NON-STANDARD LEASE

**Lease Number 208-L0692**

# DEED OF LEASE

This Deed of Lease (the "Lease") is dated the 24th day of June, 2019, by and between **Blacksburg Hospitality Group, LLC**, a Virginia limited liability company, as Grantor (the "Landlord"), and **Virginia Polytechnic Institute and State University**, a state agency and an educational institution of the Commonwealth of Virginia, as Grantee (the "Tenant").

**WITNESSETH**

1. **PREMISES:**

For and in consideration of the terms, conditions, covenants, promises and agreements herein made, the Landlord leases to the Tenant the following property or premises (the "Premises"), together with full rights of ingress and egress, in the County of Montgomery, Virginia. The Premises are more particularly described as:

***Ninety-four (94) lodging rooms located at 1020 Plantation Road, Blacksburg, Virginia, 24060 together with access to all common areas, including all parking lots, sidewalks, walkways, hallways, passageways, stairwells, and the like necessary or desirable to access the lodging rooms (collectively "Common Areas"). The Premises has sufficient parking in the parking lot contiguous to and serving said building to meet zoning requirements for a hotel with ninety-four (94) guest rooms. The Premises does not include the pool, weight/exercise room, or any kitchen, offices, front desk area, commercial laundry, closets (other than closets within lodging rooms), storage rooms, or mechanical rooms (collectively, the "Excluded Areas").***

A sketch of the floor plan of the Premises is attached hereto as Exhibit A.

2. **USE OF PREMISES:**

The Premises are to be used and occupied by the Tenant for residential use by students and for all purposes reasonably ancillary thereto.

3. **TERM:**

a. The term of this Lease (the "Term") shall be approximately nine (9) months and twenty-five (25) days. Beginning on August 7, 2019 (the "Commencement Date") the Landlord shall deliver to the Tenant five (5) lodging rooms which shall include one (1) room with a kitchenette. Beginning August 10, 2019 at approximately 1:00 p.m. (after all guests of the hotel have checked out) the Landlord shall deliver to the Tenant the remaining eighty-nine (89) lodging rooms. This Lease shall terminate on May 31, 2020 (the "Termination Date"); however, the Tenant shall begin vacating the lodging rooms within forty-eight (48) hours after the students move out of each lodging room which occurs within twenty-four (24) hours after the student's last exam or commencement exercises. In addition to the other access to which Landlord is entitled under this Lease, from August 10, 2019 through August 13, 2019, the

Landlord shall have access to the Building and lodging rooms to move furniture and perform other tasks required of Landlord as provided in this Lease to ready the lodging rooms for occupancy. Similarly, from May 14, 2020 through May 31, 2020, in addition to the other access to which Landlord is entitled under this Lease, the Landlord shall have access to the Building and lodging rooms to move furniture and perform other tasks that do not interfere with Tenant's use of the Premises in order to begin to restore the Premises to use as a hotel.

b. The Landlord warrants that the Landlord alone, at the time this Lease is executed, has the right to lease the Premises, without the consent of any other party. It is expressly understood and agreed that this covenant by the Landlord constitutes a warrant. If the Landlord does not have this right, then the Tenant, in addition to any other remedy available at law or in equity, may immediately declare this Lease null and void from its inception and of no force and effect, without notice. In such event, no rent shall accrue or be deemed to have accrued for the term of this Lease, or for any part of the term.

4. **RENT:**

The Tenant shall pay the Landlord the amount show below as rent ("Rent") for the Term, which amount shall be paid in monthly installments, beginning on August 7, 2019, and, thereafter, due and payable in advance on the 1st day of each month, and continuing thereafter throughout the Term of this Lease. The Rent shall be as follows:

| Term | Monthly Rent |
|---|---|
| August 7, 2019 to August 31, 2019 | $439,736.84 |
| September 1, 2019 to April 30, 2020 | $375,690.79 |
| May 1, 2020 to May 31, 2020 | $259,736.84 |

The payment of all Rent shall be made payable to the Landlord and mailed to:

c/o Holiday Inn Express
1020 Plantation Road
Blacksburg, VA 24060
Attn: Josh Rigsby, General Manager

or to such other person or entity or at such other address as the Landlord may designate from time to time by written notice to the Tenant.

5. **POSSESSION AND CONDITION OF PREMISES:**

a. The Landlord shall deliver quiet possession of the Premises to the Tenant on the Commencement Date and shall provide quiet enjoyment of the Premises to the Tenant during the Term.

b. On the Commencement Date, the Landlord shall deliver the Premises to the Tenant in good repair and in a condition suitable to the use for which it is leased.

c. The Landlord, and its employees, agents and contractors, shall have the right to enter and pass through any part of the Premises, without prior notice, only in the case of an emergency. If the Landlord, or the Landlord's employees, agents or contractors, must enter the Premises in the case of an emergency, then as soon as practicable before or after such emergency entrance, the Landlord, or the Landlord's agent, shall contact Real Estate Management (Telephone #540-231-8430).

d. The Landlord covenants that (i) the Premises and the building of which the Premises (the "Building") forms a part have been inspected by an Asbestos Inspector licensed by the Virginia Department of Professional and Occupational Regulation and the Building and the Premises are free of friable asbestos that is not managed under a management plan prepared by an Asbestos Management Planner licensed by the Virginia Department of Professional and Occupational Regulation; and (ii) any friable asbestos discovered in or on the Building or the Premises shall be promptly and properly removed by the Landlord, at the Landlord's sole expense, in compliance with applicable federal, state and local laws and regulations, provided that, if the asbestos was introduced into the Premises by Tenant, the cost of the removal thereof shall be the Tenants expense.

*SEE ATTACHMENT NO. 1 – SECTION 1*

6. **MAINTENANCE:**

a. The Landlord warrants that on the Commencement Date, the Premises and all its equipment, including the plumbing, heating, ventilation and air conditioning equipment and systems shall be in good repair and good working order.

b. The Landlord shall equip the Premises and perform all alterations, replacements, improvements, decontamination, and additions to the Premises and the equipment upon the Premises, at the Landlord's expense, as shall be necessary at any time during the Term of this Lease to comply with the provisions of Federal, State and local laws and regulations pertaining to health, safety, public welfare, and environmental protection, including laws and regulations pertaining to asbestos, carbon monoxide, polychlorinated biphenyls, urea formaldehyde, lead paint, radon, petroleum product storage tanks, and freon, regardless of the effective date of law or regulation unless the Premises are grandfathered from such laws or regulations. This subsection shall not apply if the necessity for compliance with these laws arises from an act of the Tenant, its employees, agents, contractors, or any one or more residents or their permitted invitees.

c. It shall be the sole responsibility and obligation of the Landlord, at its expense and in accordance with applicable laws, technical publications, manuals and standard procedures, to (i) properly maintain, repair and replace all the structural portions of the Premises, including foundation, sub-floor, structural walls and roof, as well as to keep the Premises and all equipment and non-trade fixtures in good working order and to perform any required repairs, replacement and maintenance, and (ii) keep all plumbing, heating, air conditioning, electrical and mechanical devices, appliances and equipment of every kind or nature affixed to or serving the Premises in good repair, condition and working order. All equipment and systems shall be maintained to provide reliable service, without unusual interruption, disturbing noises, exposure to fire or safety hazards, or unusual emissions of dirt. As used herein, the word "repair" shall be deemed to include replacement of broken or cracked glass.

d. All other necessary or required maintenance, repairs and replacements to the Premises and common areas shall be the sole responsibility and expense of the Landlord. The Landlord's maintenance responsibilities shall include the supply and replacement of all supplies, materials and equipment necessary for such maintenance.

e. Notwithstanding anything to the contrary contained in 6(c) or 6(d) or elsewhere in this Lease, the Landlord shall not be obligated to pay for or otherwise be economically responsible for any repairs to the Premises due to damage caused by the Tenant, its employees, agents, contractors, or any one or more residents or their permitted invitees (not including normal wear and tear). In the event of such a repair, the Landlord will provide the Tenant with an estimate for making the repair. If the Tenant approves such estimate, the Landlord will proceed to have the repair made at the Tenant's sole cost and expense, which the Tenant will pay directly or reimburse to the Landlord within thirty (30) days upon receipt of an invoice therefor. The Tenant's financial responsibility will not be limited to the amount of the estimate provided that the Landlord will use good faith efforts in managing the cost and will advise the Tenant of any material overage prior to the expenditure. If the Tenant does not approve the estimate, then the Landlord will obtain three bids for the work from qualified contractors and select a contractor to perform the work, giving preference to the low bidder. The Tenant may suggest contractors to the Landlord to be included on the bid list, but the Landlord shall not be required to include any contractor that is not acceptable to the Landlord. The Landlord will proceed to have the repair made at the Tenant's sole cost and expense, which the Tenant will pay directly or reimburse to the Landlord within thirty (30) days upon receipt of an invoice therefor. The Tenant's financial responsibility will not be limited to the amount of the bid provided that Landlord will use good faith efforts in managing the cost and will advise Tenant of any material overage prior to the expenditure.

f. If the Landlord fails to keep, repair and maintain the Premises and all plumbing, heating, air conditioning, electrical and mechanical devices, appliances and equipment of every kind or nature affixed to or serving the Premises in good repair, condition and working order as provided in this Section, then the Tenant, after providing no less than ten (10) days' written notice, at its option, may either immediately terminate this Lease and all obligations hereunder, or proceed to make, or cause to be made, such upkeep, repair and maintenance, at the Landlord's expense. The Tenant may deduct the cost thus incurred in fulfilling the Landlord's obligations under this Lease from future Rent payments and/or may collect the cost from the Landlord in any manner provided by law. Furthermore, the Tenant shall be entitled to deduct from the Rent, or any installment thereof, the per diem rental for each day that the Premises are rendered unsuitable for use as a result of the breakdown or malfunction of any equipment which the Landlord has herein agreed to keep, repair, and maintain; provided, however, that this deduction from the Rent shall not commence until the tenth ($10^{th}$) day after the Landlord has been given written notice of the breakdown or malfunction. No notice of termination shall be given under this Section if the Landlord has physically commenced such repairs or is causing such repairs to be made, and such repair work is being diligently and continuously pursued to completion in a good and workmanlike manner.

g. When and as snow and/or ice removal become necessary, the Landlord shall promptly remove all snow and ice from all walkways, loading areas, common areas, and parking areas.

7. **DAMAGE OR DESTRUCTION OF THE PREMISES:**

a. If the Premises are damaged by fire, lightning, windstorm, tornado, earthquake, civil disturbance, flood, acts of nature or other casualty loss, and, in the reasonable opinion of the Tenant, the Premises are thereby rendered untenantable or unusable for the Tenant's purposes, this Lease shall immediately terminate, at the option of the Tenant, upon written notice to the Landlord.

b. If the Premises are damaged by fire or otherwise, but in the reasonable opinion of the Tenant is not rendered totally untenantable and unusable, upon being notified to do so by the Tenant or its duly authorized agent, the Landlord shall repair and restore the Premises as promptly as possible to their former condition, in which event there shall be a proportionate abatement of all Rent and other payments otherwise due to the Landlord under the terms of this Lease, for the period during which the said repairs and restoration are being completed, for that portion of the Premises not substantially usable by the Tenant during such period. If the Landlord fails to make all repairs, replacement, restoration, or renovation as required in this subsection, or as otherwise required in this Lease where no other remedy is expressly provided, within a reasonable time after written notice to the Landlord, then the Tenant may terminate this Lease by giving fifteen (15) business days written notice to the Landlord. No notice of termination shall be given by the Tenant under this subsection if the Landlord, or its agents, has physically commenced repairs, replacement, restoration or renovation, and the work is being diligently and continuously pursued to completion in a professional and workmanlike manner.

8. **ALTERATIONS BY THE TENANT:**

The Tenant, at its sole cost and expense, may make alterations and additions to the Premises as the Tenant deems proper. The Tenant, however, shall not make any structural alterations of the roof, foundation or exterior walls without the prior written consent of Landlord, unless made pursuant to Section 7(b)(i). The Tenant, at its sole cost and expense, may install fixtures, partitions and make such other improvements as the Tenant may deem proper and the title and ownership of materials used in such alterations and additions, and all fixtures, partitions, and other improvements made and/or installed by the Tenant shall remain in the Tenant. Upon termination of this Lease, the Tenant may, at its option, remove the fixtures, partitions and other improvements made under this Section, in which event any damage to the Premises caused by removal, other than nominal damage (such as screw holes, bracket marks, etc.) shall be repaired by the Tenant at its expense. If the Tenant elects not to remove the improvements, it shall have no further responsibility for them or their removal.

*SEE ATTACHMENT NO. 1 – SECTION 2*

9. **UTILITIES AND SERVICES; INSURANCE; TAXES:**

a. The Landlord shall provide, at the Landlord's expense, the following utilities and services for the Premises: heating and air-conditioning as conditions require, electricity, gas, water and sewer, and interior trash removal to the Premises. If the Landlord or Landlord's agent interrupts, discontinues or causes the interruption or discontinuation of any of these utilities or services, then the Tenant, in addition to any other remedy available under the law, shall be entitled to deduct from the Rent, or other payments otherwise due to the Landlord under the terms of this Lease or any renewal or extension thereof, either (i) the per diem rental for each day that the Premises are rendered unsuitable for use due to the Landlord's failure to provide such utility or service, or (ii) the actual cost to provide the utility or service if not provided by the Landlord.

b. The Landlord shall be responsible for all real estate taxes or charges in lieu of taxes applicable to the Premises.

c. The Landlord, at Landlord's expense, shall keep the Premises and the Building insured against damage by fire, lightning, windstorm, tornado, earthquake, civil disturbance, flood, acts of nature and casualty loss, under a broad form extended coverage or similar property loss policy. The policy shall cover at least eighty percent (80%) of the replacement cost of the Premises and the Building. In addition, the Landlord shall maintain broad form general commercial liability insurance in an amount determined by Landlord sufficient to provide protection to Landlord and its agents in the event of liability for injury, loss or damage to property at the Premises and the Building.

10. CONDITION OF COMMON AREAS:

The Landlord, at the Landlord's sole expense, shall maintain in a good, clean and safe condition, all Common Areas and common facilities, including all exterior lighting, to be used by the Tenant. If the Landlord fails to maintain such areas or facilities in a good, clean and safe condition, or to make all repairs and/or improvements within ten (10) days after written notice, then the Tenant may terminate this Lease or proceed to make repairs or improvements, pursuant to the provisions of Section 6(f).

11. ACCESSIBILITY BY PERSONS WITH DISABILITIES:

a. In addition to any other requirements or covenants in this Lease, and at all times during the Term and during any renewals or extensions thereof, the Landlord covenants that, as to the Premises, it has fully complied, or will comply, with (i) the facilities accessibility laws, regulations and standards required by the "Americans With Disabilities Act of 1990" (the "ADA"), including Titles II and III thereof, and the regulations and standards promulgated thereunder, including the regulations promulgated by the U.S. Department of Justice (28 CFR Chapter 1, Part 36 and the Standards for Accessible Design Pt. 36, App. A-entitled "ADA Accessibility Guidelines for Buildings and Facilities"), as amended, and (ii) the minimum requirements of the Virginia Uniform Statewide Building Code (VUSBC), Volume I-New Construction, as amended, pertaining to access by the physically handicapped and aged persons, including Chapter 11 ("Accessibility") of said VUSBC, which, in part, incorporates the regulations and referenced standards of the U.S. Department of Justice identified above, to the fullest extent required by law. To the extent the minimum requirements of the VUSBC are more restrictive than applicable federal requirements, VUSBC shall control. The Landlord further covenants that the Premises, as well as parking lots, entrances, common areas, restrooms and passageways, will be so maintained as to cause the Premises to be and remain in compliance with said ADA and all regulations promulgated thereunder applicable to handicapped accessibility. The Landlord further covenants that, following the date of execution of this Lease, all alterations of the Premises and other facilities areas, including common areas and parking facilities, that shall be undertaken by the Landlord, to the extent the same could otherwise affect the accessibility/usability of the Premises by the disabled, shall be undertaken in such a manner that, to the maximum extent feasible, the path of travel to the altered area or facilities or to the restrooms, telephones, and drinking fountains serving the altered area, are readily accessible to and usable by individuals with disabilities and that the ADA and the regulations and standards promulgated thereunder and the VUSBC are fully complied with to the extent required by law and as herein provided. Should the Tenant discover that an element of the Premises, or the construction or design of the Premises, as well as the other facilities areas noted above, or alterations thereto, are not in compliance with the requirements herein set forth, including the referenced standards or guidelines pertaining to the ADA, the Tenant

shall promptly notify the Landlord (or the Landlord's Agent) in writing detailing both the requirement and the noted deficiency and specifying the action required to bring about compliance. Should the Landlord fail within thirty (30) calendar days following such notice to comply or to propose in writing an alternative for compliance which the Tenant deems acceptable, or, alternatively, fail to convince the Tenant that compliance is not required, either because such accommodation as would otherwise be required would constitute an undue hardship when measured against the financial resources of the Landlord or because the facilities are nevertheless accessible and usable by individuals with disabilities, then Tenant may terminate this Lease by giving three (3) months written notice to the Landlord.

b. Without in any way limiting the foregoing requirements, the Tenant has identified below certain minimum design considerations and general handicapped accessibility requirements which are applicable to the Premises and related facilities, unless marked "Not Applicable";

i. If public or private parking is provided, at least one accessible parking space, properly designated for handicapped parking, shall be provided as close as possible to an accessible route to the primary Building entrance.

ii. Walks used as accessible routes to the Premises shall comply with applicable accessibility standards.

iii. An accessible primary entrance into the Building shall be at grade or ramped to grade in accordance with applicable accessibility standards.

iv. At least one route (consisting of walkways, corridors, doors and common areas), from the location of accessible parking spaces into the Premises, shall be accessible.

v. If Common Areas within the Building are used by the Tenant, its employees or the public, such areas shall be accessible.

vi. If the Tenant occupies floors other than the main floor, at least one accessible elevator shall be provided.

vii. An accessible unisex restroom shall be provided, or, in the alternative, separate male and female accessible restrooms; and, in either case, with accessible equipment.

viii. All corridors, doors and spaces within the Premises and used by the public or employees of Tenant shall be accessible to the extent required by applicable law if the Premises were being used as a hotel.

ix. Where required by applicable law, directional signs complying with the standards shall be provided directing handicapped persons to an accessible route or entrance to the Premises.

c. The foregoing provisions of this Section, as applied to the Landlord, shall not apply to trade fixtures installed by Tenant or Tenant's layout of such trade fixtures.

12. **ANTENNA AND COMMUNICATIONS EQUIPMENT:**

a. The description of the demised premises will include roof space, exterior wall space and appurtenant interior space.

b. Use of the roof space, exterior wall space and appurtenant interior space shall be subject to the following covenants and conditions:

i. The Tenant shall be permitted to use the demised premises for the erection, maintenance and operation of a wireless Antenna and support base.

ii. The Tenant shall have the right to occupy and use interior space necessary for the maintenance and operation of the Antenna, Communications Equipment, and Communications Network.

iii. The Tenant shall erect the Antenna using existing or freestanding structures where possible to minimize physical modifications to the Building structure. The Tenant shall not penetrate the roof. The Tenant, at Tenant's expense, is responsible for repairing damage to the Structure caused by erection, maintenance, use or removal of the Antenna and Communications Equipment. In the event of removal of the Antenna, the structure shall be returned to its original condition, reasonable wear and tear excepted.

iv. The Antenna and Communications Equipment are and shall remain the property of the Tenant. The Tenant may remove the Antenna or Communications Equipment at any time during the Lease. Upon termination of the Lease, at its sole discretion, the Tenant has the option to remove the Antenna, Communications Equipment, and Communications Network.

v. The Tenant shall have a right and easement for the term of the Lease, including any renewal terms, to construct, erect, install, operate, repair and maintain, in the manner and for the purposes authorized by this Lease, aerial (overhead) and/or underground communications and electrical lines, cables, conduits and related equipment between the Antenna site and the indoor Equipment site and between both the Antenna site plus Equipment site and the nearest available and suitable access point for connection to public utility services and grounding.

vi. The Tenant shall have a right to occupy and use such necessary chase, conduit and/or duct space within the Landlord's Building for electrical wiring, telephone lines, pipes, conduit, tubes, and related communications lines and equipment as may be required by the Tenant to install and operate, and as an integral part of, its Communications Equipment and facility, but only at locations specified or approved by the Landlord.

vii. Authorized representatives or employees of the Tenant shall have a free right of ingress and egress to and from the demised premises at reasonable times, and other times in case of emergency, for the purpose of the efficient operation and maintenance of the Equipment, Antenna and Communications Network.

*SEE ATTACHMENT NO. 1 – SECTION 3*

13. **DISCLOSURES; NON-WAIVER; APPROPRIATIONS:**

a. The Landlord understands and acknowledges that the Tenant is an agency of the Commonwealth of Virginia and with respect to tort liability for acts or occurrences on or about the Premises, including product liability, the Commonwealth and the Tenant are either (i) constitutionally immune (or partially immune) from suit, judgment or liability, (ii) insured, or (iii) covered by a financial plan of risk management that is in the nature of self-insurance, all as determined by applicable laws, government policies and practices.

b. The Landlord understands and acknowledges that the Tenant has not agreed to provide any indemnification or save harmless agreements running to the Landlord. No provision, covenant or agreement contained in this Lease shall be deemed to be a waiver of the sovereign immunity of the Commonwealth of Virginia, or of the Tenant, from tort or other liability.

c. This Lease shall be governed by, and construed according to, the laws of the Commonwealth of Virginia. The parties choose County of Montgomery, Virginia, as the venue for any action instituted pursuant to the terms of this Lease.

d. Notwithstanding any other provision of this Lease, if the Tenant shall cease to exist, and is not replaced by a successor entity with similar powers and purposes, or its powers and authority are limited so as to not permit the continued use of the Premises for the purpose and use for which same are leased, then this Lease and all responsibility or obligations of the Tenant under this Lease shall terminate. In such event, the Tenant will endeavor to give as much notice as is reasonably possible of the event triggering the termination of this Lease and the anticipated termination date, but failure to give such notice shall not affect the termination.

e. Agencies of the Commonwealth of Virginia cannot expend funds unless appropriated by the Virginia General Assembly and may not obligate a future session of the Virginia General Assembly. Therefore, notwithstanding any provision in this Lease to the contrary, if any session of the Virginia General Assembly fails to appropriate funds for the continuance of this Lease, this Lease and all obligations hereunder shall automatically terminate upon depletion of the then currently appropriated or allocated funds.

14. **REPORT OF OCCUPANCY:**

a. The Tenant shall, within fifteen (15) days after receipt of a written request by the Landlord, submit to the Landlord, or its designee, a written Report of Occupancy specifying: (i) the date of possession of the Premises by the Tenant and the date on which the Lease terminates, (ii) whether this Lease is in full force and effect, (iii) the annual Rent, (iv) whether there have

been any modifications to the Lease, and if there have been, a description of all such modifications, and, (v) whether the Tenant has knowledge of any default hereunder on the part of the Landlord, or if it does have such knowledge, a description of any such default.

b. The issuance of a report requested under subsection 14(a), or any errors or omissions in such report: (i) shall not operate as an estoppel against either the Commonwealth of Virginia or the Tenant, (ii) shall not form or provide any basis for liability against the Commonwealth or the Tenant, and (iii) shall not operate as a waiver of any rights or defenses that may be available to the Commonwealth or the Tenant either at that time or in the future.

15. **CONDEMNATION:**

a. The Landlord shall give immediate notice to the Tenant of any discussions, offers, negotiations or proceedings with any party regarding condemnation or taking of any portion of the Premises.

b. In the event that any portion of the Premises, or any portion of the Building, is taken by eminent domain, or sold to the holder of such power pursuant to a threatened taking, this Lease shall terminate effective as of the date of the taking. The date of taking shall be the earlier of: (i) the date on which title vests in the condemning entity or (ii) the date on which the condemning entity takes possession. In the event of a taking, the Tenant assigns to the Landlord any rights that the Tenant may have in and to any portion of a condemnation award, but such an assignment shall exclude any portion that may be due for, or attributed to, the Tenant's fixtures, moving expenses and allowances.

16. **SUBORDINATION, NON-DISTURBANCE, AND ATTORNMENT:**

Upon request by the Landlord, the Tenant agrees to execute a Subordination, Attornment and Non-Disturbance Agreement, provided, however, that all such agreements are subject to approval by the Tenant and the Office of the Attorney General of Virginia.

17. **TERMINATION:**

a. Unless otherwise terminated as provided herein, a prior written notice of at least three (3) months shall be given by the Tenant should it desire to terminate this Lease and vacate the Premises at the end of the Term, or any renewal or extension thereof. Subject to the Tenant's option to renew this Lease, if any, should the Landlord desire to terminate the Lease and take possession of the Premises at the end of the Term, or any renewal or extension thereof, a prior written notice of at least three (3) months shall be given by the Landlord. Unless and until such notice is given by either party, this Lease shall automatically renew and continue in force from year to year ("renewal term") at the same Rent that was payable during the last or prior month of this Lease, or any renewal or extension thereof, and subject to all the terms, conditions and covenants herein contained. During any renewal term, the Tenant, at its option, may terminate this Lease at any time upon at least three (3) months written notice to the Landlord.

b. If the Tenant shall continue to occupy of the Premises after the termination date specified in a proper notice to terminate as provided in Section 17(a) (a "holdover"), such holdover shall be deemed a tenancy from month-to-month upon the same Rent and other terms and conditions as existed immediately prior to the commencement of the holdover. The Landlord shall have the right to regain possession of the Premises in any manner provided by law, exclusive of self-help remedies. Possession of the Premises by the Tenant in accordance with the provisions of Section 17(a) shall not be deemed a holdover.

c. At the termination of this Lease, the Tenant will peaceably deliver the Premises in as good condition as when it was formally accepted, nominal damage and normal wear and tear excepted, and subject to any agreement by the Landlord to make repairs and restoration as provided elsewhere in this Lease, with all damage caused by the Tenant, its employees, agents, contractors, or any one or more residents or their permitted invitees repaired in a workmanlike manner.

d. Once notice of termination has been properly given by either party to this Lease, the Landlord shall have the right to post a notice that the Premises are for rent and may show the Premises to any person desiring to rent the same during the business hours maintained by the Tenant for the Premises, and only at such other times as the Tenant may permit.

*SEE ATTACHMENT NO. 1 – SECTION 4*

18. **NOTICES:**

a. All notices to the Tenant required or permitted under this Lease shall be given by mailing the notice by certified U.S. mail, postage prepaid, return receipt requested, to the Tenant addressed to:

Real Estate Management
230 Sterrett Drive (0163)
Blacksburg, Virginia 24061
540-231-8430

b. All notices to the Landlord required or permitted under this Lease shall be given by mailing the notice by certified U.S. mail, postage prepaid, return receipt requested, to the Landlord addressed to:

Blacksburg Hospitality Group, LLC
510-B South Main St.
Blacksburg, VA 24060
Attn: Dennis Dowdy

and

Newport Blacksburg HIE Management LLC
4290 New Town Avenue
Williamsburg, VA 23188
Attn: Andrew Simasek

with a copy to:

David, Kamp & Frank, L.L.C.
739 Thimble Shoals Blvd., Suite 105
Newport News, VA 23606
Attn: Joshua M. David, Esq.

c. Where, under the terms of this Lease, a notice is sent by certified U.S. mail, postage prepaid, return receipt requested, such notice shall be deemed to have been given as of the date of mailing such notice. Each party to this Lease shall notify the other party of a new address at which to mail notices, which notice shall be given in the manner provided above, and unless and until such notice of new address is given, notices to a party hereto shall be sufficient if mailed to such party's address as specified in Section 18(a) or Section 18(b), as appropriate.

d. Where, under the terms of this Lease, a notice is required or permitted to be sent by certified U.S. mail, postage prepaid, return receipt requested, and such notice is not sent in such manner, the notice shall be effective if actually received by the party, or its appointed agent, to whom the notice is addressed.

**19. BINDING EFFECT; AMENDMENTS:**

The covenants, agreements, and rights contained in this Lease shall bind and inure to the respective heirs, personal representatives, successors and assigns of the Landlord and the Tenant. This Lease constitutes the entire, full and complete understanding and agreement between the Landlord and the Tenant, and all representations, statements, warranties, covenants, promises or agreements previously made or given by either party to the other are expressly merged into this Lease and shall be null, void and without legal effect. Neither party, nor any agent of either party, has any authority to alter, amend or modify any of the terms of this Lease, unless the amendment is in writing and executed by all parties to this Lease with the same formality as this Lease.

**20. DEFAULT:**

a. The termination of this Lease by the Tenant pursuant to the provisions contained herein shall not be a default hereunder.

b. If either party shall breach any provision of this Lease, the non-breaching party shall give written notice thereof to the breaching party. The breaching party shall have thirty (30) days from the receipt of the notice to cure the breach and, if not so cured, the non-breaching party may, at its option, exercise such rights as may exist at law or in equity, except that the Landlord shall not take possession of the Premises by any self-help remedy. The provisions of this subsection shall not be construed as imposing any additional obligations on the non-breaching party to the extent that this Lease permits the non-breaching party to take certain actions as a result of a breach by the other party.

**21. PRESUMPTIONS:**

No presumption shall be created in favor of or against any of the parties to this Lease with respect to the interpretation of any term or provision of this Lease due to the fact that this Lease, or any part hereof, was prepared by or on behalf of one of the parties hereto, as may be evidenced by the disclosure on the face of this Deed of Lease made pursuant to Virginia Code Section 17.1-223.

**22. ASSIGNMENT:**

The Tenant may not assign this Lease, or sublet the Premises, without the written consent of the Landlord, which consent shall not be unreasonably withheld or delayed.

*SEE ATTACHMENT NO. 1 – SECTION 5*

**23. HEADINGS:**

The heading of the sections of this Lease are inserted for convenience only and do not alter or amend the provisions that follow such headings.

**24. ADDITIONAL PROVISIONS:**

This Lease is subject to the following terms, conditions, modifications, additions and/or deletions provided in the following designated attachments, exhibits and riders, which are hereby incorporated into this Deed of Lease:

Attachments: No. 1
Exhibits: Exhibit A
Riders: N/A

*[The remainder of this page is intentionally left blank]*

**IN WITNESS WHEREOF**, the parties have affixed their signatures and seals.

LANDLORD: **BLACKSBURG HOSPITALITY GROUP, LLC**

By: _____
Dennis M. Dowdy

TENANT: **VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY**

By: _____
Sherwood G. Wilson, Vice President for Operations

Kristyn Alexis Brogan NOTARY PUBLIC REG. #7812698 MY COMMISSION EXPIRES 04/30/2023 COMMONWEALTH OF VIRGINIA

**COMMONWEALTH OF VIRGINIA**
COUNTY/CITY OF Montgomery, to-wit:
The foregoing instrument was acknowledged before me this 9th day of July 2019 by Dennis M. Dowdy, Managing Member of Blacksburg Hospitality Group, LLC a Virginia limited liability company, on behalf of the company.

My commission expires: 04.30.2023
Notary commission number: 7812698

_____
Notary Public

**COMMONWEALTH OF VIRGINIA**
COUNTY/CITY OF Montgomery, to-wit:
The foregoing instrument was acknowledged before me this 12 day of July, 2019 by Sherwood G. Wilson, Vice President for Operations, Virginia Polytechnic Institute and State University, a state agency and an educational institution of the Commonwealth of Virginia.

My commission expires: 12/31/2022
Notary commission number: 7783693

_____
Notary Public

**APPROVED AS TO FORM AND LEGAL SUFFICIENCY:**

_____
By: Special Assistant Attorney General

ROBERTINE S. FARLEY COMMONWEALTH REGISTRATION NO. 7783693 MY COMM. EXPIRES 12/31/2022 OF VIRGINIA NOTARY PUBLIC

## ATTACHMENT NO. 1

This ATTACHMENT forms a part of that certain Deed of Lease by and between **Blacksburg Hospitality Group, LLC**, a Virginia limited liability company, as Grantor (the Landlord) and **Virginia Polytechnic Institute and State University**, a state agency and an educational institution of the Commonwealth of Virginia, as Grantee (the Tenant), dated the 24th day of June 2019.

The Landlord and Tenant agree to the following terms, conditions, modifications, additions and/or deletions.

1. **POSSESSION AND CONDITION OF PREMISES:**

Modify Section 5(c) (POSSESSION AND CONDITION OF PREMISES) by deleting and replacing with the following:

c. The Landlord, and its employees, agents and contractors, shall have the right to enter and pass through any part of the Common Areas and the Excluded Areas of the Premises for maintenance, repairs, and cleaning that may be necessary throughout the Term of this Lease. The Landlord shall be entitled to occupy the offices, front desk, and commercial laundry, to use the Common Areas to access such areas, and to have employees park in the parking lot in furtherance of such occupancy and Landlord's other duties under this Lease. The Landlord, and its employees, agents and contractors, shall have the right to enter and pass through the lodging rooms within the Premises for maintenance, repairs, and weekly cleaning. If the Landlord, or the Landlord's employees, agents or contractors, must enter the lodging rooms within the Premises in the case of an emergency, then as soon as practicable before or after such emergency entrance, the landlord, or the Landlord's agent, shall contact Telephone #540-357-0535.

Modify Section 5(d) (POSSESSION AND CONDITION OF PREMISES) by deleting and replacing with the following:

d. The Landlord covenants that (i) construction of the Premises and the Building of which the Premises (the "Building") forms a part were completed in approximately 2000; and (ii) to the Landlord's knowledge, the Building is free of friable asbestos.

2. **ALTERATIONS BY THE TENANT:**

Modify Section 8 (ALTERATIONS BY THE TENANT) by deleting and replacing with the following:

The Tenant shall not be permitted to make any alterations, modifications, additions and/or improvements upon or to the Premises subject to paragraph 6 (l), ADDITIONAL PROVISIONS.

3. **ANTENNA AND COMMUNICATIONS EQUIPMENT:** .

Modify Section 12 (ANTENNA AND COMMUNICATIONS EQUIPMENT) by deleting the section

in its entirety.

4. **TERMINATION:**

Modify Section 17(a), (b), and (d) (TERMINATION) by deleting the sections in their entirety.

5. **ASSIGNMENT:**

The Tenant shall not be permitted to assign this Lease.

6. **ADDITIONAL PROVISIONS:**

a. The Landlord shall not be responsible for the acts of the Tenant, its employees, agents, contractors, or any one or more residents or their permitted invitees. In addition, the Landlord shall not be responsible for acts of the Tenant its employees, agents, contractors, or any one or more residents or their permitted invitees that would undermine the security of the Building or equipment or fixtures which control access to the Building.

b. The Tenant shall be solely responsible for the conduct of the Tenant, its employees, agents, contractors, and residents housed within the Building and their permitted invitees.

c. The Landlord shall provide, at the Landlord's expense, daily breakfast service weekdays Monday through Friday from 7:30 am to 10:30 am.

d. The Landlord shall provide, at the Landlord's expense, a microwave in the Common Area of the Premises for the Tenant's use. The Landlord shall provide, at the Landlord's expense, mini refrigerators in the lodging rooms. No cooking whatsoever shall be permitted in the lodging rooms, and no cooking shall be allowed in the Building other than the use of the microwave in the Common Area.

e. The Landlord shall provide, at the Landlord's expense, four (4) coin operated laundry washer and dryer units. The revenue generated by such units shall belong to the Landlord.

f. The Landlord shall provide, at the Landlord's expense, toilet tissue for the bathrooms in the Premises including the lodging rooms.

g. The Landlord shall, at the Landlord's expense, remove microwaves, telephones, beds, clock radios, and coffee makers from all lodging rooms except for one (1) lodging room that will be used for a professional staff member. The Landlord will provide, at the Landlord's expense, per lodging room: one (1) refrigerator, one (1) television and stand, one (1) desk and chair, soft seating, lamps, end tables, one (1) coffee table, one (1) sofa bed, night stands, mirror décor and artwork, and one (1) dresser. The Tenant shall provide any additional furnishings for the lodging rooms, provided that there shall be no cooking equipment. The Landlord, at the Landlord's expense, shall provide furnishings for the common areas in the Premises.

h. The Landlord shall provide Tenant access to Wi-Fi for internet connectivity, at the Landlord's expense.

i. The Landlord, at the Landlord's expense, shall provide housekeeping services and supplies for the interior Common Areas on a daily basis and housekeeping services and supplies for the lodging rooms approximately every ten (10) days.

j. There shall be no smoking or pets allowed in the Building.

k. Subject to the Landlord's ongoing maintenance obligations as provided in the Lease, the Tenant accepts the Building in its "as is" condition.

l. The Tenant, at the Tenant's expense, shall be permitted to make the modifications listed below to the Premises and Excluded Areas for the purposes of installing a data network. The Tenant, at the Tenant's expense, shall restore existing telecommunications services including the Wifi, and phone jacks back to their original state at the Termination of this Lease and shall conduct an inspection with the Landlord at the Termination of this Lease to ensure the data network has been returned to its original condition, normal wear and tear excepted.

<u>Existing Telecommunications Closet (2nd floor)</u>:

- The Tenant shall be permitted to upgrade the existing cable termination block (66-block) with a patch panel capable of supporting 1Gbps data rates.
- The Tenant shall be permitted to access the telecommunications closet for the Tenant's VT/NI&S personnel.

<u>Lodging Rooms</u>:

- The Tenant shall be permitted to install a wireless access point (WAP) in approximately every third (3rd) lodging room.
- The Tenant shall be permitted to extend existing data connections near the beds in the lodging rooms utilizing a Cat5E jumper up the wall to each WAP. The cable will be hidden inside surface mounted cable raceway.
- The Tenant shall be permitted to install and utilize a single 1Gbps wired ethernet connection through an existing phone/data jack. The Tenant shall re-terminate the existing jack with a jack suitable for 1Gbps data service and restore the jack back to its original configuration at the Termination of this Lease.

<u>Common Areas</u>:

- The Tenant shall be permitted to replace the existing hotel wireless access points with Tenant owned WAP's using the existing cable plant. The Tenant will reconnect the Landlord's equipment at the termination of this Lease.

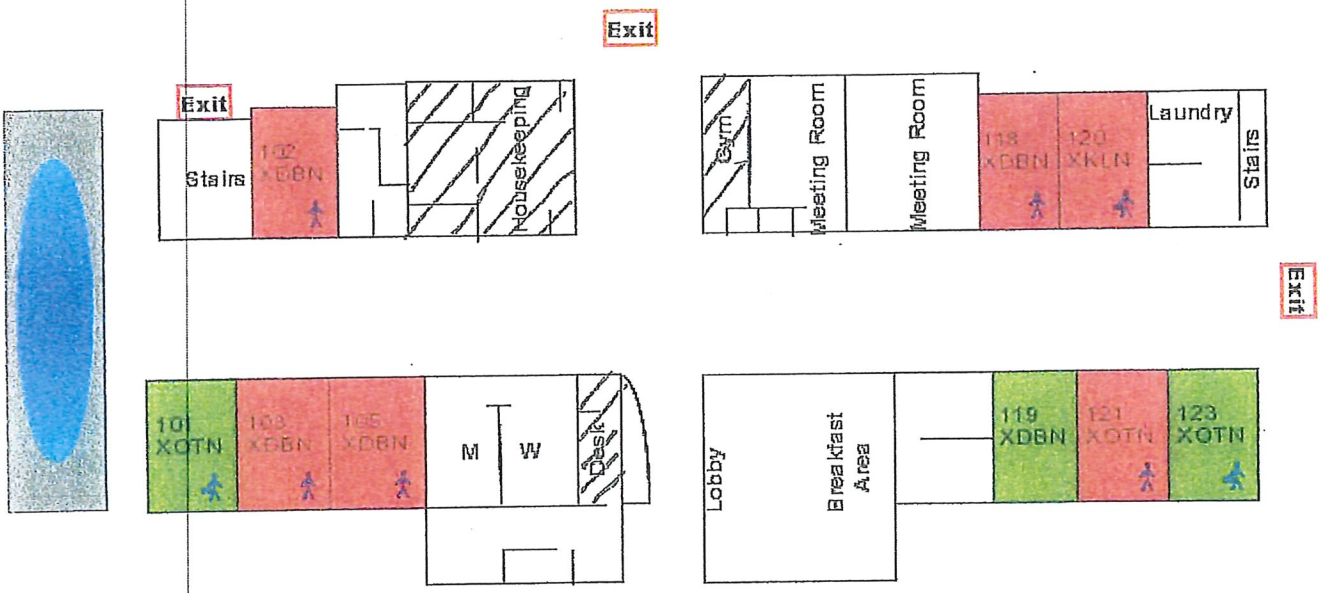
7. **COUNTERPARTS; FACSIMILE:**

This Lease may be executed in several counterparts, and all counterparts so executed shall constitute one agreement binding on all parties, notwithstanding the fact that all the parties have not signed the

original or the same counterpart. The delivery of a PDF copy of the signature of either party via facsimile or electronic mail shall have the same binding effect as the delivery of an original signature on an original document.

*[The remainder of this page is intentionally left blank]*

# EXHIBIT A

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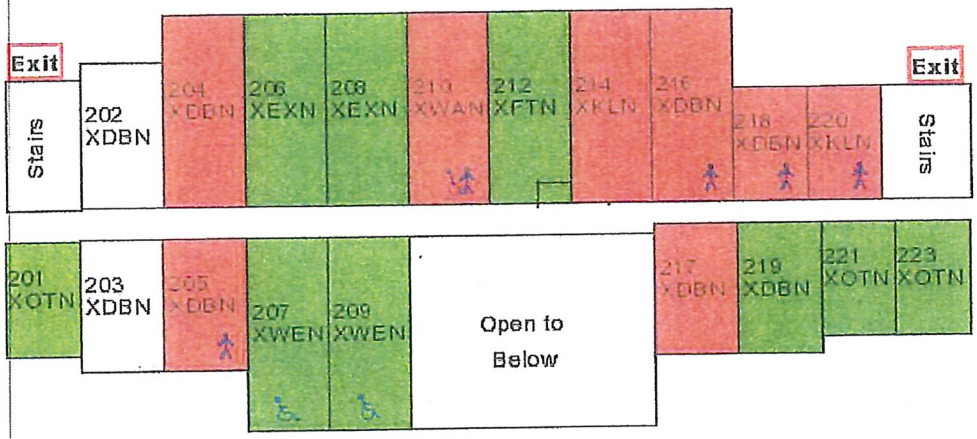
Excluded Areas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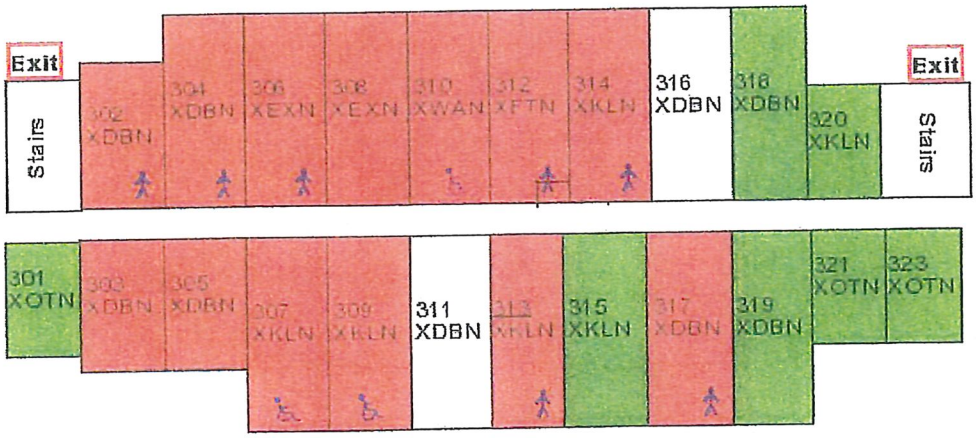
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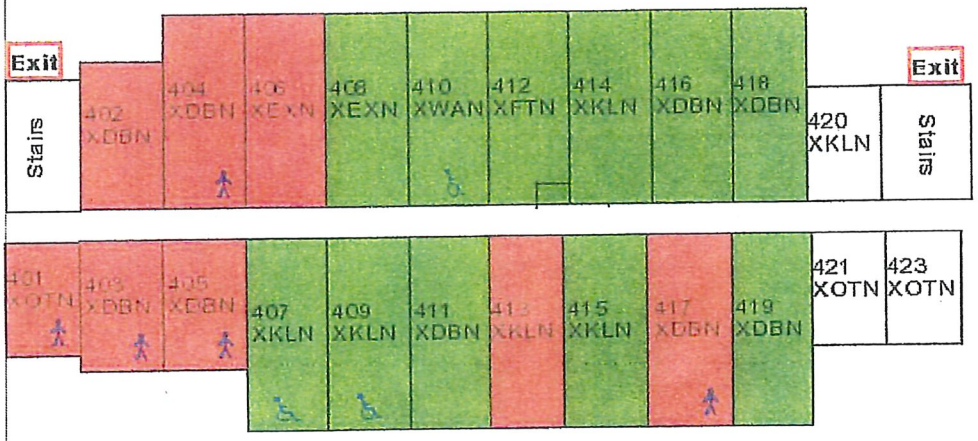
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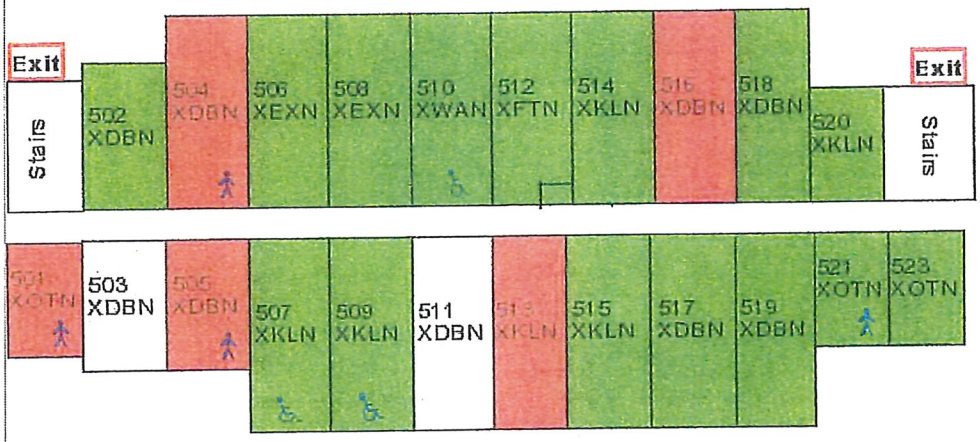
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