

Marina Joint Ventures, Inc.

STATE OF SOUTH CAROLINA )  
COUNTY OF CHARLESTON )

COMMERCIAL LEASE AGREEMENT

THIS AGREEMENT (sometimes referred to as "Lease") is made and entered into this <sup>10<sup>TH</sup></sup> day of SEPTEMBER, 2009, by and between The City of Isle of Palms, S.C. ("Landlord"), and Marina Joint Ventures, Inc., a South Carolina corporation ("Tenant").

In consideration of the covenants and agreements of the respective parties herein contained, which are expressly agreed to by Landlord and Tenant, the parties hereto, for themselves and their respective successors and permitted assigns, hereby agree as follows:

1. LEASED PREMISES.

A. Landlord by these presents hereby demises and lets unto Tenant, and Tenant hereby hires and leases from Landlord, certain parking areas, a boat landing, fixed and floating docks, bulkheads, retaining walls, piers, fuel pumps, two underground fuel storage tanks (one for diesel fuel and one for gasoline), one above-ground L.P. gas storage tank, a sewerage holding tank, two captain's bathrooms, administrative offices, and dock master shed, the exact location of which is set forth on the sketch attached hereto and made a part hereof, labeled Exhibit I (the "Leased Premises"). The Leased Premises are situated within a real estate parcel owned by Landlord and commonly known as the "Isle of Palms Marina" and sometimes referred to herein as the "Marina."

B. In addition to the Leased Premises, Tenant agrees to lease the improvements, fixtures and personal property located at the Leased Premises which are owned by Landlord and are listed on Exhibit II attached hereto and made a part hereof. The lease of this property is included in the rental of the Leased Premises and is subject to all terms and conditions of this Lease. No personal property or fixtures owned by City shall be removed from the Leased Premises by Tenant without the prior written consent of City.

2. INITIAL TERM; RENEWAL OPTIONS.

A. The initial term of this Lease shall be for a period of five (5) years, commencing on October 1, 2009, and ending on September 20, 2014.

B. Tenant has the option to renew this Lease for two (2) additional, consecutive five (5) year terms, under the same terms, covenants and conditions set forth in this Lease. Each option to renew must be exercised by Tenant in writing in strict accordance with the notice provisions contained in Section 23 of this Lease, at least six (6) months prior to the expiration of the preceding term and Tenant may not renew this Lease if Tenant is in default of any provision of this Lease at the time Tenant exercises the option or at the time of the commencement date of the renewal term.

3. RENT.

A. During the initial term of this Lease and any renewals hereof, Tenant agrees to pay all rent due hereunder to Landlord, as follows:

(i) For the first Lease Year (for the purposes of this Lease, a "Lease Year" is defined as October 1 through September 30) the base annual rent shall be \$ One Hundred Fifty Thousand and no/100 (\$150,000.00) Dollars ("Base Rent").

(ii) For the second and each successive Lease Year, the ~~Base Rent shall be an amount equal to the Base Rent for the first Lease Year plus a percentage increase equal to the percentage increase, if any, in the consumer price index for all urban consumers, U.S. City average; all items, as published by the United States Department of Labor, Bureau of Labor Statistics (hereinafter referred to as the Index) for the last month of the preceding Lease Year over the index for the month of September, 2009.~~ If such Index is discontinued, then the parties agree to use the closest comparable measure of the effect of inflation. Provided, however, that notwithstanding any change in the Index, the Base Rent shall never be lower than the amount paid for the preceding Lease Year.

(iii) All annual Base Rent, including increases, shall be paid as follows: Base Rent shall be paid monthly in advance, due on or before the first day of each month. Tenant agrees to pay eighty (80%) percent of the Base Rent in six (6) equal monthly installments due for the months of May, June, July, August, September and October. Tenant agrees to pay twenty (20%) percent of the Base Rent in six (6) equal monthly installments due for the months of January, February, March, April, November and December.

B. In addition to the Base Rent, plus any increases as set forth in this Section, Tenant agrees to pay additional annual rent to Landlord equal to fifteen (15%) percent of the amount of Tenant's gross profit (as calculated pursuant to Exhibit III) derived from the Leased Premises per Lease Year which is in excess of Four Hundred Fifty Thousand and no/100 (\$450,000.00) Dollars. Such amounts shall be due and payable in full within thirty (30) days after the end of each Lease Year. Tenant agrees to keep true, accurate and complete financial records regarding all income collected at the Leased Premises and to provide Landlord with a statement, certified by Tenant's chief financial officer to be true and correct, showing the calculations of the monthly gross profit for each month of the applicable Lease Year along with the payment, if any, of the additional annual rent due hereunder. Tenant further agrees to provide the Landlord with annual audited financial statements. Landlord and its agents and representatives shall have the right to inspect and copy all books and records of Tenant relating to Tenant's gross profit derived from the Leased Premises at such reasonable times as Landlord may determine. To the extent allowed by the South Carolina Freedom of Information Act, Landlord agrees to keep all such information confidential.

C. If rent or other monetary sums due the Landlord hereunder are paid later than ten days after the due date, a late fee of five (5.0%) percent of the amount due or Twenty-five (\$25.00) Dollars, whichever is greater, shall be due and payable by Tenant along with the delinquent amount. This late fee shall be subject to the default provisions contained in this Lease.

4. SECURITY DEPOSIT. Upon the execution of this Lease, Tenant agrees to deposit with Landlord the sum of Seven Thousand and no/100 (\$7000.00) Dollars as security for the full and faithful performance by Tenant of all the terms of this Lease required to be performed by Tenant. This deposit, without interest, will be returned to Tenant after the expiration of this Lease provided that Tenant has fully and faithfully complied with all of its requirements under the Lease. So long as Tenant strictly complies with all terms and conditions of this Agreement

during the first twenty-four (24) months of this Lease, City agrees to refund this Deposit to Tenant.

5. USE OF THE LEASED PREMISES: COMPLIANCE WITH APPLICABLE LAWS.

A. The Leased Premises and all improvements located thereon shall be used only as a marina (sometimes referred to as the "Marina") and Tenant agrees to operate the Marina in accordance with the Operational and Service Requirements of Landlord which are set forth on Exhibit IV attached hereto and made a part hereof.

B. Tenant agrees that all activities conducted at the Leased Premises will at all times comply with all applicable federal, state and local laws, rules and regulations, including all state and federal environmental laws, rules and regulations promulgated thereunder. Tenant acknowledges that it has familiarized itself with Landlord's City Code of Ordinances including, but not limited to zoning, noise, and parking regulations. Tenant acknowledges and agrees that Tenant's failure to comply strictly with all such applicable federal, state and local laws, rules and regulations will, at City's option, be deemed a material default by Tenant under this Lease.

C. Tenant agrees to obtain and maintain all licenses and permits which are required for Tenant's operation of the Marina, construction of any alterations or improvements, and any other activities conducted by Tenant as allowed in this Lease.

6. CONDITION AND MAINTENANCE OF THE PREMISES.

A. Tenant agrees to accept the Leased Premises in its present condition. Landlord makes no representations or warranties, either express or implied, regarding the condition of the Leased Premises or its fitness for any particular purpose. Except as otherwise expressly stated in this Lease, Tenant agrees that at all times during the term of this Lease and any renewals thereof, Tenant shall be responsible for any and all repairs, maintenance and replacements, both ordinary and extraordinary, at the Leased Premises and all of its appurtenant systems, except to the extent of any damage covered and paid by Landlord's casualty insurance coverage carried pursuant to this Lease. Tenant agrees to keep the Leased Premises in a good, clean and safe order and repair and in good operating condition. All repairs, replacements and renovations shall be of good quality material and workmanship and made as promptly as possible. Tenant's maintenance shall include, but is not limited to, responsibility for garbage, trash or rubbish disposal in compliance with all applicable laws, rules and regulations prescribed from time to time. Tenant agrees to be responsible for litter control at the Leased Premises and to maintain the property free from trash, debris or other litter. Tenant agrees to keep the grounds of the Lease Premises in good condition and properly landscaped

B. Notwithstanding the provisions of Subsection A, the major repair or replacement of certain components of the Marina as set forth in Exhibit V generally shall be the responsibility of the City, but subject to the limitations stated in Exhibit V.

C. Tenant agrees to maintain in good working condition and closely monitor the fuel leak detection system for the underground fuel storage tanks leased by Tenant and to notify the City immediately upon the detection of any fuel leaks in these tanks. Tenant further agrees to keep all fuel dispensing records required by state or federal laws or regulations.

7. TAXES AND INSURANCE.

A. As additional rent, Tenant agrees to be responsible for payment of all real and personal property taxes assessed against the Leased Premises which accrue during the term of this Lease, including the County of Charleston Waste Disposal User's fee. All such payments shall be paid to Landlord within thirty (30) days after Tenant's receipt of written notice thereof.

B. The City agrees to obtain and maintain fire and extended hazard insurance coverage (including flood, windstorm and hail coverage only on the office area and the transient restroom facility) on the Marina improvements in such amounts as the City may determine from time to time. Landlord may elect but shall not be required to maintain flood insurance coverage on the docks, piers and bulkheads.

C. Tenant agrees to maintain comprehensive general liability insurance coverage on the Leased Premises in an amount not less than \$1,000,000.00 per person, \$2,000,000.00 per claim, and \$500,000.00 per claim for property damage.

D. Tenant agrees to maintain Marina Operation Legal Liability and Protection Insurance and Casualty Insurance coverage on the Leased Premises in an amount not less than \$2,000,000.00.

E. Tenant agrees to obtain and maintain Business Interruption insurance coverage on Tenant's Marina operations in such amounts as are reasonably satisfactory to City from time to time.

F. All insurance coverage required to be maintained by Tenant hereunder shall be with companies reasonably approved by Landlord, who shall be named as an additional insured on all such policies. Tenant agrees to provide City with certificates of such insurance within ten (10) days from the renewal date of each such policy.

8. UTILITIES. Tenant agrees to be responsible for the payment of all telephone, electrical, water, sewer or other utility service to the Leased Premises, which accounts shall be in the name of Tenant; provided, however, that Tenant acknowledges and agrees that Tenant is responsible for payment of ten (10%) percent of the Marina convenience store's monthly electrical invoice and twenty-five (25%) percent of the Marina convenience store's water and sewer invoice for electrical, water and sewer service utilized by the Leased Premises from the Marina convenience store's utility services.

9. ASSIGNMENT OR SUBLEASE BY TENANT.

A. Except as expressly allowed in this Section, Tenant agrees not to sublease or assign Tenant's interest in the Leased Premises or any part thereof, or to encumber same in any manner, without the prior written consent of Landlord. Notwithstanding any such consent by Landlord, Tenant agrees to remain personally liable for the full performance of all terms and conditions contained in this Lease to be performed by the tenant. For purposes of Landlord's rights under this Section, a change in control of the voting interests of Tenant, other than by devise and descent, shall constitute an assignment by Tenant.

B. Tenant may grant licenses or subleases for boat slip use to individual boat owners, or subleases or licenses for dry boat storage to individual boat owners which are for terms not exceeding Tenant's right to possession of the Lease Premises.

C. Unless City enters into a direct lease with any such operation, Tenant may enter into subleases or license agreements with charter fishing, charter cruising, kayaking, boat rental, and eco-tour operations which are for terms not exceeding Tenant's right to possession of the Lease Premises. Tenant agrees to use its best efforts to secure and maintain subtenants or licensees operating these types of businesses in a manner similar to those which historically have been operated at the Marina during City's period of ownership.

10. SUBORDINATION AND ATTORNMENT: So long as Tenant is provided with a written non-disturbance agreement from all such holders, Tenant agrees that this Lease shall be subject and subordinate to any mortgage which Landlord may hereafter place upon the Leased Premises, and to all modifications thereto, and to all present and future advances made with respect to any such mortgage. If Tenant is provided with such non-disturbance agreements, Tenant agrees to attorn to any mortgagee and to any purchaser at a sale pursuant to foreclosure thereof.

11. RIGHT OF ENTRY BY LANDLORD OR LANDLORD'S AGENTS. Tenant agrees to at all times during the term of this Lease permit inspection of the Leased Premises during reasonable business hours by Landlord or Landlord's agents or representatives for any purpose. Tenant also agrees to fully cooperate with any future environmental contamination remediation efforts at the Marina, including access to the Leased Premises as reasonably required by Landlord.

12. INDEMNIFICATION. Tenant agrees to hold harmless and indemnify Landlord against any loss or damage, including attorney's fees and expenses, incurred as a result of any and all claims, demands, causes of action, suits, judgments, fines or penalties (including but not limited to all fees and expenses incurred as a result of death or injury to persons or for loss of or damage to property) arising out of or in connection with the use and occupancy of the Leased Premises by Tenant, its agents, employees, licensees or invitees except to the extent caused by the fault or neglect of Landlord or its employees, agents, invitees and licensees. In the event of any such claims made or suits filed, Landlord agrees to give Tenant reasonable notice thereof, and Tenant shall have the right to defend or settle the same to the extent of its interest hereunder. Nothing contained in this Lease or in the guaranties attached hereto is to be construed as, nor does it, create any obligation by Tenant to any person or entity other than the Landlord or its successors to make any payments or be responsible for any claims, demands, causes of action, suits, judgments, fines or penalties whatsoever.

13. IMPROVEMENTS AND ALTERATIONS. No alterations or improvements to the Leased Premises shall be made by Tenant without the prior written consent of Landlord. Unless otherwise agreed to in writing by Landlord, all alterations, additions or improvements made by the Tenant and all fixtures, including trade fixtures, installed by Tenant shall be performed or installed in a good and workmanlike manner and shall at the Landlord's option become the property of the Landlord at the expiration or other sooner termination of this Lease; provided, however, that Landlord has the right to require Tenant to remove all such modifications upon the termination of this Lease, at Tenant's expense. Tenant acknowledges that all property listed on Exhibit II, whether fixtures or movable personal property, is owned by Landlord.

14. DAMAGE OR DESTRUCTION. If the Leased Premises are wholly or partially destroyed by fire or other casualty, rental shall abate in proportion to the loss of use thereof, and Landlord shall, at its own expense, promptly restore the Premises to substantially the same condition as existed before the damage or destruction, whereupon full rental shall resume, unless said damage was caused by Tenant's negligence or willful acts, in which case any damages not covered and paid for by insurance shall be paid by Tenant.

15. EMINENT DOMAIN: If the whole of the Premises, or such portion thereof as will make the Premises unsuitable for the use contemplated hereby, be taken under the power of eminent domain (including any conveyance in lieu thereof), then the term of this Lease shall cease as of the date possession thereof is taken by the condemnor, and rental shall be accounted for as between Landlord and Tenant as of that date. If any lesser portion of the Premises is taken, rental shall abate in proportion to the loss of use occasioned thereby. Tenant shall not have any right or claim to any part of any award made to or received by Landlord for such taking or right or claim against Landlord for the value of the unexpired term of this Lease; provided, however, Tenant shall not be prevented from making a claim against the condemnor (but not against Landlord) for any moving expenses, loss of profits, or taking of its personal property (other than its leasehold interest) to which Tenant may be entitled.

16. LIENS AGAINST THE PREMISES: The Tenant agrees to keep the Leased Premises free from any liens arising out of any work performed, materials furnished, or obligations incurred by the Tenant. The Tenant agrees to indemnify, hold harmless, and defend the Landlord from any liens and encumbrances arising out of any work performed or materials furnished by or at the direction of the Tenant. Such indemnity shall include, without limitation, all attorney's fees and costs incurred by the Landlord due to the filing of such mechanic's lien or notice thereof. In the event that the Tenant, within thirty (30) days following the imposition of any such lien, shall not cause such lien to be released of record by payment or posting of a proper bond, in addition to all other remedies provided herein and by law, the Landlord shall have the right (but not the obligation) to cause the same to be released by such means as it shall deem proper, including bonding or payment of the claim giving rise to such lien. Landlord shall have the right at all times to post and keep posted on the Premises any notice permitted or required by law which the Landlord shall deem proper for the protection of the Landlord and the Premises or any other party having an interest therein from mechanic's and materialmen's liens. The Tenant agrees to give written notice to the Landlord at least ten (10) business days prior to the commencement of any work relating to alterations or additions to the Premises and shall post the Premises giving all such persons notice of Landlord's non-liability for work performed or materials supplied. Failure to provide the Landlord such notice or post the Premises shall be deemed a material breach of this Lease.

17. ENVIRONMENTAL MATTERS: Tenant represents, warrants and covenants to Landlord throughout the term of this Lease as follows:

A. Tenant is and shall remain in compliance with all applicable federal, state and local laws relating to protection of the public health, welfare, and the environment ("Environmental Law") with respect to Tenant's employees, agents, contractors, sublessees, assignees, and any other persons occupying or present on the Leased Premises ("Occupants") and to comply with all Environmental Laws applicable to their activities in and around the Leased Premises.

B. Tenant shall not bring onto the Leased Premises, nor shall it allow any occupant to bring onto the Leased Premises, any chemical, waste material, or other substance that is defined or otherwise classified in any Environmental Laws as a "hazardous substance," "hazardous material," "hazardous waste," "toxic substance," or "toxic pollutant," except for fuel or gas lawfully stored and dispensed by Tenant.

C. Landlord or its representatives may inspect the Leased Premises at reasonable times to insure compliance with the requirements of this Section. As part of its inspection, Landlord or its representative may take such samples as Landlord in its sole discretion deems necessary, including without limitation samples of substances located on the Leased Premises, and neither Landlord nor any representative shall have any liability to Tenant as a result of such sampling activity. In the event Landlord determines that Tenant possesses any substances in violation of this Section, Landlord shall notify Tenant and Tenant shall immediately remove those substances in compliance with all applicable laws, rules, ordinances, standards and regulations. In the event Tenant fails to comply with the requirements of this Section, Landlord and its representative may enter the Leased Premises and provide for the removal and disposal of those substances as Tenant's agent. To effectuate the provisions of this Section, Tenant hereby grants Landlord and any representative of Landlord a Special Power of Attorney, appointing Landlord or its designated representative as its attorney in fact to act in Tenant's place to take all action necessary to provide for the lawful removal and disposal of those substances, including the signing of any manifest, on Tenant's behalf and Tenant agrees to remain responsible for the substance and to indemnify, defend, hold harmless and protect Landlord and any representative of Landlord against all costs, fines, penalties or damages incurred by Landlord or its representative due to any activities by Landlord pursuant to this Section. It is hereby stipulated by Landlord and Tenant that the above Special Power of Attorney is coupled with an interest in the Leased Premises and is, accordingly, irrevocable. Tenant agrees that no adequate remedy exists at law to enforce this Section and that damages would not make Landlord whole; accordingly, Tenant agrees that Landlord may seek and obtain injunctive relief to enforce this Section.

18. AMERICANS WITH DISABILITIES ACT: Any other provision of this Lease notwithstanding, the parties hereby agree that the Leased Premises are or may be subject to the terms and conditions of the Americans with Disabilities Act of 1990, as amended (hereinafter the "ADA"). The parties further agree and acknowledge that it shall be the sole responsibility of Landlord to remedy any violations of the ADA existing at the Leased Premises as of the effective date of this Lease. After the effective date of this Lease, it shall be the sole responsibility of the Tenant to comply with any and all provisions of the ADA with regard to the Leased Premises and remedy any violations thereof. Tenant further agrees to indemnify and hold Landlord harmless against any claims which may arise out of Tenant's failure to comply with the ADA or remedy and violations thereof. Such indemnification shall include, but not necessarily be limited to reasonable attorney's fees, court costs and judgments as a result of said claims. Within ten (10) days after receipt, Tenant shall advise the Landlord in writing and provide with copies of (as applicable), any notices alleging violation of the ADA relating to any portion of the Leased Premises, any claims made or threatened in writing regarding noncompliance with the ADA and relating to any portion of the Leased Premises, or any governmental or regulatory actions or investigations instituted or threatened regarding noncompliance with the ADA and relating to any portion of the Leased Premises.



19. INTERPRETATION PRESUMPTION: This Lease has been negotiated by the parties hereto. The parties represent and warrant to each other that each party has, by counsel or otherwise, actively participated in the negotiation of this Lease, and in the event of a dispute concerning the interpretation of this Lease, each party hereby waives the doctrine that an ambiguity should be interpreted against the party who has drafted the agreement.

20. LIMITATION OF LIABILITY: The obligations of the Landlord hereunder shall be binding upon Landlord and each succeeding owner of the Landlord's interest hereunder only during the period of such ownership and Landlord and each succeeding owner shall have no liability whatsoever except for its obligations during each such respective period. Landlord hereby agrees for itself and each succeeding holder of the Landlord's interest, or any portion thereof that any judgment, decree or award obtained against the Landlord or any succeeding owner of the Landlord's interest, which is in any manner related to this Lease, the Leased Premises, or the Tenant's use and occupancy of the Leased Premises, whether at law or in equity, shall be satisfied out of the Landlord's equity in the Leased Premises owned by the Landlord to the extent then owned by the Landlord and such assets and to no other assets of the Landlord, or such succeeding owner, for satisfaction. Neither Landlord, nor any principal or owner thereof, nor any subsequent Landlord, shall have any personal liability hereunder.

21. TRANSFER OF LANDLORD'S INTEREST: The term "Landlord" as used in this Lease means only the owner for the time being or the Mortgagee in possession for the time being, of the Leased Premises. Each time the Leased Premises are sold, the selling Landlord shall be entirely relieved of all future obligations or liability under this Lease. Any person who owns the Leased Premises and leases his reversionary interest in the Leased Premises subject to the lien of this Lease shall be relieved of all liability under this Lease.

22. DEFAULT.

A. If Tenant defaults in the fulfillment of any of the covenants and conditions hereof, Landlord may, at Landlord's option, after ten (10) days prior written notice to Tenant, make performance for Tenant and for that purpose advance such amounts as may be necessary. Any amount so advanced or any reasonable expense incurred or sum of money paid by Landlord by reason of the failure of Tenant to comply with any covenant, agreement, obligation, or provision of this Lease, or in defending any action to which Landlord may be subjected by reason of any such failure shall be deemed to be additional rent for the Leased Premises and shall be due and payable to Landlord on demand. The acceptance by Landlord of any installment of fixed rent or any additional rent hereunder shall not be a waiver of Landlord's right to demand full payment of any additional rent then due and to hold Tenant in default under this Lease.

B. If Tenant defaults in the prompt payment of rent when due, or the prompt payment of additional rent or any other sums of money to Landlord when due, and such default continues for a period of fifteen (15) days, or if Tenant defaults in the prompt performance of any of the other covenants herein, and such default continues for a period of thirty (30) days then Landlord may, in addition to any other rights or remedies, declare this Lease to be in default, retake possession of the Leased Premises, declare the full amount of the remaining rent for the balance of the term at once due and payable, re-let or sublet the Leased Premises at the risk of Tenant, or declare this Lease terminated for the balance of its term, all of which rights and remedies shall be cumulative. Notwithstanding anything hereinabove to the contrary, none of the above shall constitute an event of default unless, as to monetary defaults, it continues for a period

of fifteen (15) days after written notice is given by Landlord to Tenant as set forth in Section 23 of this Lease, or, as to non-monetary defaults, it continues for a period of thirty (30) days after written notice is given by Landlord to Tenant as set forth in Section 23 of this Lease; provided, however, that Landlord shall not be required to give Tenant written notice prior to declaring a default more than twice in any Lease Year.

23. GOVERNING LAW; ENFORCEMENT. This Lease shall be governed by the law of the State of South Carolina. If either party enforces the terms of this Lease by legal proceedings, the prevailing party in such proceedings shall be entitled to reimbursement from the other party of all costs and expenses incurred by the prevailing party in connection therewith, including reasonable attorney's fees, at all trial and appellate levels.

24. RIGHTS OF HEIRS, SUCCESSORS AND ASSIGNS. The covenants and agreements contained in this Lease shall apply to, inure to the benefit of, and be binding upon the parties hereto, and their respective heirs, successors and permitted assigns.

25. PARAGRAPH HEADINGS. The paragraph headings as to the contents of particular paragraphs herein, are inserted only for convenience and are in no way to be construed to be part of such paragraph or as a limitation on the scope of the particular paragraph to which they refer.

26. ADDITIONAL INSTRUMENTS. The parties agree to execute and deliver any instruments in writing necessary to carry out any agreement, term, condition, or assurance in this Lease whenever occasion shall arise including the execution of a short form memorandum of lease agreement which may be recorded at the Charleston County R.M.C. Office by Tenant at Tenant's sole expense.

27. SURRENDER OF PREMISES. Tenant agrees to deliver all keys and to surrender the Leased Premises at the expiration or sooner termination of this Lease, or any extension thereof, broom clean and in substantially the same condition as when the Leased Premises were delivered to Tenant, or as altered pursuant to the provisions of this Lease, reasonable wear and tear excepted, and Tenant agrees to remove all of its personal property. Tenant agrees to pay a reasonable cleaning charge if it is necessary for Landlord to restore or cause to be restored the Leased Premises to a clean and orderly condition.

28. WAIVER OF COVENANTS. It is agreed that the waiver of any of the covenants of this Lease by either party shall be limited to the particular instance and shall not be deemed a waiver of any other breaches of such covenant or any other provision herein contained.

29. NOTICE. Any notices or demands required or permitted by law, or any provision of this Lease, shall be made in writing, and shall be deemed to be received by Landlord when personally delivered to Landlord, or three (3) days after same is deposited in the United States mail, registered or certified, with return receipt requested, postage prepaid, and addressed to Landlord, attention City Administrator, at Post Office Box 508, Isle of Palms, S. C. 29451, or at such other address as Landlord may hereafter designate in writing to Tenant.

Any such notice or demand to be served upon the Tenant shall be made in writing and shall be deemed to be received by Tenant when personally delivered to Tenant, or three (3) days after same is deposited in the United States mail, registered or certified, with return receipt requested, postage prepaid, and addressed to Tenant at P. O. Box 550, Isle of Palms, SC 29451

or at such other address as Tenant may hereafter designate in writing to Landlord.

30. ENTIRE AGREEMENT. This Lease contains the entire understanding of the parties hereto. There are no oral understandings, terms or conditions and neither party has relied upon any representation by the other party, either express or implied, which are not contained in this Lease. All prior understandings, terms or conditions are deemed merged into this Lease. This Lease may be altered or amended only by an instrument in writing signed by both parties.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals, by and through the undersigned authorized representatives, as of the date stated above.

WITNESS:

Emily Byrd

Deborah Kimosa Suggs  
(as to Landlord)

Y. M. J.

NAZQ  
(as to Tenant)

The City of Isle of Palms, S.C., Landlord

By: P. H. Keeber

Title: City Administrator

Marina Joint Ventures, Inc., Tenant

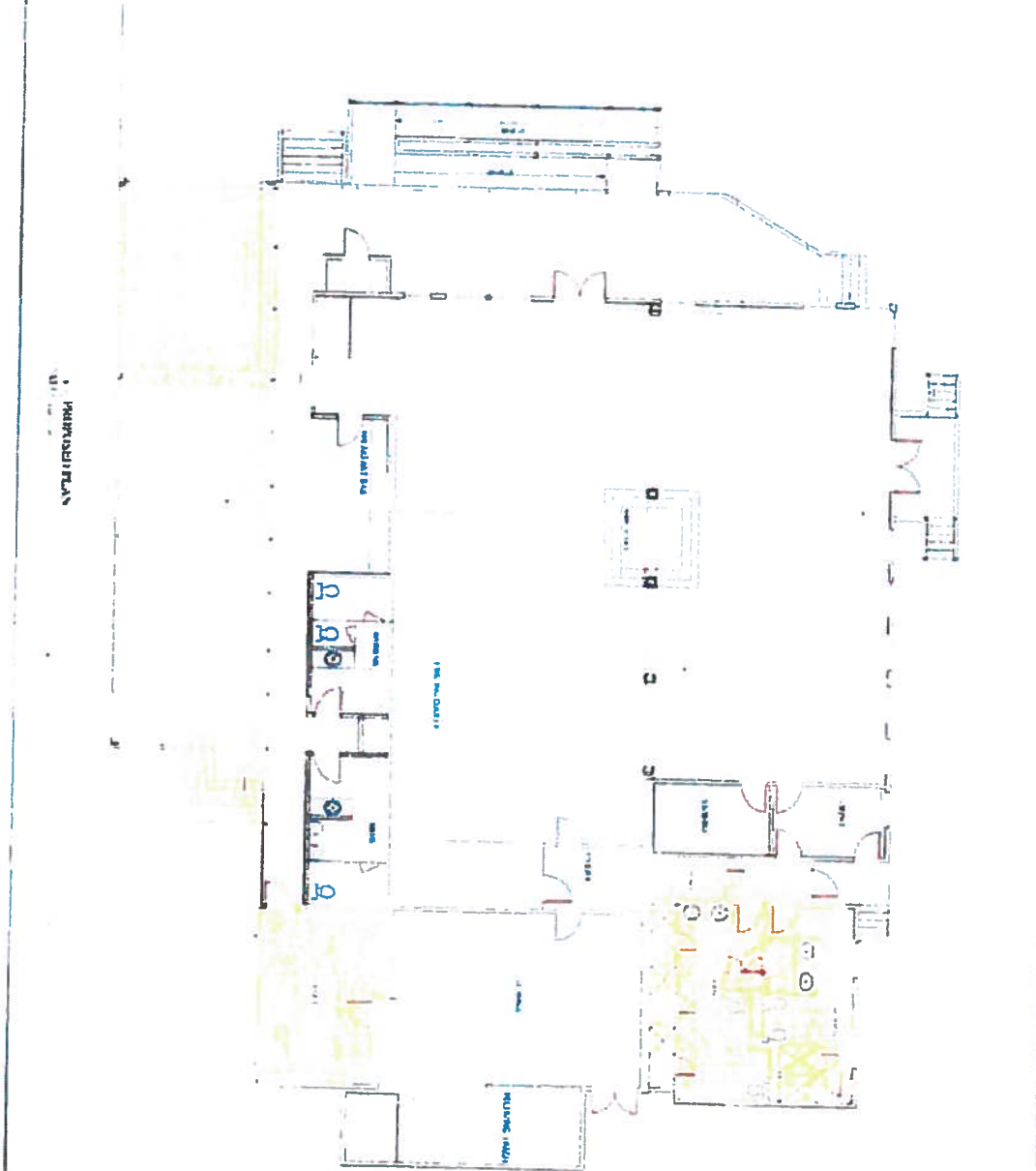
By: Quinn J. Long

Title: PRESIDENT

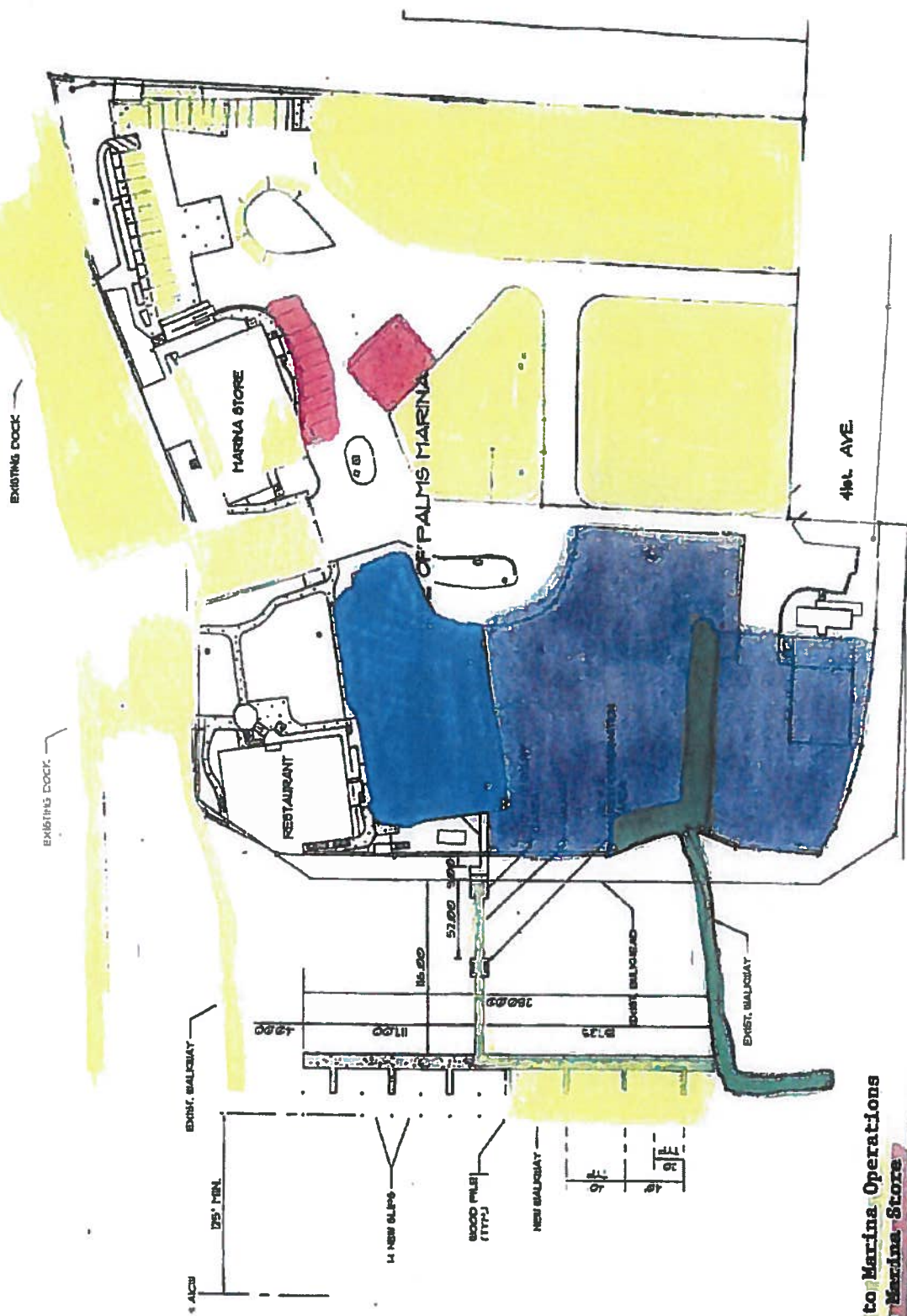
EXHIBIT I

(SEE ATTACHED SKETCH OF LEASED PREMISES)

**EXHIBIT I**  
**SITE PLAN**  
**Page One of Two**



<b>INTERIOR UPFIT TO EXISTING BLDG. LEASE HARRIS PARK MANASSAS, VA 10/2, 00</b>	
SCALE 1" = 10'-0"	
DATE 10/2, 00	
DRAWN BY [Signature]	
CHECKED BY [Signature]	
PROJECT NO. [Number]	
SHEET NO. [Number]	
TOTAL SHEETS [Number]	
PROJECT TITLE [Title]	
CLIENT [Client Name]	
ARCHITECT [Firm Name]	
SCALE 1" = 10'-0"	
DATE 10/2, 00	
DRAWN BY [Signature]	
CHECKED BY [Signature]	
PROJECT NO. [Number]	
SHEET NO. [Number]	
TOTAL SHEETS [Number]	
PROJECT TITLE [Title]	
CLIENT [Client Name]	
ARCHITECT [Firm Name]	



**PARKING LEGEND:**  
 Yellow - Dedicated to Marina Operations  
 Pink - Dedicated to Marina Store  
 Blue - Dedicated to Marina Walkway  
 Green - Dedicated to Middlewater Water Sports  
 Light Blue - Shared Access Passages Under Direction of  
 Marina Manager

SITE LAYOUT PLAN  
SCALE: 1" = 30'

EXHIBIT II

(IMPROVEMENTS, FIXTURES AND PERSONAL PROPERTY OWNED BY LANDLORD)

1. Intellectual Property.

A. Tenant acknowledges that the Isle of Palms Marina trademark is a registered trademark of the City and is the City's sole and exclusive property. Tenant agrees to use this trademark only with permission of the City and in furtherance of Tenant's Marina operations.

B. Tenant acknowledges that the Internet domain names of "isleofpalmsmarina.com", "isleofpalmsmarina.net", "iopmarina.net", and "iopmarina.com" are the City's sole and exclusive property. Tenant agrees to use these domain names only with permission of the City and in furtherance of Tenant's Marina operations.

C. Any customer lists regarding Tenant's operations at the Marina developed or obtained by Tenant shall be and remain the sole property of City but may be used by Tenant.

2. Bulkhead – original
3. Bulkhead – constructed in 2009
4. Boat Ramp
5. Dock and pier system (original purchase) 11,700 sq ft floating, 420 sq ft fixed
6. Dock and pier system (constructed in 2004) 3200 sq ft floating, 800 sq ft fixed
7. Marine fueling system including two underground fuel tanks, pumps, reels, hoses, & 3 dispensers (2 single product & 1 dual product)
8. TMS fuel control console in fuel dock office
9. Sanisailor pump-out system
10. Bait wells on fuel dock
11. 29 pedestals for boat utility connections
12. Three safety pedestals w/ fire extinguishers and safety rings
13. One fish cleaning station
14. Point of Sale (POS) revenue collection system in fuel dock office and admin office  
VHF Radio console in fuel dock office
15. Boat ramp surveillance camera w/ monitor in fuel dock office
16. Window A/C unit in fuel dock office
17. Captains' bath facilities located in Marina Building
18. Water heater in Captain's Bath
19. Scale in Captain's Bath
20. One washing machine and one dryer for transient laundry
21. Window A/C unit in admin office
22. Storage container (painted w/ mural)
23. Flush-out station in parking lot



EXHIBIT III  
ANNUAL GROSS PROFIT CALCULATION

**Annual Gross Receipts from All Sources**

**Annual Gross Receipts shall not be reduced by any Cost of Sale, Cost of Inventory, Commissions Paid, or any other deduction from the full amount received from the purchaser/user/renter. Annual Gross Receipt include without limitation:**

Gasoline Sales  
Diesel Sales  
LP Gas Sales  
Daily Launch - Resident  
Daily Launch - Non-resident  
Annual Launch Decal - Resident  
Annual Launch Decal - Non-resident  
Dockage - Nightly  
Dockage - Weekly  
Dockage - Monthly  
Dockage - Quarterly  
Charter Income  
Boat Rental Income  
Daily Parking Fees  
Dry Storage  
Pump Out Charges  
Electricity  
Pickup Fees  
Live Bait Sales  
Merchandise Sales  
Chart Sales  
Laundry Charges  
Interest Income  
Cash Over/(Short)  
Sales Taxes Collected

**Less: Allowable Deductions from Annual Gross Receipts**

**Only the following items shall be deducted from Annual Gross Receipts to determine Monthly Gross Profit:**

Cost of Goods Sold (Fuel, Bait, Merchandise)  
Commissions Paid (Charters, Boat Rentals)  
Sales Taxes Paid

**Equals: Annual Gross Profit**

EXHIBIT IV

TENANT'S OPERATIONAL AND SERVICE REQUIREMENTS

1. Minimum Hours of Operation:  
Summer: 7:00 am to 7:00 pm, Seven (7) Days per Week      Winter: 7:00 am to 5:00 pm, Seven (7) Days per Week      **Changes to Hours of Operations must be approved by City Council**
2. Marine fuel sales (diesel, gasoline and LP gas)
3. Boat slip rentals  
Daily base rate:                      \$2.00 per linear foot.  
**Rate changes must be approved by City Council**
4. Boat ramp launching  
IOP resident launch fee: \$5.00  
IOP employee and City Official launch fee: \$5.00 (must present City Identification Card)  
Non-resident launch fee: \$15.00 April through September; \$10.00 October through March  
IOP resident annual pass: \$100.00  
IOP employee and City Official annual pass: \$100.00 (must present City Identification Card).  
Non-resident annual pass: \$300.00  
**Fee changes must be approved by City Council**
5. Booking agent for charter boats (fishing, cruising, nature, etc.)
6. Boat rentals
7. Boat sewage pump-out service
8. Parking management
9. Dry boat storage
10. Live bait sales
11. Safely maintain all facilities
12. Monitor underground fuel system for leaks
13. Regularly communicate with City Administrator as to any unusual occurrences, complaints, safety concerns, etc.
14. Provide an on-site dock master during all hours of operation
15. Enforce existing rules and regulations for Marina users and make changes as needed, subject to City's prior written approval
16. Promote a family-friendly atmosphere
17. Cooperate with other tenants at the Marina
18. Provide complimentary dock space for City of Isle of Palms vessels (Fire Department boat, wave runners)
19. Coordinate as needed with military or other government organizations as they occasionally train at the Marina
20. Provide transient boater restroom, bathing and laundry facilities
21. Advertising and promotional requirements. City agrees to reimburse Tenant \$5,000 per Lease Year for advertising and Tenant agrees to spend at least this amount per Lease Year on advertising.
22. Provide free employee parking for all tenants and subtenants at the Isle of Palms Marina.



EXHIBIT V

List of Marina Assets Subject to Repair or Replacement by the City

1. The Tenant agrees to be responsible for all normal and routine maintenance to the following property. City agrees to be responsible for extraordinary repairs or replacements to this property except for damage caused by Tenant's negligent or willful acts, the repair of which shall be the responsibility of Tenant:

Bulkheads, including Security Railings  
Pilings  
Dock Replacements, not including ordinary plank replacement or float replacement  
Fuel Pumping System and Reels  
Utility and Safety Pedestals  
Sewer Pump-Out System  
Existing Street Lighting System  
Fuel Dock Office  
Electrical System  
Automated External Defibrillator

2. City agrees to be responsible for all ordinary and extraordinary repairs or replacements to the Underground Fuel Storage Tanks except for damage caused by Tenant's negligent or willful acts, the repair of which shall be the responsibility of Tenant.


STATE OF SOUTH CAROLINA     )  
  )  
COUNTY OF CHARLESTON     )     UNCONDITIONAL GUARANTY  
  )     OF LEASE AGREEMENT

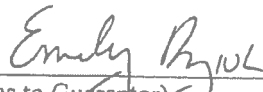
IN CONSIDERATION of independent value received by me, the receipt and sufficiency of which are hereby acknowledged, I hereby unconditionally guarantee the performance of all terms, covenants and conditions contained in the foregoing Lease Agreement to be performed by Tenant, and all extensions, renewals or modifications thereto, and all expenses, including attorney's fees, to which Landlord may become entitled to under the Lease, and hereby waive presentment, demand, notice of dishonor, protest, and all other notices whatsoever, and agree that the Lease may from time to time be modified, renewed or extended without notice to or consent by the undersigned and without affecting the undersigned's liability hereunder, and the undersigned agrees that the undersigned may be sued with or without joining Tenant or any other Guarantor hereof and without first or contemporaneously suing such persons or otherwise seeking or proceeding to collect from them.

This is a continuing unconditional guaranty of payment and performance and not of collection and shall remain in full force and effect throughout the entire term of the Lease and any extensions or renewals thereof and so long as any amounts due from Tenants under the terms of the Lease remain unpaid.

IN WITNESS WHEREOF, the undersigned Guarantor has hereunto set his hand and seal effective as of the fourth day of January, 2008.

WITNESS:

  
\_\_\_\_\_

  
\_\_\_\_\_

(as to Guarantor)

  
\_\_\_\_\_

Brian J. Berrigan, Guarantor

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF CHARLESTON ) AMENDMENT TO COMMERCIAL  
 LEASE AGREEMENT

THIS AMENDMENT TO COMMERCIAL LEASE AGREEMENT is made and entered into this 2 day of June, 2010, by and between The City of Isle of Palms, South Carolina ("Landlord") and Marina Joint Ventures, Inc., a South Carolina corporation ("Tenant").

WHEREAS, Tenant is the tenant under that certain Commercial Lease Agreement dated September 10, 2009, between Landlord and Tenant (the "Lease"), covering certain real property commonly known as "Isle of Palms Marina," ("Marina"); and

WHEREAS, Landlord and Tenant desire to amend the Lease as hereinafter set forth.

THEREFORE, for and in consideration of the sum of Ten and no/100 (\$10.00) Dollars, and other good and valuable consideration in hand paid by each to the other, the parties hereto hereby agree as follows:

1. Text additions are displayed in **bold and underlined** text.
2. That Section 7, "Taxes and Insurance," of the Lease, is hereby amended to add a

new Paragraph G as follows:

**"G. All insurance coverage required to be maintained by Tenant and its sublessees under any City-approved subleases pursuant to Section 9 of this Lease shall be with companies reasonably approved by Landlord, who shall be named as an additional insured on all such policies held by Tenant and its sublessees. Tenant agrees to provide City with certificates of such insurance for Tenant and its sublessees within ten (10) days from the renewal date of each such policy."**

3. That Section 9(A), "Assignment or Sublease by Tenant," of the Lease is hereby amended as follows:

"Except as expressly allowed in this Section, Tenant agrees not to sublease or

assign Tenant's interest in the Leased Premises of any part thereof, or to encumber same in any manner, without the prior written consent of the Landlord. Notwithstanding any such consent by Landlord, Tenant agrees to remain personally liable for the full performance of all terms and conditions contained in this Lease to be performed by the Tenant. **Tenant agrees to hold harmless and indemnify Landlord against any loss or damage, including attorney's fees and expenses, incurred as a result of any and all claims, demands, causes of action, suits, judgments, fines or penalties (including but not limited to all fees and expenses incurred as a result of death or injury to persons or for loss of or damage to property) arising out of or in connection with Tenant's sublease or assignment of the Leased Premises and any activities performed thereunder, including negligent or willfull acts or omissions, by Tenant, Tenant's sublessee or assignee, and their respective members, officers, agents, employees, subcontractors, customers, licensees, and invitees.** For purposes of Landlord's rights under this Section, a change in control of the voting interests of Tenant, other than by devise and descent, shall constitute an assignment by Tenant."

4. That Section 9(C), "Assignment or Sublease by Tenant," of the Lease is hereby amended as follows:

"Unless City enters into a direct lease with any such operation, Tenant may enter into subleases or license agreements with charter fishing, charter cruising, kayaking, boat rental, **low-speed vehicle rental** and eco-tour operations which are for terms not exceeding Tenant's right to possession of the Leased Premises. Tenant agrees to use its best efforts to secure and maintain subtenants or licensees operating these types of businesses in a manner similar to those which historically have been operated at the Marina during City's period of ownership."

5. That Exhibit III, "Annual Gross Profit Calculation," is hereby amended to add the following provision at the end of the list of Annual Gross Receipts:

**"Low-speed Vehicle Rental Income"**

6. That all other terms and conditions of the Lease which are not inconsistent herewith shall remain in full force and effect.

IN WITNESS WHEREOF, the Landlord and Tenant have caused this Amendment to be duly executed, sealed and delivered, by and through the undersigned agents, as of the date stated above.

WITNESS:

*[Signature]*

The City of Isle of Palms, S.C., Landlord

By: *[Signature]*

*[Signature]*  
(as to Landlord)

Title: *City Administrator*

*[Signature]*  
*[Signature]*

Marina Joint Ventures, Inc., Tenant

By: *[Signature]*

(as to Tenant)

Title: *PRESIDENT*



STATE OF SOUTH CAROLINA    )  
  )  
COUNTY OF CHARLESTON    )    SECOND AMENDMENT TO COMMERCIAL  
  )    LEASE AGREEMENT

THIS SECOND AMENDMENT TO COMMERCIAL LEASE AGREEMENT is made and entered into this 25<sup>th</sup> day of April, 2012, by and between The City of Isle of Palms, South Carolina ("Landlord") and Marina Joint Ventures, Inc., a South Carolina corporation ("Tenant").

WHEREAS, Tenant is the tenant under that certain Commercial Lease Agreement dated September 10, 2009, between Landlord and Tenant (the "Lease"), covering certain real property commonly known as "Isle of Palms Marina;" and

WHEREAS, Landlord and Tenant made certain amendments to the terms of the Lease in the First Amendment to Commercial Lease Agreement dated June 2, 2010; and

WHEREAS, Landlord and Tenant desire to further amend the Lease as hereinafter set forth.

THEREFORE, for and in consideration of the sum of Ten and no/100 (\$10.00) Dollars, and other good and valuable consideration in hand paid by each to the other, the parties hereto hereby agree as follows:

1. Text additions are displayed in **bold and underlined** text. Text deletions are displayed as strike-through text (i.e., ~~strike through~~).

2. That Section 3(B) of the Lease is hereby amended as follows:

"In addition to the Base Rent, plus any increases as set forth in this Section, Tenant agrees to pay additional annual rent to Landlord equal to ~~fifteen (15%)~~ **two (2%)** percent of the amount of Tenant's gross profit (as calculated pursuant to Exhibit III) derived from the Leased Premises per Lease Year which is in excess of ~~Four Hundred Fifty Thousand~~ **Five Hundred Thousand** and no/100 (\$~~450,000~~**500,000**) Dollars." Such amounts shall be due and payable in full within thirty (30) days after the end of each Lease Year. Tenant agrees to keep true, accurate and complete financial records regarding all income collected at the Leased Premises and to provide

Landlord with a statement, certified by Tenant's chief financial officer to be true and correct, showing the calculations of the monthly gross profit for each month of the applicable Lease Year along with the payment, if any, of the additional annual rent due hereunder. ~~Tenant further agrees to provide the Landlord with annual audited financial statements.~~ Landlord and its agents and representatives shall have the right to inspect and copy all books and records of Tenant relating to Tenant's gross profit derived from the Leased Premises at such reasonable times as Landlord may determine. To the extent allowed by the South Carolina Freedom of Information Act, Landlord agrees to keep all such information confidential."

3. That all other terms and conditions of the Lease which are not inconsistent herewith shall remain in full force and effect.

IN WITNESS WHEREOF, the Landlord and Tenant have caused this Second Amendment to be duly executed, sealed and delivered, by and through the undersigned agents, as of the date stated above.

WITNESS:

Emily Dzwil

Angie Lee  
(as to Landlord)

Judy J. Blanton

Tom Jones  
(as to Tenant)

The City of Isle of Palms, S.C., Landlord

By: Linda Tucker  
Title: City Administrator

Marina Joint Ventures, Inc., Tenant

By: James Ferguson  
Title: President

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF CHARLESTON ) THIRD AMENDMENT TO COMMERCIAL  
LEASE AGREEMENT

THIS THIRD AMENDMENT TO COMMERCIAL LEASE AGREEMENT is made and entered into this 24 day of July, 2012, by and between The City of Isle of Palms, South Carolina ("Landlord") and Marina Joint Ventures, Inc., a South Carolina corporation ("Tenant").

WHEREAS, Tenant is the tenant under that certain Commercial Lease Agreement dated September 10, 2009, between Landlord and Tenant (the "Lease"), covering certain real property commonly known as "Isle of Palms Marina;" and

WHEREAS, Landlord and Tenant made certain amendments to the terms of the Lease in the First Amendment to Commercial Lease Agreement dated June 2, 2010 and Second Amendment to Commercial Lease Agreement dated April 25, 2012; and

WHEREAS, Landlord and Tenant desire to further amend the Lease as hereinafter set forth.

THEREFORE, for and in consideration of the sum of Ten and no/100 (\$10.00) Dollars, and other good and valuable consideration in hand paid by each to the other, the parties hereto hereby agree as follows:

1. Text additions are displayed in **bold and underlined** text. Text deletions are displayed as strike-through text (i.e., ~~strike through~~).

2. That Section 2(A), "Initial Term; Renewal Options," of the Lease is hereby amended as follows:

"The initial term of this Lease shall be for a ~~the~~ **period of five (5) years**, commencing on October 1, 2009, and ending on ~~September 20, 2014~~ **January 31, 2015**."

3. That all other terms and conditions of the Lease which are not inconsistent herewith shall remain in full force and effect.

IN WITNESS WHEREOF, the Landlord and Tenant have caused this Third Amendment to be duly executed, sealed and delivered, by and through the undersigned agents, as of the date stated above.

WITNESS:

Deborah L. Suggs

The City of Isle of Palms, S.C., Landlord

By: [Signature]

Title: City Administrator

Mami B. Capelau  
(as to Landlord)

Marina Joint Ventures, Inc., Tenant

[Signature]

By: [Signature]

Title: RESIDENT

[Signature]  
(as to Tenant)

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF CHARLESTON )

FOURTH AMENDMENT TO  
COMMERCIAL LEASE AGREEMENT

THIS FOURTH AMENDMENT TO COMMERCIAL LEASE AGREEMENT (the "Fourth Amendment"), dated as of February 26, 2015, is made by and between the City of Isle of Palms, a South Carolina municipal corporation ("Landlord"), and **MARINA JOINT VENTURES, INC.** a South Carolina corporation ("Tenant") (Landlord and Tenant are each a "Party" and are collectively the "Parties").

WITNESSETH:

WHEREAS, the Parties have entered into that certain Commercial Lease with an effective date of September 10, 2009 (the "Lease") for the lease of certain real property located at Isle of Palms Marina, 41<sup>st</sup> Avenue, Isle of Palms, SC, as more fully described in said Lease and commonly known as "Isle of Palms Marina," as amended by that certain Amendment to Commercial Lease Agreement, dated June 2, 2010 (the "First Amendment"), as further amended by that certain Second Amendment to Commercial Lease Agreement, dated April 25, 2012 (the "Second Amendment"), and as further amendment by that certain Third Amendment to Commercial Lease Agreement, dated July 24, 2012 (the "Third Amendment") (the Lease, the First Amendment, the Second Amendment and the Third Amendment are collectively referred to herein as the "Lease"); and

WHEREAS, the Parties desire to further amend the Lease, as set forth herein, and to document their agreement by entering into this Fourth Amendment;

NOW, THEREFORE, in consideration of the Lease and this Fourth Amendment, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. Incorporation of Recitals; Definitions. The foregoing recitals are true and correct and incorporated as if fully set forth herein. Unless otherwise defined herein, capitalized terms used in this Fourth Amendment shall have the meaning ascribed to such terms in the Lease.
2. Initial Term; Renewal Options. Section 2 of the Lease is hereby deleted in its entirety and replaced with the following:

The term of this Lease (the "Lease Term") shall commence on October 1, 2009 and shall terminate at midnight on January 31, 2045 (the "Termination Date"), unless sooner terminated as provided herein. The Lease Term shall not be renewable.

3. Additional Rent. Section 3(B) of the Lease is hereby deleted in its entirety and replaced with the following:

In addition to the Base Rent, plus any increases as set forth in this Section, Tenant agrees to pay additional annual rent to Landlord equal to fifteen (15%) percent of the amount of Tenant's gross profit (as calculated pursuant to Exhibit III) derived from the Leased Premises per Lease Year which is in excess of One Million and No/100 (\$1,000,000.00) Dollars. Such amounts shall be due and payable in full within sixty (60) days after the end of each Lease Year. Tenant agrees to keep true, accurate and complete financial records regarding all income collected at the Leased Premises and to provide Landlord with a statement, certified by Tenant's chief financial officer to be true and correct, showing the calculations of the monthly gross profit for each month of the applicable Lease Year along with the payment, if any, of the additional annual rent due hereunder. Landlord and its agents and representatives shall have the right to inspect and copy all books and records of Tenant relating to the Tenant's gross profit derived from the Leased Premises at such reasonable times as Landlord may determine. To the extent allowed by the South Carolina Freedom of Information Act, Landlord agrees to keep all such information confidential.

4. Condition and Maintenance of the Premises. Section 6(A) of the Lease is hereby deleted and replaced in its entirety with the following:

Tenant agrees to accept the Leased Premises in its present condition. Landlord makes no representations or warranties, either express or implied, regarding the condition of the Leased Premises or its fitness for any particular purpose. Except as otherwise expressly stated in this Lease, Tenant agrees that at all times during the term of this Lease and any renewals thereof, Tenant shall be responsible for any and all repairs, maintenance and replacements, both ordinary and extraordinary, at the Leased Premises and all of its appurtenant systems, including the Landlord's personal property listed in Exhibit II, except to the extent of any damage covered and paid by Landlord's casualty insurance coverage carried pursuant to this Lease. Tenant agrees to keep the Leased Premises in a good, clean and safe order and repair and in good operating condition. All repairs, replacements and renovations shall be of good quality material and workmanship and made as promptly as possible. Tenant's maintenance shall include, but is not limited to, responsibility for garbage, trash or rubbish disposal in compliance with all applicable

laws, rules and regulations prescribed from time to time. Tenant agrees to be responsible for litter control at the Leased Premises and to maintain the property free from trash, debris or other litter. Tenant agrees to keep the grounds of the Leased Premises in good condition and properly landscaped.

5. Assignment or Sublease by Tenant. Section 9(C) of the Lease is hereby deleted in its entirety and replaced with the following:

Tenant may enter into subleases or license agreements with charter fishing, charter cruising, kayaking, boat rental, low speed vehicle rental, paddleboard rental, and eco-tour operations which are for terms not exceeding Tenant's right to possession of the Lease Premises. Tenant agrees to use its best efforts to secure and maintain subtenants or licensees operating these types of businesses in a manner similar to those which historically have been operated at the Marina during City's period of ownership.

6. Improvements and Alterations. Section 13 of the Lease is hereby deleted in its entirety and replaced with the following:

No alterations or improvements to the Leased Premises in excess of One Hundred Thousand and No/100 (\$100,000.00) Dollars shall be made by Tenant without the prior written consent of Landlord. Any alterations or improvements to the Leased Premises in an amount greater than Twenty-Five Thousand and No/100 (\$25,000.00) Dollars, but less than One Hundred Thousand and No/100 (\$100,000.00) Dollars shall require advance written notice to Landlord pursuant to the requirements set forth in Section 29 of this Lease; provided, however, that Tenant's presentation of the proposed alteration or improvement at a committee meeting of City Council that is recorded in the meeting minutes shall suffice as advance written notice to Landlord. Unless otherwise agreed to in writing by Landlord, all alterations, additions or improvements made by the Tenant and all fixtures, including trade fixtures, installed by Tenant shall be performed or installed in a good and workmanlike manner and shall at the Landlord's option become the property of the Landlord at the expiration or other sooner termination of this Lease; provided, however, that Landlord has the right to require Tenant to remove all such modifications upon the termination of this Lease, at Tenant's expense. Tenant acknowledges that all property listed on Exhibit II, whether fixtures or movable personal property, is owned by Landlord.

7. Default. Section 22(B) of the Lease is hereby amended by deleting all references to "Section 23" of the Lease and substituting in its place "Section 29" of the Lease.

8. Exhibit V. Exhibit V of the Lease is hereby deleted in its entirety and replaced with Revised Exhibit V attached hereto.

9. No Other Amendment. Except as amended and modified herein, all terms and conditions of the Lease shall remain in full force and effect, and are acknowledged by the Parties hereto.

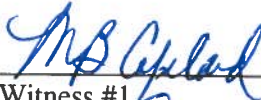
10. Counterparts. This Fourth Amendment may be executed in more than one counterpart, each such counterpart shall be deemed an original, and all such counterparts shall constitute one and the same Amendment. This Fourth Amendment shall be effective when executed by all Parties, but all Parties need not execute the original or the same counterpart.


[Signatures on following page]



IN WITNESS WHEREOF, the parties have executed this Fourth Amendment as of the date above written.


WITNESSES:

  
\_\_\_\_\_  
Witness #1

  
\_\_\_\_\_  
Witness #2

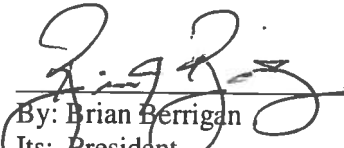
LANDLORD:

CITY OF ISLE OF PALMS,  
A South Carolina municipal corporation

  
\_\_\_\_\_  
By: Linda L. Tucker  
Its: City Administrator

TENANT:

MARINA JOINT VENTURES, INC.,  
A South Carolina corporation

  
\_\_\_\_\_  
By: Brian Berrigan  
Its: President

## REVISED EXHIBIT V

### List of Marina Assets Subject to Repair or Replacement by the City:

1. The Tenant agrees to be responsible for all normal and routine maintenance to the following property. City agrees to be responsible for extraordinary repairs or replacements to the following assets, except for damage caused by Tenant's negligent or willful acts, in which case the repair or replacement shall be the responsibility of Tenant:

Marina Dock Fuel Dispensers (as shown in the Photos attached hereto as Exhibit VI and incorporated herein by reference);

Marina Dock Transfer Fuel Lines (as shown in the Photo attached hereto as Exhibit VII and incorporated herein by reference); and

Utility and Safety Pedestals, including all associated Electrical Systems.

2. City agrees to be responsible for all ordinary and extraordinary repairs or replacements to the following property, except for damage caused by Tenant's negligent or willful acts, in which case the repair or replacement shall be the responsibility of Tenant:

Bulkheads;

Pilings;

Dock Replacements, including the Floating Docks and Fixed Piers;

Underground transfer lines and underground fuel pumps; and

Underground fuel storage tanks.

EXHIBIT VI

(ATTACH PHOTO #1 AND #2 OF MARINA DOCK FUEL DISPENSERS)

EXHIBIT VII

(ATTACH PHOTO OF MARINA DOCK TRANSFER FUEL LINES)

