

DRAFT

GROUND LEASE

THIS GROUND LEASE (“Ground Lease”) is made and entered into as of _____, 2016 by and between Clover Communities Lorain LLC, an Ohio limited liability company having an address as set forth in the definition of Notice Address in Article 1 (together with its lawful successors and permitted assignees, the “Ground Lessor”); and the Lorain Port Authority, a port authority and a body corporate and politic organized and existing under the laws of the State of Ohio, having an address as set forth in the definition of Notice Address in Article 1 (together with its lawful successors and permitted assignees, the “Ground Lessee”), under the circumstances hereinafter described, with each capitalized word or term used as a defined term but not otherwise defined herein having the meaning assigned to it in Article 1.

WITNESSETH:

WHEREAS, the Ground Lessor desires to lease the Project Site to the Ground Lessee, and the Ground Lessee desires to lease the Project Site from the Ground Lessor, for the purpose of the Ground Lessee’s acquisition, construction, equipping and installation of the Project Facilities on the Project Site, and the leasing by the Ground Lessee, as lessor (in such capacity, the “Lessor”) to the Ground Lessor, as lessee (in such capacity, the “Lessee”), of the Project Facilities and the Ground Lessee’s leasehold interest in the Project Site under the Lease;

WHEREAS, pursuant to and in accordance with Article VIII, Section 13 of the Ohio Constitution, the Act and the Authorizing Legislation, the Ground Lessee has determined to enter into the Construction Services Agreement with the Ground Lessor, in its capacity as Construction Services Provider, under which the Construction Services Provider shall agree to construct the Project in accordance with the terms therein;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, and in consideration of their respective covenants, agreements, representations and warranties hereinafter set forth, the Ground Lessor and the Ground Lessee hereby covenant, agree, represent and warrant as follows; *provided that*, any obligation of the Ground Lessee created by or arising out of this Ground Lease shall never constitute a general obligation, debt or bonded indebtedness of the Ground Lessee or give rise to any pecuniary liability of the Ground Lessee but shall be payable solely out of Additional Payments.

LEASE AND USE

1. DEFINITIONS.

(a) In addition to the words and terms elsewhere defined in this Ground Lease, each capitalized word or term set forth in this Section shall have the respective meaning set forth below, unless the context or use indicates another or different meaning or intent. The following definitions shall be applicable to both the singular and plural forms of any of the words and terms used herein.

“Act” means Sections 4582.21 through 4582.59, inclusive, of the Ohio Revised Code, as enacted and amended from time to time.

“Additional Payments” shall have the meaning assigned to it in the Lease.

“CERCLA” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. §§ 9601 et seq.), as enacted and amended from time to time.

“Claims” means liabilities, obligations, damages, losses, demands, penalties, fines, assessments by federal state or local authorities, claims, actions, suits, judgments, settlements, utility charges, costs, expenses and disbursements (including, without limitation, reasonable legal fees and expenses) of any kind and nature whatsoever.

“Construction Services Agreement” means the Construction Services Agreement dated as of _____, 2016 between the Ground Lessee and the Construction Services Provider, as amended or supplemented from time to time.

“Construction Services Provider” means Clover Communities Lorain LLC, an Ohio limited liability company, as an independent contractor for the Ground Lessee, for the purpose of acquiring, constructing, equipping and installing the Project Facilities, including the preparation of the Plans and Specifications therefor, together with its lawful successors and permitted assignees.

“Environmental Complaint” means any written notice of violation, request for information or notification that the Lessee or any other Person is potentially responsible for investigation or clean-up of environmental conditions at the Project or any demand letter or complaint, order, citation or other written notice with regard to any Hazardous Discharge in violation of Environmental Laws applicable to the Project or the interest of the Ground Lessor or the Ground Lessee therein.

“Environmental Laws” means any federal, state, local, municipal, foreign, international, multinational or other applicable constitutions, laws, ordinances, principles of common law, regulations, statutes or treaties designed to minimize, prevent, punish or remedy the consequences of actions that damage or threaten the environment or public health and safety, including without limitation, all applicable federal, state and local environmental, land use, zoning, health, chemical use, safety and sanitation laws, statutes, ordinances and codes relating

to the protection of the environment or governing the use, storage, treatment, generation, transportation, processing, handling, production or disposal of Hazardous Substances, and the rules, regulations, policies, guidelines, interpretations, decisions, orders and directives of federal, state and local governmental agencies and authorities with respect thereto, including, without limitation, CERCLA and Chapter 3734 of the Ohio Revised Code.

“Executive” means the Chairman, Vice-Chairman, Executive Director or Secretary of the Ground Lessor.

“Fiscal Officer” means the Fiscal Officer of the Ground Lessor.

“Force Majeure” means, without limitation, the following: acts of God; acts of public enemies; orders or restraints of any kind of the government of the United States or of the State or any of their departments, agencies, political subdivisions or officials, or any civil or military authority; insurrections; civil disturbances; riots; epidemics; landslides; lightning; earthquakes; fires; hurricanes; tornados; storms; droughts; floods; arrests; restraint of government and people; explosions; breakage, malfunction or accident to facilities, machinery, transmission pipes or canals; partial or entire failure of utilities; or any other event or circumstance outside the control of the Ground Lessor or the Ground Lessee, as applicable.

“Governmental Authority” means, collectively, the State, any political subdivision thereof, and any agency, department, commission, board or bureau thereof having jurisdiction over the Project.

“Ground Lease” means this Ground Lease, as it may be amended or supplemented from time to time in accordance with its terms.

“Ground Lease Rent” means the amount of one dollar (\$1.00) per year payable in advance on the date of delivery of this Ground lease and on October 1 of each year thereafter during the Lease Term.

“Ground Lease Term” means the period commencing on the date of execution and delivery of this Ground Lease and ending on the Ground Lease Termination Date.

“Ground Lease Termination Date” means _____, 20__ or such earlier date on which this Ground Lease may be terminated pursuant to Section 2.

“Hazardous Discharge” means any release or threat of release of a reportable quantity of any Hazardous Substance at the Project.

“Hazardous Substance” means, without limitation, any flammable explosives, radon, radioactive materials, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum and petroleum products, methane, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials as defined in CERCLA, the Hazardous Materials Transportation Act, as amended (49 U.S.C. §§1801, *et seq.*), RCRA, or any other applicable Environmental Law and in the regulations adopted pursuant thereto.

“Independent Counsel” means an attorney, reasonably acceptable to the Ground Lessee who is duly admitted to practice law before the highest court of the State and who is not a salaried employee of the Ground Lessor or the Ground Lessee.

“Insurance Requirements” means all insurance requirements and policies required to be carried under this Ground Lease and any other policies described in Exhibit C to this Ground Lease, and all material orders, rules, regulations or other requirements of the National Board of Fire Underwriters (or any other body exercising similar functions) applicable to or affecting the Project or any part thereof.

“Interest Rate for Advances” means _____.

“Lease” means the Lease dated as of the same date as this Ground Lease, between the Lessor and the Lessee, as it may be amended or supplemented from time to time in accordance with its terms.

“Lease Term” means the period commencing on the date of delivery of the Lease and ending on the Lease Termination Date.

“Lease Termination Date” means _____, 20__ or such earlier date on which the Lease may be terminated pursuant to Section 8.1 or 8.2 thereof.

“Legal Requirements” means all laws, statutes, codes, acts, ordinances, resolutions, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of all governments, departments, commissions, boards, courts, authorities, agencies, officials and officers, foreseen or unforeseen, ordinary or extraordinary, which now or at any time hereafter are applicable to the Project or any part thereof, or any use or condition of the Project or any part thereof.

“Legislative Authority” means the Board of Directors of the Ground Lessee.

“Lessee” means Clover Communities Lorain LLC, an Ohio limited liability company, together with its lawful successors and permitted assignees.

“Lessor” means the Lorain Port Authority, a port authority and a body corporate and politic organized and existing under the laws of the State of Ohio.

“Net Proceeds” means, when used with respect to any insurance proceeds or condemnation award, the gross proceeds thereof less the payment of all expenses, including attorneys’ fees, incurred in connection with the collection of such gross proceeds.

“Notice Address” means:

(a) As to the Lessee: Clover Communities Lorain LLC

With a copy to:

(b) As to the Ground Lessee: Lorain Port Authority
319 Black River Lane
Lorain, Ohio 44052
Attn: Executive Director

or such different address notice of which is given under Section 14.

“Other Charges” means charges for water, heat, gas, electricity, sewer, any and all other utilities as well as any other expense, cost, charge or other fees with respect to the Project Site or the operation, management, repair, rebuilding, use or occupancy thereof, or of any portion thereof.

“Person” or words importing persons means firms, associations, partnerships (including without limitation, general, limited and limited liability partnerships), joint ventures, societies, estates, trusts, corporations, limited liability corporations or companies, public or governmental bodies, other legal entities and natural persons.

“Plans and Specifications” means the preliminary plans and specifications for the Project, as now on file with the Ground Lessee, and as such shall be finalized (and thereafter may be changed from time to time) as provided in Section 2.2 of the Lease.

“Project” means, collectively, the Project Site and the Project Facilities.

“Project Facilities” means the facilities and other improvements to the Project Site described generally in Exhibit B, and more particularly described in the Plans and Specifications, together with any additions and improvements thereto, modifications thereof and substitutions therefor, less any removals of such property, all made in the manner and to the extent authorized by this Ground Lease.

“Project Purposes” means acquiring, constructing, equipping and installing real and personal property, or any combination thereof, constituting “port authority facilities”, as defined in the Act, for lease by the Lessor to the Lessee for use as residential apartment units and parking facilities, and including such uses and purposes as may result from a change in the Plans and Specifications and as may otherwise be permitted by the Act and the Lease.

“Project Site” means the real estate described in Exhibit A hereto, together with any additions thereto and less any removals therefrom, made in the manner and to the extent authorized by the Lease.

“RCRA” means the Resource Conservation and Recovery Act (42 U.S.C. §§6901 *et seq.*), as enacted and from time to time amended.

“Rental Payments” means the rent required to be paid by the Lessee to the Lessor in accordance with Section 3.1 of the Lease.

“Required Property Insurance Coverage” means the property insurance coverage included in the Insurance Requirements.

“Required Public Liability Insurance Coverage” means the public liability insurance coverage included in the Insurance Requirements.

“State” means the State of Ohio.

“Unavoidable Delays” means delays caused by strikes, lockouts, acts of God, inability to obtain labor or materials, governmental restrictions, enemy action, civil commotion, fire, terrorist action, epidemic, public utility failure, unavoidable casualty, moratorium or similar laws prohibiting performance or severe weather conditions or any other similar matter that is beyond the reasonable control of the Ground Lessee; *provided that*, the lack or insufficiency of funds shall not constitute an Unavoidable Delay.

(b) Any reference herein to the Ground Lessee, to the Legislative Authority or to any member or officer of either includes entities or officials succeeding to their respective functions, duties or responsibilities pursuant to or by operation of law or lawfully performing their functions.

Any reference to a section or provision of the Constitution of the State or the Act, or to a section, provision or chapter of the Ohio Revised Code or to any statute of the United States of America, includes that section, provision or chapter as amended, modified, revised, supplemented or superseded from time to time; provided that, no amendment, modification, revision, supplement or superseding section, provision or chapter shall be applicable solely by reason of this provision if it constitutes in any way an impairment of the rights or obligations of the Lessor, or the Lessee under this Ground Lease.

Unless the context indicates otherwise, words importing the singular number include the plural number, and vice versa; the terms “hereof,” “hereby,” “herein,” “hereto,” “hereunder” and similar terms refer to this Ground Lease; and the term “hereafter” means after, and the term “heretofore” means before, the date of delivery of this Ground Lease. Words of any gender include the correlative words of the other genders, unless the sense indicates otherwise.

Reference to a numbered or lettered Article, Exhibit, Section or subsection means that Article, Exhibit, Section or subsection of or to this Ground Lease, unless the context indicates a different meaning or intent.

(c) The captions and headings in this Ground Lease are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Articles, Sections, subsections, paragraphs, subparagraphs or clauses hereof.

2. LEASE OF PROJECT SITE; INITIAL USE.

(a) Project Site. Ground Lessor, for and in consideration of payment by the Ground Lessee of the Ground Lease Rent, and the covenants and conditions herein contained to be kept, performed, observed and satisfied by the Ground Lessee, hereby leases to the Ground Lessee, and the Ground Lessee hereby leases from the Ground Lessor, the Project Site for the Ground Lease Term.

(b) Use. Ground Lessee shall use, or cause the Project Site to be used, for the acquisition, construction, equipping and installation of the Project Facilities on the Project Site in accordance with Article 4. Ground Lessee shall sublease the Project Site, and lease the Project Facilities, to the Lessee under the Lease for the Lease Term, and upon termination of the Lease and Ground Lease, subject to the reversionary interests of and purchase option rights exercisable by the Lessee, the Ground Lessee shall have the right to use the Project, or lease the Project to any other Person, for any lawful purpose permitted by the Act.

(c) Ground Lessor's Warranty and Title. The Ground Lessor hereby represents and warrants that the Ground Lessor is the owner in fee simple absolute of the Project Site, subject to such matters of record and such matters as are described in Exhibit C (the "Permitted Exceptions"). Except as otherwise set forth expressly in this Ground Lease, the Ground Lessor agrees not to terminate, nor to amend, modify or waive, nor to grant its consent as contemplated under, any of the agreements, instruments or documents that constitute or evidence any of the Permitted Exceptions, without the prior written consent of the Ground Lessee which shall not be unreasonably withheld.

(d) Ground Lessor's Warranty of Quiet Enjoyment. Subject only to the Ground Lessor's rights as Lessee under the Lease, the Ground Lessor covenants and agrees that the Ground Lessee, upon paying the Ground Lease Rent and so long as it shall pay the Other Charges for, and keep, observe, perform and satisfy the covenants, conditions and terms of this Ground Lease on Ground Lessee's part to be kept, observed, performed and satisfied, shall lawfully and quietly hold, occupy and enjoy the Project Site during the Ground Lease Term, without hindrance or molestation of the Ground Lessor or any Person claiming by, through or under the Ground Lessor.

(e) Termination Upon Lessee Exercise of Purchase Option. This Ground Lease shall terminate on the Lease Termination Date in the event of exercise by the Ground Lessor, as Lessee under the Lease, of Ground Lessor's right to purchase the Project under Section 9.1 or 9.2 of the Lease.

(f) Termination Upon or Following Lease Termination. Ground Lessee shall have the right to terminate this Ground Lease upon or at any time after the Lease Termination Date by giving 30 days' notice in writing of termination to the Ground Lessor.

3. RENT, TAXES AND OTHER CHARGES.

(a) Rent. In consideration of the lease of the Project Site, the Ground Lessee agrees to pay the Ground Lease Rent to the Ground Lessor from time to time. If the Ground Lessee shall hold over after the expiration of the Ground Lease Term, or any extension thereof, such tenancy shall be from month-to-month on the terms, covenants and conditions of this Ground Lease.

(b) Taxes. From and after the commencement of the Ground Lease Term, the Ground Lessor agrees to pay, or cause or require to be paid, any and all real property taxes, special taxes or assessments that become due and payable upon or against the Project Site during the Ground Lease Term.

(c) Proration. For any fraction of a tax year at the beginning or end of the Ground Lease Term, the Ground Lessee's obligation shall be prorated as of the date of commencement or end, as applicable, of the Ground Lease Term. For any such fraction of a tax year at the beginning of the Ground Lease Term, the Ground Lessee agrees to reimburse the Ground Lessor for its portion of such taxes within 60 days after presentation to the Ground Lessee of receipted copies of the bills covering the same. For any such fraction of a tax year at the end of the Ground Lease Term, the Ground Lessor agrees to reimburse the Ground Lessee for the Ground Lessor's portion of such taxes within 60 days after presentation to the Ground Lessor of receipted copies of the tax bills.

(d) Excluded Taxes. Except to the extent expressly set forth in Section 3(b) above, the Ground Lessee shall not be required to pay, or cause to be paid, any tax of any sort with respect to the Project, including any franchise, estate, inheritance, succession, capital levy or transfer tax of Ground Lessor, or any income, excess profits or revenue tax or any other similar tax, assessment, charge or levy, and all such taxes, assessments, charges and levies shall be payable by Ground Lessor. Ground Lessor shall not, other than as provided in the Lease or the Construction Services Agreement, without Ground Lessee's written consent, do or permit or accede to any act that may cause taxes or assessments on the Project Site to be increased.

(e) Contest. The Ground Lessee shall have the right to contest the amount or validity of any tax by appropriate legal proceedings. The Ground Lessor shall, upon request, join in any such proceedings if the Ground Lessee determines that it shall be necessary or appropriate for the Ground Lessor to do so in order for the Ground Lessee to prosecute such proceedings properly.

(f) Other Charges. The Ground Lessee shall pay, or cause or require to be paid, any and all Other Charges payable with respect to the Project Site during the Ground Lease Term.

(g) Source of Payment. Except for the Ground Lease Rent, any amounts payable by Ground Lessee under this Section 3 shall be payable solely from amounts received for such purpose by the Ground Lessee pursuant to the Lease and the Construction Services Agreement.

4. CONSTRUCTION BY GROUND LESSEE; OWNERSHIP OF PROJECT FACILITIES.

(a) Construction of Project Facilities. The Ground Lessee hereby agrees to acquire, construct, equip and install, or cause to be acquired, constructed, equipped and installed, with reasonable dispatch and due diligence, in accordance with the schedule for acquisition, construction and otherwise improving of the Project Facilities in accordance with the Plans and Specifications and to deliver, or cause to be delivered, a certificate of occupancy as promptly as reasonably practical in accordance with the construction schedule, subject only to Unavoidable Delays and, in the event of an Unavoidable Delay, only to the extent of the delay directly attributable to any such Unavoidable Delay; *provided that*, (i) the Ground Lessor acknowledges and agrees that under the Construction Services Agreement it, as Construction Services Provider, has assumed responsibility for the acquisition, construction, equipping and installation of the Project Facilities in accordance with the Plans and Specifications and the construction schedule, and that the Ground Lessee does not have any responsibility for the performance of, or any duty or obligation to perform any aspect of, the acquisition, construction, equipping or installation of the Project Facilities, except as expressly set forth in the Construction Services Agreement, and the Ground Lessee has not made, and does not and will not make, any warranty, express or implied, concerning the condition or suitability of the Project Site or the Project Facilities, or the quality or suitability of any construction or other improvements or of the Plans and Specifications, and (ii) the Plans and Specifications are on file with the Construction Services Provider and the Ground Lessee in the form available at present, and the Ground Lessor and the Ground Lessee acknowledge that the Plans and Specifications may require refinement, and each agrees to cooperate with one another, and the Construction Services Provider, in completing any such refinement of the Plans and Specifications and obtaining all necessary approvals thereof, as promptly as is feasible. The final Plans and Specifications approved by the Lessee shall be placed on file with the Construction Services Provider and the Ground Lessee and may be changed from time to time at the request of the Ground Lessor, subject to the terms and conditions of subsection 4(e) of the Construction Services Agreement, as the Ground Lessor determines to be necessary or desirable to enable the Ground Lessor to occupy and use the Project for the Project Purposes.

(b) Easements and Dedications. In order to provide for the orderly development of the Project Site, it may be necessary, desirable or required that street, water, sewage, drainage, gas, power line and other easements and dedications and similar rights be granted or dedicated in favor of Ground Lessee over or within portions of the Project Site. The Ground Lessor and the Ground Lessee, each shall, upon request of the other, join together in executing and delivering such documents from time to time and throughout the Ground Lease Term as may be appropriate, necessary or required by governmental agencies and public utilities for the purpose of granting such easements and dedications in favor of the Ground Lessee in, on, under or over the Project Site.

(c) Zoning and Other Governmental Approvals. For so long as the Lease is in effect and in the event that Ground Lessor has failed, after notice by Ground Lessee, to obtain use, zoning or other permits required for the construction of the Project Facilities, and the Ground Lessee reasonably deems it necessary or appropriate to obtain use, zoning or other permits for the Project Site or any part thereof, or the use thereof, the Ground Lessor agrees, at its cost and expense and from time to time upon request of the Ground Lessee, to execute such documents, petitions, applications and authorizations as may be appropriate or required for the purposes of obtaining conditional use permits, zoning and rezoning approval, or other necessary or appropriate governmental approvals so as to permit the Ground Lessee to fully utilize the Project Site.

(d) Restrictions. At the request of the Ground Lessee, the Ground Lessor shall, at its cost and expense and from time to time, execute and deliver or join in the execution and delivery of, such documents as are appropriate, necessary, or required to impose upon the Project Site any covenant, condition or restriction that may be necessary or desirable for the orderly development of the Project Site.

5. OWNERSHIP OF PROJECT FACILITIES AND FIXTURES AND REMOVAL.

Notwithstanding any determination of ownership for federal tax purposes, it is expressly understood and agreed that, subject to the terms and conditions of the Lease, the Project Facilities and all other buildings and fixtures of any nature whatsoever at any time acquired, constructed, placed or maintained upon any part of the Project Site shall be and remain the property of the Ground Lessee at all times during the Ground Lease Term. Notwithstanding the foregoing, to the extent that the Ground Lessee has subleased all or a portion of the Project Site or any manager, licensee or other Person has the right to use all or a portion of the Project Site, that party shall have the right to remove any personal property that it has placed on or in the Project Site or the Project Facilities at the expiration of the Ground Lease Term.

Subject to the Lease (so long as there is not any continuing Event of Default thereunder), the Ground Lessee shall have the right, at any time and from time to time during the Ground Lease Term, to erect, maintain, alter, remodel, reconstruct, rebuild, replace and remove buildings on the Project Site and correct and change the contour of the Project Site, or permit the Ground Lessor to do the same; *provided, however, that* the cost of any of the foregoing shall not be borne or paid for by the Ground Lessor unless the Ground Lessor consents to pay those costs.

6. LEASEHOLD MORTGAGES.

(a) Ground Lessee's Right to Encumber Without Ground Lessor's Consent. Subject to the Lease (so long as there is not any continuing Event of Default thereunder), the Ground Lessee may, at any time or from time to time during the Ground Lease Term, encumber by mortgage or other security instrument by way of assignment or otherwise, the Ground Lessee's interest under this Ground Lease and the leasehold estate hereby created, for any purpose permitted by the Act. In no event, however, shall the Ground Lessee be permitted to encumber the Ground Lessor's fee interest in the Project Site.

(b) Assignment of Subleases. Subject to the Lease (so long as there is not any continuing Event of Default thereunder), the Ground Lessee shall have the absolute right to collaterally assign any sublease relating to all or any part of the Project Site (a "Sublease") to any leasehold mortgage lender without the Ground Lessor's consent.

(c) Notice; Obligations of Ground Lessor. If the Ground Lessee, or its lawful successors or permitted assignees, shall mortgage the Ground Lessee's leasehold interest, or any part or parts thereof, at any time in accordance with this Article 6, and if the leasehold mortgagee shall send to Ground Lessor, at any time, a true copy thereof, together with written notice specifying the name and address of the leasehold mortgagee, and the pertinent recording data with respect to such mortgage, the Ground Lessor agrees that so long as any such leasehold mortgage shall remain unsatisfied of record, or until written notice of satisfaction is given by the holder to the Ground Lessor, the following provisions shall apply:

(i) The Ground Lessor shall, upon serving the Ground Lessee with any notice of default, simultaneously serve a copy of such notice upon the leasehold mortgagee. The leasehold mortgagee shall thereupon have the same period as the Ground Lessee plus 45 days, after service of such notice upon such mortgagee, to remedy or cause to be remedied the defaults, and the Ground Lessor shall accept such performance by or at the instigation of such leasehold mortgagee as if the same had been done by Ground Lessee; *provided that*, if such default is not curable solely by the payment of money, and the leasehold mortgagee is unable, with the exercise of due diligence, to cure the default within that 45-day period, the time within which the leasehold mortgagee is permitted to cure the default shall be extended for such additional period of time as may be necessary for the completion of such cure with diligence.

(ii) While such leasehold mortgage remains unsatisfied of record, or until written notice of satisfaction is given by the leasehold mortgagee to the Ground Lessor, if any default hereunder occurs that entitles the Ground Lessor to terminate this Ground Lease, and if, within 45 days from the date of service of notice of termination upon the leasehold mortgagee, the leasehold mortgagee has notified the Ground Lessor of the leasehold mortgagee's desire to nullify that notice and has paid to Ground Lessor all installments of Ground Lease Rent and Other Charges then due and payable, and shall have complied, or be acting with due diligence to perform or satisfy any other requirements or conditions of this Ground Lease as to which the Ground Lessee is in default, and agrees to continue to pay all installments of Ground Lease Rent and Other Charges, then the Ground Lessor shall not be entitled to terminate this Ground Lease and any notice of termination theretofore given shall be ineffective;

(iii) If the Ground Lessor elects to terminate this Ground Lease by reason of Ground Lessee's default, then in addition to the leasehold mortgagee's right to nullify any notice of termination by timely curing the default, the leasehold mortgagee also shall have the right to postpone and extend the specified termination date fixed by Ground Lessor in its notice of termination, for a period

of not more than 180 days (except as extended as hereinafter provided); *provided that*, within 45 days from the date of service of notice of termination, the leasehold mortgagee cures, or causes to be cured, any then existing monetary defaults and thereafter pays when due all Ground Lease Rent and Other Charges and complies with and performs all of the other terms, conditions and provisions of this Ground Lease to be complied with and performed by the Ground Lessee; *and, provided further that*, the leasehold mortgagee shall forthwith act with due diligence to acquire or sell the Ground Lessee's interest in this Ground Lease by foreclosure of its mortgage or otherwise. If, at the end of that 180-day period, the leasehold mortgagee continues to be acting diligently to acquire or sell Ground Lessee's interest under this Ground Lease, the time for the leasehold mortgagee to comply with the provisions of this Article 6 shall be extended for such period as shall be reasonably necessary to enable the leasehold mortgagee to complete those actions with reasonable diligence and continuity; otherwise, this Ground Lease shall terminate at the end of that 180-day period;

(iv) The Ground Lessor agrees that the name of the leasehold mortgagee may be added to the "Loss Payable Endorsement" of any and all insurance policies required to be carried by the Ground Lessee hereunder, but only on condition that the insurance proceeds are applied in the manner specified in this Ground Lease, which the leasehold mortgage or other collateral documents shall provide; and

(v) The Ground Lessor agrees that if this Ground Lease is terminated by reason of any default by Ground Lessee, then, upon request of the leasehold mortgagee, the Ground Lessor will enter into a new ground lease of the Project Site with that leasehold mortgagee or its nominee for the remainder of the Ground Lease Term, effective as of the termination date, at the same Ground Lease Rent and Other Charges and upon the terms, provisions, covenants and agreements contained in this Ground Lease and subject to the then existing state of title and rights, if any, of any parties then in possession of any part of the Project Site, *provided that*:

(aa) The leasehold mortgagee or its nominee shall make written request upon Ground Lessor for such new ground lease within 30 days after the termination date (as the same may be postponed or extended as hereinbefore provided) and such written request is accompanied by payment to the Ground Lessor of the amount then due and payable to the Ground Lessor under this Ground Lease;

(bb) The leasehold mortgagee or its nominee shall pay to the Ground Lessor at the time of the execution and delivery of the new ground lease, all amounts that would, at the time of the execution and delivery thereof, be due pursuant to this Ground Lease for such termination and, in addition thereto, all reasonable expenses, including reasonable attorneys

fees, that the Ground Lessor has incurred by reason of Ground Lessee's default;

(cc) The leasehold mortgagee or its nominee shall perform and observe all covenants herein contained on Ground Lessee's part to be performed and remedy any other conditions that the Ground Lessee was obligated to perform under the terms of this Ground Lease and, upon execution and delivery of such new ground lease (the "New Ground Lease"), any Subleases that may have theretofore been assigned and transferred by the Ground Lessee to the Ground Lessor as security under this Ground Lease shall thereupon be deemed to be held by the Ground Lessor as security for the performance of all of the obligations of the tenant under the new ground lease;

(dd) The leasehold mortgagee or its nominee, as tenant under the New Ground Lease, shall be entitled to possession of the Project Site, subject to the rights, if any, of the Ground Lessee and any subtenants or other occupants or users of the Project Site claiming by, through or under the Ground Lessee; the Ground Lessor not being required to warrant possession of the Project Site to the tenant under the New Ground Lease; provided however, that the leasehold mortgagee shall be required to lease the Project to the Ground Lessor under a new lease that is on the same terms and conditions as the Lease, and the leasehold mortgagee's rights of possession shall be subject to the Ground Lessor's rights under the Lease;

(ee) The New Ground Lease shall be expressly made subject to the rights, if any, of the Ground Lessee under the terminated Ground Lease;

(ff) Subject to the rights, if any, of the Ground Lessee under the terminated Ground Lease, the new tenant under the New Ground Lease shall have the same right, title and interest in and to the buildings and Project Facilities on the Project Site as the Ground Lessee had under the terminated Ground Lease; and

(gg) The New Ground Lease shall provide that the new tenant thereunder shall not have any obligation or liability thereunder after the termination or earlier expiration of the New Ground Lease except for any obligation or liability specifically provided herein or any comparable provision in the New Ground Lease.

7. MECHANICS' LIENS.

(a) Prohibition of Liens on Fee or Leasehold Interest. The Ground Lessee shall not suffer or permit any mechanics' liens, materialmen's or other liens to be filed against the fee interest of the Ground Lessor in the Project Site. Except for this Ground Lease and the Mortgage, the Ground Lessor shall not sell or otherwise dispose of, or grant or convey or cause

to be filed any mortgage lien, mechanics' lien, restriction or other lien or encumbrance against, the fee interest of the Ground Lessor in the Project Site.

(b) Removal of Liens by Lessee. If any mechanics' lien or materialman's lien is filed against the Ground Lessor's fee interest in the Project Site as a result of the Ground Lessee's breach of its covenant in Section 7(a), the Ground Lessee shall cause the same to be removed within 60 days or, in the alternative, if the Ground Lessee in good faith wishes to contest the lien, the Ground Lessee shall be permitted to do so but hereby agrees to cause any party contesting the lien, including any sublessee, to indemnify and save the Ground Lessor harmless from all liability for damages occasioned thereby and shall, in the event of a judgment of foreclosure upon the lien, cause it to be discharged and removed prior to the execution of such judgment. In the event the Ground Lessee fails to remove any such lien in the manner herein provided, then the Ground Lessor may, but shall not be obligated to, take such action as it deems appropriate to cause the removal of the lien.

8. CONDEMNATION.

The following provisions are subject to the rights of the Ground Lessor, as Lessee under the Lease, to terminate the Lease under Section 9.2 thereof, and thereby terminate this Ground Lease under Section 2(e) hereof.

(a) Interest of Parties on Condemnation. In the event the Project Site or any part thereof is taken for public purposes by condemnation as a result of an eminent domain proceeding, or is transferred in lieu of condemnation to any governmental authority entitled to exercise the power of eminent domain, the interests of the Ground Lessor and the Ground Lessee in the award or consideration for such transfer and the effect of the taking or transfer upon this Ground Lease shall be as provided by this Article.

(b) Total Taking – Termination. In the event the entire Project Site is taken or so transferred, this Ground Lease and all of the right, title and interest hereunder shall cease on the date title to the Project Site vests in the condemning authority, and the proceeds of condemnation shall be allocated first to the Ground Lessee to the extent of the greater of (a) the value of the Project Facilities made or constructed by Ground Lessee or (b) the amount paid, incurred or advanced by the Ground Lessee in respect of the Project Facilities made by Ground Lessee to the Project Site, including the acquisition, construction or other cost of any Project Facilities and any other buildings so acquired, constructed or otherwise improved, and fees and expenses of engineers and architects, fees, costs and expenses incurred in connection with financing any Project Facilities and other items and other fees costs and expenses in connection therewith. The balance, if any, shall belong to the Ground Lessor, so long as no Default or Event of Default shall exist under the Lease or any leasehold mortgage, and if such a Default or Event of Default exists, such proceeds may be retained by Ground Lessee and applied to the payment or prepayment of any obligations owed by Ground Lessee under the Lease or any leasehold mortgage, as the case may be, in such order as Ground Lessee may elect, or in such order as required by the Lease or as directed by a leasehold mortgagee.

(c) Partial Taking – Termination. In the event of the taking or transfer of only a part of the Project Site leaving the remainder of the Project Site in such location or in such form, shape, or reduced size as to be not effectively and practicably useable in the sole discretion of Ground Lessee for the purpose of operation of business thereon, this Ground Lease and all right, title and interest thereunder shall cease on the date title to the Project Site or the portion thereof so taken or transferred vests in the condemning authority and the proceeds of such condemnation shall be divided as provided in Section 8(b).

(d) Partial Taking – Continuation. In the event of the taking or transfer of only a part of the Project Site leaving the remainder of the Project Site in such location and in such form, shape, or size as to be used effectively and practicably in the sole discretion of Ground Lessee for the purpose of operation of business thereon, as of the date title to such portion vests in the condemning authority, this Ground Lease shall continue. In the event of any such partial taking or transfer, the proceeds thereof shall be made available to Ground Lessee to make such repairs and replacements that in the judgment of Ground Lessee, subject to the Lease, and any leasehold mortgagee of Ground Lessee are necessary or appropriate for the operation of business thereon and to compensate Ground Lessee for any of its property that was taken, as determined by Ground Lessee. Any such proceeds remaining thereafter shall be delivered to Ground Lessor, so long as no Default or Event of Default shall exist under the Lease or any leasehold mortgage, and if such a Default or Event of Default exists, such proceeds may be retained by Ground Lessee and applied to the payment or prepayment of any obligations owed by Ground Lessee under the Lease or any leasehold mortgage, in such order as Ground Lessee may elect, or in such order as required by the Lease or as directed by a leasehold mortgagee.

9. INSURANCE.

The terms and conditions of the insurance to be provided under this Section shall be governed by the Lease.

10. ASSIGNMENT AND SUBLEASE

(a) Ground Lessee's Rights. Ground Lessee shall have the right to enter into the Lease. During the term of the Lease, the Lessee may sublet, or permit any sublessee or other Person to sublet, the Project, in whole or in part, without Ground Lessor's consent. After the termination or expiration of the Lease, if the Lessee has not exercised its right under the Lease to purchase the Project, the Ground Lessee may sublet, or permit any sublessee or other Person to sublet, the Project, in whole or in part, without Ground Lessor's consent. During the term of the Lease, Ground Lessee shall have the right to assign this Ground Lease, in whole or in part (i) with Ground Lessor's prior written consent, which shall not be unreasonably withheld, so long as no Event of Default under the Lease has occurred and is continuing and so long as the Lessee has not given notice to Ground Lessee that the Lessee will exercise its option under the Lease to purchase the Project upon termination of Lease, and (ii) without Ground Lessor's prior written consent, if an Event of Default under the Lease has occurred and is continuing. Ground Lessee shall in each instance provide Ground Lessor a true and complete copy of any such assignment or sublease. Upon any assignment of this Ground Lease, the Ground Lessee shall be released

from the performance and observance of all obligations and all liabilities under this Ground Lease on and after the date of that assignment, and Ground Lessor shall look solely to the assignee for the performance and observance of those obligations and liabilities. Following an assignment of this Ground Lease, the assignee's right to further assign this Ground Lease shall be subject to the same terms and conditions as those applicable to the initial Ground Lessee hereunder. The Ground Lessor may not assign its interest under this Ground Lease and any such transfer shall be made subject to this Ground Lease and the interest of the Ground Lessee hereunder.

(b) Foreclosure Sale Purchaser as Assignee. Any purchaser at a foreclosure sale of Ground Lessee's interest under this Ground Lease shall be deemed to be an assignee accepting assignment thereof, from and after the effective date of the assignment, transfer, or conveyance of such interest and shall thereupon be bound to perform the provisions of this Ground Lease to be performed by Ground Lessee hereunder.

(c) Estoppel Certificates. Either party shall at any time and from time to time, upon not fewer than 30 days' prior written notice by the other party, execute, acknowledge and deliver to such party a statement in writing certifying that this Ground Lease is unmodified and in full force and effect (or if there has been any modification thereof, that the same is in full force and effect as modified and setting forth the modification or modifications) and that there are no defaults existing (or if there is any claimed default, stating the nature and extent thereof); and stating the dates to which the Rental Payments and Other Charges have been paid. It is expressly understood and agreed that any prospective assignee or sublessee of Ground Lessee's leasehold estate, or any prospective purchaser of the fee estate of Ground Lessor, or any lender or prospective assignee of any lender on the security of the Project Site or the fee estate or any part thereof, may rely upon any such statement.

11. NON-MERGER

There shall be no merger of this Ground Lease, or of the leasehold estate created by this Ground Lease, with the fee estate in the Project Site by reason of the fact that this Ground Lease, the leasehold estate created by this Ground Lease, or any interest in this Ground Lease or in any such leasehold estate, may be held, directly or indirectly, by or for the account of any person who shall own the fee estate in the Project Site or any interest in such fee estate. No such merger shall occur unless and until all persons at the time having an interest in the fee estate in the Project Site and all persons having an interest in this Ground Lease, or in the leasehold estate created by this Ground Lease, shall join in a written instrument consenting to and effecting such merger and shall duly record the same.

12. LAW OF STATE

This Ground Lease shall be governed by and construed in accordance with the laws of the State, without reference to principles of conflicts of law.

13. REPRESENTATIONS

(a) Ground Lessor Representations. Ground Lessor warrants and represents that Ground Lessor has the power and authority to execute this Ground Lease. Ground Lessor further represents that there is no agreement binding upon Ground Lessor nor any litigation pending or threatened against Ground Lessor that would prohibit Ground Lessor from executing this Ground Lease or performing Ground Lessor's obligations hereunder.

(b) Ground Lessee Representations. Ground Lessee warrants and represents that Ground Lessee has the power and authority to execute this Ground Lease. Ground Lessee further represents that there is no agreement binding upon Ground Lessee nor any litigation pending or threatened against Ground Lessee that would prohibit Ground Lessee from executing this Ground Lease or performing Ground Lessee's obligations hereunder.

14. GENERAL PROVISIONS

(a) Provisions Run with the Project Site. All of the provisions of this Ground Lease shall be deemed as running with the Project Site.

(b) No Waiver of Breach. No failure by either the Ground Lessor or the Ground Lessee to insist upon the strict performance by the other of any covenant, agreement, term or condition of this Ground Lease or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or of such covenant, agreement, term or condition. No waiver of any breach shall affect or alter this Ground Lease but each and every covenant, condition, agreement and term of this Ground Lease shall continue in full force and effect with respect to any other then existing or subsequent breach.

(c) Liability and Indemnification. The Ground Lessor shall indemnify, defend and save the Ground Lessee, its agents, officers, directors, trustees, employees, successors and assigns, harmless from and against all liability, judgments, claims, demands, suits, actions, losses, penalties, fines, damages, costs and expenses, including reasonable attorneys' fees, of any kind or nature whatsoever, due to or arising out of or from any breach, violation or nonperformance of any covenant, condition, provision or agreement in this Ground Lease set forth and contained on the part of the Ground Lessor to be fulfilled, kept, observed and performed, and claims of every kind or nature except to the extent due to or arising out of or from the gross negligence or willful misconduct of the party seeking indemnification. The Ground Lessee shall cause any sublessee, including the Lessee, to indemnify, defend and save the Ground Lessor harmless from and against all liabilities, judgments, claims, demands, suits, actions, losses, penalties, fines, damages, costs and expenses, including reasonable attorneys' fees, of any kind or nature whatsoever, due to or arising out of or from any breach, violation or nonperformance of any covenant, condition, provision or agreement in this Ground Lease set forth and contained on the part of Ground Lessee to be fulfilled, kept, observed and performed, except to the extent due to or arising out of or from any act of omission of the Ground Lessor.

The Ground Lessor agrees to indemnify, hold harmless and defend the Ground Lessee from and against any and all Claims (including without limitation third party Claims for

personal injury or real or personal property damage), losses (including but not limited to any loss of value of the Project), damages, liabilities, fines, penalties, charges, administrative and judicial proceedings (including informal proceedings) and orders, judgments, remedial action, requirements, enforcement actions of any kind, and all reasonable and documented costs and expenses incurred in connection therewith (including but not limited to reasonable and documented attorneys' and/or paralegals' fees and expenses), including, but not limited to, all costs incurred in connection with any investigation or monitoring of site conditions or any clean-up, remedial, removal or restoration work by any governmental authority that represent pre-existing environmental risks or result from the Ground Lessor's own actions or failures to act while in possession or control of the Project Site, arising directly or indirectly, in whole or in part, out of:

(i) the presence on or under the Project Site of any Hazardous Materials, or any releases or discharges of any Hazardous Materials on, under, from or onto the Project Site or the Project Facilities;

(ii) any activity, including, without limitation, construction, carried on or undertaken on or off the Project Site, and whether by the Ground Lessor, or any predecessor in title or any employees, agents, contractors or subcontractors of the Ground Lessor, or any predecessor in title, or any other Persons (including the Ground Lessee), in connection with the handling, treatment, removal, storage, decontamination, clean-up, transport or disposal of any Hazardous Materials that at any time are located or present on or under or that at any time migrate, flow, percolate, diffuse or in any way move onto or under the Project Site;

(iii) loss of or damage to any property or the environment (including, without limitation, clean-up costs, response costs, remediation and removal costs, cost of corrective action, costs of financial assurance, fines and penalties and natural resource damages), or death or injury to any Person, and all expenses associated with the protection of wildlife, aquatic species, vegetation, flora and fauna, and any mitigative action required by or under Environmental Laws;

(iv) any claim concerning lack of compliance with Environmental Laws, or any act or omission causing an environmental condition that requires remediation or would allow any governmental authority to record a lien or encumbrance on the Project Site records; or

(v) any residual contamination on or under the Project Site, or affecting any natural resources, and any contamination of any property or natural resources arising in connection with the generation, use, handling, storage, transport or disposal of any such Hazardous Materials, and irrespective of whether any of such activities were or will be undertaken in accordance with applicable laws, regulations, codes and ordinances; in any case arising or occurring (y) prior to or during the Term or (z) at any time during which the Ground Lessor or any affiliate thereof owns any interest in, including a leasehold interest, or otherwise occupies or possesses the Leased Property or any portion thereof.

(d) Time of Essence. Time is of the essence of this Ground Lease and of each provision.

(e) Computation of Time. The time in which any act provided by this Ground Lease is to be done is computed by excluding the first day and including the last, unless the last day is a Saturday, Sunday, or legal holiday, and then it is also excluded.

(f) Unavoidable Delay - Force Majeure. If either party shall be delayed or prevented from the performance of any act required by this Ground Lease by reason of acts of God, strikes, lockouts, labor troubles, inability to procure materials, restrictive governmental laws, or regulations or other cause, without fault and beyond the reasonable control of the party obligated (financial inability excepted), performance of such act shall be excused for the period of the delay; and the period for the performance of any such be extended for a period equivalent to the period of such delay, provided, however, nothing herein shall excuse Ground Lessee from the prompt payment of any Rental Payments or Other Charges required by Ground Lessee except as may be expressly provided elsewhere in this Ground Lease.

(g) Successors in Interest. All of the terms, covenants, conditions, and restrictions in the Ground Lease shall inure to the benefit of and shall be binding upon the successors in interest of Ground Lessor and Ground Lessee and their permitted transferees, subtenants, licensees and assigns.

(h) Entire Agreement. This Ground Lease contains the entire agreement of the parties with respect to the matters covered by this Ground Lease and no other agreement, statement or promise made by any party or any employee, officer or agent of any party which is not contained in this Ground Lease shall be binding or valid.

(i) Net Lease. It is understood and agreed that this Ground Lease is intended to be a net lease. It is the intention of the parties that the Rental Payments shall be payable to Ground Lessor, without set-off or off-set whatsoever, except as specifically provided herein.

(j) Partial Invalidity. If any term, covenant, condition or provision of this Ground Lease is held by a court of competent jurisdiction to be invalid, void or enforceable, the remainder of the provisions herein shall remain in full force and effect and shall in no way be affected impaired or invalidated.

(k) Relationship of Parties. Nothing contained in this Ground Lease shall be deemed or construed by the parties or by any third person to create the relationship of principal and agent or of partnership or of joint venture or of any association between Ground Lessor and Ground Lessee, and neither the method of computation of Rental Payments nor any acts of the parties shall be deemed to create any relationship between Ground Lessor and Ground Lessee other than the relationship of Ground Lessor and Ground Lessee.

(l) Terms Include Extensions. All references to the Ground Lease Term shall include any extensions of such Term.

(m) Interest. Any amount accruing to the Ground Lessor or the Ground Lessee under the provisions of this Ground Lease that is not paid when due shall bear interest at the rate of ten percent (10%) per year from the date written notice specifying nonpayment is served on the defaulting party until paid.

(n) Modification. This Ground Lease is not subject to modification except in writing signed by the Ground Lessor and Ground Lessee, and during the Ground Lease Term.

(o) Notices – Method and Time. All Rental Payments, notices, demands or requests from one party to another shall be personally delivered or received by mail, certified or registered, postage prepaid, to the addressee at the address first set forth in this Ground Lease or at such other address as any party from time to time designates in writing to the other.

(p) Broker's Commissions. The Ground Lessor and the Ground Lessee each represents and warrants that there are no claims for broker's commissions or finder's fee in connection with the execution of this Ground Lease and each of the parties agrees to indemnify (or cause any sublessee, including the Lessee, to indemnify) the other against all liabilities arising from any such claim.

(q) Liability of Ground Lessee Limited. It is expressly understood and agreed by and between the Ground Lessor, the Ground Lessee and their respective successors and assigns that nothing herein contained shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Ground Lessee in other than his or her official capacity, and neither the members of the Board of Directors of the Ground Lessee nor any officer, agent or employee of the Ground Lessee shall be subject to any personal liability or accountability by reason of the stipulations, obligations or agreements contained in this Ground Lease. All covenants, stipulations, obligations and agreements of the Ground Lessee contained in this Ground Lease shall be effective to the extent authorized and permitted by applicable law. Neither the members of the Board of Directors nor any official executing this Ground Lease shall be liable personally on this Ground Lease or be subject to any personal liability or accountability by reason of its execution. Any obligation of the Ground Lessee created by or rising out of this Ground Lease shall never constitute a general obligation, debt or bonded indebtedness, or a pledge of the general credit, of the Ground Lessee or give rise to any pecuniary liability of the Ground Lessee, but shall be payable solely out of Additional Payments, and the Ground Lessee shall be required to perform any such obligation only to the extent Additional Payments are available therefor.

(r) Recording. The parties shall, concurrently with the execution of this Ground Lease, execute, acknowledge and record a Memorandum of Lease pertaining to this Ground Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Ground Lease as of the day and year first above set forth, by the respective officers thereunto duly authorized

GROUND LESSOR:

Clover Communities Lorain LLC, an Ohio limited liability company

By: _____

Name: _____

Title: _____

GROUND LESSEE:

Lorain Port Authority

By: _____

Name: _____

Title: _____

STATE OF OHIO)
)
COUNTY OF _____) SS:

On _____, 2016, _____, the _____ of Clover Communities Lorain LLC, an Ohio limited liability company, acknowledged before me that he signed the foregoing instrument for and in the name and on behalf of that company.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

(SEAL)

NOTARY PUBLIC

STATE OF OHIO)
) SS:
COUNTY OF _____)

On _____, 2016, _____, the _____ of the Lorain Port Authority, acknowledged before me that she signed the foregoing instrument for and in the name and on behalf of the Port Authority.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

(SEAL)

NOTARY PUBLIC

This Instrument was prepared by

David A. Rogers, Esq.
Frost Brown Todd LLC
10 West Broad Street, Suite 2300
Columbus, Ohio 43215

FISCAL OFFICER'S CERTIFICATE

The undersigned, Fiscal Officer of the Ground Lessee, hereby certifies that the money required to meet the obligations of the Ground Lessee during the year 2016 under the foregoing Ground Lease have been lawfully appropriated by the Board of Directors of the Ground Lessee for such purposes and are in the treasury of the Ground Lessee or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. The obligations of the Ground Lessee under the Ground Lease are limited as provided in Section 14(q) thereof. This Certificate is given in compliance with Sections 5705.41 and 5705.44, Ohio Revised Code.

Fiscal Officer
Lorain Port Authority

Dated: _____, 2016

EXHIBIT A

PROJECT SITE

LEGAL DESCRIPTION

EXHIBIT B

PROJECT FACILITIES

The Project Facilities consist of a three-story building with 125 independent senior living units located in Lorain County, Ohio.

EXHIBIT C

PERMITTED EXCEPTIONS

0134725.0640914 4823-8424-1981v1

LEASE

Between

Lorain Port Authority, Lessor

and

Clover Communities Lorain LLC, Lessee

Memorandum of Lease and Assignment filed for record on
_____, 2016 in Records of Lorain County, Ohio
Recorder.

Frost Brown Todd LLC
Legal Counsel

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(The Index is not a part of this Lease
and is only for convenience of reference.)

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Exhibit A – PROJECT SITE

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