AGENDA
FACILITIES PLANNING COMMITTEE
BOARD OF SUPERVISORS FOR THE
UNIVERSITY OF LOUISIANA SYSTEM
*10:35 a.m., Tuesday, February 24, 2015**
Claiborne Building Conference Center
Room 100, “Louisiana Purchase Room”
1201 North Third Street
Baton Rouge, Louisiana

MEMBERS:
Mr. David Guidry, Chair
Mr. John Condos, Vice Chair
Mr. John LeTard
Mr. Jimmy Long
Mr. Shawn Murphy
Mr. Mark Romero
Mr. Carl Shetler

A. Call to Order

B. Roll Call

C. Approval of Minutes of December 12, 2014 Joint Facilities Planning, Finance, and Personnel Committee Meeting

D. Discussion/Action:

Board Agenda Item G.1.

Louisiana Tech University’s request for approval to enter into a Lease Agreement between the Board of Supervisors for the University of Louisiana System with and on behalf of Louisiana Tech University and T.J. Pearce & Company, Inc.

Board Agenda Item G.2.

Southeastern Louisiana University’s informational notice to design, construct, demolish, and replace a portion of the University’s Student Housing Program and expansion of certain ancillary building(s) utilizing a 501(c)3, not-for-profit corporation.
Board Agenda Item G.3.

University of Louisiana at Monroe’s request for approval to enter into a Ground Lease Agreement with ULM Facilities Inc., a 501 (c ), not-for-profit corporation, to construct a new Field House facility at Malone Stadium Football Field and accept donation of improvements to the University.

E. Other Business

F. Adjournment
Item G.1. Louisiana Tech University’s request for approval to enter into a Lease Agreement between the Board of Supervisors for the University of Louisiana System with and on behalf of Louisiana Tech University and T.J. Pearce & Company, Inc.

EXECUTIVE SUMMARY

Background:
The State of Louisiana is in the process of acquiring land on behalf of Louisiana Tech to establish a research park, known as the Enterprise Campus, for the University. Funds for property acquisitions were included in Louisiana Tech’s FY 2008-09 and subsequent Capital Outlay Budget Requests approved by the Board. The State of Louisiana is purchasing the current site owned by T.J. Pearce & Company, Inc. at 408 W. California Avenue, Ruston, Louisiana.

During discussions with the owners of the property, it was agreed that, as a condition of the sale, the University would lease back the property for the use of T.J. Pearce & Company, Inc. to allow sufficient time for the acquisition of new space.

Lease Term and Conditions:

1. Beginning on the date of purchase and continuing for 12 consecutive months, i.e., March 1, 2015 through February 28, 2016
2. Property to be used for continued operation of T.J. Pearce & Company, Inc.
3. Lessee responsible for maintenance, repairs, utilities, and insurance
4. Facility includes a 10,378-square-foot building with associated lumber storage sheds sitting on 80,289 square feet of land.

RECOMMENDATION

The staff recommends approval of this item and adoption of the following resolution:

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves Louisiana Tech University’s request to enter into a Lease Agreement between the Board of Supervisors for the University of Louisiana System with and on behalf of Louisiana Tech University and T.J. Pearce & Company, Inc.
BE IT FURTHER RESOLVED, that the President of Louisiana Tech University is hereby designated and authorized to execute any and all documents necessary to execute said lease documents.

BE IT FURTHER RESOLVED, that Louisiana Tech University shall obtain final review from UL System staff and legal counsel and shall secure all other appropriate approvals from agencies/parties of processes, documents, and administrative requirements.

AND FURTHER, that Louisiana Tech University will provide the System office with copies of all final executed documents for Board files.
LADIES AND GENTLEMEN OF THE BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM:

Attached for your consideration is a lease agreement between Louisiana Tech University and T.J. Pearce & Company, Inc. The State of Louisiana is purchasing the current site of the T.J. Pearce & Company, Inc. for inclusion in the Louisiana Tech University Research Park, known as the Enterprise Campus.

Facility Planning and Control had the property appraised and the owners of T.J. Pearce & Company, Inc. have verbally agreed to the property acquisition, however, they have requested that they be allowed to continue use of the facility until they construct a new facility.

This lease will allow T.J. Pearce & Company, Inc. to continue use of their existing facility for twelve months after execution of the purchase. Louisiana Tech University is requesting permission to execute a lease similar to leases executed in the past. The final lease document will be subject to prior approval of system staff and counsel.

Sincerely,

Leslie K. Guice
President
LEASE

STATE OF LOUISIANA
PARISH OF LINCOLN

The following contract of Lease ("Lease") is made and entered into this 1st day of March, 2015, by and between the Board of Supervisors for the University of Louisiana System with and on behalf of Louisiana Tech University, herein represented by, Leslie K. Guice, President, hereinafter referred to as “Lessor”, and T. J. Pearce & Company, Inc., herein represented by the undersigned, hereinafter referred to as “Lessee”.

Whereas, the State of Louisiana is acquiring the property described below for the Louisiana Tech University Research Park from T. J. Pearce & Company, Inc. with the agreement that T.J. Pearce and Company, Inc. be permitted to continue to function and to allow the acquisition of new space, this Lease is hereby executed to allow T. J. Pearce & Company, Inc. to continue to function and to allow time for the acquisition of new space.

1.

For the consideration and upon the term and conditions hereinafter set forth, the Lessor has this day rented, let and leased unto Lessee, here present and accepting the same, for a period of commencing March 1, 2015, and ending February 28, 2016 (the “Term”), the following described property (“Property” or “Leased Property” or “Leased Premises”):

That certain tract described as follows (Known as the “Pearce Lumber Tract”):

That certain tract described as follows:
Beginning at the intersection of the West line of Henderson Street with the North line of California Avenue (U.S. Hwy. #80), and run West along the North line of California Avenue 94 feet, then run North parallel with East line of Homer Street 150 feet to the South line of Lot 1, Block 36 of the Town of Ruston, thence run West along the South line of said Lot 1 100 feet to the East line of Homer Street, then North along the East line of Homer Street, a distance of 69 feet, thence East parallel with the North line of California Avenue a distance of 296 feet to the West line of Henderson Street, thence in a Southwesterly direction along the West line of Henderson Street 241 feet to the point of beginning, being a portion of Lots 1, 2, 3 and 4 of Block 36 of the original survey of the Town of Ruston, said property being located in Ruston, Lincoln Parish, Louisiana, together with all improvements thereon and all rights thereto belonging.

AND

A portion of Lot 4 of Block 36 of the Town of Ruston bounded and described as follows:
Beginning at the Northeast Corner of the intersection of California Avenue (U.S. Highway 80) and Homer Street, being the Southwest Corner of Lot 4 of Block 36 of the Town of Ruston, according to the original plat and survey of said Town and run in an Easterly direction along the North side of California Avenue a distance of 50 feet to starting point. From the starting point, run in a Northerly direction parallel with the East line of Homer Street a distance of 150 feet, then run in an Easterly direction parallel with the North line of California Avenue a distance of 50 feet, thence run in a Southerly direction parallel with East line of Homer Street to the North line of California Avenue a distance of 150 feet, thence in a Westerly direction along the North line of California Avenue to starting point a distance of 50 feet, said property being located in Ruston, Lincoln Parish, Louisiana, together with all improvements thereon and all rights thereto belonging.

The Pearce Lumber Tract is also described as follows:

That certain lot or parcel of land situated in Lots 1, 2, 3 & 4 of Block 36 of the Town of Ruston, with said lot more particularly described as follows:

Beginning at the intersection of the West line of Henderson Street with the North line of California Avenue (U.S. Hwy. #80) as represented by that 5/8" rebar set, and run West along the North line of California Avenue 144.00 (record) feet and to that 5/8" rebar set; thence run North parallel with the East line of Homer Street 150.09 feet (record 150') to the South line of Lot 1, Block 36 of the Town of Ruston (referenced by that ½" rebar found: N85°51'24" E, 1.26'); thence run West along the South line of said Lot 1 50.00 (record) feet to the East line of Homer Street and that inscribed X set; thence North along the East line of Homer Street, a distance of 69.04 feet (record 69 feet) and to that 5/8" rebar set; thence East parallel with the North line of California Avenue a
distance of 295.72 feet (record 296 feet) to the West line of Henderson Street and to that 5/8” rebar set; thence continuing East parallel with the North line of California Avenue a distance of 44.11 feet (record 44.30 feet) to the East line of Henderson Street and the West line of the former Chicago, Rock Island & Pacific Railroad and to that 5/8” rebar set; thence in a Southwesterly direction along the East side of Henderson Street and the West line of Railroad 241.67 feet (record 241.22 feet) and to North line of California Avenue and to that 5/8” rebar set; thence West along the North line of California Avenue 44.11 feet (record 44.30 feet) and back to the POINT-OF-BEGINNING, containing 1.281 acres, more or less, and being subject to any and all encumbrances thereon and/or of record.

The above description is prepared based upon that plat captioned “PLAT OF SURVEY OF A PORTION OF LOTS 1, 2, 3 & 4 OF BLOCK 36 OF ORIGINAL TOWN OF RUSTON, LOUISIANA TECH RESEARCH PARK” (Riley Company of Louisiana, Inc. – Project 311-35/36), dated December 2, 2008 by Frank W. Miller, P.L.S.

AND the property described as follows (Known as the “Pearce-Alsup Tract”):

That certain tract described as follows:

Commencing at a 1/2” iron rod at the southeast corner of the T.J. Pearce and Company lot as per deed recorded in Conveyance Book 46, page 197, Records of Lincoln Parish, Louisiana, said point being more particularly described as being the point of intersection of the north right-of-way line of California Avenue (U.S. Highway No. 80) with the west right-of-way line of Henderson Street in Lot 4, Block 36 of the original Town of Ruston, Louisiana, thence run South 86 degrees, 11 minutes, 21 seconds East along the north right-of-way line of California Avenue (U.S. Highway No. 80) for a distance of 44.30 feet to a 1/2” iron rod on the west right-of-way line of the Chicago Rock Island and Pacific Railroad (abandoned) for the STARTING POINT; FROM SAID Starting Point, thence leaving the north right-of-way line of California Avenue, run North 29 degrees, 13 minutes, 19 seconds East along the west right-of-way line the Chicago, Rock Island and Pacific Railroad (abandoned) for a distance of 241.22 feet; thence run South 86 degrees, 11 minutes, 21 seconds East for a distance of 110.70 feet; thence run South 29 degrees, 13 minutes, 19 seconds West along said right-of-way for a distance of 241.22 feet to an existing lamp pole on the north right-of-way line of California Avenue (U.S. Highway No. 80); thence run North 86 degrees, 11 minutes, 21 seconds West along the north right-of-way line of California Avenue (U.S. Highway No. 80) for a distance of 110.70 feet to the point-of-beginning.

AND ALSO,
Any and all rights, title and interest Seller may have in and to that portion of the right-of-way or dedication of Henderson, Minden and Colorado Streets situated north of California Avenue and south of Arizona Avenue within Ruston, Lincoln Parish, Louisiana.

The Pearce-Alsup Tract is also described as follows:

That certain lot or parcel of land situated in Lots 2 & 3 of Block 36 and in Former Minden Street of the Town of Ruston, with said lot more particularly described as follows:

Commencing at the intersection of the North right-of-way line of California Avenue with the West right-of-way line of Henderson Street in Lot 4, Block 36 of the Town of Ruston Blocks as represented by that 5/8" rebar set, and run S 86°29′28″ E along the North right-of-way line of California Avenue for 44.11 feet (record 44.30 feet) and to that 5/8" rebar set on the West right-of-way line of the Chicago, Rock Island & Pacific Railroad (abandoned) for the STARTING POINT; from said Starting Point, thence leaving the North right-of-way line of California Avenue, run N 28°26′59″ E along the West right-of-way line of abandoned Railroad for 241.67 feet (record 241.22 feet) and to that 5/8" rebar set; thence run S 86°29′27″ E for 110.28 feet (record 110.70 feet) and to that 5/8" rebar set on the East right-of-way line of abandoned Railroad; thence run S 28°26′59″ W along said right-of-way for 241.67 feet (record 241.22 feet) and to that 5/8" rebar set on the North right-of-way of California Avenue; thence run N 86°29′27″ W along the North right-of-way line of California Avenue for 110.28 feet (record 110.70 feet) and back to the POINT-OF-BEGINNING, containing 0.555 acre, more or less, and being subject to any and all encumbrances thereon and/or of record.

The above description is prepared based upon that plat captioned “PLAT OF SURVEY OF A PORTION OF LOTS 2 & 3 OF BLOCK 36 OF ORIGINAL TOWN OF RUSTON, LOUISIANA TECH RESEARCH PARK” (Riley Company of Louisiana, Inc. – Project 311-35/36), dated December 2, 2008 by Frank W. Miller, P.L.S.

2.

Upon mutual agreement lease term may be terminated early. The monthly lease payment amount shall apply to all months the property is leased. Lessee must provide Lessor thirty days advance notice prior to requesting early termination of the lease.
3.

The consideration of this Lease is the payment by Lessee to Lessor of the sum of Twelve (12) equal monthly installments of One Thousand dollars and no cents ($1,000.00) each as rent for each month of the Term, the first installment being due and payable on the 1st day of March, 2015, and the remaining installments being due and payable, respectively on the first day of each month thereafter during the Term.

All monthly payments of rent as herein fixed shall be paid by Lessee to: Louisiana Tech University, P.O. Box 3151, Ruston, Louisiana 71272, until notified in writing differently by Lessor.

4.

The Lessee shall use the Property and improvements only as to continue business as T. J. Pearce & Company, Inc. Lessee will not sub-let or assign any portion of the Property or improvements or allow use thereof for any purposes or manner other than described herein.

5.

The Lessee will not encumber or alienate, the Property in any manner including but not limited to any lien or mortgage.

6.

Lessee agrees to make, at Lessee’s own expense, all changes, renovations, and additions to the Leased Premises required by reason of any laws, ordinances, orders or regulations of any municipality, parish, state, federal, or other public authority including the furnishing of required sanitary facilities and fire protection facilities, and Lessee shall furnish and maintain all fire extinguishers and equipment necessary to comply with the
order of the Louisiana State Fire Marshal. Lessee shall be responsible for all costs associated with any required periodic inspections and servicing of fire extinguishers and equipment.

7.

Lessee shall be responsible for maintaining the entire building and Property in good condition throughout the term of the Lease. Lessee shall make all such repairs to the Leased Premises as may become necessary not attributable to the negligence of the Lessor.

Lessee shall not add to or to install on the Leased Premises any fixtures, appurtenances, appliances, coverings, or other such objects.

8.

Lessee shall maintain Fire and Extended Coverage Insurance on the building structure equal to 100% of its value. Lessee shall maintain commercial general liability insurance of a minimum of $1,000,000 combined single limits per occurrence for Bodily Injury/Property Damage claims for those incidents in which the occurrence is the result of the negligence of the lessee. Lessee shall provide proof of Worker Compensation Insurance for all employees located at the Leased property.

All policies of insurance shall state Louisiana Tech University, the Board of Supervisors for the University of Louisiana System and the State as insured, and, if applicable, contain a loss payable clause for the benefit of Lessor and/or properly endorsed with a waiver of subrogation against Lessor.

Each policy of insurance shall to the extent obtainable, contain an agreement by the insurer that such policies shall not be cancelled unless at least thirty (30) days prior
written notice is given to Lessor.

Lessee shall provide Lessor, within five (5) days after the effective date of this Lease, certificates of insurance evidencing the effectiveness of the insurance coverage required above which certificates of insurance shall bear notations evidencing the payment of premiums or accompanied by other reasonable evidence of such payment by Tenant.

9.

To the fullest extent allowed by law, T. J. Pearce & Company, Inc. shall indemnify defend and hold harmless the State, the University of Louisiana System and Louisiana Tech University of and from any and all suits, claims, actions, causes of action, losses, expenses or damages (including attorney’s fees, expert witness fees and court costs) relating to, in connection with, or arising out of or resulting from the use and enjoyment of the Leased Property and all privileges granted herein by this Lease to the Board, with respect to all persons, including all agents, employees, servants or invitees of the Board, as well as all property, whether emanating by way of intentional acts, negligence, non-performance or strict liability.

10.

It is agreed that Lessee shall maintain the Property in accordance with all State and Local Codes and Ordinances. Lessee will keep the Property in a well maintained and attractive condition throughout term of the Lease. When Lessee vacates the Property, all improvements will be in the same general condition as initiation of Lease. Lessee accepts the property and improvements “as is” and understands that the University will NOT provide any maintenance of facilities. Lessee will pay all deposits
and utilities.

11.

This agreement is contingent upon the appropriation of funds to fulfill the requirements of the contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

12.

It is hereby agreed that the Legislative Auditor, Internal Auditor of the University and/or the Office of the Governor, Division of Administration auditors of Louisiana shall have the option of auditing all accounts of Lessee which relate to this contract.

13.

All notices required under this Lease shall be in writing and shall be sent by Certified United States Mail and in the case of notices to the Lessor shall be addressed as follows or in such manner as the Lessor shall from time to time make notification to the Lessee:

LOUISIANA TECH UNIVERSITY
ADMINISTRATION AND FACILITIES
P.O. BOX 3151
RUSTON, LOUISIANA 71272
(318) 257-2769

J.T. PEARCE AND COMPANY, INC.
408 W. CALIFORNIA AVENUE
RUSTON, LOUISIANA 71270
(318) 255-4280
14.

This Lease or extract of thereof may be recorded in the office of the parish recorder of the parish where the property herein leased is located only if mutually agreed by T. J. Pearce & Company, Inc. and The Board of Supervisors for the University of Louisiana System.

15.

This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of Louisiana.

16.

This Lease shall be effective as of March 1, 2015.

IN WITNESS WHEREOF, the parties hereto have signed their names on the ___ day of ___________, 2015, in the presence of the undersigned competent witnesses:

WITNESSES:_____________________________________

_____________________________________

LESSOR: BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM

_____________________________________

BY: ________________________________
    Leslie K. Guice, President

LESSEE: J.T. PEARCE & COMPANY, INC.

_____________________________________

_____________________________________

BY: ________________________________
    Jim Charles Pearce, President
Item G.2. Southeastern Louisiana University’s informational notice to design, construct, demolish, and replace a portion of the University’s Student Housing Program and expansion of certain ancillary building(s) utilizing a 501(c)3, not-for-profit corporation.

EXECUTIVE SUMMARY

The University is proposing to design, construct, demolish and replace a portion of the University’s Student Housing Program and expansion of certain ancillary building(s). Refer to the enclosed Executive Summary Report for a comprehensive overview of the project including the background, location, project scope, project schedule, financing and project structure. Southeastern Louisiana University is not requesting formal approval at this time, but would like to inform the Board of the process.

Since this is a report only, it does not require Board approval.
February 5, 2015

Dr. Sandra Woodley, President
University of Louisiana System
1201 North Third Street, Suite 7-300
Baton Rouge, LA 70802

Re: Housing Renovation/Expansion

Dear Dr. Woodley:

Southeastern Louisiana University requests consideration and to place the following item on the agenda for the February 24, 2015 meeting of the Board of Supervisors for the University of Louisiana System:

Permission to design, construct, demolish and replace a portion of the University’s Student Housing Program and expansion of certain ancillary building(s) utilizing a 501(c)3, not-for-profit corporation.

The appropriate documents will be created in consultation with the University of Louisiana System staff and the Board attorney. Upon completion of these documents, the University will return to the Board for final approval.

Sincerely,

[Signature]

John L. Crain
President

Attachment
Southeastern Louisiana University

Replacement Student Housing Project

Presentation to the Board of Supervisors for the University of Louisiana System

February 24, 2015
Executive Summary

Summary

Southeastern Louisiana University is proposing the design, construction, demolition and replacement of a portion of the University’s Student Housing Program and expansion of certain ancillary building(s).

Background

In 2004, Southeastern embarked on a major renovation of its housing program, which brought the number of new beds on campus to 2,091. In addition to the 2004 project, two existing facilities, Cardinal Newman Hall and Zachary Taylor Hall have remained in service. Having experienced a waitlist for the past 7 fall semesters, the University has been forced to double occupy rooms in Zachary Taylor Hall that are intended to house only single occupancy. However, the University has determined that Zachary Taylor Hall has reached its useful life and can no longer service the needs of our students. With this current situation in mind, the University intends, through the assistance of its not-for-profit, to develop new housing that will replace and expand its current housing program. The proposed project will consist of approximately 300-500 new beds with certain additional amenities including public gathering spaces for on-campus residents and the potential for additional residential dining locations.

The University has contracted with Anderson-Stickler to survey our students and preliminary findings have determined that replacement housing needs exist.

Our current housing inventory consists of approximately 312 apartment-style beds, organizational housing consisting of 270 beds including sororities and fraternities; and 1,805 beds consisting of a combination of double and private spaces. Zachary Taylor Hall, which has 202 of the 1,805 beds, was constructed in 1962. It consists of 202 private rooms, however, in fall 2014, it was occupied by 235 students, resulting in an occupancy of 116%.

Location

The proposed housing development will take place on the north side of the main campus.

Project Scope

The proposed project will include the development of 300-500 units, residential gathering spaces as well as the possible expansion of an on-campus dining location.
**Project Schedule**

The University would like to begin construction of this complex in late fall of 2015 with expected completion in the Fall of 2016.

**Financing & Project Structure**

The University plans to finance this project using the traditional third party process and standard lease / leaseback agreements. The Board of Supervisors has used this same third party financing mechanism numerous times to successfully finance needed projects for on-campus student housing and student union projects at various universities throughout the State. The University plans to repay the debt with proceeds from rent collected from the residents.

**Summary**

Southeastern Louisiana University appreciates the Board’s consideration of this important project. The University is striving to continuously improve its facilities in order to ensure student enrollment is maximized and student demand is met.

This presentation is for informational purposes only and does not need Board Approval at this time. The University plans to move forward with the development process and will return to the Board for full approval of the project and lease documents at a later date.
Item G.3. University of Louisiana at Monroe’s request for approval to enter into a Ground Lease Agreement with ULM Facilities Inc., a 501(c)3 not-for-profit corporation, to construct a new Field House facility at Malone Stadium Football Field and accept donation of improvements to the University.

EXECUTIVE SUMMARY

The University is requesting Board approval to enter into a Ground Lease Agreement with ULM Facilities Inc., a 501(c)3 not-for-profit corporation, to construct a new Field House facility at Malone Stadium Football Field and accept donation of improvements to the University. ULM will lease the land where the new facility will be constructed to ULM Facilities, Inc. (ULMFI). This land will be leased to ULMFI for $1.00 per year.

The new Field House facility is proposed to be a one-story structure and will be approximately 11,500 square feet. The new facility will serve as the main operations center for ULM’s football program. The facility includes: new locker room and shower areas, coaches’ offices, team meeting rooms, conference room, a reception area, etc.

The estimated project cost is expected to be $4,026,132. The ULM Athletic Foundation will provide all funding for this project through donations raised specifically for the new Field House. The ULM Athletic Foundation will enter into a Cooperative Endeavor Agreement with ULM Facilities, Inc. to allow ULMFI to construct the new facility.

The Ground Lease Agreement will expire when all construction is completed. At that time ULM Facilities, Inc. will donate all improvements to the University.

RECOMMENDATION

It is recommended that the following resolution be adopted:

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System hereby approves University of Louisiana at Monroe’s request for approval to enter into a Ground Lease Agreement with ULM Facilities Inc., a 501(c)3 not-for-profit corporation, to construct a new Field House facility at Malone Stadium Football Field and accept donation of improvements to the University.
BE IT FURTHER RESOLVED, that University of Louisiana at Monroe shall obtain final review from UL System staff and legal counsel, and shall secure all other appropriate approvals from agencies/parties of processes, documents, and administrative requirements prior to execution of documents.

BE IT FURTHER RESOLVED, that the President of University of Louisiana at Monroe is hereby designated and authorized to execute any and all documents associated with said lease by the University of Louisiana System on behalf of and for the use of University of Louisiana at Monroe.

AND FURTHER, that University of Louisiana at Monroe will provide the System office with copies of all final executed documents for Board files.
Dr. Sandra Woodley, President  
University of Louisiana System  
1201 North Third Street, Suite 7-300  
Baton Rouge, LA 70802

RE: University of Louisiana at Monroe (ULM)  
Request to Approve New Field House Project at Malone Football Stadium  
February 24, 2015 ULS Board Meeting

Dear Dr. Woodley,

The University of Louisiana at Monroe is requesting approval to proceed with constructing a new Field House facility at Malone Football Stadium. I have enclosed an executive summary providing detailed information on this project. Please include ULM’s request for approval on the February 24, 2015 Board meeting agenda.

In order to expedite this project, we further request permission to seek approval of the project from the Board of Regents at their February 23, 2015 meeting. If granted, this Board of Regents approval would be contingent on receiving approval of the ULS Board at their February 24, 2015 meeting.

Should you have any questions or need further information please contact Jason Roubique, ULM Director of Facilities Management and EHS. Mr. Roubique may be reached by phone at 318-342-5171 or by email at roubique@ulm.edu. Thank you for your consideration of this request.

Sincerely,

Nick J. Bruno, Ph.D.  
President

cc: Dr. William Graves, ULM Chief Business Officer  
Jason Roubique, ULM Director of Facilities Management and EHS  
Bruce Janet, UL System Director of Internal and External Audit
New Field House Facility at Malone Football Stadium

Presentation to the Board of Supervisors for the University of Louisiana System

February 24, 2015
Contact Information

- **University**
  Jason Roubique, Director of Facilities Management & EHS
  University of Louisiana at Monroe (ULM)
  700 University Avenue
  Monroe, LA 71209
  (318) 342-5171
  (318) 342-3465 (fax)
  roubique@ulm.edu

- **Affiliate – 501(c)3 Organization**
  R. Scott McDonald, Chairman
  ULM Facilities Inc.
  University Library, Suite 623
  700 University Avenue
  Monroe, LA 71209
  (318) 342-1961

- **Project Counsel**
  Charles Herold
  Hudson, Potts, and Bernstein
  1800 Hudson Lane, Suite 300
  Monroe, LA 71201
  (318) 388-4400
  (318) 388-2758 (fax)
  cherold@hpblaw.com

- **Project Designer**
  Bill Land, Architect; AIA, NCARB
  Land 3 Architect Inc.
  1900 Stubbs Avenue
  Monroe, LA 71201
  (318) 322-2694
  (318) 322-2695 (fax)
  bill@landaia.com
Executive Summary

Background

ULM has a proud history and tradition in all our athletic programs but particularly with football. ULM now competes as an NCAA Division 1 mid-major University in the Sun Belt Conference. The ULM Facilities Master plan documented the need for a new field house facility to support the operations of the ULM football program. Since that time, the ULM Athletic Foundation has worked diligently to raise the funds needed to complete the new field house facility.

Location

The new field house facility will be located at 308 Warhawk Way, Monroe, LA. The new facility will connect to ULM’s existing Malone Football Stadium. It will be located on the northwest side of the existing stadium.

Project Scope

The scope of the project involves designing and constructing a new field house facility including site improvements on the property. The proposed design includes an approximately 11,500 heated square feet facility.

The new facility will serve as the main operations center for our football program. The facility includes: new locker room and shower areas, coaches offices, team meeting rooms, conference room, a reception area, etc. The new facility will be a single level facility; however, we are including structural components in the design to allow for the easy addition of a second level to this facility in the future.

Please see the attached conceptual drawings and floor plans for details on this facility.

Project Schedule

The University plans to begin construction in early March 2015 depending upon weather conditions. The project will take about a year to complete once construction begins. ULM will move into the facility in early 2016 and begin operations at that time.
Current Project Status

The Architect hired by the ULM Athletic Foundation recently completed all construction drawings and specifications for this proposed facility. The ULM Athletic Foundation negotiated a construction contract with Hand Construction of Shreveport, LA. Hand Construction has agreed to construct the facility for a guaranteed maximum price of $3,446,647.00. Once this proposed project is approved by the University of Louisiana System and the Board of Regents, the ULM Athletic Foundation will fully execute this construction contract and proceed with construction.

Financing & Project Structure

The University plans to construct the New Field House Facility using the third party process and standard lease / leaseback agreements.

The University will lease the land to ULM Facilities Inc. (ULMFI), a 501(c)3 not-for-profit corporation, that is an affiliate of the University. ULMFI will arrange for all construction for the project. Upon completion and acceptance of this project, the new facility will be donated to the University. No debt will be incurred by the University, and all funding will be provided by the ULM Athletic Foundation. ULMFI and the ULM Athletic Foundation will enter into a Cooperative Endeavor agreement to allow the ULM Athletic Foundation to transfer funding to ULMFI.

The total project cost is expected to be $4,026,132 including estimated interest expenses of $377,000. The ULM Athletic Foundation has $4,092,736 available for this project. The ULM Athletic Foundation has $670,900 cash on hand and has already paid $121,875 in architectural / design fees. In addition to these cash donations, the ULM Athletic Foundation has signed commitment letters from donors to provide the remaining funding necessary to complete this project.

The ULM Athletic Foundation will secure a bank loan for an amount not to exceed $3,029,320. The term of the loan will not exceed seven years after the 12 month construction period. The ULM Athletic Foundation has secured permanent financing at an interest rate of 3.34% through a competitive bid process. That interest rate applies to the construction period and the permanent financing.

The University will not incur any debt as a result of this project. The University’s land / property will not be used as security for the ULM Athletic Foundation’s loan.
**Business Plan**

**Project Budget**

Architectural Design Expense Remaining: $75,029  ($121,875 already paid)

Construction Contract, Guaranteed Maximum: $3,446,647

Furnishings & Fiber Optic Equipment: $76,828

Estimated Interest Expenses: $377,000

Project Contingency: $50,628

**Project Total:** $4,026,132

**Construction Budget Detail**

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<tr>
<th>Category</th>
<th>Amount</th>
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<tr>
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<td>Exterior Envelope (Masonry, Roof, Etc.)</td>
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<tr>
<td>Interior Construction (Walls / Doors / Finishes, etc.)</td>
<td>$811,647</td>
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</tbody>
</table>

**Construction Total:** $3,446,647
Summary

The University of Louisiana at Monroe (ULM) appreciates the Board’s consideration of this important project. The University is striving to continuously improve our facilities, and our students are most supportive and appreciative of those efforts.

Accordingly, we respectfully request your approval of our project to construct a new field house facility for our football program at Malone Stadium.
LEGAL DESCRIPTION

A certain tract or parcel of land situated in Section 39, Township 18 North, Range 4 East, Land District North of Red River, Ouachita Parish, Louisiana, and being more particularly described as follows:

Commence at a found ½” iron pipe at the northeast corner of Lot 6, Square 2, Edgewater Gardens, as per plat filed in Plat Book 4, Page 9, of the records of Ouachita Parish, Louisiana; proceed North 29°02′43″ West, a distance of 1,064.63 feet to the POINT OF BEGINNING; thence proceed North 61°27′25″ West, a distance of 105.50 feet; thence proceed North 13°33′50″ East, a distance of 138.62 feet; thence proceed North 31°27′25″ West, a distance of 26.53 feet; thence proceed South 75°39′29″ East, a distance of 222.62 feet; thence proceed South 13°09′07″ West, a distance of 121.75 feet; thence proceed North 76°19′49″ West, a distance of 79.85 feet; thence proceed South 73°52′02″ West, a distance of 14.84 feet; thence proceed South 47°20′51″ West, a distance of 14.78 feet; thence proceed South 22°14′35″ West, a distance of 11.81 feet to the POINT OF BEGINNING, containing 0.695 acres, more or less, and being subject to all easements, servitudes and rights-of-way of record and/or of use.

This description is for lease purposes only. No boundary survey was performed and no monuments were set in the field.
COOPERATIVE ENDEAVOR AGREEMENT

BETWEEN

UNIVERSITY OF LOUISIANA AT MONROE,
UNIVERSITY OF LOUISIANA MONROE FACILITIES, INC., and
UNIVERSITY OF LOUISIANA MONROE ATHLETIC FOUNDATION, INC.

FIELD HOUSE AT MALONE STADIUM

This Cooperative Endeavor Agreement with an effective date of February 25, 2015, is entered into by and between the University of Louisiana at Monroe, which is represented herein by Dr. Nick J. Bruno, President (the “University”); the University of Louisiana Monroe Facilities, Inc., a Louisiana nonprofit corporation represented herein by its chairperson, R. Scott McDonald (the “Corporation”); and the University of Louisiana Monroe Athletic Foundation, Inc., which is represented herein by its President, Kevin R. Woods (the “Foundation”).

WITNESSETH:

WHEREAS, the University of Louisiana at Monroe is a university under management of the University of Louisiana System;

WHEREAS, the Corporation is a private nonprofit corporation organized and existing under the Louisiana Nonprofit Corporation Law (LA RS 12:201, et seq.), whose purpose is to support and benefit the educational, scientific, research and public service missions of the University of Louisiana at Monroe;

WHEREAS, the University of Louisiana Monroe Athletic Foundation, Inc. is a private nonprofit corporation organized and existing under the Louisiana Nonprofit Corporation Law (LA RS 12:201 et seq.), whose purpose is to support and benefit the educational, scientific, research and public service missions of the University of Louisiana at Monroe;

WHEREAS, it is the desire of the parties to further these functions of the University through efforts of the Corporation and Foundation by developing and enhancing facilities for students, facility and staff by working in concert to construct a Field House at Malone Stadium on the campus of the University.

WHEREAS, in order to further these functions, the Corporation plans to lease land adjacent to the field surface at Malone Stadium, along with ingress and egress, from the Board of Supervisors for the University of Louisiana System on behalf of the University of Louisiana at Monroe (the “Board”), for the purpose of constructing a Field House at Malone Stadium. A survey of the land location at Malone Stadium adjacent to the field surface is attached hereto as Exhibit “A” and legal description is attached as Exhibit “B”. The total project cost is expected to be $4,026,132.00.
WHEREAS, the Foundation has raised approximately $670,900.00 in cash donations and has secured signed commitments from private donors, who have committed to donate the balance of $3,355,232.00 to pay for the construction of the Field House at Malone Stadium. The Foundation shall borrow sufficient money not to exceed $3,029,320.00 to pay for the project and collect money from the donors in order to timely pay the obligation to the lender when due. The lender will not require security for the loan and the land shall not be mortgaged. The Foundation will not be involved in the construction project. The Foundation will work with the lender to facilitate incremental draw payments through the Corporation, which will make progress payments to the contractors and vendors at varying stages of construction as the Field House project progresses. The Foundation will ensure that all funds are timely transferred to the Corporation for payment to contractors and vendors.

WHEREAS, the Corporation will be responsible for overseeing the entire construction project. The Corporation shall also work with the Foundation in an administrative capacity in terms of making payments to the contractor and vendors on the Field House construction project. Although the Corporation will work with the Foundation in this administrative capacity to pay the contractor and vendors with funds provided by the Foundation, the Foundation shall remain solely responsible for the financial obligation of payment for the Field House construction project. The Corporation will lease the land described in Exhibits “A” and “B” from the Board through a one-year ground lease. This lease will expire at the end of one year or the date of opening of the Field House, whichever occurs first.

A copy of the Memorandum of Lease between the Corporation and University of Louisiana System Board is attached as Exhibit “C”.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

The term of this Cooperative Endeavor Agreement shall be for one (1) year beginning on February 25, 2015, and will end on the earlier of (i) February 24, 2016, or (ii) the date of opening of the Field House. This agreement may be extended or terminated by mutual written agreement of the parties.

The parties to this Cooperative Endeavor Agreement acknowledge and agree that the purpose of the agreement is to allow the Corporation to develop and construct the Field House in accordance with plans and specifications to be determined by the Corporation. Once the Cooperative Endeavor Agreement terminates, all of the Foundation’s and Corporation’s right, title and interest in the Field House shall immediately transfer and vest with the Board, including but not limited to all warranties.

The Corporation will develop and construct the Field House on the land identified in Exhibits “A” and “B”. The Corporation shall furnish or cause to be furnished all supervision, tools, implements, machinery, labor, materials and accessories as are necessary and proper for the construction of the Field House and shall pay all applicable permit and license fees, and shall construct, build and complete the project in a good, substantial and workmanlike manner in
compliance with the plans and specifications. The parties to this agreement agree to cooperate fully to that end.

All decisions regarding construction matters shall be made by the Corporation, working with the contractors. The contractors have been selected to construct the Field House. The parties hereby consent and authorize the Corporation to move forward with construction of the Field House on the property.

From time to time, upon written request by the Foundation or the University, the Corporation shall report to the requesting entity about the progress of the construction work on the Field House. Further, the parties agree that during the term of this agreement, the Foundation and the University may inspect the Field House from time to time as they deem necessary.

The Corporation has the obligation to inspect the land and arrange for boundary surveys, topographical surveys, soil borings and other site investigations at its expense to the extent these things are deemed necessary by the Corporation. The University does not guarantee that the land is suitable for construction of the Field House in question. However, the University represents to the best of its knowledge and belief, there are no hazardous materials or other materials on or under the land that would materially impact the construction of the facility or modification of the existing improvements on the property.

Upon expiration of this agreement and the ground lease, the University agrees to accept and assume all responsibility for maintaining, repairing and upkeeping the Field House in a timely, reasonable and workmanlike manner so as not to void any of the warranties related to the Field House.

The contractors hired by the Corporation to perform the work shall have a performance bond, labor and material payment bond or completion bond and/or builders risk insurance, which shall be for 100% of the amount of the $3,250,000.00 total project cost and shall contain a dual obligee rider in favor of the Corporation.

The Corporation shall not suffer or permit any mechanic’s liens or other liens to be enforced against the University’s ownership interest in the land or the Field House by reason of failure to pay for any work, labor, services, or materials supplied or claimed to have been supplied to the Corporation or to anyone holding the land or Field House or any part thereof or under the Corporation.

If any such mechanic’s liens or material man’s lien shall be recorded against the land or Field House, the Corporation shall cause the same to be released of record or, in the alternative, if the Corporation in good faith desires to contest the same, the Corporation shall be privileged to do so, but in such case, the Corporation hereby agrees to indemnify and save the University and the Foundation harmless from all liability for damages occasioned thereby and shall in the event of a judgment of foreclosure on said mechanic’s lien, cause the same to be discharged and released prior to the execution of such judgment. In the event the University reasonably considers their interest in the land or field endangered by any such liens and should so notify the Corporation and the Corporation should fail to provide adequate security for the payment of such liens, in the form
of a surety bond, cash deposit or cash equivalent, or indemnity agreement reasonably satisfactory to the University within thirty (30) days after such notice, then the University, at the University's sole discretion, may discharge such liens and recover from the Corporation immediately the full extent of the payments made.

The Corporation shall keep or cause to be kept accurate, full and complete records in relation to the Field House project and shall make such records available upon written request to the Foundation or the University upon reasonable notice.

Excluding the acts or omissions of the Foundation and the University, their employees, agents or contractors, the Corporation shall and will indemnify and save harmless the Foundation and the University, their agents, officers, and employees, from and against any and all liability, claims, demands, damages, expenses, fees, fines, penalties, suits, proceedings, actions and causes of action of any kind and every kind and nature arising or growing out of or in any way connected with the Corporation's construction of the Field House. This obligation to indemnify shall include reasonable fees of legal counsel and third-party investigation costs and all other reasonable costs, expenses, and liabilities from the first notice that any claim or demand has been made; however, the Corporation, Foundation and the University shall use the same counsel if such counsel is approved by the Foundation and University, which approval shall not be unreasonably withheld or delayed. If the Foundation and the University do not approve of such counsel, the Foundation and the University may retain independent counsel at their sole cost and expense. It is expressly understood and agreed that the Corporation is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions and that the Foundation and the University shall in no way be responsible therefore.

The Foundation and University shall indemnify the Corporation and shall hold the Corporation harmless from and shall reimburse the Corporation for any and all claims, demands, judgments, penalties, liabilities, whether based on strict liability or otherwise, fines, costs, damages and expenses, including court costs and attorney's fees directly or indirectly incurred by the Corporation (prior to trial, at trial and on appeal) in any action against or involving the Corporation, the Foundation and/or the University's acts or omissions, negligence and resultant damages including but not limited to any breach of the representations, warranties or covenants by the University relating to hazardous substances or from the discovery of hazardous substances in, upon, under or over, or emanating from, the land or the facilities, whether or not the University is responsible therefore and regardless of when such hazardous substances come to be present at or were released from the land, it being the intent of the University that the Corporation shall have no liability or responsibility for damage or injury to human health, the environment or natural resources caused by, for abatement and/or cleanup of, diminution in value of the land, or with respect to hazardous substances by virtue of their interest, if any, in the land and the facility created by this agreement or otherwise, or hereafter created.

In the event a dispute arises among any of the parties to this agreement, notice must be provided by certified mail to the concerned parties. If the parties have not settled or come to an agreement concerning the dispute within thirty (30) days; then the parties shall refer the dispute to binding arbitration with each party involved in the dispute naming one arbiter. If there are only two parties involved in the dispute, the two arbiters shall name a third. Arbiters must be named
within ninety (90) days and arbiters cannot have had any past business with or be related to either party. None of the three arbiters may have done any work for or be related by blood or marriage to any of the parties to this agreement. The decision of the arbiters shall be binding on all parties. All costs of arbitration including legal fees, legal expenses court reporter fees, witness fees, etc., shall be borne entirely by the losing party or as apportioned according to each party’s percentage of fault as determined by the arbiters.

Notices or communications to the Foundation, the University or the Corporation required or appropriate under this agreement shall be in writing, sent by (a) personal delivery, (b) expedited delivery service with proof of delivery, (c) registered or certified United States mail, postage prepaid; or (d) prepay telecopy if confirmed by expedited delivery service or by mail in the manner previously described, addressed as follows:

If to the University:
University of Louisiana at Monroe
Library 6th Floor, Suite 623
700 University Avenue
Monroe, LA 71209-2000
Attention: Vice President for Business Affairs

If to the Corporation:
University of Louisiana Monroe Facilities, Inc.
700 University Avenue
Monroe, LA 71209
Attention: Executive Director

If to Foundation:
The University of Louisiana Monroe Athletic Foundation, Inc.
700 University Avenue
Monroe, LA 71209
Attention: President

Or to such other address or to the attention of such other person as hereinafter shall be designated in writing by such party. Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of delivery service or mail, as of the date of deposit in the mail in the manner provided herein, or in the case of telecopy, upon receipt.

Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint ventures, or any other similar such relationship, between the parties hereto. It is understood and agreed that no provision contained herein nor any acts of the parties hereto creates a relationship other than between the parties.

This agreement shall be construed under and in accordance with the laws of the State of Louisiana, and all obligations of the parties created hereunder are performable in Ouachita Parish, Louisiana. If either party is required to commence legal proceedings relating to arbitration
provisions of this Cooperative Endeavor Agreement, the prevailing party shall be entitled to receive reimbursement for its reasonable attorney’s fees and costs of suit.

This agreement may be executed in multiple counterparts, each of which shall be declared an original. If any clause or provision of this this agreement is deemed invalid or unenforceable under present or future laws effective during the term of the agreement, then in that event, it is the intention of the parties hereto that the remainder of the agreement shall not be affected thereby.

By execution of this agreement, the University, the Corporation and the Foundation represent to each other that they are entities validly existing, duly constituted and in good standing under the laws of the jurisdiction in which they were formed and in which they presently conduct business; that all acts necessary to permit them to enter into and be bound by this agreement have been taken and performed; and that the person signing this agreement on their behalf have due authorization to do so.

No amendment, modification, or alteration of the terms of this agreement shall be binding unless the same are in writing, dated on or subsequent to the date hereof, duly executed by the parties hereto and consented to by the parties. No such amendment to the agreement shall alter the obligations of the parties hereto in any manner inconsistent with the scope of their obligations set forth and contemplated herein.

All of the covenants, agreements, terms and conditions to be observed and performed by the parties hereto shall be applicable to and binding upon their respective successors and assigns including any successor by merger or consolidation into another institution or entity.

This agreement, together with the exhibits attached hereto, contains the entire agreement between the parties and contains all of the terms and conditions agreed upon with respect to the parties and no other agreements, oral or otherwise, regarding the subject matter of this agreement shall be deemed to exist or to bind the parties hereto; it being the intent of the parties that neither shall be bound by any term, condition or representation not herein written.

Remainder of page intentionally left blank
In witness hereof, the undersigned representative has signed this Cooperative Endeavor Agreement on behalf of the University of Louisiana at Monroe on the 25th day of February, 2015.

WITNESS: UNIVERSITY OF LOUISIANA AT MONROE

Print Name: ___________________________ By: Nick J. Bruno
President

In witness hereof, the undersigned representative has signed this Cooperative Endeavor Agreement on behalf of University of Louisiana Monroe Facilities, Inc. on the 25th day of February, 2015.

WITNESS: UNIVERSITY OF LOUISIANA MONROE FACILITIES, INC.

Print Name: ___________________________ By: R. Scott McDonald
Chairperson

In witness hereof, the undersigned representative has signed this Cooperative Endeavor Agreement on behalf of the University of Louisiana Monroe Athletic Foundation, Inc. on the 25th day of February, 2015.

WITNESS: UNIVERSITY OF LOUISIANA MONROE ATHLETIC FOUNDATION, INC.

Print Name: ___________________________ By: Kevin R. Woods
President
EXHIBIT B
LAND DESCRIPTION

0.695 Acre Tract
Section 39, T18N, R4E
Land District North of Red River
Ouachita Parish, Louisiana
L&A, Inc. Project No. 145043.00

LEGAL DESCRIPTION

A certain tract or parcel of land situated in Section 39, Township 18 North, Range 4 East, Land District North of Red River, Ouachita Parish, Louisiana, and being more particularly described as follows:

Commence at a found ½” iron pipe at the northeast corner of Lot 6, Square 2, Edgewater Gardens, as per plat filed in Plat Book 4, Page 9, of the records of Ouachita Parish, Louisiana; proceed North 29°02′43″ West, a distance of 1,054.63 feet to the POINT OF BEGINNING; thence proceed North 61°27′25″ West, a distance of 105.50 feet; thence proceed North 13°33′50″ East, a distance of 138.62 feet; thence proceed North 31°27′25″ West, a distance of 26.83 feet; thence proceed South 75°39′29″ East, a distance of 222.62 feet; thence proceed South 13°06′07″ West, a distance of 121.75 feet; thence proceed North 76°19′40″ West, a distance of 79.85 feet; thence proceed South 79°52′02″ West, a distance of 14.84 feet; thence proceed South 47°26′57″ West, a distance of 14.78 feet; thence proceed South 13°40′18″ West, a distance of 28.71 feet; thence proceed South 22°14′35″ West, a distance of 11.81 feet to the POINT OF BEGINNING, containing 0.695 acres, more or less, and being subject to all easements, servitudes and rights-of-way of record and/or of use.

This description is for lease purposes only. No boundary survey was performed and no monuments were set in the field.
MEMORANDUM OF GROUND LEASE

STATE OF LOUISIANA

PARISH OF OUACHITA

KNOW ALL MEN BY THESE PRESENTS:

MEMORANDUM OF LEASE

This Memorandum of Lease (this “Memorandum”) is entered into by and between the Board of Supervisors for the University of Louisiana System (“Lessor”) and University of Louisiana Monroe Facilities, Inc. (“Lessee”).

RECITALS

A. Lessor and Lessee have entered into a Ground Lease Agreement dated as of February 25, 2015 and executed February 25, 2015 (the “Lease”), whereby Lessor did lease to Lessee, and Lessee did lease from Lessor, the immovable property more particularly described on Exhibits A and B attached hereto and incorporated herein (the “Land”).

B. Lessor and Lessee desire to enter into this Memorandum, which is to be recorded in order that third parties may have notice of the parties’ rights under the Lease.

LEASE TERMS

Specific reference is hereby made to the following terms and provisions of the Lease:

1. The term of the Lease commenced on February 25, 2015 and shall continue until midnight on February 24, 2016, unless sooner terminated or extended as provided in the Lease.

2. Any third party entering into a contract with the Corporation for improvements to be located on the Land, or any other party claiming under said third party, shall be on notice that neither the Board nor the Board’s property shall have any liability for satisfaction of any claims of any nature in any way arising out of a contract with the Corporation.

3. Any third party entering into a contract with the Corporation for improvements to be located on the Land, or any other party claiming under said third party, shall be on notice that neither the Board nor the Board’s property shall have any liability for satisfaction of any claims of any nature in any way arising out of a contract with the Corporation.
4. Additional information concerning the provisions of the Lease can be obtained from the parties at the following addresses:

**Lessor:**  
Board of Supervisors for the University of Louisiana System  
1201 North Third Street, Suite 7300  
Baton Rouge, Louisiana 70802  
Attention: Assistant Vice President for Facilities Planning

**Lessee:**  
University of Louisiana Monroe Facilities, Inc.  
700 University Avenue  
Monroe, Louisiana 71209-2000  
Attention: Chairperson

This Memorandum is executed for the purpose of recordation in the public records of Ouachita Parish, Louisiana in order to give notice of all the terms and provisions of the Lease and is not intended and shall not be construed to define, limit, or modify the Lease. All of the terms, conditions, provisions and covenants of the Lease are incorporated into this Memorandum by reference as though fully set forth herein, and both the Lease and this Memorandum shall be deemed to constitute a single instrument or document.

THUS DONE AND PASSED on the 25th day of February, 2015, in Monroe, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith sign their names with **R. Scott McDonald**, Chairperson of University of Louisiana Monroe Facilities, Inc., and me, Notary.

**WITNESSES:**

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<tr>
<th>Print Name:</th>
<th>UNIVERSITY OF LOUISIANA MONROE FACILITIES, INC.</th>
</tr>
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<table>
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<tr>
<th>Print Name:</th>
<th>By: <strong>R. Scott McDonald</strong>, Chairperson</th>
</tr>
</thead>
</table>

**NOTARY PUBLIC**  
Charles W. Herold, III  
Notary No. 16329 - Expires at Death
THUS DONE AND PASSED on the 25th of February, 2015, in Monroe, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith signs his name as President of the University of Louisiana at Monroe and the Authorized Representative of the Board of Supervisors for the University of Louisiana System, and me, Notary.

WITNESSES:

BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM

Print Name: ________________________________

By: ________________________________

Nick J. Bruno, President of the University of Louisiana at Monroe and Authorized Officer of the Board

Print Name: ________________________________

______________________________

NOTARY PUBLIC
Charles W. Herold, III
Notary No. 16329 - Expires at Death
GROUND LEASE AGREEMENT

by and between

Board of Supervisors for the University of Louisiana System,
on behalf of the University of Louisiana at Monroe
(as Lessor)

and

University of Louisiana Monroe Facilities, Inc.
(as Lessee)

Dated as of February 25, 2015

in connection with:

Construction of a Field House at
Malone Stadium on the campus of the
University of Louisiana at Monroe
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GROUND LEASE AGREEMENT

This GROUND LEASE AGREEMENT (together with any amendment hereto or supplement hereof, the “Ground Lease”) dated as of February 25, 2015, is entered into by and between the Board of Supervisors for the University of Louisiana System (the “Board”), a public constitutional corporation organized and existing under the laws of the State of Louisiana, acting herein on behalf of the University of Louisiana at Monroe (the “University”), which Board is represented herein by Nick J. Bruno, President of the University, duly authorized and University of Louisiana Monroe Facilities, Inc., a Louisiana nonprofit corporation represented herein by its Chairperson, R. Scott McDonald (the “Corporation”).

WITNESSETH

WHEREAS, the Board is a public constitutional corporation organized and existing under the laws of the State of Louisiana and the University is a university under its management pursuant to La. R.S. 17:3217;

WHEREAS, the Corporation is a private nonprofit corporation organized and existing under the Louisiana Nonprofit Corporation Law (La. R.S. 12:201, et seq.), whose purpose is to support and benefit the educational, scientific, research and public service missions of the University;

WHEREAS, pursuant to La. R.S. 17:3361 through 17:3366, the Board is authorized to lease to a private entity, such as the Corporation, any portion of the campus of the University (the “Campus”) provided the Corporation is thereby obligated to construct improvements for furthering the educational, scientific, research or public service functions of the Board;

WHEREAS, in order to further these functions of the Board, by development of facilities for students, faculty and staff on the Campus, the Board deems it advisable that a portion of the Campus (land adjacent to the field surface at Malone Stadium along with ingress and egress) be leased to the Corporation for the purpose of constructing a Field House;

WHEREAS, the Board and the Corporation have agreed to enter into this Ground Lease whereby the Board will lease certain property owned by the Board and located on the Campus to the Corporation;

WHEREAS, the Board and the Corporation have agreed that the Corporation shall construct the Field House (the “Facilities”) on the land leased hereunder which will be owned by the Board as constructed and leased to the Corporation pursuant to this Ground Lease. The total project cost is expected to be $4,026,132.00.

The University of Louisiana Monroe Athletic Foundation, Inc. (the “Foundation”) has raised approximately $670,900.00 in cash donations and has secured signed commitments from private donors, who have committed to donate the balance of $3,355,232.00 to pay for the construction of the Field House at Malone Stadium. The Foundation shall borrow sufficient
money, not to exceed $3,029,320.00, to pay for the project and collect money from the donors in order to timely pay the obligation to the lender when due. The lender will not require security for the loan and the land shall not be mortgaged. The Foundation will not be involved in the construction project. The Foundation will work with the lender to facilitate incremental draw payments through the Corporation, which will make progress payments to the contractors and vendors at varying stages of construction as the Field House project progresses. The Foundation will ensure that all funds are timely transferred to the Corporation for payment to contractors and vendors.

WHEREAS, the Corporation will be responsible for overseeing the entire construction project. The Corporation shall also work with the Foundation in an administrative capacity in terms of making payments to the contractor and vendors on the Field House construction project. Although the Corporation will work with the Foundation in this administrative capacity to pay the contractor and vendors with funds provided by the Foundation, the Foundation shall remain solely responsible for the financial obligation of payment for the Field House construction project. The Corporation will lease the land described in Exhibits A and B from the Board through a one year Ground Lease. This lease will expire at the end of one year or the date of opening of the Field House, whichever occurs first.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

ARTICLE ONE
LEASE OF PROPERTY - TERMS OF GROUND LEASE

Section 1.01 Lease of Land. The Board does hereby let, demise, and rent unto the Corporation, and the Corporation does hereby rent and lease from the Board, the real property (the “Land”) more particularly described on Exhibit A (survey) and Exhibit B (legal description) attached hereto, together with all existing and future improvements, alterations, additions and attached fixtures located or to be located on the Land (the “Facilities”) and the right of uninterrupted access to and from all streets and roads now or hereafter adjoining the Land for vehicular and pedestrian ingress and egress. The Corporation, by execution of this Ground Lease, accepts the leasehold estate herein demised subject only to the matters described on Exhibit C (permitted encumbrances) attached hereto.

Section 1.02 Habendum. To have and to hold the Land and the Facilities together with all and singular the rights, privileges, and appurtenances thereto attaching or anywise belonging, exclusively unto the Corporation, its successors and assigns, for the term set forth in Section 1.03 below, subject to the covenants, agreements, terms, provisions, and limitations herein set forth.

Section 1.03 Term. Unless sooner terminated as herein provided, this Ground Lease shall continue and remain in full force and effect for a one (1) year term beginning on February 25, 2015. The effective date of the lease will begin after all appropriate approvals are obtained from the University of Louisiana System Board, the Louisiana Board of Regents, and the Office of Facility Planning and Control. The lease will end on the earlier of (i) February 24,
2016, or (ii) the date of the opening of the Facilities (the "Expiration Date"). Upon the expiration date of the Ground Lease, all of the Corporation’s right, title and interest in the Facilities shall immediately transfer and vest in the Board, including but not limited to all drainage, foundation and field turf warranties.

ARTICLE TWO
DEFINITIONS

Section 2.01 Definitions. All capitalized terms not otherwise defined herein shall have the meanings assigned thereto in the preamble hereto or in the Indenture. In addition to such other defined terms as may be set forth in this Ground Lease, the following terms shall have the following meanings:

"Affiliate" means, with respect to a designated Person under this Ground Lease, any other Person that, directly or indirectly, controls, is controlled by, or is under common control with such designated Person. For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person.

"Applicable Laws" means all present and future statutes, regulations, ordinances, resolutions and orders of any Governmental Authority which are applicable to the parties performing their obligations under this Ground Lease.

"Award" means any payment or other compensation received or receivable as a consequence of a Taking from or on behalf of any Governmental Authority or any other Person vested with the power of eminent domain.

"Board" means Board of Supervisors for the University of Louisiana System, formerly known as the Board of Trustees for State Colleges and Universities, or its legal successor as the management board of the University, acting on behalf of the University.

"Board Representative" means the Person or Persons designated by the Board in writing to serve as the Board’s representative(s) in exercising the Board’s rights and performing the Board’s obligations under this Ground Lease; the Board Representative shall be the President of the Board of Supervisors for the University of Louisiana System, or his or her designee, the Assistant Vice President for Facilities Planning, or his or her designee, or the President of the University, or his or her designee, or any other representative designated by resolution of the Board, of whom the Corporation has been notified in writing.

"Board’s Interest" means the Board’s ownership interest in and to the Land and the Facilities.

"Business Day" means any day other than (i) a Saturday, (ii) a Sunday, (iii) any other day on which banking institutions in New York, New York, Baton Rouge, Louisiana, or the
principal office of the Lender are authorized or required not to be open for the transaction of regular banking business, or (iv) a day on which the New York Stock Exchange is closed.

“Campus” means the campus of the University.

“Commencement of Construction” means the date on which the demolition, excavation or foundation work is begun for the Facilities, which date shall occur after all appropriate approvals are obtained from the University of Louisiana System Board, the Louisiana Board of Regents, and the Louisiana Department of Administration.

“Commencement Date” means the effective date of the Ground Lease, which is February 25, 2015.

“Construction Contract” means the contract or contracts between the Corporation and the Developer for the design and construction of the Facilities in accordance with the Plans and Specifications.

“Contractor” means a licensed general contractor that constructs all of the improvements as outlined in the Request for Proposal (“RFP”).

“Corporation” means University of Louisiana Monroe Facilities, Inc., a nonprofit corporation organized and existing under the laws of the State for the benefit of the University, and also includes every successor corporation and transferee of the Corporation.

“Event of Default” means any matter identified as an event of default under Section 11.01 hereof.

“Expiration Date” means the expiration date of this Ground Lease as set forth in Section 1.03 hereof.

“Facilities” means the Field House facility and ingress and egress at Malone Stadium and related and other facilities described in Exhibits A and B attached hereto.

“Force Majeure” means any (a) act of God, landslide, lightning, earthquake, hurricane, tornado, blizzard and other adverse and inclement weather, fire, explosion, flood, act of a public enemy, act of terrorism, war, blockade, insurrection, riot, or civil disturbance; (b) labor dispute, strike, work slowdown, or work stoppage; (c) order or judgment of any Governmental Authority, if not the result of willful or negligent action of the Corporation; (d) adoption of or change in any Applicable Laws after the date of execution of this Ground Lease; (e) any actions by the Board which may cause delay; or (f) any other similar cause or similar event beyond the reasonable control of the Corporation.

“Governmental Authority” means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any
nature whatsoever of any governmental unit (federal, state, parish, district, municipality, city or otherwise) whether now or hereafter in existence.

"Hazardous Substance" means (a) any "hazardous substance" as defined in §101(14) of CERCLA or any regulations promulgated thereunder; (b) petroleum and petroleum by-products; (c) asbestos or asbestos containing material ("ACM"); (d) polychlorinated biphenyls; (e) urea formaldehyde foam insulation; or (f) any additional substances or materials which at any time are classified, defined or considered to be explosive, corrosive, flammable, infectious, radioactive, mutagenic, carcinogenic, pollutants, hazardous or toxic under any of the Environmental Requirements.

"Independent Architect" means the architect, engineer, or consultant selected and retained by the Board to inspect the Facilities on behalf of the Board.

"Land" means the real property and improvements thereon more particularly described in Exhibits A and B attached hereto upon which the Facilities are to be constructed and located, as amended from time to time as authorized hereby.

"OFPC" means the Office of Facility Planning and Control, Division of Administration.

"Person" means an individual, a trust, an estate, a Governmental Authority, partnership, joint venture, corporation, company, firm or any other entity whatsoever.

"Plans and Specifications" means the plans and specifications for the construction of the Facilities, as implemented and detailed from time to time, as the same may be revised from time to time prior to the completion of the Facilities in accordance with the Loan Agreement and this Ground Lease.

"Rent" means the annual rent paid by the Corporation as set forth in Section 3.01 hereof.

"RFP" means the Request for Proposals relating to the selection of a contractor to construct the Facilities.

"Taking" means the actual or constructive condemnation, or the actual or constructive acquisition by condemnation, eminent domain or similar proceeding by or at the direction of any Governmental Authority or other Person with the power of eminent domain.

"Term" means the term of this Ground Lease as set forth in Section 1.03 hereof.

"University" means University of Louisiana at Monroe in Monroe, Louisiana.

**ARTICLE THREE**

**RENT**

Section 3.01 Rent. Commencing on the Commencement Date and continuing
throughout the Term, the Corporation shall pay to the Board, at the address set forth in Section 18.02 hereof or such other place as the Board may designate from time to time in writing, as annual rent for the Land ("Rent"), the sum of $1.00 per year. Rent shall be due and payable annually in advance, with the first such payment of Rent being due on the Commencement Date.

Section 3.02 Additional Obligations. As further consideration for the entering into of this Ground Lease by the Board, the Corporation agrees to perform its construction obligations as set forth in Article Five herein.

ARTICLE FOUR
USE OF LAND

Section 4.01 Purpose of Lease. The Corporation enters into this Ground Lease for the purpose of developing and constructing the Facilities in accordance with the Plans and Specifications, and except as otherwise provided herein, the Facilities are to be used for no other purpose.

Section 4.02 Benefit of the Board and the University. The Board shall own the Facilities subject to the Corporation's rights under this Ground Lease. The Facilities shall be owned and leased for a public purpose related to the performance of the duties and functions of the Board and the University.

Section 4.03 Compliance with Statutory Requirements. Section 3361, et. seq. of Title 17 of the Louisiana Revised Statutes prescribes rules and regulations for leases of any portion of the campus by a college or university. By execution of this Ground Lease, the Board represents that it has complied with applicable statutory requirements of such Title 17 including, without limitation:

A. the waiver by written consent of the formulation and adoption of rules, regulations and requirements, if any, relative to the erection, construction and maintenance of the Facilities referenced in Section 3362 A of Title 17 of the Louisiana Revised Statutes, other than those set forth in this Ground Lease or specifically referenced in this Ground Lease;

B. the waiver by written consent of the Board's right to require removal of the Facilities referenced in Section 3362 B of Title 17 of the Louisiana Revised Statutes, except as set forth in this Ground Lease; and

C. the waiver by written consent of the Board's right to adopt such rules or regulations as it deems necessary or desirable relative to the conduct and social activities of people in structures erected on the leased grounds referenced in Section 3364 of Title 17 of the Louisiana Revised Statutes, except as may be specified in this Ground Lease.
ARTICLE FIVE
CONSTRUCTION OF THE FACILITIES

Section 5.01 The Corporation’s Construction Obligations. The Corporation will develop and construct the Facilities on the Land at its own cost and expense. The Board shall not have any financial obligation or other obligation of any kind under this Ground Lease except to review and approve the Corporation’s activities and as specifically set forth herein.

A. The Corporation shall furnish or cause to be furnished all supervision, tools, implements, machinery, labor, materials and accessories such as are necessary and proper for the construction of the Facilities, shall pay all applicable permit and license fees, and shall construct, build, and complete the Facilities in a good, substantial and workmanlike manner all in accordance with this Ground Lease, and in compliance with the Plans and Specifications, and all documents executed pursuant hereto and thereto. The Corporation and the Board agree to cooperate fully to the end that fee and permit exemptions available with respect to the Facilities under applicable law are obtained by the party or parties entitled thereto.

B. Subject to the provisions of this Section 5.01, all decisions regarding construction matters shall be made by the Corporation, working with the Contractor. The Contractor has been selected as contractor to construct the Facilities in accordance with the RFP. The parties hereto acknowledge that the Board Representative and any other party whose consent is necessary to the Board’s authority have previously reviewed and approved the form of the Construction Contract for the Facilities. Prior to the Commencement of Construction and the application of Loan proceeds or the issuance of Additional Loans to finance any subsequent phase of the Facilities, the Board Representative (and the OFPC for compliance with the building codes in accordance with La. R.S. 40:1721-24) and any other party whose consent is necessary to the Board’s authority shall review and approve the Plans and Specifications and the form of Construction Contract relating to such subsequent phase of the Facilities. In addition, at no cost to the Corporation or the University, the OFPC, in accordance with Act 758, will review the Plans and Specifications to ensure compliance with its design and construction standards, and the OFPC may participate in regular construction meetings. OFPC will be provided monthly written progress reports during construction.

C. Changes in work and materials are subject to review and approval of the Board Representative and the OFPC; however minor changes, as defined in the Construction Contract, in work or materials, not affecting the general character of the Facilities or increasing the cost of construction may be made in the Plans and Specifications at any time by the Corporation without the approval of the Board Representative and the OFPC, but a copy of the altered Plans and Specifications shall promptly be furnished to the Board Representative and the OFPC. The Corporation shall notify the Board Representative and the OFPC of any changes in work or materials that require their approval and the Board Representative and
the OFPC shall either approve or disapprove any such changes within ten (10) business days after receipt of such notice from the Corporation. Notification shall include sufficient information for the Board Representative and the OFPC to make a determination and to approve or disapprove any changes in work or materials.

D. After completion of the Facilities, at least sixty (60) days prior to undertaking any structural alteration of the Facilities during the Term, the Corporation shall submit plans for such alteration to the Board Representative for approval which approval must be obtained prior to the Corporation making or causing to be made any such structural alteration of the Facilities. The Board Representative shall either approve or disapprove any such alteration within thirty (30) days after receipt of such plans from the Corporation. All construction, alterations or additions to the Facilities undertaken by the Corporation shall be in conformance with all current applicable laws, codes, rules and regulations, and amendments thereto, including the National Building Code with all current updates and revisions, ANSI A117.1 1986 edition with all current updates and revisions, NFPA 101 Life Safety Code, all current ADA requirements for public facilities and all local and state building codes, and, at no cost to the Corporation or the University, the OFPC shall exercise oversight of the construction to ensure design and construction meet those standards, policies, guidelines and conventions required for State capital outlay projects. The Corporation shall have the right to contest any such codes for reasonable grounds by ordinary and proper procedures.

E. Subject to time extensions under the Construction Contract and Force Majeure, the Corporation covenants that the Corporation shall cause substantial completion of construction of the Facilities to occur on or before January 1, 2016.

F. Prior to the commencement of construction of the Facilities, the Corporation and the Contractor shall meet with the Board Representative to coordinate construction activity under the Construction Contract. Upon commencement of construction of the Facilities, the Corporation shall deliver to the Board Representative, (1) a copy of the Construction Contract between the Corporation and the Contractor for the design and construction of the Facilities, and (2) a copy of the labor and materials payment and performance bonds in an amount equal to the construction costs set forth in the Construction Contract for the Facilities issued by a company qualified, permitted or admitted to do business of the State of Louisiana and approved by the Board. The Corporation shall take the action specified by La. R.S. 9:4802(c) to be taken by an owner to protect the premises from any liens related to the design or construction of the Facilities.

G. Prior to the Commencement of Construction of the Facilities, any architect whose services have been retained shall provide a standard errors and omissions policy, with such additional provisions as may be approved by counsel to the Corporation.
H. Any performance bond, labor and material payment bond, or completion bond provided by any contractor hired by the Corporation shall be for 100% of the amount of the contract with such contractor, and shall contain a dual obligee rider in favor of the Board; subject, however, to the reasonable guidelines of the Lender.

I. The Corporation shall, upon written request of the Board, make, in such detail as may reasonably be required, and forward to the Board Representative, reports in writing as to the actual progress of the construction of the Facilities. During such period, the construction work shall be subject to inspection by the Independent Architect and by authorized personnel of the Board in order to verify reports of construction, determine compliance with safety, fire, and building codes, determine compliance with approved construction plans, or such other inspections as may be necessary in the reasonable opinion of the Board Representative.

J. The Corporation shall inspect the Land and arrange for boundary surveys, topographical surveys, soil borings and other site investigations at its expense to the extent these things have not been done by the Board. The Board does not guarantee that the Land is suitable for construction of the Facilities. Subject to the matters shown on Exhibit C attached to this Ground Lease, the Corporation accepts the Land in its present condition. However, the Board represents that to the best of its knowledge and belief, there are no Hazardous Materials or other materials on or under the Land that would materially impact the construction of the Facilities.

K. Except as provided in Section 4.03 hereof, part of the cost of construction of the Facilities shall include all costs necessary for the contractor or applicable utility company to bring lines for all such utilities to the Facilities so that such utilities will be available when required for construction and operation of the Facilities.

ARTICLE SIX
ENCUMBRANCES

Section 6.01 Mortgage of Leasehold or the Facilities. The Corporation shall not mortgage, lien or grant a security interest in the Corporation’s interest in the Land or the Facilities or any other right of the Corporation hereunder without the prior written consent of the Board.

ARTICLE SEVEN
MAINTENANCE AND REPAIR

Section 7.01 Maintenance and Repairs. Once this Ground Lease terminates, the University, at the direction of the Board, shall be responsible for maintaining and repairing the Facilities.
ARTICLE EIGHT
CERTAIN LIENS PROHIBITED

Section 8.01 No Mechanics' Liens. Except as permitted in Section 8.02 hereof the Corporation shall not suffer or permit any mechanics' liens or other liens to be enforced against the Board's ownership interest in the Land or the Facilities nor against the Corporation's leasehold interest in the Land or the Facilities by reason of a failure to pay for any work, labor, services, or materials supplied or claimed to have been supplied to the Corporation or to anyone holding the Land or Facilities or any part thereof through or under the Corporation.

Section 8.02 Release of Recorded Liens. If any such mechanics' liens or materialmen's liens shall be recorded against the Land or Facilities, the Corporation shall cause the same to be released of record or, in the alternative, if the Corporation in good faith desires to contest the same, the Corporation shall be privileged to do so, but in such case the Corporation hereby agrees to indemnify and save the Board harmless from all liability for damages occasioned thereby and shall in the event of judgment of foreclosure on said mechanics' lien, cause the same to be discharged and released prior to the execution of such judgment. In the event the Board reasonably should consider the Board's interest in the Land or the Facilities endangered by any such liens and should so notify the Corporation and the Corporation should fail to provide adequate security for the payment of such liens, in the form of a surety bond, cash deposit or cash equivalent, or indemnity agreement reasonably satisfactory to the Board within thirty (30) days after such notice, then the Board, at the Board's sole discretion, may discharge such liens and recover from the Corporation immediately as additional Rent under this Ground Lease the amounts paid, with interest thereon from the date paid by the Board until repaid by the Corporation at the rate of five percent (5%) per annum.

Section 8.03 Memorandum of Recitals. The memorandum of lease to be filed shall state that any third party entering into a contract with the Corporation for improvements to be located on the Land, or any other party claiming under said third party, shall be on notice that neither the Board nor the Board's property shall have any liability for satisfaction of any claims of any nature in any way arising out of a contract with the Corporation.

ARTICLE NINE
OPERATION AND MANAGEMENT OF FACILITIES

Section 9.01 Management of Facilities. Once the Ground Lease terminates, the University, at the direction of the Board, shall operate and manage the Facilities.

Section 9.02 Books and Records. The Corporation shall keep, or cause to be kept, accurate, full and complete books, including bank statements, and accounts showing exclusively its assets and liabilities, operations, transactions and the financial condition of the Corporation.

Section 9.03 Audits. During the term of the Ground Lease and for sixty (60) months thereafter, the Board may, at its option and at its own expense, and during customary business hours, conduct internal audits of the books, bank accounts, records and accounts of the
Corporation. Audits may be made on either a continuous or a periodic basis or both, and may be conducted by employees of the Board, by the Louisiana Legislative Auditor or by independent auditors retained by the Board desiring to conduct such audit, but any and all such audits shall be conducted without materially or unreasonably or unnecessarily interrupting or interfering with the normal conduct of business affairs by the Corporation.

**ARTICLE TEN**

**INDEMNIFICATION**

Section 10.01 Indemnification by the Corporation. Excluding the acts or omissions of the Board, its employees, agents or contractors, the Corporation shall and will indemnify and save harmless the Board, its agents, officers, and employees, from and against any and all liability, claims, demands, damages, expenses, fees, fines, penalties, suits, proceedings, actions, and causes of action of any and every kind and nature arising or growing out of or in any way connected with the Corporation’s construction of the Facilities. This obligation to indemnify shall include reasonable fees of legal counsel and third-party investigation costs and all other reasonable costs, expenses, and liabilities from the first notice that any claim or demand has been made; however, the Corporation and the Board shall use the same counsel if such counsel is approved by the Board, which approval shall not be unreasonably withheld or delayed. If the Board does not approve such counsel then the Board may retain independent counsel at the Board’s sole cost and expense. It is expressly understood and agreed that the Corporation is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions and that the Board shall in no way be responsible therefor.

Section 10.02 Contributory Acts. Whenever in this Ground Lease any party is obligated to pay an amount or perform an act because of its negligence or misconduct (or that of its agents, employees, contractors, guests, or invitees), such obligations shall be mitigated to the extent of any comparative fault or misconduct of the other party (or that of its agents, employees, contractors, guests, or invitees) as determined by a court of law, and in any disputes damages shall be apportioned based on the relative amounts of such negligence or willful misconduct as determined by a court of law.

Section 10.03 Indemnification by the Board. The Board shall indemnify the Corporation, and shall hold the Corporation harmless from and shall reimburse the Corporation for any and all claims, demands, judgments, penalties, liabilities, whether based on strict liability or otherwise, fines, costs, damages and expenses, including court costs and attorneys’ fees directly or indirectly incurred by the Corporation (prior to trial, at trial and on appeal) in any action against or involving the Corporation, resulting from any breach of the representations, warranties or covenants of the Board relating to Hazardous Substances or from the discovery of Hazardous Substances in, upon, under or over, or emanating from, the Land or the Facilities, whether or not the Board is responsible therefor and regardless of when such Hazardous Substances come to be present at or were released from the Land or the Facilities, it being the intent of the Board that the Corporation shall have no liability or responsibility for damage or injury to human health, the environment or natural resources caused by, for abatement and/or clean-up of, or with respect to Hazardous Substances by virtue of their interests, if any, in the
Land and the Facilities created by the Loan Agreement or otherwise, or hereafter created, or as
the result of the Corporation exercising any instrument, including but not limited to becoming
the owner thereof by foreclosure or conveyance in lieu of foreclosure.

ARTICLE ELEVEN
TERMINATION, DEFAULT AND REMEDIES

Section 11.01 Events of Default. Any one of the following events shall be deemed to be
an “Event of Default” by the Corporation under this Ground Lease.

A. The Corporation shall fail to pay any sum required to be paid to the Board under
the terms and provisions of this Ground Lease and such failure shall not be cured
within thirty (30) days after the Corporation’s receipt of written notice from the
Board of such failure.

B. The taking by execution of the Corporation’s leasehold estate for the benefit of
any Person.

C. The Corporation shall fail to perform any other covenant or agreement, other than
the payment of money, to be performed by the Corporation under the terms and
provisions of this Ground Lease and such failure shall not be cured within ninety
(90) days after receipt of written notice from the Board of such failure; provided
that if during such ninety (90) day period, the Corporation takes action to cure
such failure but is unable, by reason of the nature of the work involved, to cure
such failure within such period and continues such work thereafter diligently and
without unnecessary delays, such failure shall not constitute an Event of Default
hereunder until the expiration of a period of time after such ninety (90) day period
as may be reasonably necessary to cure such failure.

D. A court of competent jurisdiction shall enter an order for relief in any involuntary
case commenced against the Corporation, as debtor, under the Federal Bankruptcy
Code, as now or hereafter constituted, or the entry of a decree or order by a court
having jurisdiction over the Facilities appointing a custodian, receiver, liquidator,
assignee, trustee, sequester, or other similar official of or for the Corporation or
any substantial part of the properties of the Corporation or ordering the winding
up or liquidation of the affairs of the Corporation, and the continuance of any
such decree or order unstayed and in effect for a period of ninety (90) consecutive
days.

E. The commencement by the Corporation of a voluntary case under the Federal
Bankruptcy Code, as now or hereafter constituted, or the consent or acquiescence
by the Corporation to the commencement of a case under such Code or to the
appointment of or taking possession by a custodian, receiver, liquidator, assignee,
trustee, sequester, or other similar official of or for the Corporation or any
substantial part of the properties of the Corporation.
F. The Corporation, after Commencement of Construction but prior to substantially completing construction of the Facilities, abandons (with no intent to continue) the construction for a period of forty-five (45) consecutive days.

Section 11.02 The Board’s Rights Upon Default. Upon the occurrence and during the continuance of an Event of Default, the Board may at its option seek any and all damages occasioned by the Event of Default or may seek any other remedies available at law or in equity, including specific performance.

Section 11.03 Termination of Right of Occupancy. Notwithstanding any provision of law or of this Ground Lease to the contrary, except as set forth in Section 1.03 hereof, the Board shall not have the right to terminate this lease prior to the Expiration Date hereof. However, in the event there is an Event of Default by the Corporation hereunder, the Board shall have the right to terminate the Corporation’s right to occupancy of the Land and the Facilities, except that the Facilities, at the option of the Board, shall remain thereon. The Board shall have the right to take possession of the Land and the Facilities and to re-let the Land and the Facilities or take possession in its own right for the remaining Term of the Ground Lease upon such terms and conditions as the Board is able to obtain. Upon such re-letting, the Corporation hereby agrees to release its leasehold interest and all of its rights under this Ground Lease to the new lessee of the Land (or to the Board, if the Board wishes to remain in possession on its own behalf) in consideration for the new lessee (or the Board, as applicable) agreeing to assume all of the Corporation’s obligations under the Ground Lease.

Section 11.04 Rights of The Board Cumulative. All rights and remedies of the Board provided for and permitted in this Ground Lease shall be construed and held to be cumulative, and no single right or remedy shall be exclusive of any other which is consistent with the former. The Board shall have the right to pursue any or all of the rights or remedies set forth herein, as well as any other consistent remedy or relief which may be available at law or in equity, but which is not set forth herein. No waiver by the Board of a breach of any of the covenants, conditions or restrictions of this Ground Lease shall be construed or held to be a waiver of any succeeding or preceding breach of the same or of any other covenant, condition or restriction herein contained. The failure of the Board to insist in any one or more cases upon the strict performance of any of the covenants of this Ground Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment of future breaches of such covenant or option.

ARTICLE TWELVE
TITLE TO THE FACILITIES

Section 12.01 Title to Facilities. Title to the existing facilities and any new Facilities as they are constructed shall be vested in the Board. The Facilities and all furniture, fixtures, equipment and furnishings permanently affixed to the Facilities shall be the property of the Board upon termination of this Ground Lease whether such termination be by expiration of the Term or an earlier termination under any provision of this Ground Lease.
Section 12.02 Insurance Proceeds. Notwithstanding the fact that title to the Facilities is
vested in the Board, if all or any portion of the Facilities is damaged or destroyed by acts of God,
fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war,
nuclear explosion or otherwise (collectively "Casualty"), during the term of the Ground Lease,
the proceeds of any insurance received on account of any such Casualty shall be disbursed to the
Corporation as though the Corporation were the owner of the Facilities.

ARTICLE THIRTEEN
CONDEMNATION

Section 13.01 Condemnation. Upon the permanent Taking of all the Land and the
Facilities, this Ground Lease shall terminate and expire as of the date of such Taking, and both
the Corporation and the Board shall thereupon be released from any liability thereafter accruing
hereunder except for Rent and all other amounts secured by this Ground Lease owed to the
Board apportioned as of the date of the Taking or the last date of occupancy, whichever is later.
The Corporation shall receive notice of any proceedings relating to a Taking and shall have the
right to participate therein.

Section 13.02 Partial Condemnation if the Ground Lease is in Effect. Upon a temporary
Taking or a Taking of less than all of the Land and the Facilities, the Corporation, at its election,
may terminate this Ground Lease by giving the Board notice of its election to terminate at least
sixty (60) days prior to the date of such termination. In the event there is a partial condemnation
of the Land and the Corporation decides not to terminate this Ground Lease, the Board and the
Corporation shall either amend this Ground Lease or enter into a new lease so as to cover an
adjacent portion of property, if necessary to restore or replace any portion of the Land and/or
Facilities.

Section 13.03 Payment of Awards if Ground Lease is in Effect. Upon the Taking of all
or any portion of the Land or the Facilities while the Ground Lease remains in full force and
effect, the Board shall be entitled (free of any claim by the Corporation) to the Award for the
value of the Board’s Interest and the Corporation shall be entitled to the Award for the value of
the Corporation’s interest in the Land under this Ground Lease that is the subject of the Taking.

ARTICLE FOURTEEN
ASSIGNMENT, SUBLETTING, AND TRANSFERS
OF THE CORPORATION’S INTEREST

Section 14.01 Assignment of Leasehold Interest. Except as expressly provided for in
Article Six and this Article Fourteen, the Corporation shall not have the right to sell or assign the
leasehold estate created by this Ground Lease, or the other rights of the Corporation hereunder to
any Person without the prior written consent of the Board.

Section 14.02 Subletting. The Corporation is not authorized to sublet the leasehold
estate to any entity other than the Board.
Section 14.03 Transfers of the Corporation’s Interest. Except as otherwise expressly provided herein, any Person succeeding to the Corporation’s interest as a consequence of any permitted conveyance, transfer or assignment shall succeed to all of the obligations of the Corporation hereunder and shall be subject to the terms and provisions of this Ground Lease.

**ARTICLE FIFTEEN**

**COMPLIANCE CERTIFICATES**

Section 15.01 The Corporation Compliance. The Corporation agrees, at any time and from time to time upon not less than thirty (30) days prior written notice by the Board, to execute, acknowledge and deliver to the Board or to such other party as the Board shall request, a statement in writing certifying (a) that this Ground Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), (b) to the best of its knowledge, whether or not there are then existing any offsets or defenses against the enforcement of any of the terms, covenants or conditions hereof upon the part of the Corporation to be performed (and if so specifying the same), (c) the dates to which the Rent and other charges have been paid, and (d) the dates of commencement and expiration of the Term, it being intended that any such statement delivered pursuant to this Section may be relied upon by any prospective purchaser of the Board’s Interest or by any other Person.

Section 15.02 The Board’s Compliance. The University agrees, at any time and from time to time, upon not less than thirty (30) days prior written notice by the Corporation, to execute, acknowledge and deliver to the Corporation a statement in writing addressed to the Corporation or to such other party as the Corporation shall request, certifying (a) that this Ground Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications); (b) the dates to which the Rent and other charges have been paid; (c) to the best of its knowledge after due inquiry, whether an Event of Default has occurred and is continuing hereunder (and stating the nature of any such Event of Default); (d) during the construction period, the status of construction of the Facilities and the estimated date of completion thereof; and (e) the dates of commencement and expiration of the Term, it being intended that any such statement delivered pursuant to this Section may be relied upon by any prospective (and permitted) assignee, sublessee or mortgagee of this Ground Lease or by any assignee or prospective assignee of any such permitted mortgage or by any undertenant or prospective undertenant of the whole or any part of the Facilities, or by any other Person.

**ARTICLE SIXTEEN**

**TAXES AND LICENSES**

Section 16.01 Payment of Taxes. The Board shall pay, and, upon request by the Corporation, shall provide evidence of payment to the appropriate collecting authorities of, all federal, state and local taxes and fees, which are now or may hereafter be, levied upon the Corporation’s interest in the Land or in the Facilities or upon any of the Corporation’s property
used in connection therewith or upon the Board or the Board’s Interest. The Board may pay any of the above items in installments if payment may be so made without penalty other than the payment of interest. The obligations of the Board to pay taxes and fees under this Section 16.01 shall apply only to the extent that the Board or the Corporation are not exempt from paying such taxes and fees and to the extent that such taxes and fees are not otherwise abated. The Board and the Corporation agree to cooperate fully with each other to the end that tax exemptions available with respect to the Land and the Facilities under applicable law are obtained by the party or parties entitled thereto.

Section 16.02 Contested Tax Payments. The Board shall not be required to pay, discharge or remove any such taxes or assessments so long as the Board is contesting the amount or validity thereof by appropriate proceeding which shall operate to prevent or stay the collection of the amount so contested. The Corporation shall cooperate with the Board in completing such contest and the Corporation shall have no right to pay the amount contested during the contest. The Corporation, at the Board’s expense, shall join in any such proceeding if any law shall so require.

ARTICLE SEVENTEEN
FORCE MAJEURE

Section 17.01 Discontinuance During Force Majeure. Whenever a period of time is herein prescribed for action to be taken by the Corporation, the Corporation shall not be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays due to Force Majeure. The Board shall not be obligated to recognize any delay caused by Force Majeure unless the Corporation shall within thirty (30) days after the Corporation is aware of the existence of an event of Force Majeure, notify the Board thereof.

ARTICLE EIGHTEEN
MISCELLANEOUS

Section 18.01 Nondiscrimination, Employment and Wages. Any discrimination by the Corporation or its agents or employees on account of race, color, sex, age, religion, national origin, sexual orientation, or handicap, in employment practices or in the performance of the terms, conditions, covenants and obligations of this Ground Lease, is prohibited.

Section 18.02 Notices. Notices or communications to the Board or the Corporation required or appropriate under this Ground Lease shall be in writing, sent by (a) personal delivery, or (b) expedited delivery service with proof of delivery, or (c) registered or certified United States mail, postage prepaid, or (d) prepaid telecopy if confirmed by expedited delivery service or by mail in the manner previously described, addressed as follows:
If to the Board:
   Board of Supervisors for the University of Louisiana System
   1201 North Third Street, Suite 7-300
   Baton Rouge, Louisiana 70802
   Attention: Vice President for Business and Finance

   with copies to:

   University of Louisiana at Monroe
   Library 6th Floor, Suite 623
   700 University Avenue
   Monroe, Louisiana 71209-2000
   Attention: Vice President for Business Affairs

If to the Corporation:
   University of Louisiana Monroe Facilities, Inc.
   700 University Avenue
   Monroe, Louisiana 71209
   Attention: Executive Director

or to such other address or to the attention of such other person as hereafter shall be designated in writing by such party. Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of delivery service or mail, as of the date of deposit in the mail in the manner provided herein, or in the case of telecopy, upon receipt.

Section 18.03 Relationship of Parties. Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship, between the parties hereto. It is understood and agreed that no provision contained herein nor any acts of the parties hereto creates a relationship other than the relationship of the Lessee and the Lessor hereunder.

Section 18.04 Memorandum of Lease. Neither the Board nor the Corporation shall file this Ground Lease for record in Ouachita Parish, Louisiana or in any public place without the written consent of the other. In lieu thereof the Board and the Corporation agree to execute in recordable form a memorandum of this Ground Lease in the form of Exhibit D attached hereto. Such memorandum shall be filed for record in Ouachita Parish, Louisiana.

Section 18.05 Attorney’s Fees. If either party is required to commence legal proceedings relating to this Ground Lease, the prevailing party shall be entitled to receive reimbursement for its reasonable attorneys’ fees and costs of suit.

Section 18.06 Louisiana Law to Apply. This Ground Lease shall be construed under and in accordance with the laws of the State of Louisiana, and all obligations of the parties created hereunder are performable in Ouachita Parish, Louisiana.
Section 18.07 Warranty of Peaceful Possession. The Board covenants that the Corporation, on paying the Rent and performing and observing all of the covenants and agreements herein contained and provided to be performed by the Corporation, shall and may peaceably and quietly have, hold, occupy, use, and enjoy the Land and Facilities during the Term, subject to the Ground Lease, and may exercise all of its rights hereunder; and the Board agrees to warrant and forever defend the Corporation’s right to such occupancy, use, and enjoyment and the title to the Land against the claims of any and all persons whomsoever lawfully claiming the same, or any part thereof subject only to the provisions of this Ground Lease, and the matters listed on Exhibit C attached hereto.

Section 18.08 Curative Matters. Except for the express representations and warranties of the Board set forth in this Ground Lease, any additional matters necessary or desirable to make the Land useable for the Corporation’s purpose shall be undertaken, in the Corporation’s sole discretion, at no expense to the Board. The Corporation shall notify the Board in writing of all additional matters (not contemplated by the Plans and Specifications) undertaken by the Corporation to make the Land useable for the Corporation’s purpose.

Section 18.09 Nonwaiver. No waiver by the Board or the Corporation of a breach of any of the covenants, conditions, or restrictions of this Ground Lease shall constitute a waiver of any subsequent breach of any of the covenants, conditions or restrictions of this Ground Lease. The failure of the Board or the Corporation to insist in any one or more cases upon the strict performance of any of the covenants of the Ground Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment for the future of such covenant or option. A receipt by the Board or acceptance of payment by the Board of Rent with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach. No waiver, change, modification or discharge by the Board or the Corporation of any provision of this Ground Lease shall be deemed to have been made or shall be effective unless expressed in writing and signed by the party to be charged.

Section 18.10 Terminology. Unless the context of this Ground Lease clearly requires otherwise, (a) pronouns, wherever used herein, and of whatever gender, shall include natural persons and corporations and associations of every kind and character; (b) the singular shall include the plural wherever and as often as may be appropriate; (c) the word “includes” or “including” shall mean “including without limitation”; (d) the word “or” shall have the inclusive meaning represented by the phrase “and/or”; (e) the words “hereof,” “herein,” “hereunder,” and similar terms in this Ground Lease shall refer to this Ground Lease as a whole and not to any particular section or article in which such words appear. The section, article and other headings in this Ground Lease and the Table of Contents to this Ground Lease are for reference purposes and shall not control or affect the construction of this Ground Lease or the interpretation hereof in any respect. Article, section and subsection and exhibit references are to this Ground Lease unless otherwise specified. All exhibits attached to this Ground Lease constitute a part of this Ground Lease and are incorporated herein. All references to a specific time of day in this Ground Lease shall be based upon Central Standard Time (or the other standard of measuring time then in effect in Monroe, Louisiana).
Section 18.11 Counterparts. This agreement may be executed in multiple counterparts, each of which shall be declared an original.

Section 18.12 Severability. If any clause or provision of this Ground Lease is illegal, invalid or unenforceable under present or future laws effective during the term of this Ground Lease, then and in that event, it is the intention of the parties hereto that the remainder of Ground Lease shall not be affected thereby.

Section 18.13 Authorization. By execution of this Ground Lease, the Corporation and the Board each represent to the other that they are entities validly existing, duly constituted and in good standing under the laws of the jurisdiction in which they were formed and in which they presently conduct business; that all acts necessary to permit them to enter into and be bound by this Ground Lease have been taken and performed; and that the persons signing this Ground Lease on their behalf have due authorization to do so.

Section 18.14 Ancillary Agreements. In the event it becomes necessary or desirable for the Board to approve in writing any ancillary agreements or documents concerning the Land or concerning the construction, operation or maintenance of the Facilities or to alter or amend any such ancillary agreements between the Board and the Corporation or to give any approval or consent of the Board required under the terms of this Ground Lease, all agreements, documents or approvals shall be forwarded to the Board Representative.

Section 18.15 Amendment. No amendment, modification, or alteration of the terms of this Ground Lease shall be binding unless the same be in writing dated on or subsequent to the date hereof and duly executed by the parties hereto. No such amendment to this Ground Lease shall alter the obligations of the parties hereto in any manner inconsistent with the scope of their obligations as contemplated by the RFP.

Section 18.16 Successors and Assigns. All of the covenants, agreements, terms and conditions to be observed and performed by the parties hereto shall be applicable to and binding upon their respective successors and assigns including any successor by merger or consolidation of the University into another educational institution or the Board into another educational management board.

Section 18.17 Entire Agreement. This Ground Lease, together with the exhibits attached hereto, contains the entire agreement between the parties hereto with respect to the Land and contains all of the terms and conditions agreed upon with respect to the lease of the Land, and no other agreements, oral or otherwise, regarding the subject matter of this Ground Lease shall be deemed to exist or to bind the parties hereto; it being the intent of the parties that neither shall be bound by any term, condition, or representations not herein written.

[Remainder of page intentionally left blank. Signatures appear on following page.]
IN WITNESS WHEREOF, the undersigned representative has signed this Ground Lease on behalf of the Board of Supervisors for the University of Louisiana System on the 25th day of February, 2015.

WITNESSES: 

Print Name: ____________________________

Print Name: ____________________________

BOARD OF SUPERVISORS FOR THE UNIVERSITY OF LOUISIANA SYSTEM

By: Nick J. Bruno, President of the University of Louisiana at Monroe and Authorized officer of the Board

IN WITNESS WHEREOF, the undersigned representative has signed this Ground Lease on behalf of University of Louisiana Monroe Facilities, Inc. on the 25th day of February, 2015.

WITNESSES: 

Print Name: ____________________________

Print Name: ____________________________

UNIVERSITY OF LOUISIANA MONROE FACILITIES, INC.

By: R. Scott McDonald, Chairperson

-20-
STATE OF LOUISIANA
PARISH OF OUACHITA

BE IT KNOWN, that on this 25th day of February, 2015, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

Nick J. Bruno

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the President of the University of Louisiana at Monroe, and the authorized representative of the Board of Supervisors for the University of Louisiana System (the "Board"), that the aforesaid instrument was signed by him, on this date, on behalf of the Board and that the above named person acknowledges said instrument to be the free act and deed of the Board.

Nick J. Bruno, President of the University of Louisiana at Monroe and Authorized officer of the Board

WITNESSES:

Print Name: ________________________________

Print Name: ________________________________

NOTARY PUBLIC
Charles W. Herold, III
Notary No. 16329 - Expires at Death
STATE OF LOUISIANA

PARISH OF OUACHITA

BE IT KNOWN, that on this 25th day of February, 2015, before me, the undersigned authority, duly commissioned, qualified and sworn within and for the State and Parish aforesaid, personally came and appeared:

R. Scott McDonald

to me known to be the identical person who executed the above and foregoing instrument, who declared and acknowledged to me, Notary, in the presence of the undersigned competent witnesses, that he is the Chairperson of University of Louisiana Monroe Facilities, Inc. (the "Corporation"), and that the aforesaid instrument was signed by him, on this date, on behalf of the Corporation and that the above named person acknowledges the approval of said instrument to be the free act and deed of the Corporation.

R. Scott McDonald, Chairperson

WITNESSES:

Print Name: 

Print Name: 

____________________
NOTARY PUBLIC
Charles W. Herold, III
Notary No. 16329 - Expires at Death
EXHIBIT B
LAND DESCRIPTION

0.695 Acres Tract
Section 39, T18N, R4E
Land District North of Red River
Ouachita Parish, Louisiana
L&A, Inc. Project No. 143043.00

LEGAL DESCRIPTION

A certain tract or parcel of land situated in Section 39, Township 18 North, Range 4 East, Land District North of Red River, Ouachita Parish, Louisiana, and being more particularly described as follows:

Commence at a found V/2" iron pipe at the northeast corner of Lot 6, Square 2, Edgewater Gardens, as per plat filed in Plat Book 4, Page 9, of the records of Ouachita Parish, Louisiana; proceed North 29°02'43" West, a distance of 1,064.63 feet to the POINT OF BEGINNING; thence proceed North 61°27'25" West, a distance of 105.50 feet; thence proceed North 13°33'50" East, a distance of 138.62 feet; thence proceed North 31°27'25" West, a distance of 26.53 feet; thence proceed South 75°39'29" East, a distance of 222.62 feet; thence proceed South 13°09'07" West, a distance of 121.75 feet; thence proceed North 76°19'49" West, a distance of 79.85 feet; thence proceed South 73°52'02" West, a distance of 14.84 feet; thence proceed South 47°20'54" West, a distance of 14.78 feet; thence proceed South 13°40'18" West, a distance of 28.71 feet; thence proceed South 22°14'35" West, a distance of 11.81 feet to the POINT OF BEGINNING, containing 0.695 acres, more or less, and being subject to all easements, servitudes and rights-of-way of record and/or of use.

This description is for lease purposes only. No boundary survey was performed and no monuments were set in the field.
EXHIBIT C

PERMITTED ENCUMBRANCES

1. Any matters that would be disclosed upon receipt of an ALTA survey of the Land.

2. All easements, servitudes and rights of way of record.

3. General and special taxes or assessments for 2015 and subsequent years not yet due and payable.

4. Terms and conditions of that Ground Lease Agreement dated as of February 25, 2015, evidenced by a Memorandum of Ground Lease between the Board of Supervisors for the University of Louisiana System and University of Louisiana Monroe Facilities, Inc., recorded ____________, 2015, in Conveyance Book ____, Page ____, File Number __________, official records of Ouachita Parish, Louisiana.
EXHIBIT D

MEMORANDUM OF GROUND LEASE

STATE OF LOUISIANA §

PARISH OF OUACHITA §

KNOW ALL MEN BY THESE PRESENTS:

MEMORANDUM OF LEASE

This Memorandum of Lease (this “Memorandum”) is entered into by and between the Board of Supervisors for the University of Louisiana System (“Lessor”) and University of Louisiana Monroe Facilities, Inc. (“Lessee”).

RECITALS

A. Lessor and Lessee have entered into a Ground Lease Agreement dated as of February 25, 2015 and executed February 25, 2015 (the “Lease”), whereby Lessor did lease to Lessee, and Lessee did lease from Lessor, the immovable property more particularly described on Exhibits A and B attached hereto and incorporated herein (the “Land”).

B. Lessor and Lessee desire to enter into this Memorandum, which is to be recorded in order that third parties may have notice of the parties’ rights under the Lease.

LEASE TERMS

Specific reference is hereby made to the following terms and provisions of the Lease:

1. The term of the Lease commenced on February 25, 2015 and shall continue until midnight on February 24, 2016, unless sooner terminated or extended as provided in the Lease.

2. Any third party entering into a contract with the Corporation for improvements to be located on the Land, or any other party claiming under said third party, shall be on notice that neither the Board nor the Board’s property shall have any liability for satisfaction of any claims of any nature in any way arising out of a contract with the Corporation.

3. Any third party entering into a contract with the Corporation for improvements to be located on the Land, or any other party claiming under said third party, shall be on notice that neither the Board nor the Board’s property shall have any liability for satisfaction of any claims of any nature in any way arising out of a contract with the Corporation.
4. Additional information concerning the provisions of the Lease can be obtained from the parties at the following addresses:

Lessor: Board of Supervisors for the University of Louisiana System 1201 North 3rd Street, Suite 7300 Baton Rouge, La 70802 Attention: Assistant Vice President for Facilities Planning

Lessee: University of Louisiana Monroe Facilities, Inc. 700 University Avenue Monroe, Louisiana 71209-2000 Attention: Chairperson

This Memorandum is executed for the purpose of recordation in the public records of Ouachita Parish, Louisiana in order to give notice of all the terms and provisions of the Lease and is not intended and shall not be construed to define, limit, or modify the Lease. All of the terms, conditions, provisions and covenants of the Lease are incorporated into this Memorandum by reference as though fully set forth herein, and both the Lease and this Memorandum shall be deemed to constitute a single instrument or document.

THUS DONE AND PASSED on the 25th day of February, 2015, in Monroe, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith sign their names with **R. Scott McDonald**, Chairperson of University of Louisiana Monroe Facilities, Inc., and me, Notary.

WITNESSES: 

UNIVERSITY OF LOUISIANA MONROE FACILITIES, INC.

Print Name: 

By: **R. Scott McDonald**, Chairperson

Print Name: 

NOTARY PUBLIC
Charles W. Herold, III
Notary No. 16329 - Expires at Death
THUS DONE AND PASSED on the 25th of February, 2015, in Monroe, Louisiana, in the presence of the undersigned, both competent witnesses, who herewith signs his name as President of the University of Louisiana at Monroe and the Authorized Representative of the Board of Supervisors for the University of Louisiana System, and me, Notary.

WITNESSES:

Print Name: ____________________________ By: ____________________________

Nick J. Bruno, President of the University of Louisiana at Monroe and Authorized Officer of the Board

Print Name: ____________________________

NOTARY PUBLIC
Charles W. Herold, III
Notary No. 16329 - Expires at Death
# ULM Fieldhouse Project

## Annual Cash Flow Projections

*(as of February 5, 2015)*

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<td>475,858</td>
<td>314,358</td>
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<td><strong>Ending Cash Balance</strong></td>
<td>$728,713</td>
<td>$752,455</td>
<td>$748,397</td>
<td>$739,039</td>
<td>$568,181</td>
<td>$348,621</td>
<td>$60,916</td>
<td>$0</td>
<td></td>
</tr>
</tbody>
</table>

**Financing $3,029,302 @ 3.34%**