

## ASSIGNMENT AND ASSUMPTION OF LEASE

THIS ASSIGNMENT AND ASSUMPTION OF LEASE ("Assignment"), made and entered into this the 31<sup>st</sup> day of December, 2018 (the "Effective Date") by and between the **FRANKFORT YOUNG MEN'S CHRISTIAN ASSOCIATION, INC.**, a Kentucky non-profit corporation, with an address of 402 Broadway Street, Frankfort, Kentucky 40601 ("Assignor" or "the Association"); the **COMMONWEALTH OF KENTUCKY**, acting through its statutory agencies, the State Property and Building Commission and the Finance and Administration Cabinet, with an address of 403 Wapping Street, Frankfort, Kentucky 40601 ("The Commonwealth"); and **YOUNG MEN'S CHRISTIAN ASSOCIATION OF CENTRAL KENTUCKY, INC.**, a Kentucky non-profit corporation, with address of 229 East High Street, Lexington, Kentucky 40507 ("Assignee").

### WITNESSETH:

1. Assignor, as Tenant under the Lease and covenants set out hereafter, in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt of which and sufficiency of which are hereby acknowledged, does hereby sell, assign, transfer and set over to Assignee, its successors and assigns, and Assignee agrees to assume and perform all of Assignor's right, title, estate and interest, as lessor, in and to that certain Real Property Lease dated November 5, 1969 of record in Deed Book 226, Page 258, in the Franklin County Clerk's Office; Amended in that certain Addendum to Lease dated September 17, 1971 of record in Deed Book 237, Page 284, in the Franklin County Clerk's Office; Amended in that certain Second Addendum to Lease dated July 1, 1988 of record in Deed Book 358, Page 386, in the Franklin County Clerk's Office; and Amended in that certain Amended and Restated Second Addendum to Lease dated October 15, 1991 of record in Deed Book 378, Page 112, in the Franklin County Clerk's Office, by and between Assignor and the Commonwealth of Kentucky, acting through its statutory agencies, the State Property and Building Commission and the Finance and Administration Cabinet ("Lease"), which Lease affects, or pertains to, all or part of the real property known as the Capital Plaza Complex in the City of Frankfort, as more particularly described as Ground Level Tracts I and II, Mezzanine Level Tracts I and II, and Plaza Level Tracts I and II, respectively, in Exhibit "A", Exhibit "B", and Exhibit "C" attached hereto, and all improvements located thereon ("Subject Property"), together with all of Assignor's right, title, estate and interest in and to all guaranties by third parties of the lessee's obligations thereunder and all security deposits, if any, under the Lease.

2. Assignor does hereby covenant, warrant and represent to Assignee, its successors and assigns, as follows:

- (a) To the best of Assignor's knowledge, the Lease is in full force and effect;
  
- (b) Assignor has not previously assigned its interest in the Lease, and Assignor has the right under the Lease to transfer its interest in the Lease to Assignee pursuant to the terms of this Assignment;

(c) The execution and delivery of this Assignment by Assignor has been duly authorized; and

(d) The Lease is the only lease affecting the Subject Property.

3. Assignor does hereby direct and authorize the Assignee to pay directly to Commonwealth, or to any other party designated by written notice to said Assignee, all rents and charges to be paid pursuant to the Lease, from and after the date hereof, and the delivery of a copy of this Assignment may be relied upon by the Commonwealth.

4. To the best of Assignor's knowledge, Assignor is not in default of the Lease, and has no knowledge of any state of facts which would give rise to a default.

5. Assignor agrees to indemnify and hold Assignee harmless from and against, and to reimburse Assignee with respect to, any and all claims, demands, causes of action, losses or damages, liabilities, costs and expenses (including reasonable attorney's fees and court costs ) assessed against or incurred by Assignee by reason of or arising out of the failure of Assignor to perform any obligations acquired by the Lease Agreement thereunder prior to and including the date of this Assignment. Assignee agrees to indemnify and hold harmless Assignor from and against, and to reimburse Assignor with respect to, any and all claims, demands, causes of action, losses or damages, liabilities, costs and expenses (including reasonable attorney's fees and court costs ) assessed against or incurred by Assignor by reason of or arising out of the failure of Assignee to perform any obligation required by the Lease from and after the date of this Agreement.

6. The Commonwealth is signing to consent to this Assignment without waiving right, title, estate and interest in and to the Subject Property as set forth in the aforementioned Lease Agreements.

7. The terms and conditions of this Agreement shall survive the Closing and the transfer of the Lease of the Subject Property from Assignor to Assignee.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment and Assumption of Lease as of the day and year first above written.

**ASSIGNOR:**  
FRANKFORT YOUNG MEN'S CHRISTIAN  
ASSOCIATION, INC.,  
a Kentucky non-profit corporation

By: 

John Bevington, President

THE COMMONWEALTH OF KENTUCKY,  
acting through its statutory agencies, the State  
Property and Building Commission and the Finance  
and Administration Cabinet

By: \_\_\_\_\_  
William M. Landrum III, Secretary of the  
Finance and Administration Cabinet

**ASSIGNEE:**  
YOUNG MEN'S CHRISTIAN ASSOCIATION OF  
CENTRAL KENTUCKY, INC.,  
a Kentucky non-profit corporation

By: \_\_\_\_\_  
Thomas Rawlings, Board Chair

STATE OF KENTUCKY    )  
                                  ) SS.  
COUNTY OF FRANKLIN )

27 The foregoing instrument was subscribed, sworn to and acknowledged before me on this the  
day of December, 2018, by John Bevington as President of THE FRANKFORT YOUNG  
MEN'S CHRISTIAN ASSOCIATION, INC., a Kentucky non-profit corporation, for and on behalf  
of said corporation.



Brett Ellis  
Notary Public, State at Large

My commission expires: 6-10-2022

Notary ID No. (if any): 601898

**APPROVED AS TO  
FORM & LEGALITY**

Patrick M. Miller  
APPROVED  
FINANCE & ADMINISTRATION CABINET

THE COMMONWEALTH OF KENTUCKY,  
acting through its statutory agencies, the State  
Property and Building Commission and the Finance  
and Administration Cabinet

By: William M. Landrum III  
William M. Landrum III, Secretary of the  
Finance and Administration Cabinet

ASSIGNEE:  
YOUNG MEN'S CHRISTIAN ASSOCIATION OF  
CENTRAL KENTUCKY, INC.,  
a Kentucky non-profit corporation

By: Thomas Rawlings  
Thomas Rawlings, Board Chair

STATE OF KENTUCKY    )  
                                  ) SS.  
COUNTY OF FRANKLIN )

The foregoing instrument was subscribed, sworn to and acknowledged before me on this the  
\_\_\_\_\_ day of December, 2018, by John Bevington as President of THE FRANKFORT YOUNG  
MEN'S CHRISTIAN ASSOCIATION, INC., a Kentucky non-profit corporation, for and on behalf  
of said corporation.

\_\_\_\_\_  
Notary Public, State at Large

My commission expires: \_\_\_\_\_

Notary ID No. (if any) : \_\_\_\_\_

STATE OF KENTUCKY )  
 ) SS.  
COUNTY OF FRANKLIN )

The foregoing instrument was subscribed, sworn to and acknowledged before me on this the 16 day of ~~December~~ January, 2019, by William M. Landrum III, as Secretary of the Finance and Administration Cabinet of the Commonwealth of Kentucky, for and on behalf of the Commonwealth.



Notary Public, State at Large

My commission expires: 10-5-2019

Notary ID No. (if any): 543341

STATE OF KENTUCKY )  
 ) SS.  
COUNTY OF FAYETTE )

The foregoing instrument was subscribed, sworn to and acknowledged before me on this the 26 day of December, 2018, by Thomas Rawlings, as Board Chair of the YOUNG MEN'S CHRISTIAN ASSOCIATION OF CENTRAL KENTUCKY, INC., a Kentucky non-profit corporation, for and on behalf of said corporation.

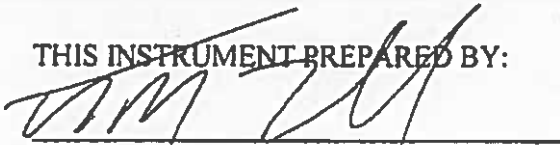


Notary Public, State at Large

My commission expires: 9/24/19

Notary ID No. (if any): 542717

THIS INSTRUMENT PREPARED BY:



Thomas M. Todd, Esq.  
Kinkead & Stilz, PLLC  
301 East Main Street, Suite 800  
Lexington KY 40507-1520  
Telephone: (859) 296-2300



GROUND LEVEL:Tract I

Beginning at a point, (which point has a present ground elevation of approximately 494.17 feet above sea level), said point being one foot East of column line G1, one foot South of column line No. 40 and being North 29 degrees 54 minutes East, 194.72 feet from a point which is in the centerline of the L & N Railroad tracks 197.38 feet East of the intersection of the centerline of the L & N Railroad tracks and the centerline of Wilkinson Street, measured along the centerline at said railroad; thence North 29 degrees 54 minutes East, 91.0 feet to a point on column line No. 36; thence with column line No. 36 South 60 degrees 06 minutes East, 70.0 feet to a point; thence South 29 degrees 54 minutes West, 75.0 feet to a point; thence South 60 degrees 06 minutes East, 9.0 feet to a point; thence South 29 degrees 54 minutes West, 16.0 feet to a point; thence North 60 degrees 06 minutes West, 12.0 feet to a point; thence South 29 degrees 54 minutes West, 20.0 feet to a point; thence North 60 degrees 06 minutes West, 17.0 feet to a point; thence North 29 degrees 54 minutes East, 20.0 feet to a point; thence North 60 degrees 06 minutes West, 50.0 feet to the point of beginning.

Tract II

Beginning at the Northeast corner of Tract I, said point, being 71.0 feet East of column line G1, and on column line No. 36; thence South 60 degrees 06 minutes East, 55.0 feet to a point; thence South 29 degrees 54 minutes West, 15.0 feet to a point; thence North 60 degrees 06 minutes West, 25.0 feet to a point; thence South 29 degrees 54 minutes West, 45.0 feet to a point; thence North 60 degrees 06 minutes West, 30.0 feet to a point in the East line of Tract I; thence with the East line of Tract I North 29 degrees 54 minutes East, 60.0 feet to the point of beginning.

MEZZANINE LEVEL

Tract I

Beginning at a point, (which point has an elevation of 506.22 feet above sea level), said point being one foot East of column line G1, one foot South of column line No. 40 and being North 29 degrees 54 minutes East, 194.72 feet from a point which is in the centerline of the L & N Railroad tracks 197.38 feet East of the intersection of the centerline of the L & N Railroad tracks and the centerline of Wilkinson Street, measured along the centerline at said railroad; thence North 29 degrees 54 minutes East, 91.0 feet to a point on column line No. 36; thence with column line No. 36 South 60 degrees 06 minutes East, 238.0 feet to a point; thence South 29 degrees 54 minutes West, 91.0 feet to a point; thence North 60 degrees 06 minutes West 238.0 feet to the point of beginning. The same being a rectangular space at the mezzanine area and upward 238 feet by 91 feet. Said description includes a part of the property described in the "ground level" description.

Tract II

Beginning at a point 45.5' East of the Northwest property line corner of Tract I along column line No. 36; thence North 29 degrees 54 minutes East, 4.0 feet to a point; thence South 60 degrees 06 minutes East, 17.0 feet to a point; thence South 29 degrees 54 minutes West, 4.0 feet to a point; thence North 60 degrees 06 minutes West 17.0 feet to the point of beginning.

EXHIBIT B



PLAZA LEVEL:Tract I

Beginning at a point, (which point has an elevation of 516.00 feet above sea level), said point being one foot East of column line G1, one foot South of column line No. 40 and being North 29 degrees 54 minutes East, 194.72 feet from a point which is in the centerline of the L & N Railroad tracks 197.38 feet East of the intersection of the centerline of the L & N Railroad tracks and the centerline of Wilkinson Street, measured along the centerline at said railroad; thence North 29 degrees 54 minutes East, 91.0 feet to a point on column line No. 36; thence with column line No. 36 South 60 degrees 06 minutes East, 238.0 feet to a point; thence South 29 degrees 54 minutes West, 91.0 feet to a point; thence North 60 degrees 06 minutes West, 238.0 feet to the point of beginning. The same being a rectangular space at the plaza area and upward 238 feet by 91 feet. Said description includes a part of the property described in the "ground level" description and "mezzanine level" description.

Tract II

Beginning at the Northwest corner of Tract I, said point being one foot East of column G1 and on column line No. 36; thence North 29 degrees 54 minutes East, 83.75 feet to a point; thence South 60 degrees 06 minutes East, 238.0 feet to a point; thence South 29 degrees 54 minutes West, 83.75 feet to a point in the North line of Tract I, also being on column line No. 36; thence with the North line of Tract I North 60 degrees 06 minutes West, 238 feet to the point of beginning. The same being a rectangular space at the plaza area and upward 238.0 feet by 83.75 feet. Said description includes a part of the property described in the "mezzanine level" description.

STATE OF KENTUCKY }  
COUNTY OF FRANKLIN } CLK

I, DONALD C. HULETTE CLERK OF SAID COUNTY COURT, HEREBY CERTIFY THAT THE FOREGOING INSTRUMENT HAS BEEN DULY RECORDED IN MY BOOK 378 PAGE 112 IN MY SAID OFFICE. 12-2-91

DONALD C. HULETTE CLERK  
BY: *[Signature]* D.C.

EXHIBIT C

**COMMONWEALTH OF KENTUCKY**  
**THIRD ADDENDUM TO LEASE**

THIS THIRD ADDENDUM TO LEASE, dated the 7<sup>th</sup> day of April, 2011, is between the Commonwealth of Kentucky, acting by and through Lori H. Flanery, Secretary of the Finance and Administration Cabinet, on behalf of and for the use and benefit of the Finance and Administration Cabinet, hereinafter referred to as "the Commonwealth", and the Frankfort Young Men's Christian Association, a non-profit Kentucky corporation, with its principal place of business in Frankfort, Kentucky, hereinafter referred to as "YMCA".

**WITNESSETH:**

WHEREAS, the Commonwealth acquired certain land in the Urban Renewal Area of the City of Frankfort, Kentucky; and,

WHEREAS, the Commonwealth entered into a lease with the YMCA dated November 5, 1969 for property located at 402 Broadway, Frankfort, Kentucky; and,

WHEREAS, the original Agreement was amended by Addendum to Lease dated September 17, 1971, the Second Addendum to Lease thereto dated July 1, 1988, as amended by the Amended and Restated Second Addendum to Lease dated October 15, 1991; and,

WHEREAS, the YMCA desires to construct and maintain a sign in an area outside of the current leased area in front of the YMCA between the parking area and Broadway; and,

NOW, THEREFORE, the Lessor and the YMCA hereby agree the Lease Agreement dated November 5, 1969 as previously amended is hereby modified and amended as follows.

1. The Commonwealth further grants to the YMCA as a part of the leased premises and for the term of the lease an area as shown on Exhibit A for the construction and maintenance of a locator sign that is approximately 7 foot tall and 6 foot wide. The YMCA shall be responsible for all costs to connect electric for the sign to the nearest light pole in front of the building adjacent to the parking lot including but not limited to the cost of burying the line from the sign to the light pole. The YMCA shall properly maintain the LED fixtures in the sign. Upon the cancellation or termination of the lease, the Lessee shall remove the sign from the leased premises and shall return them in as good an order as received, ordinary wear and tear and acts of God excepted.

2. The Commonwealth further approves of the attachment of 4 banners to be installed by the YMCA on the light poles located in front of the building next to the parking area.

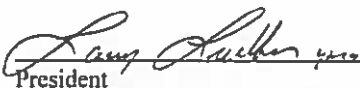
Except as modified herein, the original lease Agreement of November 5, 1969, as previously amended, is hereby ratified and shall remain in full force and effect, and the parties hereto, their successors and assigns, shall be bound by the terms and conditions thereof.

IN TESTIMONY WHEREOF, the parties have affixed their signatures the day and year first above written.


COMMONWEALTH OF KENTUCKY:  
Approved:

  
\_\_\_\_\_  
Lori H. Flanery, Secretary  
Finance and Administration Cabinet

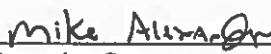
Frankfort Young Men's Christian  
Association:

  
\_\_\_\_\_  
President  
Frankfort YMCA

REVIEW FOR FORM AND LEGALITY:

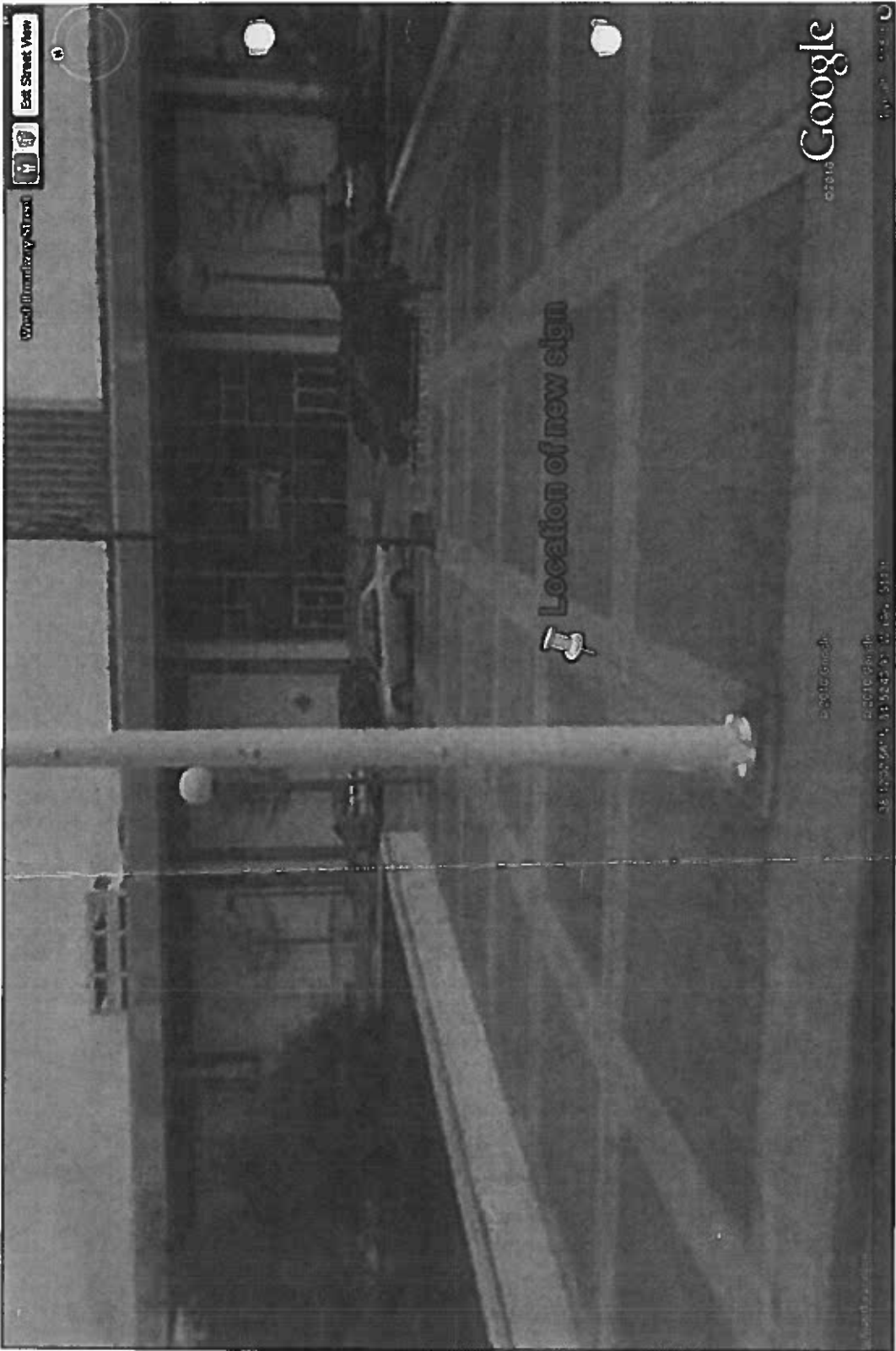
  
\_\_\_\_\_  
Attorney  
Finance and Administration Cabinet

REVIEWED:

  
\_\_\_\_\_  
Counsel to Governor

COMMONWEALTH OF KENTUCKY

  
\_\_\_\_\_  
Steven L. Beshear, Governor



West Broadway Street

Exit Street View

Location of new sign

Google

© 2010 Google

35° 12' 35.52" N, 122° 42' 45" W, 45m, 518°

## CONSENT TO LEASEHOLD MORTGAGE

THIS CONSENT TO LEASEHOLD MORTGAGE is made and entered into this ~~June~~<sup>July</sup> 2009, by and among the following parties:

- (A) Commonwealth of Kentucky, acting by and through its statutory agencies, the State Property and Building Commission and the Department of Finance, c/o Division of Real Properties; 3<sup>rd</sup> Floor, Bush Building; 403 Wapping Street; Frankfort, Kentucky 40601 ("Landlord");
- (B) The Frankfort Young Men's Christian Association, a Kentucky corporation, 402 West Broadway, Frankfort, Kentucky 40601 ("Tenant"); and
- (C) Farmers Bank & Capital Trust Company, 125 West Main Street, Frankfort, Kentucky 40601 ("Bank").

### WITNESSETH:

WHEREAS, Landlord and Tenant have executed a certain lease agreement (the "Lease") dated as of November 5, 1969, which is recorded in Deed Book 226, Page 258, in the office of Clerk of Franklin County, Kentucky; and

WHEREAS, Bank has committed to make a loan to tenant for permanent financing for certain improvements (the "Improvements") on the real property covered by the Lease (the "Property") and other property owned by the Tenant; and

WHEREAS, Landlord recognizes a material benefit to itself in having such Improvements constructed on the Property and is willing to enter into this consent to permit Bank to take a leasehold mortgage on the Lease, a security interest in certain equipment and other collateral, and is willing to provide the further undertakings and commitments set forth herein.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

(A) Landlord and Tenant jointly and severally make the following representations, warranties, and covenants:

(1) The Lease is in full force and effect, unrevoked, and unmodified; there exists no default or breach thereunder by either party as of the date hereof; and no event has occurred at this time which would constitute an event of default or breach thereunder, with the giving of notice, the passage of time, or both;

(2) Landlord and Tenant agree that they will not modify or amend the lease or allow it to be modified or amended without the prior written consent of the Bank (which consent will not be unreasonably withheld or delayed, provided that it shall be reasonable

for the Bank to withhold consent to any modification or amendment if, in the opinion of the Bank, such modification or amendment would adversely affect the rights of the Bank under the mortgage) as long as the Bank holds a leasehold mortgage on the Lease and/or a security interest in any of the collateral securing Bank's loan to Tenant. Any such modification or amendment without the Bank's consent shall not be binding upon, or in any way adversely affect, the Bank and its rights under the mortgage; and

(3) The Lease will not be voluntarily terminated, cancelled, or surrendered by mutual agreement without the prior written consent of the Bank, which may be withheld at its discretion.

(B) Concurrently with giving notice to Tenant, Landlord agrees to give to Bank written notice of any default claimed by Landlord under the Lease, specifying the details thereof, as soon as possible after Landlord learns of any such default. No such notice shall be effective unless a copy thereof is provided to Bank as provided hereby.

(C) In the event Landlord claims a default under the Lease (as used herein, the term "default" refers to any event, occurrence, condition, act, or omission under the terms of the Lease which gives rise to any right on the part of Landlord to terminate the Lease), Landlord agrees that the Bank may exercise the following options:

(1) The Bank may, but shall not be required to, directly cure any default of Tenant under the Lease by paying any amount due and owing under the Lease to Landlord or by performing or causing to be performed any other act or correcting any omission of Tenant constituting a default under the Lease. The Bank shall have the same period of time as Tenant to remedy the particular default, which cure period in favor of the Bank shall commence at the end of the Tenant's cure period, and Landlord shall accept performance by the Bank as if it had been done or performed by the Tenant. The Bank shall have authority to enter onto the premises and to otherwise have access to all property covered by the Lease if necessary for the Bank to attempt to cure a default; or

(2) The Bank may elect to declare a default under the terms of its loan to Tenant (it being expressly understood that an uncured default declared by Landlord under the Lease may be declared by Bank to be a default under the loan) and to pursue its rights as a mortgagee and secured party under the laws of the Commonwealth of Kentucky. In such event, as long as the Bank is proceeding diligently to foreclose under the leasehold mortgage (as distinguished from pursuing the remedy of realizing upon and selling the equipment and other items of personal property collateralizing the loan), Landlord agrees that it will not pursue its remedies upon default under the terms of the Lease, including, without limitation, retaking possession of the Property leased to Tenant. In the event the Bank elects to pursue any other remedy, such as the removal and sale of any equipment or other collateral securing the Bank's loan, it shall so notify Landlord, and Landlord shall be entitled simultaneously to pursue its remedies upon default under the terms of the Lease.

(D) In the event of foreclosure, assignment or other transfer of the leasehold estate to the Bank, the Bank agrees, at the election and upon demand of the Landlord, to attorn, from time to

time, to the Landlord, upon the then executory terms and conditions of the Lease, and for the remainder of the term of the Lease and thereafter, the Lease shall constitute a direct lease between the Landlord and the Bank.

(E) Landlord hereby consents to Tenant's granting to Bank the mortgage and security interest created by the leasehold mortgage and security agreement of even date, recorded in Mortgage Book \_\_\_\_\_, Page \_\_\_\_\_, in the office of the Franklin County Clerk (the "Mortgage") (and in so consenting, Landlord acknowledges that the granting of such Mortgage and security interest does not constitute an assignment within the meaning of or in violation of the Lease) and hereby subordinates its Landlord's lien rights to the lien of the Bank's security interest in and to any and all equipment and personal property (to the extent that such equipment and personal property is movable and removable from the real property covered by the Lease and has salvage or other value separate and apart from the Lease, and regardless of whether such property might be legally defined as "fixtures" under any applicable law, it being understood and agreed by Landlord that all items of personal property shall not be deemed to become "fixtures" by virtue of the fact that they are attached to the Property or embedded in any foundation or otherwise are affixed to the Property). Such subordination of Landlord's lien includes any and all liens which Landlord might have as a Landlord under the terms of any law or regulation or any contractual provision establishing any lien right in favor of Landlord as to such equipment and personal property. Landlord further specifically agrees to the following provisions:

(1) Landlord's rights under the Lease with respect to insurance or condemnation proceeds are expressly subordinated to, and subject in all respects to, the Bank's rights under the Mortgage to the proceeds thereof, in accordance with the terms of the Mortgage. To the extent of any inconsistency between the provisions of the Lease and the provisions of the Mortgage with respect to the disposition of insurance or condemnation proceeds, the provisions of the Mortgage shall prevail in all respects;

(2) Landlord will not exercise any right to grant or reserve easements or rights of way on or over the leased premises without the prior written consent of Bank, which consent will not be unreasonably withheld or delayed as long as such easements or rights of way do not unreasonably impair Tenant's use of the property or priority of the Bank's lien (Bank hereby agreeing, however, that any easement or right of way to which Bank consents shall be superior to the lien of the Mortgage), or otherwise unreasonably impair the value of, or result in damage to, the leased property; and

(3) Landlord acknowledges that the terms of the Mortgage and the Letter of Credit and Reimbursement Agreement by and between the Tenant and the Bank do not violate the provisions of the Lease.

(F) Bank covenants with Landlord that it shall, from time to time, upon request by Landlord, advise Landlord of the status of the loan and as to whether any default exists thereunder. In addition, concurrently with giving notice to Tenant, the Bank agrees to provide Landlord written notice (which may be a copy of any default notice sent to Tenant) of its intention to declare a default under the terms of the loan and to pursue its remedies under the leasehold mortgage or any other security document. The Landlord may, but shall not be required to, directly cure any default of

Tenant under the loan by paying any amount due and owing to Bank or by performing or causing to be performed any other act or correcting any omission of Tenant constituting a default under the loan. The Landlord shall have the same period of time as Tenant to remedy the particular default, which cure period in favor of the Landlord shall commence at the end of the Tenant's cure period; Bank shall accept performance by the Landlord as if it had been done or performed by the Tenant. If Landlord pays the outstanding principal balance due under the loan, together with all interest, penalties, and other amounts due thereunder, Bank shall release its lien of record.

(G) Landlord covenants with Bank that Landlord shall, from time to time, upon request by Bank, advise Bank of the status of the Lease and as to whether any default exists thereunder.

(H) All notices, elections, requests, demands, and other communications hereunder shall be in writing and shall be deemed given at the time delivered or deposited in the United States mail, by certified or registered mail, postage prepaid, addressed to the parties as follows (or to such other person or place of which any party shall have given written notice to the others):

If to the Bank: Farmers Bank & Capital Trust Company  
125 West Main Street  
Frankfort, Kentucky 40601

If to Landlord: Commonwealth of Kentucky  
Division of Real Properties  
3<sup>rd</sup> Floor, Bush Building  
403 Wapping Street  
Frankfort, Kentucky 40601

If to Tenant: Frankfort Young Men's Christian Association  
402 West Broadway  
Frankfort, Kentucky 40601

(I) This consent shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns. The Bank may assign its rights under this consent in conjunction with any assignment of other transfer of the leasehold mortgage and any or all indebtedness secured thereby.



COMMONWEALTH OF KENTUCKY )  
 )  
COUNTY OF FRANKLIN )

The foregoing instrument was acknowledged before me on this July 2, 2009, by E. Jeffrey Masley, who is the General Counsel of Department of Finance of the Commonwealth of Kentucky, on behalf of the Commonwealth.

WITNESS my hand and seal this July 2, 2009.

My Commission expires: July 28, 2011.

Welda Willis Carroll  
Notary Public - State of Ky

COMMONWEALTH OF KENTUCKY )  
 )  
COUNTY OF FRANKLIN )

The foregoing instrument was acknowledged before me on this June \_\_\_\_, 2009, by \_\_\_\_\_, who is the President of Frankfort Young Men's Christian Association, a Kentucky corporation, on behalf of said corporation.

WITNESS my hand and seal this June \_\_\_\_, 2009.

My Commission expires: \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

IN TESTIMONY WHEREOF, witness the signatures of the parties as of the day and year first written above.

COMMONWEALTH OF KENTUCKY,  
a public entity

FRANKFORT YOUNG MEN'S CHRISTIAN  
ASSOCIATION, a Kentucky corporation

By E Jeffrey Morley for  
Title President Council

By \_\_\_\_\_  
Title \_\_\_\_\_

FARMERS CAPITAL BANK & TRUST COMPANY,

By \_\_\_\_\_  
Title \_\_\_\_\_

APPROVED AS TO  
FORM & LEGALITY  
Patrick M. Dea  
APPROVED  
FINANCE & ADMINISTRATION CABINET



## CONSENT TO LEASEHOLD MORTGAGE

THIS CONSENT TO LEASEHOLD MORTGAGE is made and entered into this September 28, 2006, by and among the following parties:

- (A) Commonwealth of Kentucky, acting by and through its statutory agencies, the State Property and Building Commission and the Department of Finance, c/o Division of Real Properties; 3<sup>rd</sup> Floor, Bush Building; 403 Wapping Street; Frankfort, Kentucky 40601 ("Landlord");
- (B) The Frankfort Young Men's Christian Association, a Kentucky corporation, 402 West Broadway, Frankfort, Kentucky 40601 ("Tenant"); and
- (C) Fifth Third Bank, an Ohio banking corporation, 250 West Main Street, Suite 100, Lexington, Kentucky 40507 ("Bank").

### WITNESSETH:

WHEREAS, Landlord and Tenant have executed a certain lease agreement (the "Lease") dated as of November 5, 1969, which is recorded in Deed Book 226, Page 258, in the office of Clerk of Franklin County, Kentucky; and

WHEREAS, Bank has committed to make a loan to tenant for permanent financing for certain improvements (the "Improvements") on the real property covered by the Lease (the "Property") and other property owned by the Tenant; and

WHEREAS, Landlord recognizes a material benefit to itself in having such Improvements constructed on the Property and is willing to enter into this consent to permit Bank to take a leasehold mortgage on the Lease, a security interest in certain equipment and other collateral, and is willing to provide the further undertakings and commitments set forth herein.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

(A) Landlord and Tenant jointly and severally make the following representations, warranties, and covenants:

(1) The Lease is in full force and effect, unrevoked, and unmodified; there exists no default or breach thereunder by either party as of the date hereof; and no event has occurred at this time which would constitute an event of default or breach thereunder, with the giving of notice, the passage of time, or both;

(2) Landlord and Tenant agree that they will not modify or amend the lease or allow it to be modified or amended without the prior written consent of the Bank (which consent will not be unreasonably withheld or delayed, provided that it shall be reasonable

for the Bank to withhold consent to any modification or amendment if, in the opinion of the Bank, such modification or amendment would adversely affect the rights of the Bank under the mortgage) as long as the Bank holds a leasehold mortgage on the Lease and/or a security interest in any of the collateral securing Bank's loan to Tenant. Any such modification or amendment without the Bank's consent shall not be binding upon, or in any way adversely affect, the Bank and its rights under the mortgage; and

(3) The Lease will not be voluntarily terminated, cancelled, or surrendered by mutual agreement without the prior written consent of the Bank, which may be withheld at its discretion.

(B) Concurrently with giving notice to Tenant, Landlord agrees to give to Bank written notice of any default claimed by Landlord under the Lease, specifying the details thereof, as soon as possible after Landlord learns of any such default. No such notice shall be effective unless a copy thereof is provided to Bank as provided hereby.

(C) In the event Landlord claims a default under the Lease (as used herein, the term "default" refers to any event, occurrence, condition, act, or omission under the terms of the Lease which gives rise to any right on the part of Landlord to terminate the Lease), Landlord agrees that the Bank may exercise the following options:

(1) The Bank may, but shall not be required to, directly cure any default of Tenant under the Lease by paying any amount due and owing under the Lease to Landlord or by performing or causing to be performed any other act or correcting any omission of Tenant constituting a default under the Lease. The Bank shall have the same period of time as Tenant to remedy the particular default, which cure period in favor of the Bank shall commence at the end of the Tenant's cure period, and Landlord shall accept performance by the Bank as if it had been done or performed by the Tenant. The Bank shall have authority to enter onto the premises and to otherwise have access to all property covered by the Lease if necessary for the Bank to attempt to cure a default; or

(2) The Bank may elect to declare a default under the terms of its loan to Tenant (it being expressly understood that an uncured default declared by Landlord under the Lease may be declared by Bank to be a default under the loan) and to pursue its rights as a mortgagee and secured party under the laws of the Commonwealth of Kentucky. In such event, as long as the Bank is proceeding diligently to foreclose under the leasehold mortgage (as distinguished from pursuing the remedy of realizing upon and selling the equipment and other items of personal property collateralizing the loan), Landlord agrees that it will not pursue its remedies upon default under the terms of the Lease, including, without limitation, retaking possession of the Property leased to Tenant. In the event the Bank elects to pursue any other remedy, such as the removal and sale of any equipment or other collateral securing the Bank's loan, it shall so notify Landlord, and Landlord shall be entitled simultaneously to pursue its remedies upon default under the terms of the Lease.

(D) In the event of foreclosure, assignment or other transfer of the leasehold estate to the Bank, the Bank agrees, at the election and upon demand of the Landlord, to attorn, from time to

time, to the Landlord, upon the then executory terms and conditions of the Lease, and for the remainder of the term of the Lease and thereafter, the Lease shall constitute a direct lease between the Landlord and the Bank.

(E) Landlord hereby consents to Tenant's granting to Bank the mortgage and security interest created by the leasehold mortgage and security agreement of even date, recorded in Mortgage Book \_\_\_\_\_, Page \_\_\_\_\_, in the office of the Franklin County Clerk (the "Mortgage") (and in so consenting, Landlord acknowledges that the granting of such Mortgage and security interest does not constitute an assignment within the meaning of or in violation of the Lease) and hereby subordinates its Landlord's lien rights to the lien of the Bank's security interest in and to any and all equipment and personal property (to the extent that such equipment and personal property is movable and removable from the real property covered by the Lease and has salvage or other value separate and apart from the Lease, and regardless of whether such property might be legally defined as "fixtures" under any applicable law, it being understood and agreed by Landlord that all items of personal property shall not be deemed to become "fixtures" by virtue of the fact that they are attached to the Property or embedded in any foundation or otherwise are affixed to the Property). Such subordination of Landlord's lien includes any and all liens which Landlord might have as a Landlord under the terms of any law or regulation or any contractual provision establishing any lien right in favor of Landlord as to such equipment and personal property. Landlord further specifically agrees to the following provisions:

(1) Landlord's rights under the Lease with respect to insurance or condemnation proceeds are expressly subordinated to, and subject in all respects to, the Bank's rights under the Mortgage to the proceeds thereof, in accordance with the terms of the Mortgage. To the extent of any inconsistency between the provisions of the Lease and the provisions of the Mortgage with respect to the disposition of insurance or condemnation proceeds, the provisions of the Mortgage shall prevail in all respects;

(2) Landlord will not exercise any right to grant or reserve easements or rights of way on or over the leased premises without the prior written consent of Bank, which consent will not be unreasonably withheld or delayed as long as such easements or rights of way do not unreasonably impair Tenant's use of the property or priority of the Bank's lien (Bank hereby agreeing, however, that any easement or right of way to which Bank consents shall be superior to the lien of the Mortgage), or otherwise unreasonably impair the value of, or result in damage to, the leased property; and

(3) Landlord acknowledges that the terms of the Mortgage and the Letter of Credit and Reimbursement Agreement by and between the Tenant and the Bank do not violate the provisions of the Lease.

(F) Bank covenants with Landlord that it shall, from time to time, upon request by Landlord, advise Landlord of the status of the loan and as to whether any default exists thereunder. In addition, concurrently with giving notice to Tenant, the Bank agrees to provide Landlord written notice (which may be a copy of any default notice sent to Tenant) of its intention to declare a default under the terms of the loan and to pursue its remedies under the leasehold mortgage or any other security document. The Landlord may, but shall not be required to, directly cure any default of

Tenant under the loan by paying any amount due and owing to Bank or by performing or causing to be performed any other act or correcting any omission of Tenant constituting a default under the loan. The Landlord shall have the same period of time as Tenant to remedy the particular default, which cure period in favor of the Landlord shall commence at the end of the Tenant's cure period; Bank shall accept performance by the Landlord as if it had been done or performed by the Tenant. If Landlord pays the outstanding principal balance due under the loan, together with all interest, penalties, and other amounts due thereunder, Bank shall release its lien of record.

(G) Landlord covenants with Bank that Landlord shall, from time to time, upon request by Bank, advise Bank of the status of the Lease and as to whether any default exists thereunder.

(H) All notices, elections, requests, demands, and other communications hereunder shall be in writing and shall be deemed given at the time delivered or deposited in the United States mail, by certified or registered mail, postage prepaid, addressed to the parties as follows (or to such other person or place of which any party shall have given written notice to the others):

If to the Bank: Fifth Third Bank  
250 West Main Street, Suite 100  
Lexington, Kentucky 40507

If to Landlord: Commonwealth of Kentucky  
Division of Real Properties  
3<sup>rd</sup> Floor, Bush Building  
403 Wapping Street  
Frankfort, Kentucky 40601

If to Tenant: Frankfort Young Men's Christian Association  
402 West Broadway  
Frankfort, Kentucky 40601

(I) This consent shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns. The Bank may assign its rights under this consent in conjunction with any assignment of other transfer of the leasehold mortgage and any or all indebtedness secured thereby.

IN TESTIMONY WHEREOF, witness the signatures of the parties as of the day and year first written above.

COMMONWEALTH OF KENTUCKY,  
a public entity

FRANKFORT YOUNG MEN'S CHRISTIAN  
ASSOCIATION, a Kentucky corporation

By J. L. F.  
Title Secretary - Finance / Admin. Cabinet

By Arny B. Abrattini  
Title President, BOARD of DIRECTORS

FIFTH THIRD BANK,  
an Ohio banking corporation

By [Signature]  
Title Asst. VP

REVIEWED AS TO FORM AND LEGALITY:

Patrick McGee  
Patrick McGee, Asst. General Counsel  
Legal & Legislative Services



COMMONWEALTH OF KENTUCKY )  
 )  
COUNTY OF FRANKLIN )

The foregoing instrument was acknowledged before me on this ~~September~~ <sup>January 29</sup>, 2007, by John R. Farris, who is the Secretary of ~~Department~~ <sup>Cabinet</sup> of Finance of the Commonwealth of Kentucky, on behalf of the Commonwealth.

WITNESS my hand and seal this ~~September~~ <sup>January 29</sup>, 2007.

My Commission expires: July 10, 2010.

Rebecca H. Parish  
Notary Public

COMMONWEALTH OF KENTUCKY )  
 )  
COUNTY OF FRANKLIN )

The foregoing instrument was acknowledged before me on this September 26, 2006, by Sherry Sebastian, who is the President of Frankfort Young Men's Christian Association, a Kentucky corporation, on behalf of said corporation.

WITNESS my hand and seal this September 26, 2006.

My Commission expires: 11-30-08

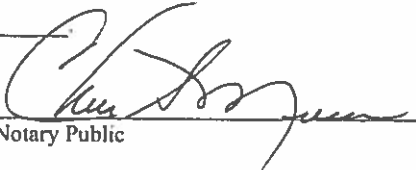
Christy  
Notary Public

COMMONWEALTH OF KENTUCKY )  
 )  
COUNTY OF FRANKLIN )

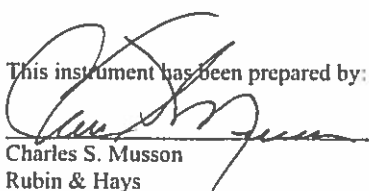
The foregoing instrument was acknowledged before me on this September 26, 2006, by Terri P. Stoney, who is the Asst. Vice President of Fifth Third Bank, an Ohio banking corporation, on behalf of said corporation.

WITNESS my hand and seal this September 26, 2006.

My Commission expires: 11-30-08

  
Notary Public

This instrument has been prepared by:



Charles S. Musson  
Rubin & Hays  
Kentucky Home Trust Building  
450 South Third Street  
Louisville, Kentucky 40202  
(502) 569-7525

AMENDED AND RESTATED SECOND ADDENDUM TO LEASE

THIS AMENDED AND RESTATED SECOND ADDENDUM TO LEASE, made and entered into between the Commonwealth of Kentucky, acting through its statutory agencies, the State Property and Buildings Commission and the Finance and Administration Cabinet, ("the Commonwealth"), and the Frankfort Young Men's Christian Association, a non-profit corporation of Kentucky, with its principal place of business at Frankfort, Kentucky, (the "Association").

WITNESSETH, that the Commonwealth and the Association entered into a Second Addendum to Lease dated as of July 1, 1988, amending the Lease Agreement between them dated November 5, 1969, as amended, September 17, 1971, to expand the lease boundary to provide additional space for the expansion of the Association's existing facilities; and,

WHEREAS, due to redesign of the proposed addition to the Association's facilities, it is necessary to revise the description of the expanded leased boundary as described in the Second Addendum to Lease;

NOW, THEREFORE, it is agreed between the parties as follows:

1. By mutual agreement, the Second Addendum to Lease dated as of July 1, 1988, is hereby terminated and this Amended and Restated Second Addendum to Lease shall be substituted therefore.
2. In consideration of the rental payments reserved in the Lease Agreement, and \$50.00, cash in hand paid by the Association on or about July 1, 1988, receipt of which the Commonwealth has acknowledged, the Commonwealth hereby leases and demises unto the Association, and covenants to keep the Association in quiet and peaceful possession of the spaces within the Capital Plaza Complex in the City of Frankfort, more particularly described as Ground Level Tracts I and II, Mezzanine Level Tracts I and II, and Plaza Level Tracts I and II, respectively, in Exhibit A, B, and C, attached hereto and incorporated by reference herein, together with a non-exclusive license and right of ingress, egress, and regress from the described property

through and across the contiguous facilities of the Capital Plaza Complex.

*3. 2nd level ground level*

The Association shall be authorized to use, if necessary, ~~two~~ parking spaces on the ground level of the adjacent Capital Plaza Garage for the expansion of mechanical equipment serving the Association's building, which shall be in addition to the ten spaces reserved in the Lease Agreement for the Association's use.

The space within the Capital Plaza Complex described in this Amended and Restated Second Addendum to Lease is a part of the property acquired by the Commonwealth from the Urban Renewal and Community Development Agency of Frankfort, Kentucky, by deed dated August 22, 1968, recorded in Deed Book 217, Page 176 et sequitur, in the office of the Franklin County Clerk.

3. The Association's tenancy under this Amended and Restated Second Addendum to Lease shall be for a term that commenced July 1, 1988, and extends through June 30, 2068 A.D., it being intended that the term of this Amended and Restated Addendum to Lease be for the same number of years as the Second Addendum to Lease which it supplants, and coextensive with and expire on the date of expiration for the original Lease Agreement dated November 5, 1969.

4. Except as their terms may have been expressly or by necessary implication modified or amended by this Amended and Restated Second Addendum to Lease, the Commonwealth and the Association hereby affirm and ratify all other terms and conditions of the Lease Agreement dated November 5, 1969, the Addendum to Lease, dated September 17, 1971, including specifically, but without limitation thereto, Sections III through XI, of the Lease Agreement.

IN TESTIMONY WHEREOF, witness the signatures of the parties hereto as of this 15<sup>th</sup> day of October, 1991.

COMMONWEALTH OF KENTUCKY

FRANKFORT YOUNG MEN'S CHRISTIAN ASSOCIATION

By Wallace G. Wilkinson  
WALLACE G. WILKINSON, Governor  
and Chairman, State Properties  
Buildings Commission

i p Arnold  
resident  
Frankfort YMCA

ATTEST:

By [Signature]  
L. Rogers Wells, Jr. Secretary  
Finance and Administration Cabinet  
and Executive Director, State  
Property and Buildings Commission

By [Signature]  
Secretary, Frankfort YMCA

COMMONWEALTH OF KENTUCKY )  
COUNTY OF FRANKLIN )

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of October, 1991, by Wallace G. Wilkinson, Governor of the Kentucky and Chairman of the State Property and Buildings Commission, and by L. Rogers Wells, Jr., Secretary of the Finance and Administration Cabinet and Executive Director of the State Property and Buildings Commission.

My Commission expires: 6-6-94

[Signature]  
Notary Public, State-at-Large

COMMONWEALTH OF KENTUCKY )  
COUNTY OF FRANKLIN )

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of October, 1991, by Bruce W. Brooks, President, and by David R. Lee, Secretary, respectively, of the Frankfort Young Men's Christian Association, a non-profit Kentucky corporation. Governor of the Kentucky and Chairman of the State Property and Buildings Commission, and by L. Rogers Wells, Jr., Secretary of the Finance and Administration Cabinet and Executive Director of the State Property and Buildings Commission.

My Commission expires: 9-16-95

[Signature]  
Notary Public, State-at-Large

This Instrument Prepared By:

[Signature]  
Charles D. Wickliffe, Attorney  
Finance and Administration Cabinet  
Commonwealth of Kentucky

ADDENDUM TO LEASE

THIS ADDENDUM TO LEASE, made and entered into by and between the Commonwealth of Kentucky, acting by and through its statutory agencies, the State Property and Buildings Commission and the Department of Finance, hereinafter referred to as "The Commonwealth", and the Frankfort Young Men's Christian Association, a non-profit corporation of Kentucky with its principal place of business at Frankfort, Kentucky, hereinafter referred to as the "Association".

WITNESSETH:

WHEREAS, the parties have heretofore entered into a Lease Agreement for certain land and space in the "Capital Plaza", said lease being dated November 5, 1969, and being of record in Deed Book 226, page 258, in the office of the County Court Clerk of Franklin County, Kentucky, and

WHEREAS, the original lease did not provide an easement for the gas service line, and

WHEREAS, the original lease description did not provide for the over hang around the YMCA building as shown on the design for said building as approved by the Division of Engineering in the Department of Finance of the Commonwealth of Kentucky.

NOW, THEREFORE, each of the parties in consideration of the execution of this agreement and the mutual covenants and conditions herein hereby covenant and agree as follows, to-wit:

(1) The Commonwealth grants to the Association as a part of the leased premises and for the term of the original lease an easement for the construction and maintenance of a gas service line the centerline of which is described as follows:

Beginning at a point in the East curb line of Wilkinson Street, which beginning point is 36.67 feet east of the centerline of Wilkinson Street measured from a point in the centerline of Wilkinson Street which is 373.0 feet north of the intersection of the right of way of the L & N Railroad and the centerline of Wilkinson Street as measured along the centerline of Wilkinson Street, and which beginning point is 3.0 feet north of column line 32 as shown on the plans of Phase II of the Capital Plaza development, thence parallel with column line 32, in an Easterly direction 24.0 feet, crossing column line A; thence at right angles and in a Southerly direction parallel to column line A, 5.0 feet; thence at right angle and in an Easterly direction 17.0 feet; thence at right angle and in a Southerly direction 30.0 feet; thence at right angle and in a Westerly direction 9.0 feet; thence at right angle and in a Southerly direction 138.0 feet; thence at right angle in an Easterly direction 131.0 feet to a point in the West line of the YMCA lease 1.0 feet East of line G'.

Being a part of the same property conveyed to the Commonwealth of Kentucky, by the Urban Renewal and Community Development Agency of Frankfort, Kentucky, by deed dated August 22, 1968, said deed being of record in Deed Book 217, page 176, et seq, in the Office of the County Court Clerk of Franklin County, Kentucky.

together with full right of ingress and egress to and from said gas line for the purpose of constructing, inspecting and maintaining said line.

(2) The Association agrees to construct its gas service line over the above described easement in conformity with plans and specifications approved by the Commonwealth.

(3) The Commonwealth further grants to the Association as a part of the leased premises and for the term of the original lease that space occupied by the overhang of the building, (a portion only of such space having been included in the original lease description) being rectangular and extending ten (10') feet from the center line of the building's exterior wall columns to the fascia of the overhang. This grant is not intended by the parties to provide any additional space at the ground or mezzanine levels and is solely for the purpose of permitting the existence of the aforementioned overhang.

It is expressly understood and agreed by and between the parties hereto that this Addendum to Lease is made subject to all of the laws of the Commonwealth of Kentucky, in existence at the effective date of this instrument, and if any one of the provisions of this instrument shall contravene or be invalid under such laws, such contravention or invalidity shall not invalidate the whole instrument but it shall be construed as if not containing







Frankfort Young Men's Christian Association, and of them as President and Secretary thereof, acting pursuant to a resolution of the Board of Directors of said Association.

Given under my hand and seal this 22<sup>nd</sup> day of September, 1971.

Betty Lee Hawkins  
Notary Public  
Kentucky State - at - Large

My Commission Expires: October 5, 1972

I HEREBY CERTIFY THAT THE FOREGOING INSTRUMENT WAS PREPARED BY:

William M. Johnson  
Attorney at Law  
204 St. Clair Street  
Frankfort, Kentucky 40601

William M. Johnson

EXAMINED AS TO FORM AND LEGALITY:

Charles D. Wickliff  
Charles D. Wickliff/  
Attorney  
Department of Finance  
Commonwealth of Kentucky  
Frankfort, Kentucky

5/11/69

LEASE

This Lease made and entered into by and between the Commonwealth of Kentucky, acting by and through its statutory agencies, the State Property and Buildings Commission and the Department of Finance, hereinafter referred to as "The Commonwealth", and the Frankfort Young Men's Christian Association, a non-profit corporation of Kentucky with its principal place of business at Frankfort, Kentucky, hereinafter referred to as the Association:

Witnesseth:

Whereas, the Commonwealth has acquired certain land in the Urban Renewal Area of the City of Frankfort, Kentucky, and has undertaken to construct thereon, by and through the Capital Plaza Authority, a public corporation created by Chapter 58, Kentucky Revised Statutes, and the State Property and Buildings Commission, a project known as the "Capital Plaza", and,

Whereas, the Master Plan for the said Capital Plaza provides for the inclusion therein of a building and appurtenances thereto which will be used to furnish facilities for the conduct of the Association's activities and,

Whereas, the parties hereto have agreed, one with the other, that the Commonwealth will lease to the Association, and the Association will take, the hereinafter described land and mezzanine - plaza areas on the terms and conditions contained herein, as a site for the erection of a building and

appurtenances designed in a manner to conform with the Master Plan for the development of the Capital Plaza project and,

Whereas, the parties have heretofore entered into a lease agreement dated May 29, 1968, which contained certain errors and omissions, which the parties desire to rectify by the substitution of this agreement.

Now therefore, it is hereby and herewith covenanted and agreed by and between the Commonwealth and the Association as follows, to-wit:

I

Each of the parties in consideration of the execution of this agreement, hereby releases unto the other, all rights and claims which either may have by virtue of the original lease agreement, dated May 29, 1968, and said lease agreement is hereby mutually declared to be cancelled, rescinded, set aside, and held for naught.

II

The Commonwealth, in consideration of the rental payments reserved, for itself and its assigns, hereby leases and demises unto the Association, and covenants to keep the Association in quiet and peaceful possession thereof, the following described land and spaces in that certain project in the City of Frankfort, known as the Capital Plaza Project and more particularly described as follows:

**GROUND LEVEL:**

Beginning at a point, (which point has a present ground elevation of approximately 494.17 feet above sea level), said point being one foot east of column line G', one foot south of column line No. 40 and being N 29 degrees 54' E, 194.72 feet from a point which is in the centerline of the L&N Railroad tracks 197.38 feet east of the intersection of the centerline of the L&N Railroad tracks and the centerline of Wilkinson Street, measured along the centerline at said railroad; thence N 29 degrees 54' E, 91.0 feet to a point on column line No. 36; thence with column line No. 36 S 60 degrees 06' E, 70.0 feet; thence S 29 degrees 54' W, 75.0 feet; thence S 60 degrees 06' E, 9.0 feet; thence S 29 degrees 54' W, 16.0 feet; thence N 60 degrees 06' W, 12.0 feet; thence S 29 degrees 54' W, 20.0 feet; thence N 60 degrees 06' W, 17.0 feet; thence N 29 degrees 54' E 20.0 feet; thence N 60 degrees 06' W, 50.0 feet to the point of beginning.

**MEZZANINE LEVEL:**

Beginning at a point, which point, has an elevation of 506.22 feet above sea level, said point being one foot east of column line G', one foot south of column line No. 40 and being N 29 degrees 54' E, 194.72 feet from a point which is in the centerline of the L&N Railroad tracks 197.38 feet east of the intersection of the centerline of the L&N Railroad tracks and the centerline of Wilkinson Street, measured along the centerline at said railroad; thence N 29 degrees 54' E, 91.0 feet to a point on column line No. 36; thence with column line No. 36 S 60 degrees 06' E, 238.0 feet; thence S 29 degrees 54' W, 91.0 feet; thence N 60 degrees 06' W 238.0 feet to the point of beginning. The same being a rectangular space at the mezzanine area and upward 238 feet by 91 feet. Said description includes a part of the property described in the "ground level" description above.

PARKING:

\* Also included as a part of the leased area are ten (10) vehicle parking spaces in proximity to the above described land and spaces, but not included in the descriptions thereof. Said parking spaces shall be designated by the lessor and marked as reserved for the use of lessee.

Being a part of the same property conveyed to the Commonwealth of Kentucky, by the Urban Renewal and Community Development Agency of Frankfort, Kentucky, by deed dated August 22, 1968, said deed being of record in Deed Book 217, page 176, et seq, in the Office of the County Court Clerk of Franklin County, Kentucky.

The above described property is owned by the Commonwealth and it has full authority to lease the same, and it further hereby confers upon the Association a license and right of ingress, egress and regress to and from the described property across the Commonwealth's contiguous property.

III

TO HAVE AND TO HOLD the above described land and spaces unto the Association, commencing upon and running from July 1, 1969, for a term of Ninety Nine (99) Years.

IV

For the term hereby established, the Association shall pay unto the Commonwealth as rental the sum of Thirty Thousand (\$30,000.00) Dollars payable in annual installments as follows:

\$600.00 due on the first day of July, 1970, and \$600.00 due on the first day of July, 1971, and the balance due in ninety-six (96) equal installments of \$300.00 each, beginning the first day of July, 1972, and the first day of July of each succeeding year with final payment due on the first day of July, 2067; said payments shall be made to the Kentucky State Treasurer through the Department of Finance or its successor. If the first day of July falls on a day when the commonwealth's offices are normally closed for business, then said payment is to be due on the first day of business thereafter.

The foregoing provision for payment notwithstanding, nothing contained herein shall preclude the Association from payment of the entire rental consideration or the unpaid balance thereof in advance.

V

The spaces hereby leased and demised unto the Association shall be used specifically as the site for the construction of a building and appurtenances thereto, providing facilities to house the usual functions and activities of the Young Men's Christian Association. Such buildings and appurtenances shall be designed in a manner to conform with the Master Plan for the development of the Capital Plaza Project, and shall be constructed in compliance with the building laws, ordinances and regulations of the City of Frankfort and the Commonwealth of Kentucky, and according to plans and specifications which have been approved by the Division of Engineering in the Department of Finance. Any deviation in the overall exterior design of the building or the plans and specifications for the construction thereof, must be approved



by the Division of Engineering and provision for such approval must be included in all Architect, Engineering, and Construction contracts let for the construction of the Building and appurtenances thereto.

The Association covenants and agrees that it will award contracts for the construction of improvements within twelve months after the date of this lease and prosecute diligently the construction work thereafter; to erect such building at its own cost and expense in such manner that no mechanics or materialmens liens or encumbrances of any kind, other than the mortgage hereinafter authorized, may attach to the leased premises or to the building. In the event of a failure so to do, the term of this lease and all rental payments made, or a part of them, may at the option of the Commonwealth be forfeited and the Association hereby covenants and agrees to surrender quietly possession of the same to the Commonwealth. This provision notwithstanding, nothing herein shall be construed as a prohibiting the Association, from pledging or mortgaging the interest in the premises hereunto let to the Association, to any Bank or other lending institution, or combination thereof, as security for monies loaned to the Association for the payment of construction costs and other expenditures in connection therewith, provided, however, that any mortgage or other security agreement will specifically include a provision that said lease premises shall not in any way be used in

a manner inconsistent with the use of other buildings in the Capital Plaza. Nothing herein shall prevent a mortgagee under a mortgage established as herein provided from correcting any breach or breaches of conditions and adding any expenses so incurred to its debt therein secured and proceeding to foreclosure at its option.

The Association covenants and agrees that at the expiration of the said term, or on any sooner termination as a result of a breach of any term hereof, or for any other reason or reasons, the improvements placed or erected in the leased spaces shall remain therein and shall not be removed, and shall be and become the property of the Commonwealth or its assigns, provided, however, that this lease may not be terminated by either party without 10 days written notice, to any mortgage holder on the premises which may, at its option, cure the default or defaults occurring and take assignment of the lease either by action of the parties hereto or by foreclosure action. Such action will vest title in the mortgagee subject to other terms and conditions contained in this lease. Further, provided, however, that upon payment of debt, costs and interest under said mortgage, prior to foreclosure or assignment, the rights of the mortgage holder shall cease and terminate.

VI

The Association may not assign this lease or

any interest therein other than as hereinabove provided on behalf of a bonafide mortgagee, without the prior written consent of the Commonwealth nor may it sublet the premises or any part thereof or permit the use of the premises except on a casual and non-recurring basis by any other party for any purpose inconsistent with the purpose of this lease, provided, however, that consent by the Commonwealth shall not unreasonably be withheld. Provided, however, that upon acquisition of the property by bonafide mortgagee through foreclosure or assignments as otherwise provided herein, consent of the Commonwealth will not be required, provided, the use shall not be derogatory to the Capital Plaza. Consent to one assignment or sublease shall not constitute a waiver of this provision, and all later assignments and subleases shall be made only on prior written consent of the Commonwealth. Assignees and subtenants shall become liable directly to the Commonwealth for all obligations of the Association hereunder without relieving the Association of such liability.

## VII

The Association covenants and agrees to indemnify and save harmless the Commonwealth of Kentucky, its Departments and Agencies, Officers, Agents and Employees, free from any costs, losses, or claims of whatever nature and kind which may be asserted or assessed against them or any of them, arising from the management and use of the demised premises, or the improvements to be located there-

on, by the Association during the term of this lease or arising from any act of negligence of the Association or any of its agents, contractors, or employees, or from any accident, injury, or damage whatsoever, however caused to any person or persons, or to the property of any person or persons (including corporations), occurring during said term on, in, or about the demised premises.

*insurance*

VIII

It is understood and agreed between the parties hereto that the Capital Plaza is a project designed to reflect the greatness and majesty of the Commonwealth of Kentucky and her people, and as such it is the duty of the Association and anyone who might claim under it, to so maintain the premises demised as a part of the Capital Plaza in a manner which will not detract from, but will enhance the overall appearance of the said Capital Plaza.

IX

The failure of the Commonwealth to insist, in any one or more instances, on a strict performance of any of the covenants of this lease, or to exercise any option herein contained, shall not be construed as a waiver or a relinquishment for the future, of such covenant or option, but the same shall remain in full force and effect. The receipt by the Commonwealth of any rental payment or payments, shall not be deemed a waiver of such breach and no waiver by the

authority of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Executive Director of the State Property and Buildings Commission as authorized agent for the Commonwealth.

X

Nothing contained herein shall preclude subsequent modification of or amendment to this lease by the parties hereto. Any such modification or amendment must be made in writing and executed in the same manner as this instrument.

XI

It is expressly understood and agreed by and between the parties hereto that this lease is made subject to all the laws of the Commonwealth of Kentucky in existence at the effective date of this lease and if any one of the provisions of this lease shall contravene or be invalid under such laws, such contravention or invalidity shall not invalidate the whole lease but it shall be construed as if not containing the particular provision or provisions held to be invalid, and the rights and obligations of the parties shall be construed and enforced accordingly. The Association hereby certifies that it is legally entitled to enter into contracts with the Commonwealth of Kentucky, and that in so doing and in the performance of same, it will not violate any conflict of interest statute or principle.



that Louie B. Nunn, Governor of the Commonwealth of Kentucky, and Chairman of the State Property and Buildings Commission, and Albert Christen, Commissioner of Finance of the Commonwealth of Kentucky and Executive Director of the State Property and Buildings Commission, personally appeared before me and acknowledged the within Lease to be the free and voluntary act of the State Property and Buildings Commission and the Department of Finance, and of the Commonwealth of Kentucky, and of them, acting in their official capacities pursuant to authority of laws.

Given under my hand and seal this 5th day of

November, 1969.

Betty Lee Hawkins  
Notary Public

My Commission expires: October 1, 1970

COMMONWEALTH OF KENTUCKY )  
COUNTY OF FRANKLIN ) SS

I, Betty Lee Hawkins, a Notary Public in and for the State and County aforesaid, hereby certify that William M. Johnson, President, and William A. Powers, Secretary, respectively, of the Frankfort Young Men's Christian Association personally appeared before me and acknowledged the within Lease to be the free and voluntary act of the Frankfort Young Men's Christian Association, and of them as President and Secretary thereof, acting pursuant to a resolution of

the Board of Directors of said Association.

Given under my hand and seal this 5<sup>th</sup> day of

November, 1969.

Betty Lee Hawkins  
Notary Public

My Commission expires: October 5, 1973

I HEREBY CERTIFY THAT THE  
FOREGOING INSTRUMENT WAS  
PREPARED BY:  
William M. Johnson  
Attorney at Law  
403 West Main Street  
Frankfort, Kentucky 40601

William M. Johnson

EXAMINED AS TO FORM AND  
LEGALITY:

Charles D. Wickliffe  
Charles D. Wickliffe  
Attorney  
Department of Finance  
Commonwealth of Kentucky  
Frankfort, Kentucky