



A Development of The Webb Companies and The Greer Companies

THE OFFICES AT CITY CENTER Lexington, Kentucky

May 8, 2023

TERM SHEET

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THE OFFICES AT CITY CENTER

Term Sheet

May 8, 2023

PROJECT: The Offices at City Center
100 West Main Street
Lexington, KY 40507



EXCLUSIVE MANAGING
& LEASING AGENT: The Webb Companies

BUILDING OWNERSHIP: The Offices at City Center, LLC a Kentucky limited liability company.

BUILDING: The Offices at City Center is part of a newly constructed mixed-use complex located in the heart of downtown Lexington, Kentucky. It includes a full-service Marriott Hotel with 218 guest rooms, a Marriott Residence Inn with 119 guest suites, 154,984± rentable square feet ("rsf") of Class-A office space ("The Offices at City Center") on the first nine floors of a twelve-story tower. The top 3 floors above the office tower are luxury condominium residences. Rounding out City Center is a Jeff Ruby's Steakhouse, a state-of-the-art Starbucks, Keeneland Mercantile, Infinity: A Skybar & Café atop the Residence Inn, a 700-space below ground parking garage and a newly opened Italian Restaurant, ItalX, on the ground level at the corner of Main and Upper Streets.



TERM: Seven (7) to ten (10) year minimum term.

ANNUAL BASE RENTAL
RATE: The annual Base Rental Rate starts at \$27.50 per rsf.

TYPE OF LEASE: The Base Rent is for a full-service lease subject to the terms of the Operating Expense Base.

PREMISES: Call for availability.
Typical floor size is 17,847 rsf.

OPERATING EXPENSE BASE:	<p>The annual Base Rental rate <u>includes</u> an Operating Expense Base ("OEB") equal to The Offices at City Center Operating Expenses incurred by the Landlord in calendar year 2023. The OEB provides for all reasonable and customary expenses incurred by the Landlord in the efficient operation of The Offices at City Center, including but not limited to utilities, janitorial service, a market-based management fee, real estate taxes, general and administrative expenses, building insurance and grounds care.</p> <p>If the actual Offices at City Center operating expenses incurred by the Landlord based on 95% occupancy exceed the OEB in any year of the term of the Lease following calendar year 2023 including any extensions thereof, Tenant will pay its proportionate share of such increases to the Landlord as additional rent for each such year.</p> <p>Expenses related to the Jeff Ruby Steak House, Starbucks and the condominium levels are not included in The Offices at City Center operating expenses.</p>
SPACE PLANNING & DESIGN:	Landlord, at no cost to the Tenant, will provide reasonable complimentary space planning services via Cathy Burgess Interiors, Ltd. as part of the leasing process.
TENANT IMPROVEMENT ALLOWANCE:	<p>The Tenant Improvement allowance (Allowance) is \$62.50 per rsf. For example, if a Tenant leases 5,000 rsf in the Office Building at City Center, the Allowance will be \$312,500.00 for the improvements to be made to the tenant's space above the building shell. (Re: 5,000 rsf X \$62.50 = \$312,500.00).</p> <p>In addition to the Allowance, a finished elevator lobby and finished men's and a women's restrooms will be provided by the Landlord on each floor of the Office Building.</p> <p>The cost of the tenant improvements, if any, that exceed the Allowance and are requested by the Tenant and approved of in advance and in writing by the Tenant will be paid by the Tenant to the Landlord's general contractor.</p>
CONSTRUCTION MANAGEMENT:	The Landlord will bid, contract for and coordinate the construction of the tenant improvements using its preferred general contractor with no fee or administrative mark-up paid to Landlord for such service.
RENEWAL OPTIONS:	To be negotiated.
SECURITY DEPOSIT/PREPAID RENT:	Requirement to be determined upon review the review of the tenant's financial information.
GUARANTOR:	TBD
SECURITY:	<ul style="list-style-type: none"> ○ After hours and weekend access will be through a card-key access system ○ Controlled after hours elevator access ○ Strategically placed security cameras throughout the City Center complex ○ A staffed security console in the Office Building lobby welcomes tenants and visitors during normal business hours ○ 24/7/365 security throughout the City Center complex

AMENITIES:	<ul style="list-style-type: none"> ○ On-site Starbucks ○ On-site Jeff Ruby's Steakhouse ○ On-site Keeneland Mercantile ○ On-site 700 car parking garage ○ On-site full-time professional building management by The Webb Companies ○ Otis Destination Dispatch Elevators ○ Adjacent Marriott Hotel and Marriott Residence Inn ○ Location ○ Efficiency ○ Janitorial service 5 nights weekly ○ Day porter service 5 days weekly ○ On-site security ○ Full-service lease
BUILDING ACCESS:	Tenants have access to the building 365 days per year, 24 hours per day.
CONNECTIVITY AND CABLE TELEVISION:	Connectivity will be available to Tenants at Tenant's expense through Spectrum, Windstream and other potential providers such as QX.net, CenturyLink and MetroNet
PARKING:	<p>Tenants can rent one (1) general parking space in the onsite below ground 700-car parking garage for each 1,000 rsf of space leased by tenant in the Offices at City Center. The initial monthly cost will be \$100.00 per month per space. The garage is managed by Central Parking Systems. The Landlord will assist the office tenant in arranging for additional employee parking within 1 – 1 ½ blocks from the building at market rates.</p> <p>Visitors and guests can park in the garage at market rates and Tenants can purchase validation programs through Central Parking Systems.</p> <p>Parking costs are subject to reasonable market rate adjustments.</p>
SIGNAGE:	Building lobby directory and lobby on tenant's floors. Signage shall be supplied, maintained and paid for by tenant. Subject to landlord's signage criteria.
DISCLOSURE AND BROKER'S COMMISSION:	The Webb Companies ("TWC") is the sole and exclusive broker representing the Landlord.
<u>MISCELLANEOUS</u>	
BUILDING MANAGEMENT:	The office building is professionally managed by The Webb Companies. The Webb Companies leases and manages nearly 3.5 million square feet of commercial real estate in the City of Lexington. A building manager and a maintenance person are on call 24 hours per day, 7 days per week.
HVAC:	Modern, high efficiency HVAC system. The perimeter of the building is served by electrical fan-powered boxes and the entire system is controlled by a central computerized energy management system for optimum performance and efficiency.

Heating, ventilating and air conditioning ("HVAC") is provided Monday through Friday from 8:00 a.m. to 6:00 p.m. and on Saturday from 9:00 a.m. to 2:00 p.m.; except for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

ELEVATORS: The Offices at City Center is served by three (3) top of the line Otis Destination Dispatch elevators.

OTHER: The Webb Companies, along with carefully selected outside contractors provide cleaning and maintenance services to all components of the building. Janitorial service is provided inside each Tenant space and throughout the Building common areas five (5) nights per week. Day porter service is provided five (5) days per week.

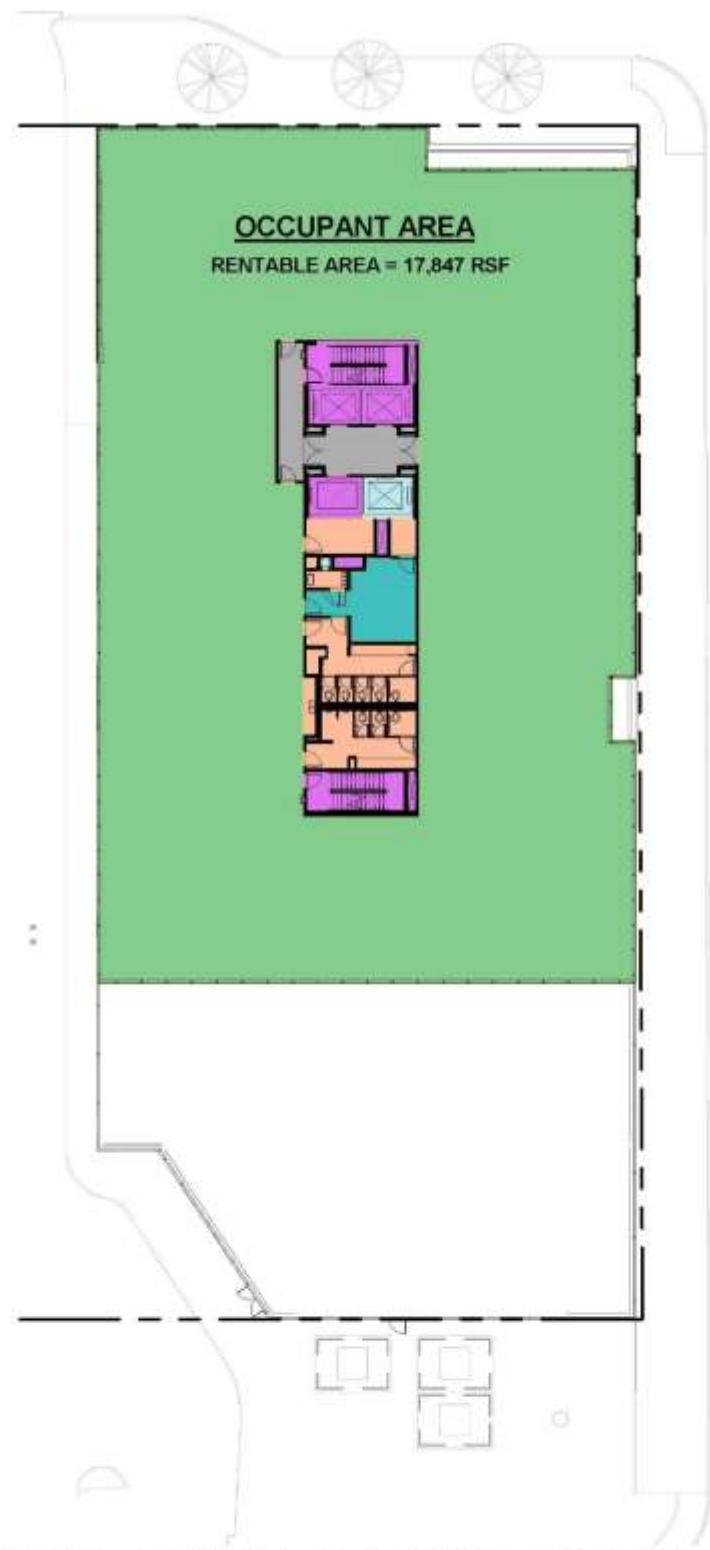
The Landlord will at all times operate and maintain the Building in accordance with a standard which is at least as high as customarily followed in the leasing, operation and maintenance of Class A office buildings in downtown Lexington, Kentucky.

The information herein contains **non-binding** lease terms. No contractual obligation of any type whatsoever is created on behalf the Landlord, Tenant, their owners, employees, officers, directors, members, agents or brokers. The information herein can be withdrawn or changed at any time and without notice. It is subject to availability of space, the review of acceptable financial statements from Tenant and final approval of the lease terms and conditions by the Landlord, in its sole and absolute discretion.

No proposal, counterproposal, term sheet, letter of intent, nor standing or oral statement shall be construed as binding agreement of any type whatsoever, or as a contract to enter into a lease. Any such correspondence or communication is only an exploration by the parties to determine if the basis for an agreement exists between the Landlord and Tenant. No party may claim any legal right against the other by reason of any action or inaction taken in reliance upon the terms hereof or any future proposal, term sheet, letter of intent or communication of any type.

No contractual obligation shall arise unless a mutually acceptable lease is fully executed, in Landlord's sole and absolute discretion, and delivered.

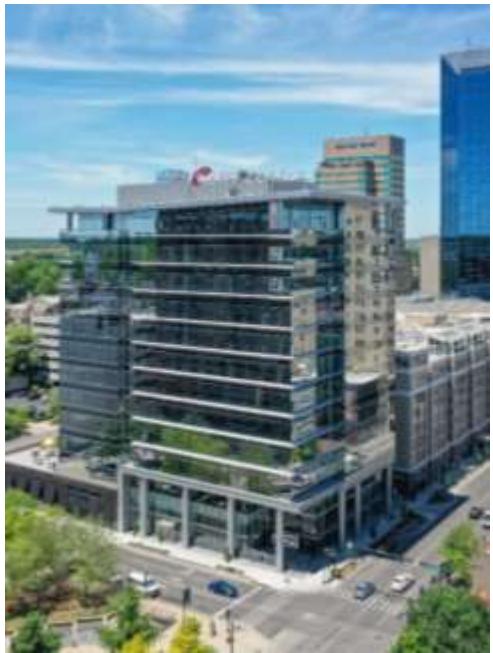
Other terms and conditions may apply.



OFFICE - TYPICAL LEVELS 03-09

AN OPPORTUNITY TO:

JOIN A COMMUNITY / RIDE TO WORK / GET OUTSIDE / WALK TO LUNCH / ENJOY DOWNTOWN



The Offices at City Center



The Offices at City Center Lobby



THE INTERSECTION OF ENERGY, **ACTIVITY, CULTURE, AND ART**



Fifth Third Pavilion



Historic Courthouse- Breeders' Cup



Proof Fitness

- Across from 21c Museum Hotel
- Located in the heart of downtown
- Proximity to the vibrant Fifth Third Pavilion, which offers a large range of programming and events throughout the year including Farmers Market and Thursday Night Live
- 40 + restaurants, hotels and retail offerings within walking distance
- Located in the center of Lexington's professional, financial, hospitality and entertainment district
- Steps from Limestone Hall at the Historic Courthouse
- State of the art Proof Fitness Center
- 365 room Hyatt Regency
- 300 room Hilton
- Rupp Arena at Central Bank Center
- Central Bank Center



TRANSPORTATION



Rupp Arena at Central Bank Center



WALK	Distillery District	Keeneland	University of Kentucky	Transylvania University	Jefferson Street
	24 min 1.2 miles	126 min 6.3 miles	15 min 0.7 miles	14 min 0.7 miles	18 min 0.9 miles
BIKE	Distillery District	Keeneland	University of Kentucky	Transylvania University	Jefferson Street
	7 min 1.2 miles	35 min 6.3 miles	8 min 0.9 miles	4 min 0.7 miles	6 min 0.9 miles
CAR	Airport	Keeneland	University of Kentucky	I-75	Jefferson Street
	14 min 5.9 miles	16 min 6.3 miles	6 min 1.1 miles	9 min 3.9 miles	4 min 0.9 miles

SURROUNDING AMENITIES



NEARBY RESTAURANT, RETAIL AND HOTEL HIGHLIGHTS



URBAN OUTFITTERS



Shakespeare and Co.



ON-SITE AMENITIES



Jeff Ruby's Steakhouse

- 9 floors 154,984 rentable square feet of Class-A office space + Luxury residential condominiums on the top 3 floors of the 12 story Offices at City Center tower
- Marriott Hotel with 218 rooms and 5,000 square feet of meeting & event space
- Residence Inn by Marriott with 119 guest suites, ItalX, & Infinity: A Skybar & Café
- Jeff Ruby's Steakhouse
- Keeneland Mercantile
- Starbucks
- 700-space onsite below ground parking garage
- Limestone Bank



Marriott Hotel



ItalX on the ground floor of the Marriott Residence Inn



Starbucks on the ground floor of the Offices at City Center



Keeneland Mercantile on the ground floor of the Offices at City Center



City Center Parking