LESSEE covenants that it will do no act or thing which would constitute a violation of said Lease or any renewal, modification, or subsequent Lease the SUB-LESSOR may have with the Government.

5. USE OF PREMISES

SUB-LESSEE shall use the Leased Premises for recreational purposes. SUB-LESSEE shall not commit any waste nor create any nuisance on the Leased Premises and shall comply with all rules and regulations as established by the SUB-LESSOR. SUB-LESSEE shall comply with all applicable rules and regulations of governmental agencies and health department concerning the SUB-LESSEE'S use of the PREMISES.

6. MAINTENANCE

SUB-LESSEE shall at its sole expense maintain and keep the premises, structures and surrounding area in good condition and state of repair and shall leave the Leased Premises in essentially the same condition as it was when delivered to the SUB-LESSEE by the SUB-LESSOR. SUB-LESSEE shall pay all utility charges for electric, water, heat, gas, and telephone service used on the Leased Premises directly to the appropriate utility company/corporation. SUB-LESSEE shall pay the pro-rate share of the cost of trash removal services from the Leased Premises relating to its operation.

7. INSURANCE

SUB-LESSEE shall maintain and pay all property and liability insurance and any other insurance necessary and prudent for normal operation of the facilities on the premises, including but not limited to workers' compensation insurance. SUB-LESSEE shall furnish the SUB-LESSOR with a copy of a Certificate of Insurance with SUB-LESSOR furnishing a copy to U.S. Army Corps of Engineers, Real Estate Division (ATTN: RE-RM), 100 West Oglethorpe Ave, Savannah, Georgia 31401, naming the SUB-LESSOR and U.S. Army Corps of Engineers as additional named insureds and having a policy limit of \$1,000,000.00 per claim and aggregate of \$1,000,000.00.

8. INDEMNITY OF SUB-LESSOR AND GOVERNMENT

SUB-LESSOR AND GOVERNMENT shall not be liable to SUB-LESSEE or to SUB-LESSEE'S employees, agents, officers, directors, invitees, customers and/or visitors for any injury to persons or damage to property on or about the Premises caused by the negligence or misconduct of the SUB-LESSEE or its employees, customers, invitees, or any other person arising out of the use of the Premises by the SUB-LESSEE

and SUB-LESSEE agrees to indemnify and hold the SUB-LESSOR AND GOVERNMENT harmless from any claims or damages arising from such injury or damage.

9. DEFAULT

If SUB-LESSEE shall allow any payment obligation under this SUBLEASE to be in arrears or be in default under any of the other terms or conditions set forth in this SUBLEASE for a period of more than fifteen (15) days after written notice of such delinquency, SUB-LESSOR may without further notice to the SUB-LESSEE terminate this SUBLEASE and re-enter and take possession of the Premises without being deemed guilty of trespass.

10. TRANSFERS, ASSIGNMENTS, AND SUBLEASES

SUB-LESSEE may not assign, sublet, transfer, or in any manner encumber this SUBLEASE without the prior written approval of the SUB-LESSOR and written consent by the Government.

11. NOTICES

All notices required hereunder must be given by certified or registered mail addressed to the proper party at the following address:

SUB-LESSOR: Anderson County
ATTN: County Administrator
101 South Main Street
Anderson, SC 29624

SUB-LESSEE: Lake Hartwell Development Group, LLC
ATTN: Karen Alayne McCullough
2011 S Main Street
Anderson, SC 29621

12. NON-DISCRIMINATION

a. The SUB-LESSEE shall not discriminate against any person or persons or exclude them from participation in the SUB-LESSEE's operations, programs or activities conducted on the premises, because of race, color, religion, sex, age, handicap, or national origin. The SUB-LESSEE will comply with the Americans with Disabilities Act and attendant Americans with Disabilities Act Accessibility Guidelines (ADAAG) published by the Architectural and Transportation Barriers Compliance Board.

b. The SUB-LESSEE, by acceptance of this lease, is receiving a type of Federal assistance and, therefore, hereby gives assurance that it will comply with the provisions of Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. § 2000d); the Age Discrimination Act of 1975 (42 U.S.C. § 6102); the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794); and all requirements imposed by or pursuant to the Directive of the Department of Defense (32 CFR Part 300) issued as Department of Defense Directive 5500.11 and 1020.1 and Army Regulation 600-7. This assurance shall be

binding on the SUB-LESSEE, its agents, successors, transferees, sub-lessees and assignees.

13. PROHIBITED USES

The SUB-LESSEE will not sponsor or participate in timeshare ownership of any structures, facilities, accommodations, or personal property on the premises. The SUB-LESSEE will not subdivide nor develop the premises into private residential development

14. ENTIRE AGREEMENT

This SUBLEASE and Lease No. DACW21-1-20-0063, and any amendments thereto now or in the future, represents the entire agreement of the parties and no modification, amendment, or alteration of the terms of this agreement shall be binding unless in writing and duly executed by all the parties.

This SUBLEASE AGREEMENT is hereby executed this 15th day of December, 2020.

SUB-LESSEE:

By: Karen Hayes McCallister

Title: PRESIDENT

SUB-LESSOR:

By: [Signature]

Title: County Administrator

Consent to this SUBLEASE AGREEMENT:
(Reviewed as to content, but not a party hereto)

UNITED STATES OF AMERICA

By: _____

Title: _____

Exhibit A: Asbury Park Site Boundary 35.5 acres

Anderson SC (not to scale)

