
GROUND LEASE AGREEMENT

between

UNIVERSITY OF SOUTH ALABAMA

as Lessor

and

USA RESEARCH & TECHNOLOGY CORPORATION

as Lessee

Dated as of August 4, 2006

GROUND LEASE AGREEMENT (this “Agreement”) is entered into and effective as of the _____ of _____, 2006 between **UNIVERSITY OF SOUTH ALABAMA** (the “Lessor”), and **USA RESEARCH & TECHNOLOGY CORPORATION** (the “Lessee”), a not-for-profit corporation organized under the laws of the State of Alabama.

R E C I T A L S:

WHEREAS, the University has had under consideration for several months the possibility of promoting its educational mission through activities to be constructed on land owned by the University and part of the University campus in Mobile, Alabama;

WHEREAS, the University has determined that it is in the best interests of the University to provide for certain activities through the USA Research & Technology Corporation, an Alabama not-for-profit corporation organized for the benefit of and to support the educational initiatives of the University:

WHEREAS, the Board of Trustees has determined to lease the Site to the Lessee upon the conditions herein stated; and

WHEREAS, the Board of Trustees is of the opinion that it is necessary and desirable and in the interests of the University that this Ground Lease be entered into between the University and the Lessee.

NOW, THEREFORE, in consideration of the respective representations and agreements hereinafter contained, Lessor and Lessee agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms as used in this Agreement shall have the following meanings, and such definitions shall be equally applicable to both the singular and plural forms of the words and terms herein defined:

“Facilities” means any structure, improvement or equipment at anytime located on the Site, whether constructed or located thereon by the Lessee or any other Person acting pursuant to authority given by the Lessee in furtherance of the Purposes.

“Lease Term” means the period specified in Section 5.1 hereof.

“Lessee” means USA Research & Technology Corporation and its successor and assignee.

“Lessor” means the University of South Alabama.

“Person” means any corporation, natural person, firm, joint venture, partnership, trust, unincorporated organization, state or local government or any department, corporation or agency of any government.

“Purposes” means activities conducted on the Site by Lessee or by any tenant of Lessee or any other Person acting pursuant to rights granted by Lessee with respect to the Site in furtherance of any one or more of the following activities:

(i) To further the educational and scientific mission of the University through support of its academic programs, scientific research and development initiatives, and other related activities and to enhance the educational and training opportunities available to the University’s faculty and students;

(ii) To promote the University and its colleges, schools and departments and to assist them in the development and improvement of curricula, academic programs and physical facilities for the benefit of the University’s students and faculty and the attainment of greater educational opportunities and a more comprehensive learning experience;

(iii) To further the development of and facilitate funding for infrastructure and services in Mobile, Alabama to attract high-technology enterprises to the local community that will offer students and faculty a practical, real-world learning experience and enhance the educational and professional opportunities available to them;

(iv) To promote the development, growth and retention of high technology industries and research in Alabama that will provide professional and career opportunities attractive to the University's students and faculty and serve as an inducement for them to remain in Alabama;

(v) To advance the scientific education and training of the University's students and to promote scientific research and development in the State of Alabama;

(vi) To attract nationally prominent scientists, researchers, and faculty to the University;

(vii) To provide fellowship and internship opportunities for the University's faculty and students in the scientific research and high-technology areas;

(viii) To create, develop, construct, operate, manage and finance one or more research and technology parks, technology enterprise centers and other facilities and operations which further scientific research activities of the University and contribute to the development of high-technology businesses in the State of Alabama;

(ix) To further the University's scientific research and development activities and to facilitate the efficient transfer and utilization of University developed technology, patents, processes, copyrights, formulae and other know-how for the maximum public benefit; and

(x) To further the University's efforts to publish and disseminate the results of scientific research and development conducted by its faculty and students.

“**Site**” shall mean the real property described in Exhibit A hereto.

Section 1.2 Rules of Interpretation.

(a) A reference to any document or agreement shall include such document or agreement as amended, restated, substituted, modified or supplemented from time to time in accordance with its terms.

(b) The singular includes the plural and the plural includes the singular.

- (c) A reference to any law includes any amendment or modification to such law.
- (d) A reference to any Person includes its permitted successors and permitted assigns.
- (e) The words “include”, “includes” and “including” are not limiting.
- (f) Any reference to an Article number (e.g., Article IV) or a Section number without further qualification shall be construed to be a reference to the designated Article number or Section number hereof unless the use or context clearly indicates otherwise.

ARTICLE II

DEMISING CLAUSES

Section 2.1 Demising Clauses. Lessor hereby demises and leases to Lessee, and Lessee hereby rents from Lessor, for and during the Lease Term, the following described properties and related rights:

EXHIBIT "A"

ARTICLE III

REPRESENTATIONS, WARRANTIES AND AGREEMENTS; LIMITATIONS ON USE, LEASE AND MORTGAGING

Section 3.1 Representations of Lessee. Lessee makes the following representations, warranties and agreements as the basis for the undertakings on its part herein contained:

(a) **Organization and Authority of Lessee.** Lessee (i) is a not-for-profit corporation duly organized, validly existing and in good standing under the laws of the State of Alabama, and (ii) has all requisite power and authority and all material licenses and permits to own, lease and operate its properties and to carry on its activities as now being conducted and as presently proposed to be conducted and to enter into and to perform and observe the agreements on its part contained in herein.

(b) **Enforceability.** This Agreement is the legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except to the extent the enforceability hereof may be subject to (i) the exercise of judicial discretion in accordance with general principles of equity, and (ii) bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights heretofore or hereinafter enacted to the extent constitutionally applicable.

(c) **Purposes.** Lessee will use the Site and all improvements thereon solely for the Purposes of construction and maintenance of USA student housing, unless otherwise agreed to by Lessor and Lessee.

Section 3.2 Limitations On Use of Site; Support of University. Lessee may from time to time sub-lease all or any portion of the Site to one or more Persons for the purposes of carrying out the Purposes with the written consent of Landlord. Accordingly,

(a) Persons desiring to locate facilities on the Site must engage in the operation of student housing for the benefit of the University and its students and must abide by all USA Housing Policies and Procedures and the and USA Student Code of Conduct as these documents exist from time to time.

ARTICLE IV

SITE MANAGEMENT; REVENUES; IMPROVEMENTS

Section 4.1 Lessee to Operate and Manage. During the Lease Term, Lessee shall manage and operate, or caused to be managed and operated, all Facilities and the assets, properties and operations comprising the Facilities located on the Site.

Section 4.2 Revenues. All revenues and income derived from or with respect to the Facilities shall be the property of the Lessee.

Section 4.3 Improvements to Site; Removal. Lessor and Lessee recognize and agree that from time to time Facilities will be constructed on the Site by Lessee or by other Persons pursuant to arrangements with Lessee in furtherance of the Purposes. Fee title to all Facilities constructed on the Site by Lessee or by any other Person and all additions, alterations and improvements thereto, even though a part of the realty, shall be and remain in Lessee or such other Persons or their assigns during the Lease Term but shall vest in Lessor upon expiration of the Lease; provided, however that Lessor shall have the right to have Tenant remove all additions, alterations and improvements upon the Premises at Tenant's sole cost upon the expiration of the Lease.

In the event Lessee fails to remove or cause to be removed the Facilities from the Site following the expiration of the Lease Term, Lessor shall be entitled to specific performance requiring such removal, or damages, or both.

Section 4.4 Certificates; Subordination. Lessor recognizes that, in order for Lessee to provide for the acquisition and construction of Facilities on the Site in furtherance of the Purposes, it will be necessary for Lessee, or other Persons who are tenants of Lessee, to incur Indebtedness and to assign, mortgage and pledge the rights of Lessee or such other Persons in and to the Facilities and to the leasehold interest of Lessee or such other Person in the Site or portion thereof. Accordingly, Lessor hereby consents to the assignment and mortgage by Lessee of its rights under this Lease, or the assignment and mortgage of the rights of any other Person claiming an interest in the Site by and through Lessee, in connection with the incurring of Indebtedness in connection with the acquisition of Facilities in furtherance of the Purposes, subject however to the provisions of Article. Lessor agrees to execute and deliver such certificates as may be reasonably requested by lenders to confirm the foregoing in connection with Indebtedness incurred by Lessee or any other Person to any such lender. Further, Lessor hereby agrees that the obligations of Lessee to apply the income and receipts derived by Lessee from the Facilities to the payment of Indebtedness or to satisfy obligations of Lessee to any Person occupying the Facilities shall be prior and superior to any obligations of Lessee to Lessor hereunder, and Lessor hereby expressly consents to the subordination of its rights hereunder to payment of such obligations of Lessee. It is the intent of Lessor and Lessee that any leasehold mortgagee of any part of the Site under a leasehold mortgage entered into by or with the consent of Lessee shall be a third-party beneficiary of this Section 4.4.

Section 4.5 Taxes. Throughout the Lease Term, Lessee shall pay and assume liability for all Taxes which may be levied or assessed against the Site, the interests of Lessor and Lessee therein and all other improvements and personal property thereon, whether belonging to Lessor or Lessee, or to which either of them may become liable. Lessee hereby agrees to protect, indemnify, defend and hold Lessor and the Site harmless from all liability for any and all such Taxes, together with any interest, penalties or other sums thereby imposed and from any sale or other proceeding to enforce payment thereof. During the Lease Term, Lessee shall cause all Taxes levied or imposed upon any personal property situated in, on or about the Site to be taxed or assessed separately from the Site and not allow such Taxes to become a lien on or against the Site.

For the purpose of this Agreement, "Taxes" shall mean and include the amount of all taxes, assessments, water rents, rates and charges, sewer rents, and other governmental and quasi-governmental impositions and charges of every kind and nature whatsoever, extraordinary as well as ordinary, including fire district and library dues and assessments, if any, gross receipts, rent and privilege or use taxes assessed to or paid by Lessor with respect to the Site, the Facilities and all other buildings, appurtenances, equipment, machinery, personal property and any other improvements or additions thereto. Taxes shall also mean and include all impositions charged, laid, levied, assessed or imposed in lieu of or in addition to the foregoing under or by virtue of all present or future laws, ordinances, requirements, orders, directives, rules or regulations of applicable federal, state, county or municipal governments; provided, however, that in no event shall Lessee be obligated to pay income, franchise or other similar taxes payable by Lessor.

ARTICLE V

EFFECTIVE DATE OF THIS LEASE AGREEMENT; DURATION OF LEASE TERM; RENTAL PROVISIONS

Section 5.1 Term.

(a) First Renewal Term. If this Lease shall be in force and effect and there shall be no Event of Default (as defined in Section 19 hereof) on the date for the expiration of the Initial Term, and provided the Renewal Conditions (as defined below) have been satisfied to the reasonable satisfaction of Lessor, Lessee shall be entitled to a renewal of the term of this Lease for a period of twenty (20) years beginning immediately upon the expiration of the Initial Term (the "First Renewal Term"). The First Renewal Term shall be upon the same terms, conditions and covenants contained herein for the Initial Term.

(b) Second Renewal Term. If this Lease shall be in force and effect and there shall be no Event of Default on the date for the expiration of the First Renewal Term, and provided the Renewal Conditions have been satisfied to the reasonable satisfaction of Lessor, Lessee shall be entitled to a renewal of the term of this Lease for a period of fifteen (15) years beginning immediately upon the expiration of the First Renewal Term (the "Second Renewal Term"). The Second Renewal Term shall be upon the same terms, conditions and covenants contained herein for the Initial Term and the First Renewal Term.

(c) Renewal Conditions. The renewal of the Initial Term or the First Renewal Term by Lessee pursuant to Section 2(a) or 2(b), respectively, hereof shall require that Lessee demonstrate to the reasonable satisfaction of Lessor that the following conditions (collectively, the "Renewal Conditions") will be satisfied as set forth below:

(i) That Lessee has given written notice (the "Renewal Notice") to Lessor stating Lessee's desire to renew the term of this Lease upon the expiration of the Initial Term or the First Renewal Term, as the case may be, at least one hundred eighty (180) days prior to the date for the expiration of the Initial Term or the First Renewal Term, as the case may be. Within thirty (30) days of its receipt of the Renewal Notice, Lessor shall provide Lessee with a detailed schedule of items it requires to satisfy the Renewal Condition described in (ii) below. If, after receipt of the schedule, Lessee desires to continue with a renewal of the Lease, it shall notify Lessor within thirty (30) days of its intent to continue, and shall immediately proceed with plans to complete the scheduled items as soon as practicable.

(ii) The Improvements on the Premises are to be maintained, repaired, upgraded, refurbished and renovated as necessary or appropriate in order to preserve and enhance the original quality and aesthetic appearance of the student housing structures, club house and pool area, parking, landscaping, common areas and other appurtenances, amenities and improvements on or about the Premises. Lessee hereby agrees and acknowledges that the satisfaction of this Renewal Condition involves a subjective determination on the part of Lessor and hereby waives any claim, right or cause of action against Lessor provided that Lessor acts in good faith in making a determination that Lessee has failed to satisfy this Renewal Condition. If Lessee determines to proceed with the renewal, it shall diligently pursue completion of the scheduled items and complete

the same prior to the end of the first year of the Renewal Term. Failure to do so shall constitute a default hereunder.

Section 5.2 Delivery and Acceptance of Possession. . Lessor hereby delivers sole and exclusive possession of the Site to Lessee, and Lessee hereby accepts possession of the Site. The Site shall be used by Lessee in furtherance of the Purposes and for no other purpose.

Section 5.3 Rental Payments. Lessee shall pay as rental (the “Rent”) for the use of the Facilities in advance on the 1st day of each year throughout the term hereof the sum of \$100.00.

Section 5.4 Obligations of Lessee Hereunder Absolute and Unconditional. The obligations of Lessee to pay the Rent and to perform and observe the other agreements on its part contained herein shall be absolute and unconditional.

Section 5.5 Certain Actions by Lessee. Lessee may, at its own cost and expense and in its own name or in the name of Lessor, prosecute or defend any action or proceeding or take any other action involving third persons which Lessee deems reasonably necessary in order to ensure the acquisition, construction and completion of the Facilities or to secure or protect its right of possession, occupancy and use hereunder, and in such event, provided that Lessee notifies Lessor in writing of any such proposed action, Lessor hereby agrees to cooperate fully with Lessee and to take all lawful action which is required to effect the substitution of Lessee for Lessor in any such action or proceeding at the request of Lessee.

Section 5.6 Easements. Lessee shall have the right to grant easements over, upon and under the Site for utilities, sewers, ingress and egress, and similar purposes to service the development thereof and the improvements thereon; and Lessor agrees, from time to time upon request by Lessee, without any compensation being paid therefor, to join in the granting of such easements and to take any other action necessary to effectuate the same, all at the expense of Lessee. Lessor agrees to cooperate with Lessee in granting easements to Lessee over property owned by Lessor and outside the boundaries of the Site as shall be necessary to provide ingress and egress to the Site and to provide utilities to the Site to the full extent necessary to make the Site suitable for the Purposes herein described.

ARTICLE VI

SPECIAL COVENANTS, REPRESENTATIONS AND WARRANTIES

Section 6.1 No Warranty of Condition or Suitability by Lessor. Lessor makes no warranty, either express or implied, as to the suitability of the Site or the Facilities or as to the condition of the Site or the Facilities or that either is or will be suitable for Lessee's purposes or needs.

Section 6.2 Inspection of the Site; Access of Lessor to Site. Lessee agrees that Lessor or any of its duly authorized agents shall have the right at reasonable times to examine and inspect the Site and the Facilities, subject to the rights of owners or tenants of the Lessee with respect to any of the Facilities.

Section 6.3 Lessee to Maintain Its Corporate Existence and Tax-Exempt Status. Lessee agrees that throughout the Lease Term it shall maintain its corporate existence and shall remain duly qualified to do business in the State of Alabama. Lessee shall preserve and keep in full force and effect all licenses and permits necessary to the proper conduct of its business in the State of Alabama and to operate the Facilities. Lessee will maintain its exempt status under Section 501(c)(3) of the Internal Revenue Code of 1986 as a supporting organization of Lessor.

Section 6.4 Indemnification of Lessor; Release and Indemnification Covenants; No Indemnification by Lessor. (a) Indemnification by Lessee. To the extent permitted by law, Lessee agrees to indemnify Lessor for and to hold it harmless against any loss, liability or expense (including reasonable attorneys' fees) arising out of or in connection with any activities conducted on the Site by Lessee. Lessee hereby releases Lessor from, and shall indemnify and hold Lessor (and its officers, directors, employees and agents) harmless against, any and all claims and liabilities of any character or nature whatsoever asserted by or on behalf of any Person arising out of, resulting from, and in any way connected with the Site, including, without limiting the generality of the foregoing,

- (i) obligations for the payment of any costs of the Facilities;
- (ii) any loss, destruction of or damage to property of any Person or Persons or any injury to or death of any natural person or persons occasioned by any cause whatsoever pertaining to or related to the Site or the Facilities;
- (iii) any claims relating to the acquisition, construction and installation of the Facilities; and

(iv) the leasing of the Site or the Facilities to Lessee, or its subtenants or assigns, and the condition, use, possession or management of the Facilities during the Lease Term.

Lessee will also pay or reimburse all legal or other expenses reasonably incurred by Lessor (and its officers, directors, employees and agents) in connection with the investigation or defense of any action or proceeding, whether or not resulting in liability, with respect to any claim, liability or loss in respect of which indemnity may be sought against Lessee under the provisions of this Section 6.4.

Anything to the contrary herein contained notwithstanding, the covenants of Lessee contained in this Section 6.4 shall, with respect to any claim, liability, or loss for which Lessee is obligated to provide indemnity, remain in full force and effect after the termination of this Agreement. In the event any action or proceeding arguably barred by the applicable statute of limitations is brought against any indemnifiable party hereunder, Lessee shall be obligated to defend such indemnifiable party with respect to such action or proceeding, all to the end that the bar of the statute of limitations may be asserted by Lessee against the party bringing such action or proceedings but may not be asserted by Lessee against the indemnifiable party in order to avoid performing any of Lessee's obligations under this Section 6.4.

(b) **No Indemnification By Lessor.** Lessor shall not be liable for any loss, injury, death or damage to persons or property, which at any time may be suffered or sustained by Lessee, or by any persons who may at any time be using or occupying or visiting the Site or any Facilities located thereon, or may be in, on or about the same, whether such loss, injury, death or damage shall be caused by or in any way result from or arise out of any act, omission, or negligence of Lessee or of an occupant, subtenant, visitor or user of any portion of the Site or the Facilities, or shall result from or be caused by any other matter or thing, whether of the same kind as or of a different kind than the matters or things above set forth, and Lessee shall indemnify Lessor from and against all claims, liability, loss or damage whatsoever, including attorneys fees, on account of any such loss, injury, death or damage. Lessee hereby waives all claims against Lessor for damages to the Facilities and improvements that are hereafter placed or built on the Site, and to the property of Lessee or any other Person in, on, or about the Site, from any cause arising at any time. The foregoing provisions shall not apply to loss, injury, death or damage to the extent of the negligence or misconduct of Lessor, or its respective invitees, licensees, agents or employees.

Section 6.5 Access to Site and Records. Lessee will maintain financial records enabling the preparation of financial statements in accordance with generally accepted accounting principles; permit representatives of Lessor or its agents to have access to such financial records and Lessee's business and other records and the Site of Lessee respecting the activities of Lessee at the Site.

Section 6.6 Further Assurances. Lessee will duly execute and deliver, or cause to be duly executed and delivered, at the cost and expense of Lessee, such further instruments or

documents as may be necessary or proper, in the reasonable judgment of the Agent, to carry out the provisions and purposes of this Agreement.

Section 6.7 Defend Facilities. Lessee will do or cause to be done all things necessary to defend the Site against any action, suit, proceeding or claim.

Section 6.8 Environmental Matters. Lessee shall comply in all respects with all federal, state, local and other statutes, ordinances, judgments, rulings and regulations relating to environmental pollution or environmental regulation or control and shall cause the Site and the Facilities to be operated and maintained in accordance with all such statutes, ordinances, judgments, rulings and regulations.

Section 6.9 No Waivers. Lessee will not waive any material right under any material contract or other agreement without the prior written consent of Lessor.

Section 6.10 Amendments to Articles of Incorporation. Lessee will not amend its Articles of Incorporation or Bylaws without the consent of Lessor except for such amendments as do not alter the Purposes.

Section 6.11 Other Agreements. Lessee will not enter into any agreement to do anything prohibited in this Agreement or enter into any agreement which would in any way impair the ability of Lessee to faithfully perform the affirmative covenants of Lessee contained herein.

ARTICLE VII

SUBLEASING OR MORTGAGING PERMITTED

Section 7.1 Transfers, Encumbrances and Dispositions by Lessee. Lessee shall have the right, in furtherance of the Purposes, to sublease its leasehold interest in the Site or any part thereof or other interest therein with Lessor's prior consent.

ARTICLE VIII

DEFAULTS AND REMEDIES

Section 8.1 Default. Any of the following shall constitute an Event of Default ("Event of Default") under this Agreement:

(a) a default by Lessee in the payment of any Rent when such payment becomes due and payable, which default shall continue for ten (10) days;

(b) Lessee shall fail to observe or perform any of the provisions, promises, terms, covenants, agreements or obligations under this Agreement including but not limited to, Lessee and/or Sub-Lessee failing to adhere to USA Housing Policies and Procedures and USA Student Code of Conduct as determined by Lessor, and such failure shall not have been cured within ten (10) days after written notice of such failure has been delivered to Lessee, or any representation or warranty made by Lessee herein shall prove to have been false as of the time made, confirmed or furnished;

(c) default shall occur (and remain uncured beyond any applicable grace periods) in the due observance or performance of any material covenant, condition or agreement to be observed or performed by Lessee pursuant to the terms of any other loan document, contract or agreement to which it is a party, including any such loan document, contract or agreement between Lessor and Lessee.

Section 8.2 Remedies. Lessor shall, upon default of Lessee, be entitled to exercise any and all remedies available to it by law, including specific performance. Each remedy or right of Lessor shall not be exclusive of but shall be in addition to every other remedy or right now or hereafter existing at law or in equity. No delay in the exercise or omission to exercise any remedy or right accruing on any default or Event of Default shall impair any such remedy or right or be construed to be a waiver of any such default or Event of Default or acquiescence therein, nor shall it affect any subsequent default or Event of Default of the same or a different nature. Every such remedy or right may be exercised concurrently or independently and when and as often as may be deemed expedient by Lessor.

ARTICLE IX

MISCELLANEOUS

Section 9.1 No Waiver. Neither Lessee nor any other Person now or hereafter obligated for the payment when due or the performance when required of the whole or any part of Lessee's obligations hereunder shall be relieved of such obligation by reason of the failure of Lessor to comply with any request of Lessee or of any other Person so obligated to enforce any of the provisions of this Agreement or by reason of any agreement or stipulation between any subsequent tenant and Lessor extending the time of payment or modifying the terms of any obligations of Lessee hereunder without first having obtained the consent of Lessor or such other person, and in the latter event, Lessee shall continue liable to make such payments according to the terms of this Agreement.

Section 9.2 Notices. All notices, requests, demands, consents or other communications hereunder shall be given in writing at the following addresses:

If to Lessee: USA Research & Technology Corporation
M. Wayne Davis, Secretary/Treasurer
307 University Boulevard, AD 338
Mobile, Alabama 36688-0002

If to Lessor: University of South Alabama
V. Gordon Moulton, President
307 University Boulevard, AD 121
Mobile, Alabama 36688-0002

Lessee shall provide Lessor with prompt written notice of any actual or threatened rezoning, resubdivision, casualty, event of loss, eminent domain or condemnation action or proceeding, litigation or claim affecting title, revocation of any permit, or any other claim or action adversely affecting title or use of the or any part thereof or interest therein.

Section 9.3 Successors and Assigns. This Agreement and all of the representations, warranties, promises, covenants and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Nothing in this Section 9.3 shall be interpreted to permit any assignment or transfer otherwise limited, prohibited or in any way regulated hereunder.

Section 9.4 Captions. The captions of this Agreement are for convenience and reference only and in no way define, limit or describe the scope or intent of this Agreement or in any way affect this Agreement.

Section 9.5 Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same agreement.

Section 9.6 Severability. If any clause, provision or section of this Agreement shall, for any reason, be held illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement, and this Agreement shall be construed and enforced as if such illegal or invalid provisions had not been contained herein.

Section 9.7 No Amendment. This Agreement may be amended only by written consent of the parties.

Section 9.8 No Partnership or Joint Venture. Anything in this Agreement to the contrary notwithstanding, Lessor shall not be deemed a partner, joint venturer or participant in venture with Lessee in any activity, and Lessee hereby indemnifies and agrees to defend and hold Lessor harmless (including payment of reasonable attorneys' fees) from any and all damages resulting from such a construction of the parties' relationship. The requirements herein and the restrictions imposed in this Agreement are for the sole protection and benefit of Lessor.

Section 9.9 No Third-Party Beneficiaries. Except as expressly set forth in this Agreement, there are no third-party beneficiaries to this Agreement. All conditions to Lessor's obligations under this Agreement are imposed solely and exclusively for the benefit of Lessor. Neither Lessee nor any other person or entity shall have standing to require satisfaction of any such condition, and neither Lessee nor any other person or entity shall, under any circumstances, be deemed to be a beneficiary of any conditions hereof, any or all of which conditions may be waived freely, in whole or in part by Lessor at any time if, in its sole discretion, Lessor deems it advisable so to do. Lessor makes no representations or warranties and assumes no obligation or responsibility with respect to the quality of the construction of the improvements or any part of the Facilities. Except as expressly set forth in this Agreement, this Agreement shall not benefit, and may not be relied upon by, any person or entity other than Lessor and Lessee.

Section 9.10 Governing Law. The laws of the State of Alabama shall govern the construction and enforcement of this Agreement.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by their duly authorized officer.

ATTEST:

UNIVERSITY OF SOUTH ALABAMA

By: _____

By: _____

Its: _____

Its: _____

ATTEST:

**USA RESEARCH & TECHNOLOGY
CORPORATION**

By: _____

By: _____

Its: _____

Its: _____

STATE OF ALABAMA)
 :
_____ COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that _____, whose name as _____ of **UNIVERSITY OF SOUTH ALABAMA**, an Alabama corporation, is signed to the foregoing Ground Lease Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of the Ground Lease Agreement, (s)he as such officer, and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and seal of office this ___ day of _____, 2006.

[NOTARIAL SEAL]

Notary Public
My commission expires: _____

STATE OF ALABAMA)
 :
_____ COUNTY)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that _____, whose name as _____ of **USA RESEARCH & TECHNOLOGY CORPORATION** is signed to the foregoing Ground Lease Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of the Ground Lease Agreement, (s)he as such officer, and with full authority, executed the same voluntarily for and as the act of **USA RESEARCH & TECHNOLOGY CORPORATION**.

Given under my hand and seal of office this ___ day of _____, 2006.

[NOTARIAL SEAL]

Notary Public
My commission expires: _____

EXHIBIT A

Legal Description of the Land

The Land consists of approximately eleven and one-half (11 ½) acres as more particularly described in Section 1 of the Lease. The exact legal description of the Land will be established by the Survey, as described in the Lease, and when established Landlord and Tenant shall execute an amendment to the Lease setting forth such legal description.