

LEASE

This Lease ("Lease") is made and entered into effective as of the 29 day of February, 2016, by and between THE CITY OF MASON, OHIO, an Ohio municipal corporation ("Landlord"), and ROYALTY TRUCKING, INC., an Ohio corporation, ("Tenant"):

WITNESSETH:

ARTICLE I PREMISES

1.1. In consideration of the Rent (as defined below) hereinafter reserved and of the covenants hereinafter contained, Landlord does hereby lease to Tenant, and Tenant hereby leases from Landlord the land consisting of +/- 4.1 acres, and the entire building, of approximately 7,000 square feet and three (3) sided pole building, (collectively, the "Building"), located at 4211 State Route 741, Mason, Ohio 45040, Warren County, Ohio Auditor's parcel no. 1225200005, being subject to easements of record, including but not limited to railroad access, as more fully set forth in Section 12.3 below, as the property is more particularly described on Exhibit A, attached hereto and incorporated herein by reference (together the "Premises").

1.2. After execution of this Lease, and prior to or upon or after the Lease Commencement Date, as defined in Section 2.1 below, Landlord shall, at its expense, empty and clean all storage tanks, drains and service pits on the Premises.

1.3. Upon execution of this Lease, Tenant will have been granted access by Landlord and will have conducted its inspections, including but not limited to physical, environmental, and survey. Landlord has provided Tenant copies of documents, if any, in Landlord's possession, including but not limited to environmental, building plans, and surveys. Tenant is relying upon its own inspections and is accepting the Premises in its current "AS IS, WHERE IS" condition.

1.4. Tenant shall keep and maintain the Premises in a professional and orderly manner, to include the manner in which Tenant arranges and places vehicles inside the fenced area of the Premises. Further, Tenant shall not permit abandoned vehicles or parts to be collected and placed on or around the land that comprises the Premises. Tenant shall use best efforts to operate its business pursuant to the letter of explanation dated February 17, 2016, attached hereto as Exhibit C, incorporated herein by reference.

ARTICLE II TERM

2.1. The initial term of this Lease ("Initial Term") will begin on February 22, 2016, 2016, The Lease shall commence upon Tenant's possession of the Premises to perform Tenant's improvements at Tenant's sole cost and expense ("Lease Commencement Date.") The Lease Commencement Date shall be March 1, 2016. Base Rent, as defined in Section 3.1 below, will be payable on the Rent Commencement Date, which shall be June 1, 2016.

2.2. The Initial Term shall be for a period of two (2) years, and the Initial Term shall terminate on May 31, 2018. If either Landlord or Tenant elect to terminate this Lease other than

for a violation of the covenants set forth herein, the party deciding to terminate the Lease shall provide written notice of the termination to the other party, not more than (6) months prior to November 30, 2017. Tenant's election to terminate under this provision shall not be a termination of Tenant's obligation to pay all rent due to Landlord for the remaining Initial Term or any renewal term of the Lease. Landlord's election to terminate under this provision, during the remaining Initial Term or any renewal term, shall be a termination of Tenant's obligation to pay all rent and expenses due to Landlord, after the date of Tenant's vacation of the Premises.

ARTICLE III RENT AND SECURITY DEPOSIT

3.1. Beginning on the Rent Commencement Date, Tenant agrees to pay Landlord base rent ("Base Rent") also sometimes referred to as "Rent") as follows:

(A) Months 1-3 shall be a free rent period to offset Tenant's expenses to clean and repair the office area, clean the lot, and perform minor shop maintenance (doors, lights, electric, etc.)

(B) Months 4-24: \$5.14 PSF: The sum of Thirty Six Thousand Dollars (\$36,000.00) per annum, payable without demand or setoff in lawful money of the United States, in equal monthly installments of Three Thousand Dollars (\$3,000.00) each, in advance, on the 10th day of each month during the Initial Term of this Lease.

(C) Months 25-36: \$5.50 PSF: The sum of Thirty Eight Thousand Five Hundred Dollars (\$38,500.00) per annum, payable without demand or setoff in lawful money of the United States, in equal monthly installments of Three Thousand Two Hundred Eight Dollars and Thirty Three Cents (\$3,208.33) each, in advance, on the 10th day of each month during the Renewal Term of this Lease.

(D) Months 37-48: \$5.50 PSF: The sum of Thirty Eight Thousand Five Hundred Dollars (\$38,500.00) per annum, payable without demand or setoff in lawful money of the United States, in equal monthly installments of Three Thousand Two Hundred Eight Dollars and Thirty Three Cents (\$3,208.33) each, in advance, on the 10th day of each month during the Renewal Term of this Lease.

(E) Months 49-60: \$6.00 PSF: The sum of Forty Two Thousand Dollars (\$42,000.00) per annum, payable without demand or setoff in lawful money of the United States, in equal monthly installments of Three Thousand Five Hundred Dollars and 00/100 (\$3,500.00) each, in advance, on the 10th day of each month during the Renewal Term of this Lease.

(F) Months 61-72: \$6.00 PSF: The sum of Forty Two Thousand Dollars (\$42,000.00) per annum, payable without demand or setoff in lawful money of the United States, in equal monthly installments of Three Thousand Five Hundred Dollars and 00/100 (\$3,500.00) each, in advance, on the 10th day of each month during the Renewal Term of this Lease.

(G) Months 73-84: \$6.00 PSF: The sum of Forty Two Thousand Dollars (\$42,000.00) per annum, payable without demand or setoff in lawful money of the United States, in equal monthly installments of Three Thousand Five Hundred Dollars and 00/100 (\$3,500.00) each, in advance, on the 10th day of each month during the Renewal Term of this Lease.

The Lease Terms set forth in Sections 3.1 (C-G) above shall be referred to as Renewal Terms.

3.2. All payments of Base Rent shall be made by check payable to Landlord and delivered to Landlord at 6000 Mason Montgomery Road, Mason, Ohio 45040, addressed to the City of Mason Finance Department. No payment by Tenant or receipt by Landlord of a lesser amount than the monthly installments of Rent herein stipulated shall be deemed to be other than on account of the earliest stipulated Rent nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check for payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy in this Lease provided.

(A) This is a triple net lease for Landlord and Tenant agrees to pay to Landlord, all real estate taxes and installments of assessments levied against the Premises ("Taxes") during the Initial Term and any Renewal Terms hereof, all costs of Landlord's Insurance (as defined in Section 10.1 (B) below, and Tenant's maintenance obligations as set forth in Article V. Except for Taxes, payable as set forth in Section 3.2 (D) below, the foregoing shall become due and payable from Tenant on June 10, 2016, (the date that the first Base Rent payment is due and payable to Landlord.)

(B) If Tenant defaults in performing any of its obligations hereunder, which default is not cured within ten (10) days after receipt of written notice from Landlord identifying the obligation of Tenant that it has failed to perform, Landlord, at its option, may cure such default and all reasonable costs and expenses of Landlord in curing such default or in resisting any third-party claim (including, without limitation, reasonable attorneys' fees) shall constitute Additional Rent hereunder and shall be due and payable by Tenant within ten (10) days after receipt from Landlord of a paid invoice for same. Landlord may extend this ten (10) day cure period, in the event that Tenant has notified Landlord that a cure has commenced but will extend beyond ten (10) days, in which case Tenant and Landlord shall agree on a final date.

(C) If any installment of the Base Rent or the Additional Rent (collectively, the "Rent"), or any other sum owing by Tenant to Landlord under this Lease, is not paid within five (5) days after the date it is due hereunder, at Landlord's option, a late charge of five percent (5%) of the amount past due shall be immediately due and payable.

(D) The Premises is, at the time of execution of this Lease, exempt from the payment of real estate taxes. It is estimated that the real estate taxes will become due for the Premises in tax year 2017 and will be payable in year 2018. Landlord has estimated that real estate taxes will be \$9,200.00 annually and that the estimated monthly amount

due will be \$767.00. Beginning January 1, 2017, Tenant shall pay Landlord, as Additional Rent, the amount of \$767.00 per month for Taxes, to be held by Landlord for the payment of taxes during the Initial Term of the Lease. In the event that the Taxes are higher than estimated, Tenant shall pay Landlord the difference immediately upon notification of the additional amount due. In the event that the Taxes are lower than estimated, Landlord shall pay the difference to Tenant immediately after payment in full of the Tax amount due to the Warren County, Ohio Treasurer's office. The Additional Rent shall be payable to Landlord as set forth in Section 3.2. If the present method of real estate taxation or assessment should be changed so that there would be substituted for the whole or any part of the real estate taxes or assessments now or hereafter imposed on the Premises or any part thereof, a capital tax or other tax imposed on the Rent received by Landlord from Tenant, such other tax, to the extent that it is so substituted, shall be included in determining Landlord's real estate tax bill for the relevant years, and shall be paid by Tenant to Landlord as Additional Rent.

(E) The Additional Rent for any Renewal Term shall be agreed upon by Landlord and Tenant not less than thirty (30) days prior to the date of the termination of the Initial Term of the Lease.

3.3. As security for the performance and observation by Tenant of all its obligations under this Lease, Tenant has deposited with Landlord upon the execution of this Lease, the sum of Three Thousand Dollars (\$3,000.00), which sum shall be held by Landlord as a security deposit of which Landlord shall have a security interest in during the Term of this Lease. In the event of a default by Tenant in the payment of Base Rent, Additional Rent, or the performance or observance of any of the other terms, conditions or covenants of this Lease, then Landlord may, at its option and without notice, apply all or any part of the security deposit in payment of such rent or to cure any other such default and/or to compensate Landlord for all expenses to be incurred by it incidental to the reletting of the Leased Premises; and if Landlord does so, Tenant shall, upon request, deposit with Landlord the amount so applied so that Landlord will have on hand at all times of this Lease the full amount of the security deposit.

ARTICLE IV UTILITIES

4.1. Landlord represents and warrants that on the Lease Commencement Date, all utilities available to the Premises will be separately metered and shall be billed directly to Tenant. Tenant shall pay or cause to be paid all charges for air conditioning, steam, gas, electricity, cable, light, heat or power, telephone, water, sewer or other utility or communication service used, rendered or supplied upon or in connection with the Premises immediately upon execution of and throughout the Term of this Lease.

ARTICLE V UPKEEP OF PREMISES

5.1. Tenant shall be solely responsible for the cost of any renovation improvements to the interior of the Building on the Premises and for the exterior walls of the Building, including repair and maintenance. Tenant shall be solely responsible to cause such renovation improvements made by Tenant during the Initial and any Renewal Term(s) to be ADA

compliant, as more fully described in Section 8.2 below. Tenant shall be responsible for minor repairs and day-to-day maintenance, not to exceed \$3000.00 per year, on a cumulative basis. Tenant shall use and maintain the above-ground storage tank and floor drains in accordance with customary local standards. In addition, Tenant shall be responsible for the maintenance and repair of the parking areas and driveways as good as or better than current condition. Tenant shall not be obligated to make any replacements/capital investments and shall return the Premises in "As Is" condition, less normal wear and tear. All repairs, maintenance, or replacements by Tenant shall be in quality and class at least equal to the original work.

5.2. Tenant, at its sole cost and expense, shall keep every other portion of the Premises in its current "As Is" working order and repair, less normal wear and tear, including but not limited to, the exterior and interior utilities, interior walls, the interior portion of the exterior walls, all building systems, including plumbing, electrical, heating and ventilating ("HVAC") equipment (except as provided under Section 5.1 above), ceilings and window. All repairs, maintenance or replacements by the Tenant shall be in quality and class at least equal to the original work.

5.3. Tenant, at its expense, shall comply with all laws, ordinances, rules and regulations of governmental authorities having jurisdiction, and the rules and regulations of the National Board of Fire Underwriters (or other body exercising similar functions) relating to Tenant's specific use and occupancy of the Premises. Tenant shall comply with all federal, state and local laws and regulations, including but not limited to the federal laws commonly known as CERCLA and RCRA and all other environmental laws.

5.4. Tenant agrees that the Premises shall be used and occupied in a careful, safe and proper manner, that no nuisance nor any trade or occupation which is known in insurance as extra or especially hazardous shall be permitted therein, and that no waste shall be committed or permitted upon the Premises. Without limiting the foregoing, Tenant shall not generate, store-except for those materials required for the operation of the business, oils and fuel in the above-ground storage tank(s), treat or dispose of any hazardous or toxic materials, as such terms are defined in laws relating to health and the environment, except that Tenant may store for use at the Premises and use, in a safe manner, small quantities of cleaning materials, glue, and similar commercial products customarily used in short-term rehabilitation facilities, which are not highly toxic or flammable and for which no unusual precautions are prescribed by the manufacturer or any governmental agency, together with other non-cleaning materials and commercial products used in short-term rehabilitation facilities in the ordinary course of such business. Without limiting Tenant's obligations under other provisions of this Lease, Tenant shall defend and indemnify Landlord against claims, losses, expenses and liabilities of any nature arising from or related to any presence, use or discharge of hazardous or toxic materials or wastes upon or about the Premises during the Term, unless such presence, use or discharge is caused solely by Landlord, its employees, agents or invitees.

5.5. Tenant shall provide grass cutting, landscaping, snow plowing/removal and janitorial service immediately upon the date of occupancy of the Premises.

ARTICLE VI USE OF PREMISES/SIGNS

6.1. Tenant covenants to use the Premises only for an office, vehicle service and overnight parking. Tenant, at its expense shall obtain all required permits to occupy and use the space from the appropriate governing authority. All property of any kind which may be on the Premises shall be at the sole risk of Tenant or those claiming through or under Tenant.

6.2. Provided that Tenant complies with all zoning and other municipal and county regulations, Tenant may, at its own cost and expense, erect a sign ("Sign") concerning its business in accordance with the provisions and approvals of the City of Mason, Ohio. The location, style and size of the Sign shall be subject to Landlord's prior written approval. Tenant agrees to maintain such Sign in first class condition and in compliance with all zoning and building codes throughout the Lease Term. Upon expiration of the Lease Term, Tenant shall remove the Sign and repair any damage to the Building caused thereby. Tenant shall indemnify and hold harmless Landlord from any and all liability for any loss of or damage or injury to any person (including death resulting there from) or property connected with or arising from the Sign or the rights granted to Tenant herein.

ARTICLE VII TENANT'S COVENANTS

7.1. Tenant covenants and agrees: (a) that, except for Tenant's reliance on the representations and warranties of Landlord as contained under Article XXIII below, it accepts the Premises in its present as is/where is condition; (b) to pay to Landlord said Rent during the Initial Term and any Renewal Terms thereafter and until possession of the Premises is redelivered to Landlord free and clear; (c) not to strip or overload, damage or deface the Premises or the fixtures therein or used therewith; (d) not to suffer or permit any trade or occupation to be carried on or use made of the Premises which shall be unlawful, noisy, offensive, or injurious to any person or property, or such as to increase the danger of fire or affect or make void or voidable any insurance on the Premises, or which may render any increased or extra premium payable for such insurance, or which shall be contrary to any law or ordinance, rule or regulation from time to time established by any public authority; and (e) to conform to all rules or regulations from time to time established by the appropriate insurance rating organization, and to all reasonable rules or regulations from time to time established by Landlord; provided, however, any rules and regulations promulgated after the date hereof will not adversely affect the operation of Tenant's business in the Premises.

ARTICLE VIII ALTERATIONS

8.1. Upon review and approval by Landlord, which approval shall not be unreasonably withheld, Tenant, at its expense, may make Tenant improvements to the Premises. Tenant shall make such Tenant improvements expeditiously. Tenant shall not suffer any liens of any kind or nature to encumber or appear to encumber the Premises. Should any such lien encumber or appear to encumber the Premises, Tenant shall immediately remove such encumbrance or apparent encumbrance or have it bonded off. Upon completion of the Tenant Finish Improvements, they shall become a part of the Premises and the property of Landlord.

8.2. Tenant shall be responsible for any alterations to the Building (in which the Leased Premises are located) including any common areas, which are necessary as appropriate in

order to comply with the requirements of ADA. If Tenant constructs its tenant improvements, they shall be constructed in accordance with the requirements and provisions of the ADA. Tenant shall indemnify and hold Landlord harmless from any and all liability, damages, awards, judgments, fines, penalties and reasonable legal fees and costs of defense as they are incurred, arising from or pertaining to claims made for Tenant's alleged or actual violations of the provisions of the ADA and Tenant's failure to comply with this paragraph.

ARTICLE IX INDEMNIFICATION

9.1 Indemnification: Tenant shall defend and indemnify Landlord against all expenses, losses, costs, claims, liability or damages ("Damages") relating to the Premises and accruing during the Term of this Lease, including, without limitation, Damages that may occur or be claimed with respect to any death, personal injury, bodily injury, or loss or damage to personal property on or about the Premises, whether or not resulting from the Tenant's use, non-use or possession of the Premises, except such Damages as may result from and be caused solely by the deliberate misconduct or gross negligence of the Landlord, its employees, agents and/or invitees.

ARTICLE X INSURANCE

10.1 (A) Tenant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Tenant's operation and use of the leased Premises. The cost of such insurance shall be borne by the Tenant.

(B) Tenant's coverage shall be at least as broad as:

(i) Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including property damage, bodily injury and personal injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

ii) Workers' Compensation insurance as required by the State of Ohio, with Statutory Limits, and Employer's Liability Insurance with limits of no less than \$1,000,000 per accident for bodily injury or disease.

(iii) Property insurance against all risks of loss to any Tenant improvements or betterments, at full replacement cost with no coinsurance penalty provision.

If the Tenant maintains higher limits than the minimums shown above, the Landlord requires and shall be entitled to coverage for the higher limits maintained. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Landlord.

(D) Other Insurance Provisions: Tenant's policies are to contain, or be endorsed to contain, the following provisions:

(i) For General Liability, the Landlord, its officers, officials, employees, and volunteers are to be covered as additional insureds with respect to liability arising out of ownership, maintenance, or use of that part of the Premises leased to the Tenant.

(ii) Tenant's insurance coverage shall be primary insurance as respects the Landlord, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Landlord, its officers, officials, employees, or volunteers shall be excess of the Tenant's insurance and shall not contribute with it.

(iii) Each insurance policy required above shall contain, or be endorsed to contain, a waiver of all rights of subrogation against the Landlord.

(iv) Each insurance policy shall be endorsed to state that coverage shall not be canceled except after thirty (30) days' prior written notice (10 days for non-payment) has been given to the Landlord. If the Tenant receives a non-renewal or cancellation notice from an insurance carrier providing coverage required herein, or receives notice that coverage no longer complies with the requirements herein, Tenant agrees to notify the Landlord by fax or email within five (5) business days with a copy of the non-renewal or cancellation notice, or written explanation of how coverage is no longer in compliance.

(v) The Property insurance shall name the Landlord as Loss Payee as its interests may appear.

(E) Acceptability of Insurers: Tenant's insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the Landlord.

(F) Verification of Coverage: Tenant shall furnish the Landlord with certificate(s) of insurance and additional insured endorsements evidencing the insurance coverage required above. All certificates and endorsements are to be received by the Landlord upon execution of the agreement. However, failure to obtain the required documents at that time shall not waive the Tenant's obligation to provide them. The Landlord reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.

(G) Tenant hereby grants to Landlord a waiver of any right to subrogation which any insurer of said Tenant may acquire against the Landlord by virtue of any payment of any loss under such insurance. This provision applies regardless of whether or not the Landlord has received a waiver of subrogation endorsement from the insurer.

(H) For the duration of the Lease, Landlord shall maintain commercial general liability insurance with limits no less than \$1,000,000 per occurrence.

ARTICLE XI ASSIGNMENT & SUBLETTING

11.1 Tenant covenants not to assign this Lease or to sublet the Premises or any portion thereof without the consent of Landlord first obtained in writing; however, neither such assignment or subletting nor the consent of Landlord thereto shall release, discharge or affect the liability of Tenant, as provided in this Lease, for the full Term hereof. Landlord will evaluate whether any proposed assignee/sublessee's proposed use is compatible with other uses in the vicinity of the Premises, as well as other considerations relative to the use and ability of the proposed assignee/sublessee to pay the current Rent. Tenant's request to assign or sublease and the proposed assignee/sublessee and their proposed use are all subject to the review and approval of the Mason City Manager. Tenant shall also obtain an assignment of lease/ sublease agreement with a written acknowledgement from any assignee/sublessee that its tenancy is subject to all provisions of this Lease.

ARTICLE XII LANDLORD'S RIGHT OF ACCESS

12.1 Subject to the access requirements of local police and fire agencies, Tenant may install a security system to the Building, and Tenant will have 24 hour access to the Premises. Landlord may, at any time during Tenant's occupancy of the Premises, during reasonable business hours and upon twenty-four (24) hours advance notice to Tenant (except in the event of an emergency, in which case no notice shall be necessary,) enter the Premises for the purpose of inspecting the same, posting and maintaining notices of non-responsibility under any mechanic's lien law, exhibiting the Premises for sale, lease or mortgage financing, or making any repairs or performing any other work that may be necessary or that Tenant has requested, or that Landlord may deem necessary to prevent waste or deterioration.

12.2 Landlord and Landlord's business invitees and contractors may access the Premises to conduct inspections, surveys, soil tests, or any other activity.

12.3 Tenant shall provide Landlord and the railroad with a code to the front gate of the Premises so that Landlord and the railroad shall have access to the Premises in order to further access the Landlord's rear parcel as depicted in **Exhibit B** attached hereto and incorporated herein by reference.

12.4 Landlord may, within sixty (60) days next preceding the expiration of any Term enter, to place and maintain notices for letting, free from hindrance or control of Tenant, and to show the Premises to prospective tenants thereof at times which will not unreasonably interfere with Tenant's business. If Tenant shall vacate the Premises during the last month of the Term of this Lease, Landlord shall have the unrestricted right to enter the same after Tenant's moving to commence preparations for the succeeding tenant or for any other purpose whatever, without affecting Tenant's obligation to pay Rent for the full Term.

ARTICLE XIII SURRENDER OF POSSESSION

13.1 Tenant covenants, at the expiration or other termination of this Lease, to remove all goods and effects from the Premises not the property of Landlord, and to yield up to Landlord the Premises and all keys, locks and other fixtures connected therewith, including any Tenant renovation improvements, which shall be in their "As Is" condition in all respects, reasonable wear and use thereof and damage by fire, or other casualty, not caused by Tenant's act or neglect, only, excepted.

ARTICLE XIV FIRE OR OTHER CASUALTY

14.1 This Lease is made on condition that, if the Premises or any part thereof, or hallways, stairways or other approaches thereto, be damaged or destroyed by fire or other casualty from any cause, so as to render said Premises and/or approaches unfit for use and occupancy, a just and proportionate part of the Rent, as determined in the reasonable discretion of Landlord, according to the nature and extent of the injury to said Premises and/or approaches, and based upon the Tenant's ability to use the Premises, shall be suspended or abated until said Premises and approaches have been put in as good condition for use and occupancy as at the time immediately prior to such damage or destruction. Landlord will proceed at its expense and, as expeditiously as may be practicable to repair the damage, unless, because of the substantial extent of the damage or destruction, Landlord should decide not to repair or restore the Premises, in which event and at Landlord's sole option, Landlord may terminate this Lease forthwith, by giving Tenant a written notice of its intention to terminate within thirty (30) days after the date of the casualty. In the event that the Premises is not restored within one hundred twenty (120) days after the occurrence of the casualty, subject to delays caused by Force Majeure (as defined below), Tenant shall have the right to terminate this Lease. For purposes of this Section, "Force Majeure" shall mean any delay in the repair or restoration of the Premises when such delay is occasioned by causes beyond Landlord's control, including but not limited to work stoppages, boycotts, slowdowns or strikes; shortages of materials, equipment, labor or energy; unusual weather conditions; or acts or omissions of governmental or political bodies.

ARTICLE XV CONDEMNATION

15.1 This Lease shall be terminated and the rental payable hereunder shall be abated to the date of such termination in either of the two following events, namely: (a) the condemnation of the Premises or any part thereof by any competent authority under right of eminent domain for any public or quasi-public use or purpose; and (b) the condemnation by competent authority under right of eminent domain for any public or quasi-public use or purpose of twenty-five percent (25%) or more of the Building constituting the Premises or the parking area. In case of any taking or condemnation, whether or not the term of this Lease shall cease and terminate, the entire award shall be the property of Landlord, and Tenant hereby assigns to Landlord all its right, title and interest in and to any such award. Tenant, however, shall be entitled to claim, prove and receive in the condemnation proceeding such awards as may be allowed for relocation expenses.

ARTICLE XVI TENANT DEFAULTS AND LANDLORD'S REMEDIES

16.1 (A) Should: (i) Tenant fail to pay any installment of Base Rent or any Additional Rent, or any other sum herein required to be paid to Landlord within ten (10) days after such payment is first due and payable; which failure is not cured within five (5) days after receipt of written notice from Landlord; (ii) Tenant fail to maintain any required insurance, which failure is not cured within ten (10) days after receipt of written notice from Landlord; (iii) Tenant fail to perform any covenant or to comply with any condition herein provided to be performed or complied with by it (other than the payment of money and maintenance of insurance) within thirty (30) days after receipt by Tenant of written notice thereof from Landlord (or, in the event such failure can be removed or corrected, but cannot be removed or corrected within such thirty (30) day period, in the event Tenant does not commence to remove or correct such failure within said thirty (30) day period and thereafter diligently pursue such removal or correction to completion); (iv) any proceeding in bankruptcy or under any State or Federal law relating to the relief of debtors be filed by or against Tenant; (v) a receiver be appointed of any of the property of Tenant so as to directly affect the fulfillment of the obligations of Tenant hereunder; which is not timely cured after any applicable cure period; then and in any such event (herein called a "default") Landlord, at its option, immediately or at any time during the continuation of such default may (a) terminate Tenant's right to possession of the Premises without terminating this Lease, and thereupon Landlord may enter and retake the Premises without further notice or demand and may, without being required to, relet the Premises as agent of Tenant for the balance of the Term then in effect and receive the Rent therefor, or (b) declare this Lease terminated. In retaking possession of the Premises, Landlord may use such force as may be necessary so long as the conduct of Landlord does not constitute a breach of peace.

(B) If Tenant is in default hereunder, then, at the option of the Landlord, the Base Rent for the entire remaining Term of this Lease then in effect shall become immediately due and payable (discounted to present value at the time of payment at an annual rate of 6%) and in case Tenant is declared bankrupt or voluntarily offers to creditors terms of composition, or in case a receiver is appointed to take charge of and conduct the affairs of Tenant, or if an order for relief is granted for or against Tenant, such claim for unpaid installments of Rent due under this Lease shall constitute a debt provable in bankruptcy or receivership.

16.2 All Rents received by Landlord in any such reletting shall be applied first to the payment of such expenses as Landlord may have incurred in recovering possession of the Premises and in reletting the same, second, to the payment of any costs and expenses incurred by Landlord either for making necessary repairs to the Premises or in curing any default on the part of Tenant in any covenant or condition herein made binding upon Tenant, and, last, any remaining rent shall be applied toward the payment of Rent due from Tenant under the terms of this Lease, with interest at the highest legal rate, and Tenant expressly agrees to pay any deficiency then remaining. Landlord, however, at its option, may refrain from terminating Tenant's right of possession, and in such case may enforce against Tenant the provisions of this Lease for the full term thereof.

16.3 Tenant expressly agrees to reimburse Landlord for any expenses, including counsel fees, Landlord may incur in enforcing Landlord's rights against Tenant under this Lease, including, but not being limited to, the collection of Rent and the securing of possession of the Premises.

16.4 The remedies to which Landlord may resort under this Lease are cumulative and are not intended to be exclusive of, and Landlord shall be entitled to exercise, any other remedy to which Landlord may be entitled by law of in equity. The failure of Landlord to insist in any one or more cases on strict performance of any provision of this Lease or to exercise any right herein contained shall not constitute a waiver in the future of such right. Acceptance by Landlord of rent or other payment or acceptance of performance required herein with knowledge of a breach by Tenant of any provision hereof shall not constitute a waiver of such breach, nor shall any acceptance of rent or other payment in a lesser amount than herein provided for operate or be construed in any other manner other than as a payment on account of the earliest rent or other charge then unpaid by Tenant.

ARTICLE XVII LANDLORD'S DEFAULT AND TENANT'S REMEDIES

17.1 If Landlord shall (a) fail to carry out any duties imposed by this Lease; or (b) fail to carry out any duties imposed by law; or (c) fail to pay when due the debt service on any mortgage indebtedness encumbering the Premises, or (d) fail to discharge any mechanic's liens which could give rise to a foreclosure, or (e) fail to pay, when due, any Taxes as set forth herein, and Landlord's Insurance premiums required to be paid by Landlord under this Lease, then Landlord shall be in default of this Lease. Failure of Landlord to cure such default prior to the expiration of any applicable grace period constitutes an "Event of Default". Upon the Event of Default, Tenant shall have all remedies accorded to Tenants under common law, including, without limitation, the right to declare a constructive eviction and terminate this Lease abating Rent as of the date of such declaration, or payment of Rent into escrow pending a determination of Landlord and Tenant's rights.

ARTICLE XVIII SUBORDINATION

18.1 This Lease shall be subject and subordinate at all times to the lien of any mortgage or deed of trust, encumbrance or encumbrances, of the Premises or any part thereof made by Landlord, whether previously or hereafter made, unless the holder of any such mortgage or deed of trust elects by recorded instrument that this Lease shall be prior to such mortgage or deed of trust. Such subordination shall be self-executing and effective without any further action by Tenant or Landlord. Tenant agrees, from time to time, immediately upon request by Landlord, promptly to execute such instruments, certificates and tenant estoppel letters as may be requested by Landlord to evidence and confirm such subordination and promptly to deliver such instruments, certificates and letters to mortgagees or prospective mortgagees designated by Landlord.

ARTICLE XIX TENANT HOLDING OVER

19.1 If Tenant shall not immediately surrender possession of the Premises at the termination of this Lease, Tenant shall become a tenant from month to month, provided rent shall be paid to and accepted by Landlord, in advance at one hundred twenty five percent (125%) of the rate of rental payable hereunder just prior to the termination of this Lease; but unless and until Landlord shall accept such rental from Tenant, Landlord shall continue to be entitled to retake or recover possession of the Premises as hereinbefore provided in case of default on the

part of Tenant, and Tenant shall be liable to Landlord for any loss or damage it may sustain by reason of Tenant's failure to surrender possession of the Premises immediately upon the expiration of the Initial Term or any Renewal Term under this Lease. If Tenant shall fail to surrender possession of the Premises immediately upon the expiration of the Initial Term or any Renewal Term hereof, Tenant hereby agrees that all the obligations of Tenant and all rights of Landlord applicable during the term of this Lease shall be equally applicable during such period of subsequent occupancy, whether or not a month to month tenancy shall have been created as aforesaid.

ARTICLE XX WAIVER AND NOTICE

20.1 No waiver of any breach of any covenant, condition or agreement herein condition or agreement herein contained shall operate as a waiver of the covenant, condition or agreement itself, or of any subsequent breach thereof.

ARTICLE XXI QUIET ENJOYMENT

21.1 Landlord covenants and agrees with Tenant that upon Tenant paying the Base Rent and Additional Rent and observing and performing all the terms, covenants and conditions, on Tenant's part to be observed and performed, Tenant may peaceably and quietly enjoy the Premises hereby demised, subject, nevertheless, to the terms and conditions of this Lease, and to any mortgages hereinbefore mentioned in Article XVII hereof.

ARTICLE XXII FIXTURES

22.1 Tenant shall, upon expiration or sooner termination of this Lease, surrender to the Landlord, together with the Premises, any and all Tenant replacements, changes, and additions thereto, and fixtures and improvements constructed or placed by Tenant thereon, with all equipment in or appurtenant thereto, except trade fixtures removable without damage to the Premises. Any such removable trade fixtures or personal property belonging to Tenant or to any assignee or subtenant, if not removed at such termination and if the Landlord so elects, shall be deemed abandoned and become the property of the Landlord without any payment or offset therefore. If the Landlord shall not so elect, the Landlord may remove such fixtures or property from the Premises and store them at the Tenant's sole risk and expense. The Tenant shall repair and restore, and save the Landlord harmless from, any and all damage to the Premises caused by such removal, whether by the Tenant or by the Landlord.

ARTICLE XXIII LANDLORD'S REPRESENTATIONS

23.1 Landlord hereby represents and warrants the following:

(A) that it is the true and lawful owner of the Premises, and is authorized to grant a leasehold interest in the Premises; and

(B) the Premises are zoned to allow Tenant to use the Premises for its intended use under Article VI above; and

(C) on the Lease Commencement Date, to the Landlord's knowledge, the Premises will conform to all applicable federal state and local laws, statutes, regulations and ordinances including without limitation local building codes; and

(D) on the Lease Commencement Date, all equipment, building systems, roof, foundation, walls, doors, plumbing, electrical, locks, hardware, oil grit separator, and all other components servicing the Premises will be in their "As Is" condition; with the exception of the Landlord maintenance items as set forth in Section 1.2; and

(E) to the best of Landlord's knowledge, the Premises contains no Hazardous Materials (as defined below) and there has been no Release (as defined below) of Hazardous Materials on the Premises or into the soil or groundwater under the Premises.

23.2 The following terms shall have the following meanings in this Lease:

(A) "Environmental Laws" means all applicable federal, state and local laws, regulations, ordinances and common law relating to public health and safety and protection of the environment.

(B) "Hazardous Materials" includes any toxic substances, hazardous wastes, hazardous substances, or any other pollutants or dangerous substances regulated pursuant to any and all Environmental Laws, and shall include, without limitation, asbestos, urea formaldehyde, polychlorinated biphenyls (PCBs), oil, petroleum products and fractions, underground storage tanks, whether empty, filled or partially filled with any substance (regulated or otherwise), any substance or material the presence of which on the Premises is prohibited by any Environmental Laws and any other substance or material which requires special handling or notification of any federal, state or local governmental entity regarding collection, storage, treatment or disposal.

(C) "Release" means spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing or dumping and all other actions defined as a release by 42 U.S.C. Section 9601 (22).

ARTICLE XXIV RECORDING OF LEASE

24.1 This Lease shall not be recorded by either party.

ARTICLE XXV MISCELLANEOUS

25.1 All covenants herein made binding upon Tenant shall be construed to be equally applicable to and binding upon its agents, employees and others claiming the right to be in the Premises through or under Tenant.

25.2 Feminine or neuter pronouns shall be substituted for those of the masculine form, and the plural shall be substituted for the singular, wherever the context shall require. It is also agreed that no specific words, phrases, or clauses herein used shall be taken or construed

to control, limit or cut down the scope or meaning of any general words, phrases or clauses used in connection therewith.

25.3 Subject to Article XI hereof, this Lease shall likewise be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.

25.4 This Lease contains the entire agreement of the parties in regard to the Premises. There are no oral agreements existing between them.

25.5 All notices required or permitted hereunder shall be deemed to have been given if mailed in any U.S. Post Office by certified or registered mail, postage prepaid, addressed to Landlord or Tenant, respectively, at the following addresses or to such other addresses as the parties may designate in writing from time to time:

If to Landlord: Mason City Manager, 6000 Mason Montgomery Road, Mason, Ohio 45040.

If to Tenant: Royalty Trucking, Inc., Attention: Bob Monley, 4836 Tylersville Road, Mason, Ohio 45040.

25.6 Landlord and Tenant each agree to and they hereby do waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matters whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of said Premises and/or any claim of injury or damage, and any statutory remedy.

25.7 This Lease shall be construed and governed by the laws of the State of Ohio in which the Premises are situated. Should any provision of this Lease and/or its conditions be illegal or not enforceable under the laws of the said state, it or they shall be considered severable, and the Lease and its conditions shall remain in force and be binding upon the parties as though the said provisions had never been included.

25.8 Brokerage. Landlord and Tenant agree that Tom McCormick of Cushman & Wakefield is representing the Tenant, and shall be paid by Tenant under a separate agreement. Tenant shall indemnify and hold Landlord harmless from any broker fees due to Tom McCormick of Cushman & Wakefield. Landlord and Tenant represent and acknowledge that no other brokers are involved for either party in this transaction.

25.9 The undersigned have executed this Lease as of the date first above written.

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

LANDLORD:

CITY OF MASON, OHIO

BY: *Eric Hansen*
Eric Hansen, City Manager

TENANT:

ROYALTY TRUCKING, INC.

BY: *Bob Monley*
Bob Monley, President

STATE OF OHIO)
COUNTY OF Warren) SS:

The foregoing instrument was acknowledged before me the 29th day of February, 2016, by Eric Hansen, City Manager of the City of Mason, Ohio, as duly authorized on behalf of the City.



Kendra L. Taylor, Notary Public
In and for the State of Ohio
My Commission Expires June 30, 2020

Kendra L. Taylor
Notary Public

STATE OF OHIO)
COUNTY OF Warren) SS:

The foregoing instrument was acknowledged before me the 29th day of February, 2016, by Bob Monley, as President of Royalty Trucking, Inc., as duly authorized.



Kendra L. Taylor, Notary Public
In and for the State of Ohio
My Commission Expires June 30, 2020

Kendra L. Taylor
Notary Public

APPROVED AS TO FORM:
Jeffrey D. Forbes
Jeffrey D. Forbes, Law Director

EXHIBIT A
LEGAL DESCRIPTION

its ~~heirs~~ successors¹ and assigns forever,

the following described **Real Estate**²:

Situated in the City of Mason, Warren County, Ohio, and being a part of Section #25, Town 4, Range 3, and bounded and described as follows:

Beginning at an iron spike at the intersection of the centerline of Bethany Road with the centerline of State Route No. 741 and being the Northeastly corner of the herein Grantor's lands; thence, running with the centerline of State Route No. 741 and with the Easterly lines of the herein Grantor's lands, on the following courses: (1) on a 7639.41 foot radius curve to the right, whose chord bears S. 10° 37' 00" W. 181.85 feet, an arc distance of 181.85 feet to an iron spike; (2) S. 11° 18' 00" W. 246.94 feet to the real point of beginning for the herein described Tract:

Running thence, from said real point of beginning, with the centerline of State Route No. 741 and with the Easterly lines of the herein Grantor's lands, on the following courses: (1) S. 11° 18' 00" W. 175.00 feet to an iron spike; (2) on a 2083.48 foot radius curve to the left, whose chord bears S. 8° 33' 00" W. 199.92 feet, an arc distance of 200.00 feet to a point; thence, by new division lines, on the following courses: (1) N. 78° 42' 00" W. 339.39 feet to a point; (2) N. 39° 49' 23" W. 324.10 feet to a point; (3) running parallel to and 35 feet Southeastwardly from (measured perpendicularly to) the Southeastly right-of-way line of the Penn-Central Railroad, N. 50° 10' 37" E. 220.00 feet to a point; (4) S. 78° 42' 00" 444.02 feet to the point of beginning, containing Four and One Hundred Sixty-one Thousandths (4.161) Acres, subject to all legal highways and easements of record.

TAX MAP DEPT.
9-16/74 R.S.

12

Previous Deed Reference: Part of the premises conveyed by Deed in Deed Book 384, Page 176, of the Warren County, Ohio, Deed Records.

THE SURVEY OF THIS PROPERTY MADE BY HASSELBRING, DUANE & THOMPSON, CONSULTING ENGINEERS OF LEONARD, OHIO

VOL 469 PAGE 622

In Witness Whereof, The said THE STEARNS & FOSTER CO.,

grantor, has caused its corporate name to be hereunto subscribed and its corporate seal hereunto affixed,

by RICHARD G. BRIERLEY, its President,
and RUSSELL S. DWIGHT, JR., its Secretary,

thereunto duly authorized by resolution of its Board of Directors, this / s/

EXHIBIT B

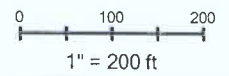
Depiction of Railroad Access and Easement

Exhibit B - Landlord's Rear Parcel



Warren County Legend

Interstate	County Boundary	Overpass Line	School Line	Township & Range
US Route	Auditors Tract Line	Parcel Line	Section Line	Tract Line
State Route	Civil Township Line	ROW Unknown Width	Subdivision Limit	VMS Line
Local Road	Corporate Line	Road ROW	Subdivision Lot Line	Vacated Road Line



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ENGINE HOUSE

14 12-25-200 005

Situate in the City of Mason, ~~Deerfield Township~~, Warren County, Ohio and being part of Section 25, Town 4, Range 3 being more particularly described as follows:

Commencing at the northwest corner of a 4.161 acre tract as recorded in Deed Book 469, Page 620 of the records of the Warren County Recorders Office; thence with the northwesterly line of said 4.161 acre tract South $50^{\circ}10'37''$ West, 40.00 feet to the Real Point of Beginning of the parcel herein described; thence departing said line South $39^{\circ}49'23''$ East, 65.00 feet; thence South $50^{\circ}10'37''$ West, 180.00 feet to a southwesterly line of said 4.161 acre tract; thence with the lines of said 4.161 acre tract North $39^{\circ}49'23''$ West, 65.00 feet; thence North $50^{\circ}10'37''$ East, 180.00 feet to the Real Point of Beginning containing 0.2686 acres more or less.

The description for this parcel was prepared by Carl D. Walker, Ohio Surveyor Reg. No. 6260 of Savage, Walker, Schulte Associates, Inc.

CONNECTING TRACK

12-25-242 - 001

Situate in the City of Mason, ~~Deerfield Township~~, Warren County, Ohio and being part of Section 25, Town 4, Range 3 and being more particularly described as follows:

Commencing at the southwest corner of a 4.161 acre tract as recorded in Deed Book 469, Page 620 of the records of the Warren County Recorders Office, said point also being the Real Point of Beginning of the parcel herein described; thence with south line of said 4.161 acre tract South $39^{\circ}49'23''$ East, 65.00 feet; thence leaving said 4.161 acre tract South $61^{\circ}29'13''$ West, 509.90 feet to the east line of the Indiana and Ohio Railroad as recorded in O.R. Volume 242, Page 886 of said deed records; thence with said east line North $50^{\circ}10'37''$ East, 500.00 feet; thence leaving said railroad South $39^{\circ}49'23''$ East, 35.00 feet to the Real Point of Beginning containing 0.5739 acres more or less.

The description for this parcel was prepared by Carl D. Walker, Ohio Surveyor Reg. No. 6260 of Savage, Walker, Schulte Associates, Inc.

EXHIBIT C

Letter of February 17, 2016

2274987.1



February 17, 2016

Eric Hansen
City Manager
City of Mason
6000 Mason Montgomery Road
Mason, OH 45040

**RE: Royalty Trucking Lease
@ 4211 SR 741**

Dear Eric,

Thank you for the opportunity to meet on Wednesday, February 17, 2016 to discuss the lease of your building on SR 741 and our operations.

As we discussed, I am a resident of Mason and I have lived in Crooked Tree subdivision for over 14 years. I am heavily invested in the community. My business is located here. My children attend Mason schools and I am a football coach and softball coach at Mason Middle School.

As the owner of a transportation service company, I share your sensitivity to commercial vehicle traffic through and around our community. It is my firm's goal to be a good corporate citizen and to operate in a safe and proper manner.

Below are a few points of emphasis related to our proposed lease of the SR 741 property:

- This facility is a parking and service facility only. We will not be warehousing or transferring goods from truck to truck on the property.
- The majority of our tractors will leave the location and head north on SR 741 toward Route 63/I-75. Some of our tractors will take SR 741 south to I-71.
- Our drivers are instructed to avoid downtown Mason.
- Our dispatchers/drivers adjust routes in response to traffic flows and road congestion.
- We will notify the City of any significant changes in our traffic patterns/routes.

Thank you again for the opportunity to meet and I am available to answer any other questions you may have.

Sincerely,

A handwritten signature in black ink, appearing to read "Bob Monley", is written over the word "Sincerely,".

Bob Monley
Owner – Royalty Trucking

Royalty Trucking, Inc.
PO Box 1878
West Chester, OH 45071
Office: 513-771-1860 Fax: 513-229-7950