

For Discussion Purposes Only

ADDENDUM NO. 1

Lease Commencement, Lease Rate, Renewals and Purchase Option

This Addendum No. 1 (“**Addendum**”) is made and entered into effective as of the ____ day of _____, 2018, as an addendum to the Standard Commercial/Industrial Building Lease dated _____, 2018, between HOLLINGSWORTH INVESTMENTS X, a Tennessee general partnership, as Lessor, and T-H MARINE SUPPLIES, INC., an Alabama corporation, as Lessee, (the “**Lease**”) for a 108,960 S.F. building located on Lot 2 at 5950 Endeavor Way, Mooresville, AL 35649, on 14.63 ± acres of the SouthPoint Business Park (the “**Premises**”).

WITNESSETH:

WHEREAS, Lessor and Lessee entered into the Lease as stated above. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Lease; and

WHEREAS, Lessee and Lessor desire to further amend the Lease as provided herein.

NOW, THEREFORE, in consideration of the terms, conditions and mutual promises contained herein, and in the Lease, as amended hereby, the parties hereto agree as follows:

1. LEASE COMMENCEMENT DATE

The Lease Commencement Date shall be June 1, 2018. This Lease Commencement Date shall be set forth by the Acceptance of Premises and Acknowledgment of Lease Commencement notice signed by Lessor and Lessee on a mutually agreeable date prior to June 1, 2018.

2. LEASE RATE

The lease rate for the Premises will be \$6.49 PSF/YR for the 108,960 S.F. Premises, payable in monthly installments as outlined in the Lease. The lease rate will be adjusted annually by the annual percentage change in the Consumer Price Index published closest to the anniversary date of the beginning of the lease Term, but not less than three percent (3%).

3. UPFITS

Lessor will finish out 11,310 SF of offices, break rooms, and two restrooms with a total of sixteen (16) toilets in accordance with Exhibit C Standard Commercial Office Specifications. The upfits to be approved by both parties in order to allow an approvable set of plans to be submitted. Lessor will install insulated metal building wall to separate Assembly from Warehouse and provide Assembly with 100 tons of air conditioning. Lessor will add car parking spaces to total 100 spaces. Lessor will add eight (8) docks seals and (8) 30,000# rated mechanical dock levelers.

4. RENEWAL OPTION

Lessor will provide to Lessee three (3) Five Year Renewal Option Periods on the same terms and conditions as the Lease. Any reference to the Term in the Lease and this Addendum shall include any Renewal Option Periods. This Lease will automatically renew unless Lessee notifies Lessor in writing one hundred eighty (180) days prior to the lease term termination date that Lessee does not wish to renew such lease.

5. PURCHASE OPTION

It is agreed that beginning on the thirteenth (13th) month following the Lease Commencement Date and continuing for a period of Thirty-Six (36) months from the Lease Commencement Date, the Lessee will have an Option to Purchase the Premises at a purchase price equal to: \$8,121,834 with upfits (net to Lessor).

Should the Lessee elect to exercise the above stated purchase option, Lessee shall notify Lessor in writing and shall close the purchase within sixty (60) days after said notification to Lessor.

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6. WARRANTY

The Lessor shall warranty all defects in workmanship and materials for a period of one (1) year from the first day of the Lease Term. Lessee shall (within ten (10) days of discovery) report, in writing, to Lessor any known defective conditions which Lessor is required to repair pursuant to this warranty. If Lessee does not report any such condition and the warranty expires, then the Lessor or the Lessee shall make such repairs in accordance with Paragraph 6 and 7 of said Lease.

7. AUTHORIZATIONS

Lessor represents and warrants that: (a) Lessor has taken all actions required by law, its governing documents or otherwise to authorize the execution, delivery and performance of this Addendum; and (b) this Addendum has been duly executed and delivered by a duly authorized officer of Lessor.

Lessee represents and warrants that: (a) Lessee has taken all actions required by law, its governing documents or otherwise to authorize the execution, delivery and performance of this Addendum; and (b) this Addendum has been duly executed and delivered by a duly authorized officer of Lessee.

8. MISCELLANEOUS

This Addendum shall be attached to, made a part of and wholly merged into the Lease. The Lease, supplemented by this Addendum, is to remain in full force and effect and is to be deemed superseded by this Addendum to the extent necessary to implement the terms of this Addendum. If there is a conflict between the terms of this Addendum and the Lease, the terms of this Addendum shall control.

Lessee and Lessor have agreed to the above terms and conditions to the Lease and to this Addendum. No supplement, modification or amendment of the Lease or this Addendum shall be binding unless executed in writing by Lessee and Lessor.

Any terms not herein defined shall have the same meaning as defined in the Lease.

This Addendum may be executed and delivered by facsimile or PDF signature and in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Executed by each party to be effective as of the date first above written.

LESSEE:

T-H MARINE SUPPLIES, INC.

By: _____
Name: _____
Title _____

Witness

LESSOR:

HOLLINGSWORTH INVESTMENTS X

By: _____
Joseph A. Hollingsworth, Jr.
Managing Partner

Witness