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12/13/2022

Tom Mann
Two Centre Plaza,
Clinton, TN 37716
Email: tmann@hollingsworthcos.com

Re: RFP to Lease – American Honda Motor Company

Tom:

Cushman & Wakefield (“Cushman”) in partnership with **Baker Realty** appreciates your interest in securing a lease with our client, **American Honda Motor Company (“AHM”)** and have determined that your listing has been “short-listed” as a finalist in the search for our Loudon Honda’s overflow storage requirements

AREA & PREMISES:	3025 Huntington Park Dr , Loudon TN 37774	
	Approximately 130,424 RSF	130,424 RSF
LEASE COMMENCEMENT DATE:	Upon substantial completion of Landlord work. Target lease commencement of Feb 1, 2024	The warehouse will be substantially completed by April 1, 2023. The office upfits will be completed by May 31, 2023, if a lease is signed no later than December 29, 2022.
		Lease/Rent Commencement shall be April 1, 2023.
EARLY ACCESS:	Tenant shall have access to the facility (30) days prior to Lease Commencement Date to begin furniture and rack installation, any other necessary fit-up functions. Tenant will work with Landlord so as not to disrupt Landlord’s ability to complete Building & Tenant Improvements during such Early Access period	Agreed.
PRIMARY LEASE TERM:	60 month lease term	The minimum lease for our new industrial facilities is typically 10 years. We will

provide a 7 year and 10 year option.

RENTAL RATE/RENTAL ABATEMENT:

Please provide for a market rent schedule and rental abatement

Ten Year Term

Triple Net \$7.11/SF/YR + CPI Annual Adjustment (min. 3%)
This includes 1,233 Sf Office, Break Room and Restrooms

Seven Year Term

Triple Net \$7.66/SF/YR + CPI Annual Adjustment (min. 3%)
This includes 1,233 Sf Office, Break Room and Restrooms

**REAL ESTATE TAXES &
OPERATING EXPENSES:**

Please provide for Lease type and any operating expense budget estimates (CAM, Insurance and Taxes) for the building.

NNN Lease, no CAM will be charged for this facility.

Taxes, Insurance, and Tenant maintenance estimated at **\$0.65 SF/YR.**

There shall be a 5% cap on a non-cumulative and non-compounding basis on annual increases of controllable operating expenses that may be passed along to Tenant.

Tenant will be in control of operating expenses.

UTILITIES:

Landlord to provide all required utilities to the Premises and the Building. Tenant to make arrangements with all utility providers for billing of utilities provided to the Premises. Tenant shall have the right to alter, increase, upgrade, install, remove, reconfigure or otherwise change any such utilities in connection with Tenant's desired use of the Premises, and shall not be required to remove or reconfigure same at the end of the lease.

Agreed, except Tenant will be required to obtain Landlord's prior written approval for any changes to utilities, which will not be unreasonably: conditioned, delayed or withheld.

**DELIVERY OF PREMISES &
BUILDING SYSTEMS:**

Landlord shall ensure that upon Lease Commencement, the Premises shall be delivered in good working order, condition and repair, including but not limited to all structural, roof, electrical, HVAC, fire suppression, dock equipment (bumpers, levelers, seals, etc) and mechanical systems, warehouse floors, truck courts/curbing all ground level, dock high man doors and

Agreed. No security fencing to be provided by Landlord. If Tenant desires to add fencing Tenant will be required to obtain Landlord's prior written approval for any changes to the site, which will not be unreasonably: conditioned, delayed or withheld.

exterior security fencing.

Landlord warrants such systems (excluding Roof which said warrantee shall extend for the Lease Term and any extension thereof) for a period of twelve (12) months from the Lease Commencement date. Agreed.

HOLDOVER:

Tenant's rent during holdover period shall be the amount of no more than 125% of the prior period rent, calculated on a month to month basis in accordance with the terms of the lease. Holdover is not offered.

MAINTENANCE OBLIGATIONS:

Landlord at Landlord's sole cost and expense, shall be responsible for the structural portions of: the roof, foundation, floor slab and exterior walls of the Property. Any capital improvements that are Tenant's responsibility under the Lease, shall be amortized over the useful life of that item and Tenant shall only be responsible for the cost prorated over the remaining Lease Term and any extensions thereto. The Landlord is responsible for the roofing and foundations. Maintenance of the floor slab and exterior walls are the Tenant's responsibility. No Capital improvements are anticipated with a newly completed facility.

LOADING & CONDITIONS

Please define the exact number of drive-in doors, dock-high doors as well as any and all levelers, and type of such currently in place for the Premises. Twelve (12) 9' x10' dock doors with 30,000# mechanical pit style levelers.

(1) 14' x 14' Drive in door

All dock equipment shall be delivered in good working order condition and repair upon Lease Commencement and per "Delivery of Premises and Building Systems" detailed above, shall warrant such systems for a period of twelve (12) months from Lease Commencement. Agreed.

ASSIGNMENT & SUBLETTING:

Tenant may assign the lease to any entity controlling Tenant, controlled by Tenant or under common control with Tenant without the prior consent of Landlord. Further, Tenant may assign the Lease to any public entity or to the purchaser of substantially all of the assets or stock of Tenant. A sale of stock to a public Agreed.

entity or a merger or consolidation of Tenant with another entity shall not be a prohibited assignment. In the event of an assignment, Tenant shall remain fully responsible for the payment of rent and other obligations under the lease.

Tenant may sublet the Premises, or any part thereof, to any entity using the Premises for legal general warehousing or office use without prior consent of Landlord. Any rent collected by Tenant in excess of the rent required under the lease shall be split with Landlord on a 50:50 basis (net of any sublease inducement expenditures by Tenant). In the event of a sublease, Tenant shall remain fully responsible for the payment of rent and other obligations under the lease.

Agreed, provided the sublet Tenant agrees to follow all park covenants and does not make any unauthorized alterations to the premises.

TENANT'S USE:

General warehouse & distribution

Agreed.

RENEWAL OPTION:

Provide one (1) option to renew for a period of five (5) years at the then Fair Market Value. Tenant shall provide prior written notice no later than six (6) months in advance of its intent to exercise such renewal option.

Landlord will provide three (3), five (5) year renewal options continuing the same terms and conditions.

ADA COMPLIANCE:

Upon Lease Commencement, the building at Landlord's expense shall comply with all ADA Code Requirements.

Agreed.

FIRE LIFE SAFETY:

Landlord shall provide that the Fire, Life Safety systems within the Building meet all current code at Landlord's sole cost and expense as of the Lease Commencement Date.

Agreed.

HAZARDOUS MATERIALS:

Landlord will provide warranties concerning the absence of hazardous materials and will be responsible for all costs associated with the removal of any that are present for the land and building throughout the lease term.

Agreed.

CC&R's

Landlord is to verify that it is not aware of any covenants, conditions, and restrictions that pertain to the land or the operation of the building that would restrict ongoing use of the

Agreed.

property as an office/warehouse and distribution.

PARKING:	Please define the Building's / Premises parking availability and capacity.	This is a single tenant facility. Tenant has exclusive rights to 59 car spaces.
ACCESS:	Tenant's employees require access to the premises 24 hours per day, 7 days per week.	Agreed.
SECURITY DEPOSIT:	None	Our lenders require us to collect two months' rent as a damage deposit.
CORPORATE IDENTIFICATION:	Tenant shall have the ability to erect exterior building signage, subject to Landlord and municipal approval at its sole expense.	Agreed.
BROKER COMMISSIONS:	Landlord shall be responsible for a brokerage commission paid to Cushman & Wakefield pursuant to a separate agreement between the Landlord and Cushman & Wakefield equal to 5% of the aggregate (net equivalent) rental obligation for the lease term.	The commission of 4% for the first 5 years of the lease and 2% for years 6-10 of the lease has been included in the quoted rental rates.
TERM OF THE OFFER:		All offers are only valid until December 29, 2022, after that date this offer is withdrawn. Buildings are subject to availability until a lease agreement is signed by all parties.

Please direct your lease proposal to me by writing directly on this form and returning it via email at brett.racanelli@cushwake.com and bobthornton@bakerrealtycompany.com We would appreciate a full response to this Proposal within 5 business days.

This Proposal sets forth all of the proposed terms for this transaction between you and our client; however, this request does not constitute either an offer, an option, or an agreement to lease, purchase or acquire any interest in the subject premises, nor to enter into any other type of agreement. The sole purpose of this request is to facilitate negotiations and to set forth certain specific proposed terms that we have been discussing with you. It is specifically acknowledged that neither our client nor you have any express or implied obligation to either negotiate or attempt to agree upon the substance and form of any agreement. No binding obligation of any kind shall arise on the part of either party on account of this request or on account of any other action of the parties unless and until a binding written agreement is negotiated and executed by the parties.

Very truly yours,

Cushman & Wakefield

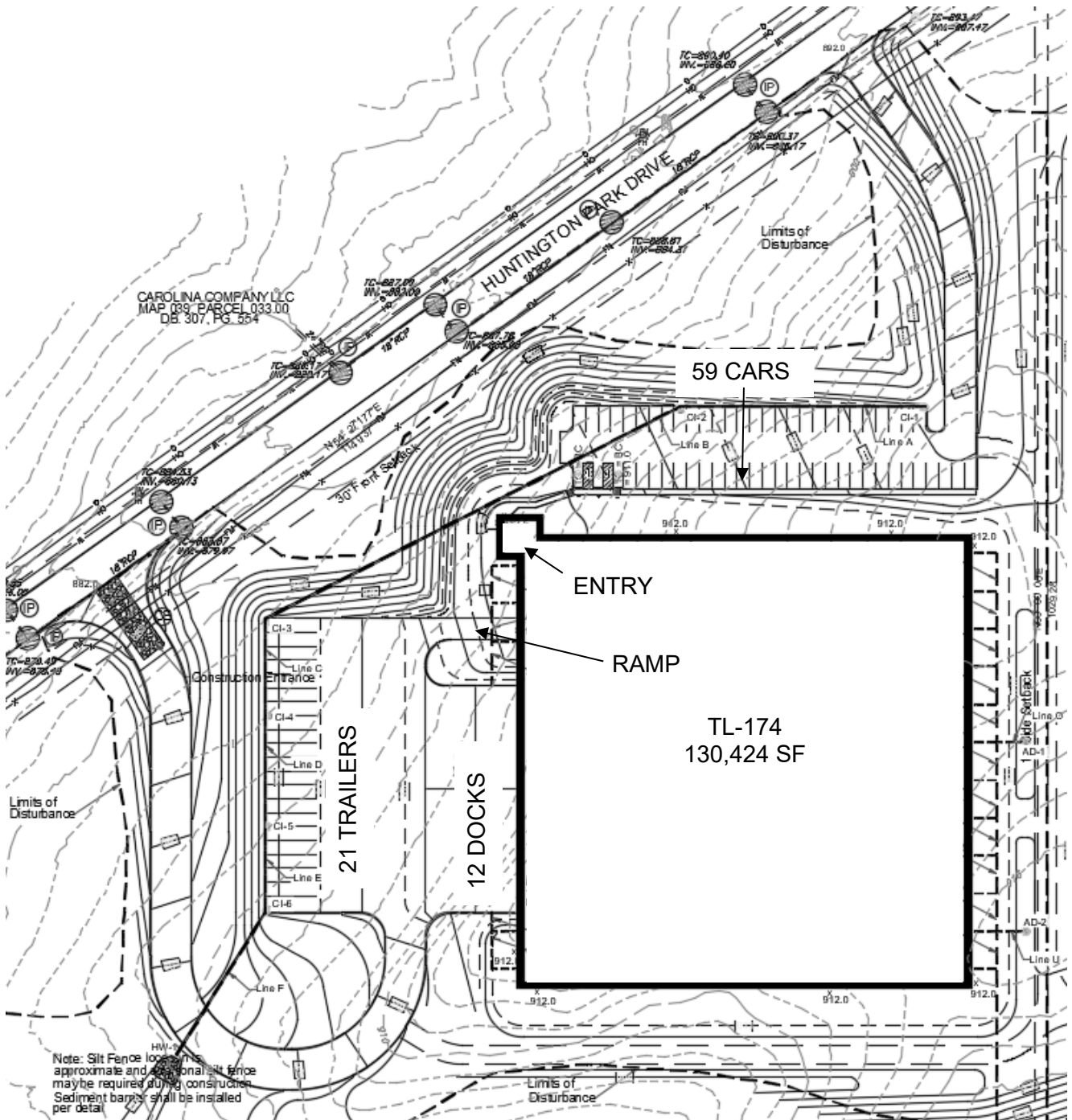


Brett Racanelli
Executive Director

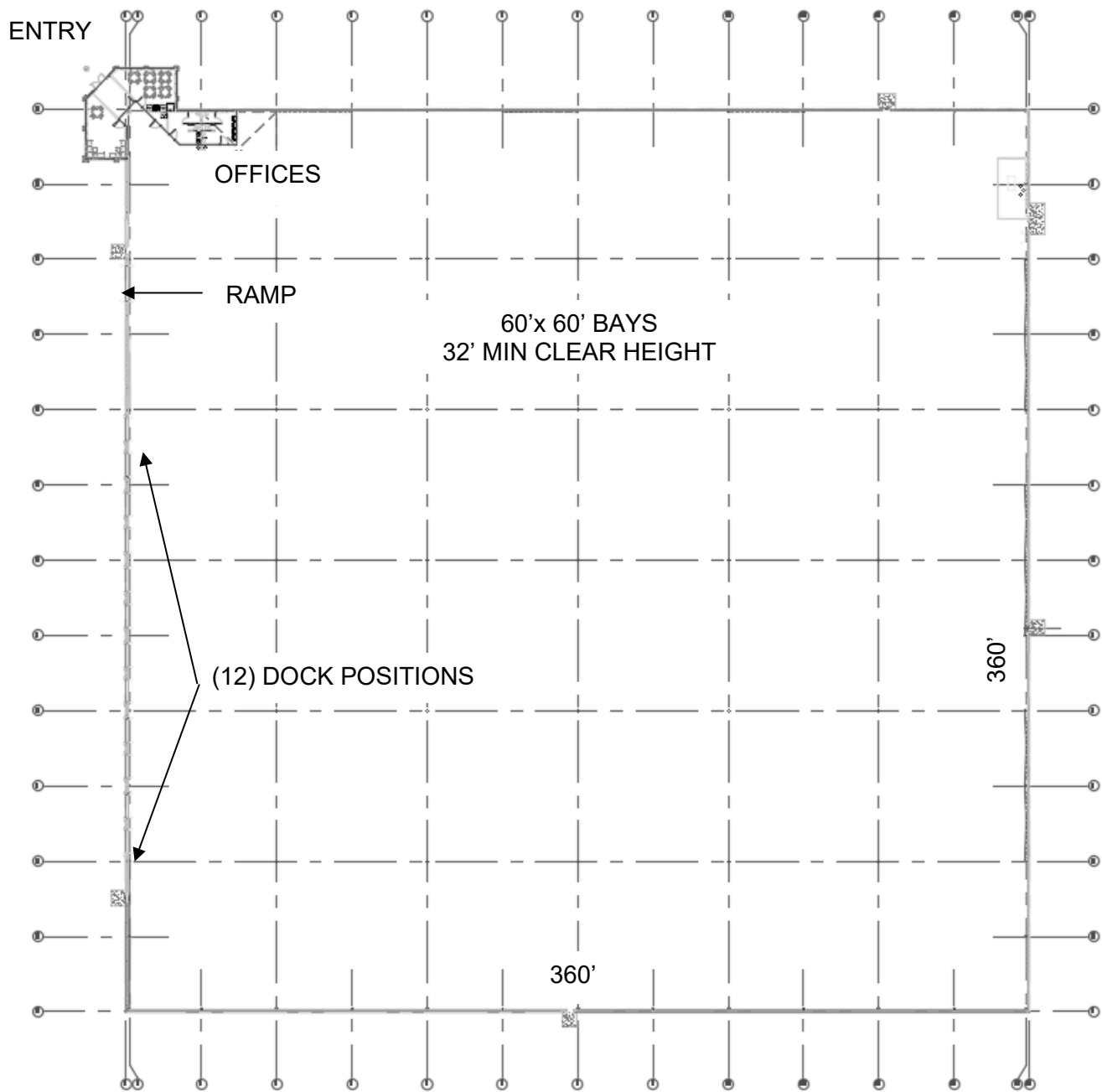


Bob Thornton – Baker Realty

SITE PLAN



OVERALL FLOOR PLAN



FUTURE EXPANSION AREA

OFFICE BREAK ROOM FLOOR PLAN

