

STANDARD LEASE AGREEMENT

Bureau of Building, Grounds and Real Property Management

RPM-5

RPM Lease Number: 085-361-24A

PPRB Approval Date: _____

This Lease Agreement entered into on this the 13 day of March, 2019, which is on or after the date the Mississippi Institutions of Higher Learning/Public Procurement Review Board approved this Lease by and between The University of Mississippi, whose address is P.O. Box 1848, University, MS 38677, (hereinafter referred to as "Lessor"), and the Mississippi Office of the State Auditor, whose address is 501 North West Street, Suite 801, Jackson, MS 39201, (hereinafter referred to as "Lessee"). The terms "Lessor" and "Lessee" shall include, whenever the context admits or requires, singular or plural, the heirs, legal representatives, successors and assigns of the respective parties.

WITNESSETH

FOR AND IN CONSIDERATION of the rental, covenants and conditions hereinafter stipulated to be paid and performed by Lessee, Lessor does hereby demise and let unto Lessee and Lessee does hereby accept and let from the Lessor, premises for the purposes of conducting the business activities of the Mississippi Office of the State Auditor the following described property situate in the City of Oxford, County of Lafayette, State of Mississippi, described as follows, to-wit:

1,885 Rentable Square Feet at 2301 South Lamar Blvd, Oxford, MS and as depicted on floor plan(s) or diagram(s) attached as Attachment A to this Lease.

SECTION 1. The Base Term of this Lease (defined for the purpose of this Lease as that period of time for which rent is to be paid) shall be for 5 Years, commencing on April 1, 2019, and ending at 12:00 midnight on March 31, 2024. The Lessor agrees that should the above described space not be prepared for occupancy per the specifications agreed between Lessor and Lessee by the first day of the Base Term of this Lease, the rent will be prorated accordingly, or the Lease may be voided at the option of the Lessee.

SECTION 2. The Lessee agrees to pay Forty-Nine Thousand, Five Hundred Dollars (\$ 49,500) over the course of the entire Base Term to the Lessor for the demised premises, pursuant to the following schedule:

FLAT RATE: \$ 825 per month, which is based upon a rate of \$ 0.437 per Rentable Square Foot

SECTION 3. The Lessor hereby grants the Lessee the right and option to extend this Lease for 1 additional term of 5 years commencing at the expiration of the initial term or subsequent renewal term where applicable; provided, however, that written notice of intent to exercise such option shall be given by Lessee to Lessor at least one hundred twenty (120) days before the expiration of such term of this Lease or subsequent extension thereof. Such extension shall be at the same annual rental rate as the year preceding the extension term unless otherwise noted below. All other terms and conditions set out herein shall be in effect during the term of the extension. No such renewal term shall become valid and binding until approved in writing by the Department of Finance and Administration acting through the Real Property Division of the Bureau of Building, Grounds and Real Property Management, and the Mississippi Institute of Higher Learning/Public Procurement Review Board where applicable.

1st RENEWAL TERM (FLAT RATE): \$ 825 per month, which is based upon a rate of \$.437 per Rentable Square Foot

SECTION 4. The Lessor shall furnish and pay for as part of Base Rent, as and when due so as to prevent any disruption in provision thereof, all utilities consumed or used incidentally to the demised premises, such as electricity, gas, water, sewer, trash and all other public utilities of every nature, kind and description except as specifically EXCLUDED below. The Lessee will, at all times, attempt to act in a prudent manner to conserve the amount of utilities consumed. Utilities that are excluded from Base Rent shall not be permitted to be billed to the Lessee by the Lessor as additional or pass-thru charges by means of pro-rated values or calculations derived from bills from utility providers in the name of the Lessor. In no instance shall Lessee be responsible for additional charges for utility usage of Building Amenity Areas or Building Service Areas.

Excluded Utilities: Internet and Cable

SECTION 5. The Lessee will, at all times, take good and ordinary care and precaution for the preservation of the demised premises. The Lessor shall furnish the following janitorial services (boxes left unchecked shall not apply):

☐ Janitorial Services, as defined below:

(1) The following general services are to be provided in areas such as offices, corridors, conference rooms, work rooms, stairwells, elevators, etc:

a. **Daily** – The following shall be performed on a daily basis each working day:

- i. Dust and/or spot clean furniture and furnishings;
- ii. Empty wastebaskets, trash cans and recycling bins and install new liners as needed;

- iii. Vacuum and spot clean all carpeting;
- iv. Clean entrance doors, push/kick plates and glass at all other doors and sidelights;
- v. Spot clean walls and light switch covers;
- vi. Dust mop and wet mop non-carpeted floors;
- vii. Clean and disinfect water fountains; and,
- viii. Wipe chairs and tables and straighten magazines.
- b. **Weekly** – The following shall be performed on a weekly basis:
 - i. Polish all surfaces, such as desktops, credenzas, tables, bookcases, filing cabinets, etc;
 - ii. Vacuum upholstered furniture and spot clean;
 - iii. Dust wall décor;
 - iv. Damp wipe stairwell railings;
 - v. Wet mop stairwells, stair treads and landings; and,
 - vi. Clean elevator doors, handrails and switch panels.
- (2) The following general services are to be provided in all toilet rooms:
 - a. **Daily** – The following shall be performed on a daily basis each working day:
 - i. Clean and disinfect toilets, urinals and lavatories;
 - ii. Empty waste receptacles and install new liners as needed;
 - iii. Clean and polish all mirrors;
 - iv. Spot clean walls, partitions, doors and push/kick plates;
 - v. Sweep and wet mop floors with disinfectant;
 - vi. Replenish paper supplies as needed;
 - vii. Refill all dispensers as needed; and
 - viii. Clean and polish bright metal finished items.
- (3) The following general services are to be provided in all break rooms and kitchens:
 - a. **Daily** – The following shall be performed on a daily basis each working day:
 - i. Empty wastebaskets, trash cans, and recycling bins and install new liners as needed;
 - ii. Clean all chairs and tables;
 - iii. Sweep and wet mop floors;
 - iv. Spot clean walls, doors and push/kick plates;
 - v. Clean and disinfect water fountains;
 - vi. Clean tops of trash receptacles;
 - vii. Replenish napkin holders; and,
 - viii. Clean appliances and fixtures.
- (4) The following tasks shall be provided in all areas:
 - a. **Monthly** – The following shall be performed on a monthly basis:
 - i. Clean the interior of all windows;
 - ii. Dust and vacuum vents and grilles;
 - iii. Remove spider webs;
 - iv. Spot clean exterior entrance walls; and,
 - v. Buff and polish all non-carpeted floors.
 - b. **Annually** – The following shall be performed each year:
 - i. Deep clean (strip, wax, seal, buff, steam clean as appropriate to floor type) all non-carpeted flooring; and,
 - ii. Deep extraction cleaning of all carpeted areas.

☒ Janitorial Supplies to include toilet paper, paper towels and handwashing soap to be provided on a regularly scheduled basis.

SECTION 6. The Lessor shall pay, during the initial term of this Lease and any renewals or extensions thereof, all state, county and city ad valorem taxes and special assessments assessed against the property herein demised excluding any such taxes as may be assessed against the Lessee's fixtures and equipment used in said demised premises.

SECTION 7. The Lessee shall not be responsible for any increased costs incurred by the Lessor during the term of the Lease. Escalation and Expense Stop provisions are prohibited from inclusion in the Lease.

SECTION 8. Any notice required to be given by either party to the other party under the terms of this Lease shall be served upon such party by United States Certified Mail, as follows:

To Lessor: Vice Chancellor for Administration and Finance
University of Mississippi
PO Box 1848
Lyceum 216
University, MS 38677

To Lessee: Mississippi Office of the State Auditor
501 North West Street, Suite 801
Jackson, MS 39201

SECTION 9. It is expressly understood and agreed that the Lessee's assumption of occupancy and the payment of rent is conditional on the receipt of Federal and/or State funds, and in the event of a discontinuance or decrease in Federal and/or State funds, and in the event of a discontinuance or decrease in Federal and/or State for any cause necessitating a reduction in the Lessee's staff or need for space, the Lessee's obligation for the payment of rent shall be diminished in proportion to a reduction in space without penalty or interest or the Lease may be terminated by Lessee. Where return of a portion of space corresponding to reduction in funds is not feasible for Lessor, Lessor may offer a smaller or larger reduction for consideration, or may require termination rather than reduction. The Lessee shall notify the Lessor at least thirty (30) days in advance of any reduction in space or termination of the Lease necessitated by the discontinuance or decrease in Federal and/or State funds.

SECTION 10. It is distinctly understood and agreed by and between the parties hereto that in the event space becomes available to the Lessee herein in any State-owned building, the Lessee may unilaterally establish a revised end date for this Lease that is not less than thirty (30) days from the date of written notice by the Lessee to the Lessor and that upon such revised end date the terms contained herein shall become null and void without further consideration by Lessee.

SECTION 11. The Lessee shall not, without the previous consent in writing of the Lessor, assign this Lease or sublet the whole or any part of the demised premises or any part thereof to be used or occupied by others, which consent by Lessor shall not be unreasonably withheld. In the event Lessor consents to any such assignment or subletting, Lessee shall remain and continue primarily liable for the performance of the covenants and obligations on his part to be performed under this Lease during the base or any extended term hereof.

N/A SECTION 12. The Lessor agrees to keep the building improvements erected on the demised premises insured against loss or damage by fire and all standard extended coverage perils for the full, fair insurable value thereof in a solvent and responsible company or companies authorized to do business in the State of Mississippi. The Lessor agrees to hold Lessee harmless and indemnified against any liability for injury or death to any person or damage to property in or upon the leased premises not caused directly by an act or omission of the Lessee or employee, agent, or patron of the Lessee. Lessor shall provide proof of insurance policy prior to execution of Lease and shall provide any amendments or changes to such policy throughout the base and any extended term hereof. The Lessor further agrees to provide elevation certificate and proof of flood insurance policy for any properties in zones A, AE, A1-A30, AH, AO, AR, A99, V, VE and V1-V30 prior to execution of Lease and shall provide any amendments or changes to such policy throughout the base and any extended term hereof.

SECTION 13. At the expiration of the tenancy hereby created and any extended term thereof, Lessee shall surrender the leased premises in the same condition as the leased premises were in upon delivery of possession thereto under this Lease, reasonable wear and tear excepted, and damage by unavoidable casualty excepted. Lessee's obligation to observe or perform this covenant shall extend past the expiration or other termination of this Lease for not more than thirty (30) days. Any claims of Lessor against Lessee under this section must be delivered in writing to the Lessee as specified in Section 8 no later than thirty (30) days after the expiration or termination of this Lease.

SECTION 14. **N/A** The Lessor covenants to keep and maintain, at Lessor's expense and with minimal disruption to the Lessee, said demised premises and facilities in a state of tenantable repair during the term of the Lease. Lessor shall not be called upon to make any such repairs occasioned by the acts of negligence of the Lessee, its agents, patrons, or employees, except where covered under Lessor's fire and extended coverage insurance. Lessor shall be responsible for moving and/or protecting tenant furniture and equipment as required to maintain space in tenantable condition. Tenantable condition shall be defined below for the following components and systems:

(1) **N/A** Flooring:

- a. ~~Carpet~~ — ~~Carpeted areas shall be in good condition, free from stains, pulls, fraying and shall be less than 10 years old at start of lease or shall be replaced prior to start of lease term. Throughout the initial term and any/all subsequent renewals, all carpet shall be replaced a minimum of every _____ years from date of last installation.~~
- b. ~~Resilient~~ — ~~Vinyl Composition Tile, Luxury Vinyl Tile or similar resilient tile / plank floors shall be in good condition, free from scratches, chips, blemishes and shall be less than 15 years old at start of lease or shall be replaced prior to start of lease term. Throughout the initial term and any/all subsequent renewals, all resilient flooring shall be replaced a minimum of every _____ years from date of last installation.~~
- c. ~~Other~~ — ~~Wood, Stone, Terrazzo, Ceramic, Porecelain and other similarly durable flooring shall be in good condition, sound, free from scratches, chips and other damage with any re-finishing, re-sealing, or re-grouting completed prior to start of lease or shall be replaced prior to start of term. Throughout the initial term and any/all subsequent renewals, all such flooring shall be re-finished, re-sealed, or re-grouted on a schedule consistent with respective industry best practice.~~

(2) **N/A** Walls:

- a. ~~Painted~~ — ~~Painted drywall or plaster walls and partitions shall be in good condition, free from stains, fading, dents, holes and shall have been painted within the previous 5 years or shall be repainted prior to start of lease term. Throughout the initial term and any/all subsequent renewals, all painted drywall / plaster walls shall be re-painted a minimum of every _____ years from date of last application. Painting of walls shall include any / all applicable base, door frames / trim, window frames / trim, casing, crown, wainseot and other such trim components.~~
- b. ~~Wall Covering~~ — ~~Wall coverings shall be in good condition, free from stains, scratches, peeling, holes and shall have been installed within the previous 5 years or shall be replace or removed with walls painted prior to start of lease term. Throughout the initial term and any/all subsequent renewals, all wall coverings shall be replaced (or removed with walls painted) a minimum of every _____ years from date of last application.~~

(3) Ceilings:

- a. Lay-In Acoustical Ceilings – LAT ceilings shall be in good condition, free from warped, yellowed, stained, or otherwise damaged ceiling tiles in properly suspended and supported grid. Ceiling tiles which are in poor condition shall be replaced with tiles matching existing prior to start of lease term. Throughout the initial term and any/all subsequent renewals, all tiles which become damaged over the lease term shall be replaced on at least an annual basis.
- b. Painted – Painted drywall or plaster ceilings shall be in good condition, free from stains, fading, dents, holes and shall have been painted within the previous 5 years or shall be repainted prior to start of lease term. Throughout the initial term and any/all subsequent renewals, all painted drywall / plaster walls shall be re-painted a minimum of every 5 years from date of last application.

(4) Building Envelope:

- a. Roof – Roof(s) shall be in good condition, free from leaks, and properly sloped to drains and maintained in such condition throughout the initial term including any/all subsequent renewals. Flat roofs, if any, shall be under manufacturer's warranty and 20 years or less at start of lease or shall be replaced prior to the start of lease term. Throughout the initial term and any/all subsequent renewals, all flat roofs shall be maintained, repaired, replaced and/or restored such that roof covering tenant space is under a manufacturer's warranty continuously throughout the lease term.
- b. Exterior Walls – Surfaces shall be in good condition, free from cracks, mold, and mildew, water-tight and maintained in such condition throughout the initial term including any/all subsequent renewals. Painted surfaces, if any, shall have been painted within the previous 5 years or shall be repainted prior to start of lease term. Throughout the initial term and any/all subsequent renewals, all painted surfaces shall be re-painted on a stipulated schedule defined in the Lease. Painting of exterior walls shall include any/all applicable exterior doors, door frames / trim, window frames / trim, soffits, and other such trim components and appurtenances.
- c. Joints – All sealant and caulk joints shall be in good condition, free from voids and gaps, water-tight and maintained in such condition throughout the initial term including any/all subsequent renewals.
- d. Windows & Doors – All exterior openings shall be in good condition, free from cracked or damaged glass, water-tight and maintained in such condition throughout the initial term including any/all subsequent renewals. Integrity of sealed insulated and/or coated glazing units shall be maintained throughout the lease term with units that fail during the course of the lease promptly removed and replace with units matching existing. Window & door hardware, weather-stripping, and related components shall be sound, secure and properly maintained to provide for proper operation of same and to ensure both watertightness and security of building.

(5) Plumbing:

- a. General – All existing plumbing and such work performed prior to occupancy by Lessee shall be in accordance with applicable provisions of the Plumbing Code and Energy Code.
- b. Fixture Quantity – Toilets, urinals, lavatories and drinking fountains shall be included in quantities complying with applicable provisions of the Plumbing Code. In toilet rooms where multiple fixtures are included, such fixtures shall be provided with privacy partitions of phenolic plastic, plastic laminate, enamel finished steel, stainless steel or equivalent. Appropriate toilet room accessories including toilet paper dispensers, soap dispensers, paper towel dispensers and/or electric hand dryers, mirrors, grab bars and coat hooks shall be provided.
- c. Fixture Condition – Toilets, lavatories / vanities and drinking fountains shall be in good working condition, free from cracks, leaks or other damage and maintained in such condition throughout the initial term including any/all subsequent renewals.
- d. Hot Water Boiler(s) – Equipment shall be in good operational condition, comply with all applicable codes and shall be less than median service life in accordance with ASHRAE Equipment Life Expectancy Chart or replaced prior to start of lease term. Equipment shall be maintained in such condition throughout the initial term including any/all subsequent renewals. Any/all equipment which reaches median service life during the lease term shall be carefully reviewed to determine remaining reliable life and shall be replaced by Lessor when equipment becomes un-reliable or highly inefficient at no additional cost to the Lessee.

(6) HVAC:

- a. General – All existing HVAC and such work performed prior to occupancy by Lessee shall be in accordance with applicable provisions of the Mechanical Code and Energy Code. HVAC system shall be capable of maintaining temperature within a range of 68 to 78 degrees and humidity within a range 30% to 60%. Indoor Air Quality shall be maintained at all times and in accordance with ASHRAE 62.1 *Ventilation for Acceptable Indoor Air Quality*.
- b. HVAC Equipment – Major equipment and components including air conditioners, heat pumps, chillers, cooling towers, boilers, VAV boxes, fans, coils, pumps, motors, starters and controls shall be in good operational condition, comply with all applicable codes and shall be no less than median service life in accordance with ASHRAE Equipment Life Expectancy Chart or replaced prior to start of lease term. Equipment shall be maintained in such condition, including filter replacement, lubrication, provision of chemicals and other required servicing on a regularly scheduled basis, throughout the initial term including any/all subsequent renewals. Any/all equipment which reaches median service life during the lease term shall be carefully reviewed to determine remaining reliable life and shall be replaced by Lessor when equipment becomes un-reliable or highly inefficient at no additional cost to the Lessee.
- c. Air Quality – Should, at any time during the initial term and any/all subsequent renewals of this Lease, hazardous material, chemical, or odor be discovered in the leased building in any amounts determined by the Mississippi Department of Environmental Quality to be acceptable, the Lessor will have sixty (60) days from the date of written notice by the Lessee to satisfactorily dispose of the hazardous material, chemical, or odor or the Lessee may terminate the Lease at any time after such period with no penalty to the Lessee. The Base Rent shall be reduced on a prorated basis for any period where Lessee must vacate all or portions of the Rentable Area due to existence of such hazardous condition.

(7) Electrical:

- a. General – All existing electrical and such work performed prior to occupancy by Lessee shall be in accordance with applicable provisions of the Electrical Code and Energy Code.

- b. Lighting – Fixtures shall be in good operational condition, comply with all applicable codes and shall be maintained in such condition, including ballast, starter, and bulb replacement and other required servicing on a regularly scheduled basis, throughout the initial term including any/all subsequent renewals.
- (8) **Elevator, Fire Alarm, Fire Suppression, Security, Access Control:**
 - a. General – All existing and such work performed prior to occupancy by Lessee shall be in accordance with applicable provisions of the Electrical Code and Energy Code.
 - b. Equipment – Any/all such equipment and systems shall be in good operational condition, comply with all applicable codes and shall be maintained in such condition, including any required servicing on a regularly scheduled basis, throughout the initial term including any/all subsequent renewals. Lessor shall comply with any/all applicable inspection requirements by authorities having jurisdiction and furnish copies of any/all inspection reports promptly to Lessee.
- (9) **Security:**
 - a. Doors – Lessor shall be responsible for provision and maintenance of lockable and secure doors to building and tenant spaces.
 - b. Lighting – Lessor shall be responsible for provision and maintenance of appropriately lighted lobbies, common areas, exterior and parking areas free from dimly lit areas of potential concealment.
 - c. Safe Environment – Lessor shall be responsible for taking all reasonable steps to prevent loitering, vagrancy or other criminal activity on the premises including, but not limited to promptly reporting all such activity to local law enforcement.
- (10) **Grounds:**
 - a. General - Ground, pavement and other surfaces directly adjacent to building shall slope away from building to prevent water intrusion. Grade level and sub-grade storm water management features and infrastructure shall be adequate and properly maintained to prevent water intrusion. Lawns, trees, shrubs, landscaped beds, pavements and sidewalks where applicable shall be maintained in good condition throughout the initial term and any/all subsequent renewals.
 - b. Lawns shall be full, free from weeds, bare spots, ruts and shall be properly cut on a regularly scheduled basis.
 - c. Trees and shrubs shall be properly pruned.
 - d. Landscaped beds shall be properly watered and free from weeds.
 - e. Joints in pavements and sidewalks shall be properly sealed and free from weeds.
 - f. All areas shall be kept clear from all litter, waste and debris.

SECTION 15. Should the leased building be totally or substantially destroyed by fire, the elements or otherwise, so as to render the demised building untenable, either party shall have the option to cancel the remaining portion of this Lease or of any extended term or period thereof. Lessee shall have no obligation to pay rent of any nature so long as the leased building is untenable. Lessor may offer comparable space under the same terms and conditions as this Lease, subject to Lessee's approval, which will not be unreasonably withheld.

SECTION 16. Failure on the part of the Lessee to pay any installment of rent when the same comes due and payable, or failure of either Lessee or Lessor to promptly and faithfully keep and perform each and every covenant agreed and stipulated herein on the part of the Lessee or Lessor to be kept and performed, shall at the option of the Lessor or Lessee cause a forfeiture of this Lease.

- (1) **Reservation of Rights:** Nothing contained in the foregoing paragraph shall be construed to waive either party's right to cancel this Lease in the event of any forfeiture or breach on the part of the other party hereto, all of which rights or cancellation are herein specifically reserved.
- (2) **Notice:**
 - a. Prior to a declaration of forfeiture for default in payment of rent or additional rent, Lessor shall give to Lessee a Notice in writing, thirty (30) days prior thereto in the manner provided for by Section 8 hereof, during which time Lessee may purge itself of the grounds of forfeiture by paying such rent.
 - b. Prior to a declaration of forfeiture for default by Lessee in performing covenants other than for payment of rent, Lessor shall give to Lessee a Notice in writing thirty (30) days prior thereto in the manner provided for by Section 8 hereof, during which time Lessee may purge itself of the grounds of forfeiture by responding thereto in not less than fifteen (15) days from receipt of such Notice, copying the Real Property Management Division Director of the Department of Finance and Administration's Bureau of Building, Grounds and Real Property Management, with proposed cure to default to be completed within thirty (30) days or within such longer term as may be reasonably necessary to cure such defect, which shall not be unreasonably rejected.
 - c. Prior to a declaration of forfeiture for default by Lessor in performing covenants, Lessee shall give to Lessor a Notice in writing at least thirty (30) days prior thereto in the manner provided for by Section 8 hereof, during which time Lessor may purge itself of the grounds of forfeiture by responding thereto in not less than fifteen (15) days from receipt of such Notice, copying the Real Property Management Division Director of the Department of Finance and Administration's Bureau of Building, Grounds and Real Property Management, with proposed cure to default to be completed within thirty (30) days or within such longer term as may be reasonably necessary, which shall not be unreasonably rejected. The Base Rent shall be reduced on a prorated basis for any period where Lessee must vacate all or portions of the Rentable Area due to default by Lessor in performing covenants.

SECTION 17. Lessor covenants that the Lessee, on paying the rent herein determined, and performing the covenants and agreements hereof, shall peaceably have, hold and enjoy the Rentable Area and all rights, easements and privileges belonging or anywise pertaining thereto, during the initial term including any/all subsequent renewals or extensions thereof. The Lessee shall have reasonable expectation of quiet enjoyment of premises. While periodic minimal disruptions in order for Lessor to perform maintenance required to keep premises in tenantable condition are anticipated and generally acceptable to Lessee; however, excessive, repetitive or prolonged disruptions are unacceptable. Lessor shall be entitled to reduce rental payments under such conditions as follows:

- (1) **Minor Disruptions:** Where use of an area constituting less than 25% of the leased area is disrupted due to un-tenantable conditions or maintenance activities for more than 50% of a normal working day, rental payments may be reduced by the Rental Rate times the portion of the Rentable Area so disturbed times the number of days such disruption continues.
- (2) **Major Disruptions:** Where 25% or more of the entire leased area is disrupted due to un-tenantable conditions or maintenance activities for more than 50% of a normal working day, or any disruption necessitating closing of offices by agency or department, rental payments may be reduced by the Rental Rate times the entire Rentable Area times the number of days such disruption continues.
- (3) **Prolonged Disruptions:** Disruptions continuing beyond three normal working days, or multiple disruptions in a one month period, shall constitute cause for termination for default of Lease Contract.

N/A SECTION 18. Lessor will provide paved parking area(s) sufficient for the operation of said agencies on the leased premises, without additional cost to Lessee. Lessor will maintain such parking area(s) throughout the initial term including any/all subsequent renewals or extensions thereof in a serviceable condition. Lessor agrees to keep all parking areas provided to Lessee clean and free of trash and debris. The following number and type of spaces shall be provided:

- (1) **Reserved:** Lessor will furnish and reserve _____ parking spaces exclusively for the use of the Lessee's employees and _____ parking spaces exclusively for the use of the Lessee's visitors in one or more surface lots or parking structures. ADA spaces shall be provided in accordance with ADA guidelines; however, such spaces shall not be counted as part of the number required to be reserved for the exclusive use of Lessee.
- (2) **Shared:** Lessor will provide _____ parking spaces for shared use of by the Lessee as well as other Tenants and/or Visitors to the leased building.

N/A SECTION 19. Lessor hereby grants the Lessee the right and option to extend this Lease for a further term of up to three (3) months commencing at the expiration of the initial term or subsequent renewal term where applicable; provided, however, that written notice of the exercise of such option shall be given by Lessee to Lessor at least thirty (30) days before the expiration of such term of this Lease. Such extension shall be at the same annual rental rate as the year proceeding the extension term prorated for the number of additional months of such extension. All other terms and conditions set out herein shall be in effect during the term of the extension.

SECTION 20. Any deviations from the standard Sections above desired by the Lessee must be specifically identified below referencing by Section and paragraph the desired modification below. Inclusion of any deviation will become valid and made a part of this Lease only when specifically approved by the Department of Finance and Administration acting through the Real Property Division of the Bureau of Building, Grounds and Real Property Management, and the Public Procurement Review Board, as evidenced by the signature below:

- (+) **Modification #1:** SECTION 12 Modify as follows: Lessor is an agency of the State of Mississippi under the management and control of the Board of Trustees of the State Institutions of Higher Learning (IHL). As authorized by law, IHL maintains a program of self-insurance for purposes of workers' compensation and general liability, pursuant to the Mississippi Tort Claims Act as set forth in Chapter 46, Title 11, Mississippi Code 1972, as amended. The Lessor agrees to keep the building improvements erected on the demised premises insured against loss or damage by fire and all standard extended coverage perils for the full, fair insurable value thereof in a solvent and responsible company or companies authorized to do business in the State of Mississippi. The Lessor agrees to hold Lessee harmless and indemnified against any liability for injury or death to any person or damage to property in or upon the leased premises not caused directly by an act or omission of the Lessee or employee, agent, or patron of the Lessee. The Lessee agrees to hold Lessor harmless and indemnified against any liability for the loss or damage to any and all improvements, fixtures, and other personal property that Lessee brings and maintains at the lease Premises.
- (2) **Modification #2:** SECTION 18 Modify as follows: Lessor will make sufficient parking available to Lessee. Lessee has no right to specific parking spaces pursuant to this Lease. Upon execution of the Lease and on an annual basis thereafter, Lessor will issue Lessee up to six (6) vehicle parking decals that allow parking in certain designated areas around or near the leased Premises and one hundred (100) visitor parking passes. Vehicles using the parking decals must be registered individually with Parking Services. The parties agree to adjust the parking made available to Lessee on an annual basis commensurate with actual need. Lessor reserves the right to build improvements upon, reduce the size of, relocate, reconfigure, eliminate, and/or make alterations or additions at any time to the parking made available to Lessee pursuant to this Lease and any other parking facilities in or around the leased Premises. Lessor may also designate visitor parking spaces. The parking lot and vehicle use contemplated by this Lease are subject to the most recently issued University of Mississippi Parking and Traffic Rules and Regulations. Parking Services may impose fines for vehicles improperly parked in visitor parking spaces in and around the leased Premises. Lessee acknowledges and agrees that all issues pertaining to vehicle registration and fees must be directed to the University Police and Campus Safety Department Parking Services Office ("Parking Services").
- (3) **Modification #3:** SECTION 14 Modify as follows: The Lessor covenants to keep and maintain, at Lessor's expense and with minimal disruption to the Lessee, said demised premises and facilities in a state of tenantable repair during the term of the Lease. Lessor shall not be called upon to make any such repairs occasioned by the acts of negligence of the Lessee, its agents, patrons, or employees, except where covered under Lessor's fire and extended coverage insurance. Lessor shall be responsible for moving and/or protecting tenant furniture and equipment as required to maintain space in tenantable condition. Lessor makes no warranty or representation, express or implied, regarding the fitness, design or use of the Leased Premises for a particular purpose. Lessee, at its own expense and cost, shall make no alterations, improvements, or additions to the Leased Premises without the Lessor's prior written consent, and shall comply with any requirements or specifications that Lessor may impose as a condition precedent to Lessee making any such alterations, improvements or additions. Lessee shall provide Lessor written notice that describes the proposed alterations, improvements, or

additions with particularly and copies of the Lessee's proposed plans, drawings, and specifications. Any such plans, drawings and specifications must be filed with and approved in writing by Lessor's Department of Facilities Planning (DFP) before Lessee begins any alterations, improvements or additions to the leased Premises. Lessee agrees that all work on the leased Premises shall be done in accordance with Lessee's approved plans, drawings and specifications. All proposals for any and all alterations to the leased space shall be produced on behalf of the Lessee by architects and/or engineers licensed in the State of Mississippi. Work shall comply with the International Building Code and other life safety codes currently in use at the University of Mississippi. Scale drawings, specifications, and product data shall fully describe 'The Work' which will then be submitted by the Lessee to the DFP for approval. Response from DFP will be forthcoming in a reasonable time after receipt. No work shall begin until a letter of "Notice to Proceed" has been issued to the lessee by the UM Department of Facilities Planning. All alterations, improvements or additions to the leased Premises shall remain with the Premises upon the expiration or termination of the Lease, unless the parties expressly agree in writing otherwise. At the termination or expiration of the Lease, Lessee shall surrender the Leased Premises in as good a condition as on the date that the Lessee accepted the leased Premises. Tenantable condition shall be defined below for the following components and systems:

(1) Flooring:

- a. Carpet – Lessor agrees to carpet the leased Premises at its own expense in accordance with Lessor's standard requirements and specifications. Throughout the initial term and any/all subsequent renewals, all carpet shall be replaced a minimum of every 10 years from date of last installation.
- b. Resilient – Vinyl Composition Tile, Luxury Vinyl Tile or similar resilient tile / plank floors shall be in good condition, free from scratches, chips, blemishes and shall be less than 15 years old at start of lease or shall be replaced prior to start of lease term. Throughout the initial term and any/all subsequent renewals, all resilient flooring shall be replaced a minimum of every 15 years from date of last installation.
- c. Other – Wood, Stone, Terrazzo, Ceramic, Porcelain and other similarly durable flooring shall be in good condition, sound, free from scratches, chips and other damage with any re-finishing, re-sealing, or re-grouting completed prior to start of lease or shall be replaced prior to start of term. Throughout the initial term and any/all subsequent renewals, all such flooring shall be re-finished, re-sealed, or re-grouted on a schedule consistent with respective industry best practice.

(2) Walls:

- a. Painted – Lessor agrees to paint the leased Premises at its own expense in accordance with Lessor's standard requirements and specifications. Throughout the initial term and any/all subsequent renewals, all painted drywall / plaster walls shall be re-painted a minimum of every 5 years from date of last application. Painting of walls shall include any / all applicable base, door frames / trim, window frames / trim, casing, crown, wainscot and other such trim components.
- b. Wall Covering – Wall coverings shall be in good condition, free from stains, scratches, peeling, holes and shall have been installed within the previous 5 years or shall be replace or removed with walls painted prior to start of lease term. Throughout the initial term and any/all subsequent renewals, all wall coverings shall be replaced (or removed with walls painted) a minimum of every 15 years from date of last application.

- (4) **Modification #4:** Addition: Lessee agrees that the Leased Premises shall not be used for any treatment, storage or disposal of or otherwise contaminated by any "Hazardous Substances." "Hazardous Substances" shall mean: (i) any hazardous wastes as defined under Resource Conservation and Recovery Act (ii) any hazardous substances as defined under the Comprehensive Environmental Response, Compensation, and Liability Act, (iii) any toxic pollutants as defined under the Clean Water Act, (iv) any hazardous air pollutants as defined under the Clean Air Act, (v) any hazardous chemicals as defined under the Toxic Substances Control Act, (vi) any hazardous substances as defined under Emergency Planning and Community Right-to-Know Act, (vii) radioactive materials covered by the Atomic Energy Act, (viii) similar wastes, substances, pollutants, chemicals regulated under analogous state and local laws, (ix) asbestos, (x) polychlorinated biphenyls, (xi) petroleum and petroleum products or synthetic fuels or any fraction thereof, (xii) any hazardous material, chemical, or odor deemed unacceptable by the Mississippi Department of Environmental Quality, (xiii) any substance, the presence of which is prohibited under any applicable environmental law; and (xiv) any other substance where applicable environmental law requires remediation or special handling or notification or reporting to any federal, state or local governmental authority regarding the generation, use, handling, collection, treatment, storage, recycling, transportation, recovery, removal, discharge, or disposal of the substance. Lessee acknowledges that its failure to comply with this provision constitutes a material breach for which the Lessor may terminate the Lease upon seven (7) days written notice, without further obligation or penalty hereunder. Lessee will pay the cost of any remediation, repair or clean-up caused by its violation of this provision.

- (5) **Modification #5:** Deletion of Section 19

PPRB Approval Date: _____

Signature: _____ Title: _____

SECTION 21. This Lease will not become valid and binding until approved in writing by the Department of Finance and Administration acting through the Real Property Division of the Bureau of Building, Grounds and Real Property Management, and the Public Procurement Review Board.

SECTION 22. It shall be the sole responsibility of the Lessor to provide space that is fully compliant with any/all codes, regulations and other Federal, State and Local requirements. Submission of a Lease Proposal shall constitute representation by offeror that any proposed building including any/all proposed modifications does or will comply with all such items prior to occupancy by Lessee and shall be maintained in such

compliance during the initial term and any/all subsequent renewals or extensions thereof. Applicable requirements include, but are not necessarily limited to the following:

- (1) **Building Code**
- (2) **Fire Code**
- (3) **Plumbing Code** (including provisions relating to minimum number of fixtures)
- (4) **Mechanical Code**
- (5) **Electrical Code**
- (6) **Mississippi Conveyance Safety Act**
- (7) **Energy Code**
- (8) **Zoning Regulations**
- (9) **Environmental Regulations**
- (10) **ADA** (as applicable to both occupants and visitors)
- (11) **Antiquities Law** – If proposed space involves any alteration to a National Landmark, Mississippi Landmark or potentially eligible property, obtaining of any required approvals as well as any mitigation must be included at no additional cost to the Lessee. The Lessor, at its sole cost and expense, shall retain the services of a preservation architect who meets or exceeds the Secretary of the Interior's Professional Qualifications Standards for Historic Architecture as amended and annotated and previously published in the Code of Federal Regulations, 36 CFR part 61 if proposal includes modifications to any such property.

SECTION 23. The Lessor or Lessors herein warrant and that this Lease is not made in violation of Section 25-4-105 *Certain actions, activities and business relationships prohibited or authorized; contracts in violation of section voidable; penalties* of the Mississippi Code of 1972, annotated. Should it be determined during the term of this Lease that it is in violation of Section 25-4-105, the Lessee may terminate this Lease with no less than a written thirty (30) day notice to Lessor with no penalty to the Lessee.

SECTION 24. The Lessee and Lessor may terminate this Lease, upon mutual agreement. The Lessee and Lessor shall agree in writing as to the said termination, specifying the part of the Lease terminated and when the termination becomes effective, with notification to the Real Property Management Division Director of the Department of Finance and Administration's Bureau of Building, Grounds and Real Property Management. This Section does not affect the Sections herein that pertain to default and/or failure to comply with Lease provisions and pertains only to cancellation and/or termination of Lease, upon mutual agreement of the parties.

SECTION 25. The Lessor agrees to accept payment via the State of Mississippi's electronic and remittance vehicle. The Lessee agrees to make payment in accordance with Mississippi law on "Timely Payments for Purchases by Public Bodies", Section 31-7-301, *et seq.* of the Mississippi Code of 1972, Annotated, which generally provides for payment of undisputed amounts within forty-five (45) days of receipt of the invoice. Payments using the Statewide Accounting System shall be made and remittance information provided electronically as directed by the Lessee. These payments shall be deposited into the bank account of the Lessor's choice. The Lessee may, at its sole discretion, require the Lessor to submit invoices and supporting documentation electronically at any time during the initial term and any/all subsequent renewals or extensions. The Lessor understands and agrees that the Lessee is exempt from the payment of taxes. All payments shall be in United States currency.

SECTION 26. Provided the Lessor is given reasonable advance written notice and such inspection is made during normal business hours of the Lessor, the Contractor agrees that the Lessee or any of its duly authorized representatives at any time during the term of this Lease shall have unimpeded, prompt access to and the right to audit and examine any pertinent books, documents, papers, and records of the Lessor related to the Lessor's charges and performance under this Lease. All records related to this Lease shall be kept by the Lessor for a period of three (3) years after final payment under this Lease and all pending matters are closed unless the Lessee authorizes their earlier disposition. However, if any litigation, claim, negotiation, audit or other action arising out of or related in any way to this Lease has been started before the expiration of the three (3) year period, the records shall be retained for one (1) year after all issues arising out of the action are finally resolved or until the end of the three (3) year period, whichever is later. The Lessor agrees to refund to the Lessee any overpayment disclosed by any such audit arising out of or related in any way to this contract.

SECTION 27. The Lease shall be governed by and construed in accordance with the laws of the State of Mississippi, excluding its conflicts of laws, provisions, and any litigation with respect thereto shall be brought in the courts of said state. The Lessor shall comply with applicable federal, state, and local laws and regulations.

SECTION 28. The Lessor shall not assign, sub-contract or otherwise in whole or in part, its right or obligations under this Lease without prior written consent of the Lessee and the Public Procurement Review Board. Any attempted assignment or transfer without said consent shall be void and of no effect. No such approval by Lessee of any sub-contract shall be deemed in any way to provide for the incurrence of any obligation of Lessee in addition to the total fixed price agreed upon in this Lease. Sub-contracts shall be subject to the terms and conditions of this agreement and to any conditions of approval that the Lessee may deem necessary. Subject to the foregoing, this agreement shall be binding upon the respective successors and assigns of the parties.

SECTION 29. The Lessor understands that the Lessee is an equal opportunity employer and therefore maintains a policy which prohibits unlawful discrimination based on race, color, creed, sex, age, national origin, physical handicap, genetic information, or any other consideration made unlawful by federal, state, or local laws. All such discrimination is unlawful and the Lessor agrees during the initial term and any/all subsequent renewals or extensions that the Lessor will strictly adhere to this policy in its employment practices and provision of services. The Lessor shall comply with, and all activities under this Lease shall be subject to, all applicable federal, state, and local laws and regulations, as now existing and as may be amended or modified.

SECTION 30. This Lease, including any accompanying exhibits, attachments, and appendices, is subject to the "Mississippi Public Records Act of 1983," codified as Section 25-61-1 et seq., Mississippi Code Annotated and exceptions found in Section 79-23-1 of the Mississippi Code Annotated (1972, as amended). In addition, this Lease is subject to provisions of the Mississippi Accountability and Transparency Act of 2008 (MATTA), codified as Section 27-104-151 of the Mississippi Code Annotated (1972, as amended). Unless exempted from disclosure due to a court-issued protective order, this Lease is required to be posted to the Department of Finance and Administration's independent agency contract website for public access. Prior to posting the Lease to the website, any information identified by the Lessor as trade secrets, or other proprietary information including confidential vendor information, or any other information which is required confidential by state or federal law or outside the applicable freedom of information statutes will be redacted. A fully executed copy of this agreement shall be posted to the State of Mississippi's accountability website at: <http://www.transparency.mississippi.gov>.

SECTION 31. If applicable, the Lessor represents and warrants that it will ensure its compliance with the Mississippi Employment Protection Act of 2008, Section 71-11-1, et seq. of the Mississippi Code of 1972, Annotated, and will register and participate in the status verification system for all newly hired employees. The term "employee" as used herein means any person that is hired to perform work within the State of Mississippi. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. The Lessor agrees to maintain records of such compliance and, upon request of the State and approval of the Social Security Administration or Department of Homeland Security, where required, to provide a copy of each such verification to the State. The Lessor further represents and warrants that any person assigned to perform services hereafter meets the employment eligibility requirements of all immigration laws of these warranties, the breach of which may subject the Lessor to the following: (1) termination of this Lease and ineligibility for any state or public contract in Mississippi for up to three (3) years, with notice of such cancellation/termination being made public, or (2) the loss of any license, permit, certification or other document granted to the Lessor by an agency, department or governmental entity for the right to do business in Mississippi for up to one (1) year, or (3) both. In the event of such cancellation/termination, the Lessor would also be liable for any additional costs incurred by the State due to the contract cancellation or loss of license or permit.

SECTION 32. This Lease may be modified, altered or changed only by written agreement of both parties subject to approval by the Public Procurement Review Board. The parties agree to renegotiate the Lease if federal, state and/or any applicable laws or regulations make changes in this Lease necessary.

SECTION 33. The Lease shall be governed by the applicable provisions of the Department of Finance and Administration, Bureau of Building, Grounds and Real Property Management *Leasing Manual* as adopted by the Public Procurement Review Board, a copy of which is available at 501 North West St., Suite 1401, Jackson, MS 39201 for inspection or downloadable at www.dfa.ms.gov.

SECTION 34. The Lessor represents that it has not retained a person to solicit or secure a Lease upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except as disclosed in the Lessor's proposal.

SECTION 35. The Lessor represents that it has not violated, is not violating, and promises that it will not violate the prohibition against gratuities as set forth in Section 700.5 *Gratuities* of the Department of Finance and Administration, Bureau of Building, Grounds and Real Property Management *Leasing Manual*.

IN WITNESS WHEREOF, this Lease Agreement has been duly executed in duplicate originals on the date hereinbefore set forth.

LESSOR (Individual or Corporation)

By: 

Larry D. Sparks

Title: Interim Chancellor

LESSEE

By: 

Richie McCluskey

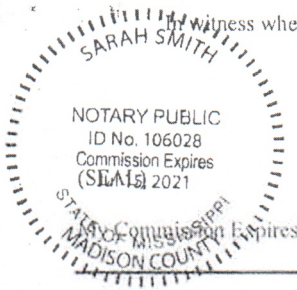
Title: Deputy State Auditor

(Lessee's acknowledgment)

STATE OF MISSISSIPPI

COUNTY OF Hinds

On this the 20th day of March, 2019, before me the undersigned Notary, personally appeared Richie McCluskey, who acknowledged himself/herself to be the Deputy State Auditor of The Office of the State Auditor, for and on behalf of the State of Mississippi, and that he/she being authorized so to do, executed the foregoing instrument for the purposes therein contained.



Sarah Smith
Notary Public

July 15, 2021

(Lessor's acknowledgment - Individual)

STATE OF MISSISSIPPI

COUNTY OF 1

On this the _____ day of _____, before me the undersigned Notary, personally appeared _____, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he/she executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

Notary Public

(SEAL)

My Commission Expires _____

(Lessor's acknowledgment - Corporation)

STATE OF MISSISSIPPI

COUNTY OF Lafayette

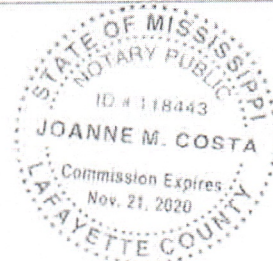
On this the 18 day of March, 2019, before me the undersigned Notary, personally appeared Larry D. Sparks, who acknowledged himself/herself to be the Interim Chancellor of The University of Mississippi, and that he/she being authorized so to do, executed the foregoing instrument for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

Joanne M. Costa
Notary Public

(SEAL)

My Commission Expires Nov 21, 2020



Attachment A: Drawings of space

UNIVERSITY OF MISSISSIPPI
SOUTH OXFORD CENTER
SECOND FLOOR
8 OFFICES FOR LEASE TO
STATE OF MISSISSIPPI
AUDITOR'S OFFICE.
JANUARY 14, 2019.

Column Break

N
N.T.S.

