

**AN ORDINANCE TO AUTHORIZE AND APPROVE A LEASE
AGREEMENT REGARDING 400 NORTH WALNUT STREET BETWEEN
THE CITY OF WILMINGTON AND THE WILMINGTON HOUSING
AUTHORITY**

#0062

Sponsor:

**Council
Member
McCoy**

WHEREAS, pursuant to Section 2-308 and Section 8-200 of the City Charter, the City of Wilmington is authorized to enter into contracts for leasing of real estate to the City for a period of more than one year if approved by City Council by ordinance; and

WHEREAS, the City desires to enter into a Lease Agreement with the Wilmington Housing Authority to lease 400 North Walnut Street for use by the Police Department as office space (the “Agreement”), a copy of which, in substantial form, is attached hereto and incorporated by reference herein as Exhibit “A”; and

WHEREAS, the term of the Agreement is for a period of five (5) years commencing on July 1, 2025, at an estimated total price of One Hundred Fifty Thousand Dollars (\$150,000.00) for the first year, with a two percent (2%) price increase for each year thereafter; and

WHEREAS, it is the recommendation of the Police Department that City Council authorize the City to enter into the Agreement with the Wilmington Housing Authority for a period of five (5) years; and

WHEREAS, City Council deems it necessary and appropriate to authorize the City to enter into the Agreement with the Wilmington Housing Authority for a period of five (5) years.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON
HEREBY ORDAINS:**

SECTION 1. The Agreement (being the Lease Agreement between the City of Wilmington and the Wilmington Housing Authority), a copy of which, in substantial form, is attached hereto as Exhibit “A”, for the period of five (5) years commencing on July 1, 2025,

at an estimated total price of One Hundred Fifty Thousand Dollars (\$150,000.00) for the first year, with a two percent (2%) price increase for each year thereafter, is hereby approved, and the Mayor, or his designee, is hereby authorized to execute as many copies of the Agreement, as well as to take all additional undertakings related thereto, as may be necessary.

SECTION 2. This Ordinance shall become effective upon its passage by City Council and approval by the Mayor.

First Reading..... June 5, 2025
Second Reading..... June 5, 2025
Third Reading.....

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved this ____ day of _____, 2025.

Mayor

SYNOPSIS: This Ordinance authorizes the City to execute a lease agreement with the Wilmington Housing Authority to lease 400 North Walnut Street for the Wilmington Police Department to use for office space for a period of five (5) years commencing on July 1, 2025.

FISCAL IMPACT STATEMENT: The fiscal impact of this Ordinance is a total estimated price of One Hundred Fifty Thousand Dollars (\$150,000.00) for the first year, with a two percent (2%) price increase for each year thereafter. The Police Department has budgeted sufficient funds in its Fiscal Year 2026 operating budget for the first year of the lease agreement.

EXHIBIT A

LEASE AGREEMENT

THIS LEASE AGREEMENT (this “**Lease**”) is made this _____ day of _____, 2025, to be effective as of July 1, 2025, by and between the **CITY OF WILMINGTON**, a municipal corporation of the State of Delaware (“**Tenant**”), and **WILMINGTON HOUSING AUTHORITY**, a Delaware housing authority (“**Landlord**”).

WITNESSETH, THAT:

1. **DEMISED PREMISES.** Landlord, for the term and subject to the provisions and conditions hereof, leases to Tenant and Tenant accepts from Landlord, the property and improvements located at 400 N. Walnut Street, Wilmington, Delaware, including the building (the “**Building**”) and parking lot located thereon (collectively, the “**Demised Premises**”), to be used by Tenant for office space and for no other purpose.

2. **TERM.** Tenant shall use and occupy the Demised Premises for a term of five (5) years commencing on July 1, 2025 (the “**Commencement Date**”) and ending on June 30, 2030, unless sooner terminated as herein provided (the “**Term**”).

3. **RENT.**

(a) The rent for the Term is Ten Thousand Dollars (\$10,000) per month, increasing by two percent (2.0%) on each anniversary of the Commencement Date and payable on or before the Commencement Date and the first day of each consecutive month thereafter throughout the Term. Rent for any partial month during the Term shall be prorated.

(b) As additional rent, Tenant shall pay when due all utilities, real estate taxes and other assessments, insurance, maintenance, and repairs relating to the Demised Premises. Landlord estimates the initial monthly amount for such utilities, taxes, assessments, insurance, maintenance, and repairs to be Two Thousand Five Hundred Dollars (\$2,500), which amount shall be paid by Tenant to Landlord on the Commencement Date and the first day of each consecutive month thereafter throughout the Term. Such amount shall be adjusted on each anniversary of the Commencement Date with any overpayment credited to Tenant and with any underpayment due to Landlord.

4. **SECURITY DEPOSIT.** Tenant shall not be required to pay a security deposit.

5. **SERVICES.** Landlord agrees that it shall furnish the Demised Premises with electric, hot and chilled water, heating, and air-conditioning. Tenant shall not install or operate in the Demised Premises any electrically operated equipment or other machinery which is in excess of the Demised Premises’ capacity or not normally used for general office space, or any plumbing or other fixtures, without first obtaining the prior written consent of Landlord. Tenant, at Tenant's sole expense and with the prior written consent of Landlord, shall be responsible for the installation, maintenance, and use of any equipment of any kind or nature whatsoever which would or might necessitate any changes, replacements, or additions to the water system, plumbing system, heating system, air-conditioning system, or the electrical system servicing the Demised Premises and, in the event such consent is granted, such replacement, changes, or additions shall be paid for by Tenant. It is understood that Landlord does not warrant that any of the services referred to in this **Section 5** will be free from interruption from causes beyond the reasonable control of Landlord. No interruption of service shall ever be deemed an eviction or disturbance of Tenant's use and possession of the

Demised Premises or any part thereof or render Landlord liable to Tenant for damages by abatement or rent or otherwise relieve Tenant from performance of Tenant's obligations under this Lease, unless Landlord, after reasonable notice, shall willfully and without cause fail or refuse to take action within its control.

6. REPAIRS AND MAINTENANCE.

(a) Except as specifically otherwise provided in subsection (b) of this **Section 6**, Tenant shall keep and maintain the Demised Premises in good order and condition and shall promptly make all non-structural repairs necessary to keep and maintain such good order and condition. Tenant shall be responsible for replacing lights, ballasts, tubes, ceiling tiles, broken glass, outlets, and similar equipment. Tenant shall maintain and repair all interior walls, floors, and ceilings, all interior doors, interior partitions, and windows, and all Demised Premises systems, fixtures, and equipment. Landlord represents that all Demised Premises systems, fixtures, and equipment are without known defects as of the Commencement Date. Damage caused by Tenant, its agents, employees, contractors, clients, or invitees, resulting in the need for repairs, shall be repaired by Tenant at its sole cost and expense. Tenant shall also be responsible for repairs necessitated by the neglect, acts, or omissions of Tenant or Tenant's clients, employees, contractors, agents, representatives, or invitees. When used in this **Section 6**, the term "repairs" shall include replacements and renewals when necessary. All repairs made by Tenant shall utilize materials and equipment which are at least equal in quality and usefulness to those originally used in constructing the Building and the Demised Premises.

(b) Landlord, at its sole cost and expense, shall maintain and repair in good condition the Building's structure, roof, exterior walls, exterior doors, and exterior windows.

7. CARE OF DEMISED PREMISES. Tenant agrees, on behalf of itself and its employees and agents, that it shall:

(a) Always comply with any and all federal, state, and local statutes, regulations, ordinances, and other requirements of any of the constituted public authorities relating to its use and occupancy of the Demised Premises.

(b) Provide, and be responsible for the cost of, trash removal and trash dumpsters for Tenant's exclusive use which Tenant may place at the location(s) designated by Landlord.

(c) Give Landlord access to the Demised Premises at all reasonable times, without charge or diminution of rent, to enable Landlord (i) to examine the same and to make such repairs, additions, and alterations as Landlord may be permitted to make hereunder or as Landlord may deem advisable for the preservation of the integrity, safety, and good order of the Building or any part thereof; and (ii) upon reasonable notice, to show the Demised Premises to prospective mortgagees and purchasers and, during the six (6) months prior to expiration of the Term, to prospective tenants.

(d) Upon the termination of this Lease in any manner whatsoever, remove Tenant's goods and effects and those of any other person claiming under Tenant, and quit and deliver up the Demised Premises to Landlord peaceably and quietly in as good order and condition at the inception of the term of this Lease or as the same hereafter may be improved by Landlord or Tenant,

reasonable use and wear thereof, damage from fire and extended coverage type risks, and repairs which are Landlord's obligation excepted. Goods and effects not removed by Tenant at the termination of this Lease, however terminated, shall be considered abandoned and Landlord may dispose of and/or store the same as it deems expedient, the cost thereof to be charged to Tenant. Tenant shall have no right to remove any fixtures or capital improvements located in or serving the Demised Premises.

(e) Not place signs on the Demised Premises except on doors and then only of a type and with lettering and text approved by Landlord, which approval shall not be unreasonably withheld.

(f) Not overload, damage, or deface the Demised Premises or do any act which might increase the hazard of same in the reasonable opinion of Landlord. Tenant shall maintain at its own sole cost adequate insurance coverage for all of its equipment, furniture, supplies, and fixtures and provide Landlord with certificates evidencing such coverage. Notwithstanding anything to the contrary in the foregoing, Landlord acknowledges that Tenant is a municipal corporation of the State of Delaware that is self-insured in a sufficient amount and that such self-insurance satisfies the requirements listed in this **Section 7**. If requested by Landlord, Tenant shall provide documentation regarding its self-insured status within ten (10) business days of such request.

(g) Not make any alteration of or addition to the Demised Premises without the prior written approval of Landlord (except for work of a decorative nature).

8. **SUBLETTING AND ASSIGNING.** Tenant shall not assign this Lease or sublet all or any portion of the Demised Premises without first obtaining Landlord's prior written consent thereto. If such consent is given, it will not release Tenant from its obligations hereunder and such consent will not be deemed a consent to any further subletting or assignment. If Landlord consents to any such subletting or assignment, it shall nevertheless be a condition to the effectiveness thereof that a fully executed copy of the sublease or assignment be furnished to Landlord and that any assignee assume in writing all obligations of Tenant hereunder. Whether or not Landlord consents to any proposed assignment or sublease for which Tenant requests Landlord's consent, Tenant shall nevertheless pay for all reasonable, actual, and documented legal fees and costs incurred by Landlord in reviewing such proposed assignment or sublease.

9. **NO MORTGAGES OR OTHER LIENS.** Tenant shall not grant or permit a mortgage, lien, or other encumbrance on the Demised Premises or any portion thereof.

10. **FIRE OR CASUALTY.** In case of damage to the Demised Premises or the Building by fire or other casualty, Landlord shall repair the damage and restore the damage to at least as good condition as existed prior to such casualty unless (y) prohibited by law or (z) the cost of such repair or restoration exceeds the insurance proceeds from such casualty. In the event of clauses (y) or (z) above, the Landlord shall notify Tenant that Landlord will not repair or restore the damages, and this Lease shall terminate and any prepaid rent shall be paid by Landlord to Tenant. If Landlord is obligated to repair or restore the damages, Landlord will cause the damages to be repaired or restored with reasonable speed, subject to delays which may arise by reason of adjustment of loss under insurance policies and for delays beyond the reasonable control of Landlord. Provided that Tenant is not in default, during any period of time that all or a material portion of the Demised

Premises is rendered untenable as a result of the fire or other casualty, the rent shall abate for the portion of the Demised Premises that is untenable and not used by Tenant.

11. **LIABILITY.** Tenant agrees that Landlord and its officers, employees, and agents shall not be liable to Tenant, and Tenant hereby releases said parties for any personal injury or damage to or loss of personal property in the Demised Premises from any cause whatsoever unless such damage, loss, or injury is the result of the intentional misconduct or gross negligence of Landlord or its officers, employees, or agents. Tenant shall and does hereby indemnify and hold Landlord harmless of and from all loss or liability incurred by Landlord in connection with any failure of Tenant to fully perform its obligations under this Lease and in connection with any personal injury or damage of any type or nature occurring in or resulting out of Tenant's use of the Demised Premises, unless due to Landlord's intentional misconduct or gross negligence.

12. **EMINENT DOMAIN.** In the event less than a substantial part of the Demised Premises shall be taken or condemned for a public or quasi-public use under a statute or by right of eminent domain or private purchase in lieu thereof by any competent authority, the Landlord shall restore the Demised Premises to at least as good condition as existed prior to such taking or condemnation unless (y) prohibited by law or (z) the cost of such restoration exceeds the award or damages from such taking or condemnation. If the whole or a substantial part of the Demised Premises, which renders use of the Building by Tenant impractical, shall be taken or condemned, or in the event of clauses (y) or (z) above, Landlord shall be paid the amount awarded as damages or paid as a result of any such condemnation. Tenant may make a separate award for moving expenses or for any other award to which it is entitled. Upon the date the right to possession shall vest in the condemning authority, this Lease shall cease and terminate with rent adjusted to such date.

13. **INSOLVENCY.** (a) The appointment of a receiver or trustee to take possession of all or a portion of the assets of Tenant, or (b) an assignment by Tenant for the benefit of creditors, (c) the institution by or against Tenant of any proceedings for bankruptcy or reorganization under any state or federal law (unless in the case of involuntary proceedings, the same shall be dismissed within thirty (30) days after institution), or (d) any execution issued against Tenant which is not stayed or discharged within fifteen (15) days after issuance of any execution sale of the assets of Tenant, shall constitute a breach of this Lease by Tenant. Landlord in the event of such a breach, shall have, without need of further notice, the rights enumerated in **Section 14** herein.

14. **DEFAULT.**

(a) If Tenant shall fail to pay rent or any other sum payable to Landlord hereunder within ten (10) business days of the due date, or if Tenant shall fail to perform or observe any of the other covenants, terms, or conditions contained in this Lease within thirty (30) days (or such longer period as is reasonably required to correct any such default, provided Tenant promptly commences and diligently continues to effectuate a cure, but in any event within sixty (60) days after written notice thereof by Landlord), or if any of the events specified in **Section 13** occur, or if Tenant vacates or abandons the Demised Premises during the Term hereof or removes or manifests an intention to remove any of Tenant's goods or property therefrom other than in the ordinary and usual course of Tenant's business, then and in any of said cases (notwithstanding any former breach of covenant or waiver thereof in a former instance), Landlord, in addition to all other rights and remedies available to it by law or equity or by any other provisions hereof, may at any time thereafter:

(i) Serve a written notice on Tenant that Landlord elects to terminate this Lease upon a specified date not less than ten business (10) days after the date of the serving of such notice, and this Lease shall then expire on the date so specified as if that date had been originally fixed as the expiration date of the Term and without any right of renewal thereafter and without either party having any further obligation to the other. No default shall be deemed waived unless in writing and signed by Landlord and Tenant shall continue to be liable for all sums due hereunder through the deemed termination date, which obligation shall survive said termination.

(ii) Use commercially reasonable efforts to relet the Demised Premises.

(b) In any case in which this Lease shall have been terminated or Tenant has otherwise been held to be in default (after applicable cure periods), Landlord may without further notice, enter upon and repossess the Demised Premises, by force, summary proceedings, ejectment, or otherwise, and may dispossess Tenant and remove Tenant and all other persons and property from the Demised Premises and may have, hold, and enjoy the Demised Premises and the rents and profits therefrom.

(c) If any sum due from Tenant to Landlord shall be overdue for more than ten (10) business days after its due date, it shall thereafter bear interest at the rate of twelve percent (12%) per annum (or, if lower, the highest legal rate) until paid.

15. **NOTICES.** Any notice to a party relating to this Lease shall be sent by (i) hand delivery or (ii) a nationally recognized overnight delivery service to the addresses below or such other address as a party may designate in accordance with this **Section 15**:

Tenant: City of Wilmington
William T. McLaughlin Public Safety Building
300 N. Walnut Street
Wilmington, DE 19801
Attention: Chief of Police

Landlord: Wilmington Housing Authority
321 E. 11th Street
Wilmington, DE 19801
Attention: Executive Director

16. **HOLDING-OVER.** Should Tenant continue to occupy the Demised Premises after expiration of the Term or after the Lease is terminated as stated in **Section 14**, or after a forfeiture incurred, such tenancy shall (without limitation of any of Landlord's rights or remedies therefor) be one at sufferance from month to month at a minimum monthly rental equal to 200% of the rent otherwise owed by Tenant to Landlord.

17. **CONDITION OF DEMISED PREMISES.** Tenant hereby acknowledges that Tenant is accepting the Demised Premises in their present "as is" condition and Landlord shall have no responsibility to perform any repairs or improvements to the Demised Premises except as specifically set forth herein.

18. **WAIVER OF SUBROGATION.** Each party hereto hereby waives any and every claim which arises or which may arise in its favor and against the other party hereto during the Term of this Lease, or any extension or renewal thereof, for any and all loss of, or damage to, any of its property located within or upon or constituting a part of the Demised Premises, to the extent that such loss or damage is recovered under an insurance policy or policies and to the extent such policy or policies contain provisions permitting such waivers of claims. Each party agrees to request its insurers to issue policies containing such provisions and if any extra premium is payable therefor, the party which would benefit from the provision shall have the option to pay such additional premium in order to obtain such benefit.

19. **RENT OR OCCUPANCY TAX.** If, during the Term of this Lease or any renewal or extension thereof, any tax is imposed upon the privilege of renting or occupying the Demised Premises or upon the amount of rentals collected therefor, Tenant will pay such tax or charge that is imposed, but nothing herein shall be taken to require Tenant to pay any income or franchise tax imposed upon Landlord.

20. **PRIOR AGREEMENT, AMENDMENTS.** Neither party hereto has made any representations nor promises except as contained herein or in some further writing signed by the party making such representation or promise. No other agreement hereinafter made shall be effective to change, modify, discharge, or effect an abandonment of this Lease, in whole or in part, unless such agreement is in writing and signed by the party against whom enforcement of the change, modification, discharge, or abandonment is sought.

21. **CAPTIONS.** The captions of the Sections in this Lease are inserted and included solely for convenience and shall not be considered or given any effect in construing the provisions hereof.

22. **MECHANIC'S LIEN.** Tenant shall keep the Demised Premises free and clear from mechanics' and materialmen's liens caused or created by Tenant. In the event during the Term there is filed against the Demised Premises any mechanics' or materialmen's lien caused or created by Tenant, Tenant shall, within thirty (30) days after the receipt of the mechanics' or materialmen's lien, either post bond in the amount of such lien or cause such lien to be satisfied of record.

23. **LANDLORD'S RIGHT TO CURE.** Landlord may (but shall not be obligated), on five business (5) days' notice to Tenant (except that no notice need be given in case of emergency) cure on behalf of Tenant any default hereunder by Tenant, and the cost of such cure (including any reasonable attorney's fees incurred) shall be payable by Tenant upon demand.

24. **PUBLIC LIABILITY INSURANCE.** Tenant shall at all times during the Term hereof maintain in full force and effect with respect to the Demised Premises and Tenant's use thereof comprehensive public liability insurance naming Landlord as an additional insured and covering injury to person in amounts at least equal to Three Million Dollars (\$3,000,000) combined single limit bodily injury and property. Tenant shall lodge with Landlord duplicate originals or certificates of such insurance at or prior to the Commencement Date, together with evidence of paid-up premiums, and shall lodge with Landlord renewals thereof at least fifteen (15) days prior to expiration. Landlord may obtain liability insurance, boiler insurance, property insurance, and business/rental interruption insurance for such amounts and coverages as Landlord determines in its discretion. Notwithstanding anything to the contrary in the foregoing, Landlord acknowledges that

Tenant is a municipal corporation of the State of Delaware that is self-insured in a sufficient amount and that such self-insurance satisfies the requirements listed in this **Section 24**. If requested by Landlord, Tenant shall provide documentation regarding its self-insured status within ten (10) business days of such request.

25. **ESTOPPEL STATEMENT.** Tenant shall from time to time, within ten (10) business days after request by Landlord, execute, acknowledge, and deliver to Landlord a statement certifying that this Lease is unmodified and in full force and effect (or that the same is in full force and effect as modified, listing any instruments or modifications), the dates to which rent and other charges have been paid, and whether or not, to the best of Tenant's knowledge, Landlord is in default or whether Tenant has any claims or demands against Landlord (and, if so, the default, claim, and/or demand shall be specified).

26. **ENVIRONMENTAL MATTERS.**

(a) Tenant shall conduct, and cause to be conducted, all operations and activities at the Demised Premises in compliance with, and shall in all other respects applicable to the Demised Premises comply with, all present and future applicable statutes, ordinances, governmental regulations, orders, and directives, and all applicable requirements of common law, concerning (i) operations at the Demised Premises, (ii) handling of any materials at the Demised Premises, (iii) emission of any pollutant into the air, the presence or passage of any effluent or pollutant or the discharge of any effluent or pollutant into water, or the presence, passage, or release of any substance or matter at the Demised Premises, and (iv) the storage, treatment, disposal, presence, or passage of any solid waste, industrial waste, or hazardous waste or substance at, from, or connected with operations at the Demised Premises (the **"Environmental Statutes"**). Tenant shall obtain all permits, licenses, or approvals and shall make and file all notifications and registrations as required by the Environmental Statutes in a timely manner. Tenant shall comply with the terms and conditions of any such permits, licenses, approvals, notifications and registrations.

(b) Tenant shall provide to Landlord copies of the following, forthwith after each shall have been submitted, prepared, or received by Tenant or any occupant of the Demised Premises:

(i) all applications and associated materials submitted to any governmental agency for compliance with any Environmental Statute;

(ii) all documents and other information relating in any way to the Demised Premises submitted to any governmental agency in response to a request purporting to be pursuant to any Environmental Statute;

(iii) any notification, registration, record, report, or manifest, and supporting information, submitted or maintained in connection with any Environmental Statute;

(iv) any permit, license, approval, or amendment or modification thereof obtained under any Environmental Statute; and

(v) any correspondence, notice of violation, summons, order, complaint, or other document received by Tenant or any occupant of the Demised Premises pertaining to compliance with any Environmental Statute.

(c) Tenant shall not cause or allow the release or threat of release of hazardous substances or wastes at the Demised Premises in a manner which is uncontained or otherwise allows or threatens to allow such hazardous substances or wastes to enter the environment, except in compliance with the Environmental Statutes. Tenant shall handle hazardous substances or wastes in a manner which will not cause undue risk of such release. Should any such release of hazardous substances or wastes occur at the Demised Premises, the Tenant shall immediately take all measures necessary to contain and remove all materials released and remedy and mitigate all threats to the public health and environment caused by such release. Tenant shall also submit any notification or report that may be required as a result of such release to all appropriate governmental agencies. When conducting any such measures the Tenant shall comply with the Environmental Statutes.

(d) Tenant hereby agrees to defend, indemnify, and to hold harmless Landlord of, from, and against any and all expense, loss, or liability suffered by Landlord by reason of Tenant's breach of any of the provisions of this **Section 26**, including, but not limited to, (i) any and all expenses that Landlord incurs in complying with any Environmental Statutes, (ii) any and all costs that Landlord incurs in studying, containing, removing, remedying, mitigating, or otherwise responding to, the release of any hazardous substance or waste at or from the Demised Premises, (iii) any and all costs which Landlord incurs to any governmental agency for studying, containing, removing, remedying, mitigating, or otherwise responding to the release of any hazardous substance or waste at or from the Demised Premises, (iv) any and all fines or penalties assessed upon Landlord by reason of a failure of Tenant to comply with the provisions of this **Section 26**, (v) any and all loss of value of the Demised Premises by reason of such failure to comply, and (vi) any and all legal fees and costs incurred by Landlord in connection with any of the foregoing. All of the foregoing fees, costs, and expenses referred to in **subsections (i) through (vi)** shall be reasonable, actual, and documented.

(e) No subsequent modification or termination of this Lease by agreement of the parties, or otherwise, shall be construed to waive, or to modify, any provisions of this **Section 26**, unless the termination or modification agreement or other document so states in writing, and these provisions shall survive any expiration or termination of this Lease.

(f) The terms utilized in this **Section 26** shall be defined as they are defined in the Environmental Statutes as amended from time to time or in future federal legislation and/or regulations and in corresponding present or future provisions of law and/or regulations in the state, county, and/or municipality where the Demised Premises are located.

27. GOVERNING LAW AND JURISDICTION. This Lease shall be governed by the laws of the State of Delaware. In the event of a dispute between the parties relating to this Lease, the parties submit to the exclusive jurisdiction of the state and federal courts located in New Castle County, Delaware. The prevailing party in any dispute may be entitled to an award of reasonable attorney's fees.

28. MISCELLANEOUS.

(a) Each party represents and warrants that it has not employed any broker or agent as its representative in the negotiation for or the obtaining of this Lease and agrees to indemnify and hold the other party harmless from any and all cost or liability for compensation claimed by any broker or agent with whom it has dealt.

(b) This Lease shall not inure to the benefit of any assignee, legal representative, transferee, or successor of Tenant except upon the express written consent or election of Landlord. Subject to the foregoing limitation, each provision hereof shall extend to and shall, as the case may require, bind and inure to the benefit of Tenant and its legal representatives, successors, and assigns.

(c) The term "Landlord" as used in this Lease means the fee owner of the Demised Premises. Landlord above-named represents that it is the holder of such rights as of the date of execution hereof. In the event of the voluntary transfer of such ownership or right to a successor-in-interest of Landlord, Landlord shall be freed and relieved of all liability and obligation hereunder which shall thereafter accrue and Tenant shall look solely to such successor in interest for the performance of the covenants and obligations of the Landlord hereunder (either in terms of ownership or possessory rights). The successor in interest shall not be liable for any previous act or omission of a prior landlord. Subject to the foregoing, the provisions hereof shall be binding upon and inure to the benefit of the successors and assigns of Landlord. Notwithstanding anything to the contrary contained in this Lease, any liability of Landlord, its agents, partners, or employees, arising out of or in respect of this Lease or the Demised Premises, and if Landlord shall default in the performance of Landlord's obligation under this Lease or otherwise Tenant shall look solely to the equity of Landlord in its interest in the Demised Premises.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Lease or caused this Lease to be executed by their duly authorized representatives the day and year first above written.

TENANT:

CITY OF WILMINGTON

By: _____

Name:

Title:

LANDLORD:

WILMINGTON HOUSING AUTHORITY

By: _____

Raymond Fitzgerald

Executive Director