

AGREEMENT TO PROVIDE RESEARCH, MARKETING & CONSULTING SERVICES

THIS AGREEMENT is entered into by and between r360, LLC, an Alabama limited liability company (hereinafter referred to as "Consultant") and the **City of Crossville, Tennessee** (hereinafter referred to as "Client") on this the **15th** day of **August, 2016**, as follows:

WHEREAS, the Client desires to have performed those services identified on Exhibit A attached hereto (the "Project") for the **City of Crossville**, **Tennessee** which it believes will promote the efficient operation of the Client; and,

WHEREAS, Consultant has made a proposal to the Client to provide research, marketing and consulting services related to the Project to the Client as further set forth below.

W-I-T-N-E-S-S-E-T-H:

NOW, THEREFORE, this agreement is made and entered into on the date first above written by and between the Client and Consultant, by which Consultant will provide research, marketing and professional consulting to the Client as hereinafter specified, through individuals possessing a high degree of professional skill where the personality of the individual will play a decisive role as follows:

1. SCOPE OF SERVICES

Consultant agrees, for the consideration stated herein, to provide research, marketing and professional consulting and related services to the Client for the Project as set out in Exhibit A.

2. TIME OF PERFORMANCE

Consultant shall provide services pursuant to this agreement and expeditiously and in good faith conduct its work in such a manner as to complete its commitments for Client within three (3) calendar years which shall be calculated as **August 15th**, **2016** to **August 14th**, **2019**.

Consultant shall commence, carry on and complete the Project with all practicable dispatch, in a sound, economical and efficient manner, in accordance with the provisions hereof and applicable laws. In accomplishing the Project, Consultant shall take such steps as are appropriate to insure that the work involved is properly coordinated with related work and policies being carried on by the Client.

3. <u>COMPENSATION</u>

The Client agrees to pay Consultant for the services as set forth herein, the sum of \$35,000 for the first year. Payment is to be made upon execution of this agreement and receipt of the invoice from r360, LLC. The compensation for years two and three shall be \$28,000 per year payable by the anniversary date of the agreement. The Client shall have the right to renew the contract for additional years, starting in year four, at the rate of \$28,000 per year and thereafter, as mutually agreed between Client and Consultant. Client acknowledges that affiliates of Consultant act in the capacity of a real estate advisory service business and may earn fees for services including development, leasing and management fees in the performance of such affiliates services as part of the scope of the Project.

4. CLIENT RESPONSIBILITIES

In addition to paying Consultant for services according to the preceding paragraph, the Client shall also provide for Consultant: access to relevant personnel, facilities, and materials including, but not necessarily limited to, those items specified in Consultant's proposal to Client, and such records, reports, and information as reasonably requested by Consultant and in Client's possession.

5. <u>LEVEL OF COMPETENCE</u>

Consultant represents and warrants to the Client that it and all of its employees that will be working on the project for the Client are qualified and competent to perform the services required. Such personnel shall not be employees of or have any pre-existing contractual relationship with

the Client. All of the services required hereunder will be performed by Consultant or under its supervision.

The Project Director for the performance of services by Consultant pursuant to the terms and conditions of this agreement shall be Chuck Branch or other employees as deemed necessary by Consultant. The COO is Amanda Beshears. The Research Coordinator is Josh Cameron and the Director of Marketing is Jackie Bell. Consultant may also use additional employees to assist with the performance of this Agreement as Consultant deems appropriate in Consultant's discretion.

6. <u>MATERIALS/CONFIDENTIALITY</u>

The Client agrees to cooperate with and provide Consultant with access to facilities and information within its reasonable possession and control, requested by Consultant for its review and use in performing the services herein. Provided, however, all such documents, information, results, memoranda and all other written information ("information") shall be held confidential by Consultant and any of its sub-contractors and shall not, without the prior written consent of the Client, be used for any purpose other than the performance of this agreement nor be disclosed to any other entity not connected with performance of this agreement. Upon completion of services, Consultant shall return all such information to the Client. The Client shall retain ownership of all such information provided by Client. It is understood that this Section is subject to the Tennessee Open Record Act.

7. <u>INTELLECTUAL PROPERTY</u>

The Client and Consultant, jointly and separately, acknowledge and agree that the intellectual property of both parties shall remain owned by the respective party. With the exception of Consultant's periodic and final reports generated for performance of this agreement to or for the Client, reports, memorandums, electronic mail, facsimile transmissions and other written and prepared documents shall be owned by the party who authored, generated or who originally possessed the same and nothing in this agreement shall contravene said rights. It is understood that this Section is subject to the Tennessee Open Record Act.

8. INFORMATION AND REPORTS

Consultant shall furnish an electronic version of a final written report and such periodic reports concerning the status of the project as may be requested by the Client's representative

pursuant to the schedule to be provided by Consultant. Consultant shall furnish the Client, upon request, with electronic copies of all documents and other material prepared or developed in relation with or as part of the project. Such requests shall be reasonable and within normal business practices for such work. It is understood that this Section is subject to the Tennessee Open Record Act.

9. COPYRIGHT INFORMATION

The Client acknowledges that all intellectual property developed during the course of this agreement by Consultant shall belong exclusively to Consultant. However, the Client may utilize any of the foregoing for and on behalf of its internal operations, but will take steps reasonably necessary with its employees with respect to the use, copying, protection and security of the foregoing. It is understood that this Section is subject to the Tennessee Open Record Act.

10. APPLICABLE LAWS

Consultant shall register and comply with all State or Federal laws and/or regulations as they may relate to the services or activities of the Consultant to the Client.

11. INSURANCE

Consultant shall carry all appropriate and necessary insurance to be in compliance with state and national laws regarding the insurance coverage of its employees.

12. <u>TERMINATION</u>

Should Consultant violate any of the terms of this Contract or otherwise fail to fulfill its obligations set forth under Exhibit A of this Contract, Client shall immediately provide to Consultant written notice of any alleged deficiencies in performance and Consultant shall have thirty (30) days from the date notice is received to cure any alleged deficiencies in performance. In no way shall more than two (2) opportunities to cure be afforded to Consultant within a twelve month period. Should Consultant fail to remedy the alleged defect in performance after being given the opportunity to do so, Client shall have the right to terminate this Contract. All fees paid for any term shall be deemed fully earned when paid and are not subject to refund following any termination hereunder.

13. CONFLICT OF INTEREST

The Consultant represents and warrants to the Client, to the best of its knowledge, that neither it nor its Project Directors are aware of any conflict of interest which exists by means of its provision of services to the Client pursuant to the terms and conditions of this agreement.

14. NOTICES/PARTIES REPRESENTATIVES

The primary representative of the Client for this agreement shall be Billy Loggins, Marketing & Public Relations, City of Crossville, Tennessee.

All notices, bills, and invoices required by this agreement shall be sufficient if sent by the parties hereto in the United Sates Mail, postage prepaid thereon to the addresses noted below:

Client: Billy Loggins

Marketing & Public Relations

392 N Main Street Crossville, TN 38555 931-787-1956

billy.loggins@crossvilletn.gov

Crossville, TN

Consultant: r360, LLC

P.O. Box 531027

Birmingham, AL 35253 Attention: Chuck Branch

15. REPRESENTATIVE CAPACITY

While Consultant's role will be that of consultant to the Client, Consultant shall be and remain an independent contractor and not act in the role of an agent or legal representative on behalf of the Client. Consultant shall not have the authority to bind or obligate the Client, its officers, agents or employees.

16. MISCELLANEOUS

Capacity: Each party to this agreement represents and warrants to the other as follows:

- A. That it is an individual of the age of majority or otherwise a legal entity duly organized and in good standing pursuant to all applicable laws, rules and regulations.
- B. That each has full power and capacity to enter into this agreement, to perform and to conclude the same including the capacity, to the extent applicable, to grant,

convey and/or transfer; areas, assets, facilities, properties, (both real and personal), permits, consents and authorizations and/or the full power and right to acquire and accept the same.

- C. That to the extent required, each party has obtained the necessary approval of its governing body, board, council or other appropriate governing body and a resolution or other binding act has been duly and properly enacted by such governing body or board authorizing this agreement and said approval has been reduced to writing and certified or attested by the appropriate official of the party.
- D. That each party has duly authorized and empowered a representative to execute this agreement on their respective behalf and the execution of this agreement by such representative fully and completely binds the party to the terms and conditions hereof.
- E. That absent fraud, the execution of this agreement by a representative of the party shall constitute a certification that all such authorizations for execution exist and have been performed and the other party shall be entitled to rely upon the same. To the extent a party is a partnership, limited liability company or joint venture, the execution of this agreement by any member thereof shall bind the party and to the extent that the execution of agreement is limited to a manager, managing partner or specific member then the person so executing this agreement is duly authorized to act in such capacity for the party.
- F. That each party represents and warrants to the other that, to the best of its knowledge, there is no litigation, claim or administrative action threatened or pending or other proceedings to its knowledge against it which would have an adverse impact upon this transaction or upon either's ability to conclude the transaction or perform pursuant to the terms and conditions of this agreement.
- G. That each party has obtained any and all required permits, approvals and/or authorizations from third parties to enable it to fully perform pursuant to this agreement.

 Third Party Beneficiaries: It is the intent of the parties hereto that there shall be no third

party beneficiaries: It is the intent of the parties hereto that there shall be no third party beneficiaries to this agreement. Client acknowledges r360, LLC is an independent consulting firm and is not affiliated with any other retail consulting firm, including but not limited to, Retail Strategies, LLC, The Retail Coach, and/or Buxton Company. Client further acknowledges there is no confusion on behalf of the client organization, its board or executives regarding r360, LLC, its employees and/or its services and those of its competitors.

<u>Final Integration</u>: This agreement, together with any exhibits or amendments hereto, constitutes the entire agreement of the parties, as a complete and final integration thereof

with respect to its subject matter. In the event of a direct conflict between the provisions hereof and any prior agreement or amendment, the latter shall supersede the former. All written or oral understandings and agreements heretofore had between and among the parties are merged into this agreement, which alone fully and completely expresses their understandings. No representation, warranty, or covenant made by any party which is not contained in this agreement or expressly referred to herein have been relied on by any party in entering into this agreement.

Force Majeure: Neither party to this agreement shall hold the other party responsible for damages or delay in performance caused by acts of God, strikes, lockouts or other circumstances beyond the reasonable control of the other or the other party's employees, agents or contractors.

Amendment in Writing: This agreement may not be amended, modified, altered, changed, terminated, or waived in any respect whatsoever, except by a further agreement in writing, properly executed by all of the parties.

<u>Binding Effect</u>: This Agreement shall bind the parties and their respective personal representatives, successors, and assigns. If any provision in this agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

<u>Captions</u>: The captions of this agreement are for convenience and reference only, are not a part of this agreement, and in no way define, describe, extend, or limit the scope or intent of this agreement.

<u>Construction</u>: This agreement shall be construed in its entirety according to its plain meaning and shall not be construed against the party who provided or drafted it.

<u>Mandatory and Permissive</u>: "Shall", "will", and "agrees" are mandatory; "may" is permissive.

<u>Governing Law</u>: The laws of the State of Tennessee, but without regard to conflict of laws principles, shall govern the validity of this agreement, the construction of its terms, the interpretation of the rights, the duties of the parties, the enforcement of its terms, and all other matters relating to this agreement. Venue shall be Cumberland County, Tennessee.

<u>Prohibition on Assignment and Delegation</u>: No party to this agreement may assign or delegate its interests or obligations hereunder without the written consent of all other

parties hereto obtained in advance of any such assignment or delegation. No such assignment or delegation shall in any manner whatsoever relieve any party from its obligations and duties hereunder and such assigning or delegating party shall in all respects remain liable hereunder irrespective of such assignment or delegation.

Waiver: Non-enforcement of any provision of this agreement by either party shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remaining terms and conditions of the agreement.

Agreement Date/Counterparts: The date of this agreement is intended as and for a date for the convenient identification of this agreement and is not intended to indicate that this agreement was necessarily executed and delivered on said date. This instrument may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

CLIENT:
City of Crossville, Tennessee
By
Title
Date
CONSULTANT:
r360, LLC
By
Title
Date

EXHIBIT A



RESEARCH - ANALYSIS - MARKETING:

r360 Research

Our research solutions are customized versus the industry standard pre-formatted radius or drive-time areas. Each city, community, or retail trade area requires unique analysis based on numerous factors including natural boundary areas, current retail tenant mix, competition, travel times, radius areas and existing sites/buildings. Our research focuses on identifying the decision critical data that will most likely influence the site location decisions by retailers. Once these data points are determined – we provide thematic maps, aerial photos, asset maps, and customized research reports by retail sector.

R360's primary data resources include:

CENSUS, AGS, CLARITAS & ESRI DEMOGRAPHICS

By incorporating demographic data from multiple sources, DDR is able to better understand the population, income and retail spending shifts taking place in the current economic environment. Our data also provides historical perspective and projected growth opportunities.

BUSINESS LOCATION DATA

This location data is ideal for competitive analysis, understanding market opportunities and evaluating market dynamics.

Sourced to D&B®, the world's most trusted source of sales and marketing solutions, all D&B information is powered by DUNSRightTM, D&B's Quality Process which gives you the insight you need to identify and target prospects.

CONSUMER SPENDING

This data includes 18 reports and over 1,000 variables that collectively cover approximately 95% of household spending. Based on extensive modeling of the BLS Consumer Expenditure Survey, Consumer Spending provides reliable estimates of market demand and average household expenditures.

RETAIL POTENTIAL

This new tabulation utilizes the Census of Retail Trade tables which cross-tabulates store type by merchandise line. The Consumer Expenditure data was aggregated to the merchandise line classification and then distributed to each of the major store types.

TAPESTRY SEGMENTATION PROFILES

Tapestry classifies US neighborhoods into 65 market segments based on socioeconomic and demographic factors, then consolidates them into LifeMode and Urbanization Groups.

CONSUMER BEHAVIOR & ATTITUDES

The consumer behavior database consists of approximately 1800 indexes of product consumption, lifestyle preferences, product ownership, and attitudes. The database is derived from an analysis of the MRI surveys using MOSAIC and offers insight into the consumption patterns and preferences of consumers.

r360 Analysis

RETAIL GAP/LEAKAGE SUMMARY

One of the most critical components of any retail research/consulting engagement is accurate retail leakage analysis – measuring household spending by category that is leaving the designated trade area to purchase goods and services. Capturing this leakage through development and redevelopment broadens the tenant mix, creates jobs and leads to additional retail sales tax revenue.

COMMUNITY PEER ANALYSIS

Developers and retailers are always looking for opportunities in cities/trade areas that are similar to previous projects they have completed. We have developed a software solution that allows us to very quickly identify similar geographies (peers) based on a set of demographic, consumer

spending and population segmentation variables – allowing us to match potential developments and new retail based on existing locations.

FOCUS PROPERTIES

The r360 team will work with your organization, local property owners and active commercial brokers in your market to determine the appropriate Focus Properties to position as opportunities to developers, tenant reps and retailers. Once we've identified these opportunities, we will upload them to OppSites.com on your behalf (see the OppSites discussion below).

RETAILER TARGET LIST

The r360 team, leveraging our experience, resources and contacts throughout the U.S. will build a retailer target list to zero in on those retailers most likely to consider your city/retail trade area for future expansion. We will also match the retailers in this list to developers that have done single and multi-tenant projects with these concepts.

AERIAL MAPS OF CURRENT RETAILERS

Our Regis software creates aerials by city, retail trade area or development/redevelopment zones including locations of all current regional and national retailers. These aerial maps become key components of the Retail Marketing Brochure.

RESEARCH ON-DEMAND

All r360 clients have the ability to contact us to request up to twelve customized demographic research reports for specific sites or retail concept.

r360 Pro-active Marketing

RETAIL MARKETING BROCHURE

Highlights the Focus Properties in your city, key demographic statistics and includes an 11x17 aerial overview of the current retail landscape in the trade area.

PRO ACTIVE RECRUITMENT OF DEVELOPERS & TENANT REP FIRMS

R360 will leverage its developer and tenant rep relationships to proactively recruit new development and redevelopment in the City of Crossville. As part of our efforts r360 will represent and market the opportunities in Crossville at ICSC Deal Making Conferences across the U.S.

BASECAMP

Upon completion of the research component of our engagement, the r360 team creates an online account through BASECAMP, a document management and communication platform, available to the appropriate contacts in your city/organization to access all research, analysis and marketing materials.

Scope of Services

Our process begins with establishing your Basecamp Account and issuing our Getting Started document to the identified primary contact(s) in your community. Simultaneously we begin the research and market analysis and plan our initial market visit. As we complete components of the process, we upload the research, analysis and strategy to your Basecamp Account. This initial phase of the engagement is typically a 45 to 60 day process. However, we begin outreach to our developer and tenant rep relationships immediately, letting our contact(s) know we've been engaged by your community and our preliminary thoughts on the market opportunities.

<u>Conduct Market Research</u> - r360's assessment will include, but will not be limited to, the following:

- > Trade Area Analysis
- Demographics, psychographic, segmentation & consumer behavior/attitudes
- Trade Area Competitors
- Existing retail landscape
- ➤ Retail leakage/surplus GAP Analysis
- Peer Analysis
- Retail development in peer communities
- Cannibalization
- > Retail trends
- ➤ Market viability
 - Identify Trade Corridors/Areas

r360 LLC will identify the appropriate radius, drive time and <u>custom</u> trade areas based on feedback from key community contacts, analysis of peer communities and through our onsite market visits

Perform Market & Retail GAP/Leakage Analysis

Once the Retail Trade Areas are identified, we begin the process of performing detailed demographic research, GAP/leakage analysis across all retail categories and household level consumer expenditure reviews, consumer profiles and buying habits and, our newest research tool — mobile mapping data to understand consumer travel patterns and confirm trade areas. Our Custom Demographic Research includes Historical, Current, and Projected Demographics from multiple sources.

• Conduct Retail Peer Identification and Analysis

Retailers have a tendency to locate in similar communities and/or trade areas. By identifying communities similar to Crossville from a demographic and business scope, we can analyze those retailers who have shown a propensity to locate in these peer areas.

Provide Consumer Attitude and Behavior Analysis

Our detailed consumer attitude and behavior data allows us to drill down to the consumer level and understand their preferences and likelihood to purchase products and services. Local retail businesses can use this data to better understand the product and service mix needed to grow their company and capture spending that may be leaving the immediate trade area.

 Identify/Evaluate/Catalog Available Commercial Properties and Development Opportunities

Understanding the real estate options within the market for development, redevelopment and higher and best use allows the R360 LLC team to position specific properties to retail prospects. Our team will drive the market and retail corridors to build a database of the available commercial properties. Once we identify the Focus Properties we work with our clients to upload these sites to OppSites to market these opportunities to Developers and Tenant Reps.

 Tapestry Lifestyles – Psychographic Profiles of Trade Area / Market Segmentation Analysis

Retailers today know the psychographic profiles of their target consumer. Through Tapestry

Lifestyles we are able to review 65 segmentation groups and match the consumer profile of Crossville shoppers to prospective retailers. This data can also be critical to retailers regarding the types of product and service offered once the location decision has been reached.

• Thematic Mapping and Aerial Imagery by trade area

Data visualization allows retailers to identify and target areas for expansion/relocation and the consumers that match their customer profile.

Retail Competitor Mapping/Analysis

Understanding the location of current retailers in your community and the various retail trade corridors provides valuable insight into colocation opportunities, competitors and available sites for development/re-development. We extend this analysis to understand the retailer mix in competitor communities.

• Identification of Retail Prospects to be targeted for recruitment

An initial list of targeted retailers for recruitment. This database includes the retailer, contact information, and current expansion plans.

Retailer Recruitment and Execution of the Retail Strategy

The most important service we provide is pro-actively recruiting the developers and tenant reps to leverage the identified target retailers/restaurants. Our team is tasked with communicating and providing assistance to the local property owners and commercial real estate professionals in your community while also keeping the primary contacts updated on the progress of our recruitment efforts.

• Updates on Retail Industry Trends

While our day to day effort is focused on micro analysis of the current retail landscape and opportunities – we believe it is critical to any strategic initiative to understand the macro factors affecting commercial retail development.

r360's software and data resources include:

AGS

ESRI

Claritas

PopStats

MRI Consumer

Behavior Tapestry

Segmentation

Mosaic Segmentation

Research360 Software

ESRI Business Analyst & Arcview

SiteToDoBusiness (STDB)

Nielsen SiteReports

Uber-Retail Mobile Mapping

OppSites

Regus

Planned Grocery

Basecamp

b. Marketing Strategy

Upon completion of the research component of our engagement, the r360 LLC team will create an online account through our BASECAMP platform, available to the appropriate contacts in Crossville to access all research, analysis, and project communications.

Identification and Recommendation of Retail Targets – r360 LLC will develop a Retail Target List consisting of new to market retail/restaurants that fit market profile as well as the profile of targeted consumers. This list of retailer and restaurant targets is based on the initial research and analysis done for your community and the identified trade areas. The Retail Target List is updated as we determine interest levels through our conversations with developers and tenant rep firms and as retailers/restaurants adjust their expansion plans.

Recommendations for Site Locations for Retail/Restaurant Targets - r360 LLC and its partners will work with the city to catalog local commercial properties that may be suitable sites for development and/or redevelopment, including those sites that may present a higher and best use. This will include maps, aerials, and all pertinent contact and site specific information relative to each site.

Develop Marketing Materials - r360 LLC will develop marketing materials on the client's behalf to market the community and site opportunities to retailers, developers, and tenant reps.

Portfolio Review - A prime example of the creativity that drives r360 LLC is our Portfolio Review program. Due to the number of engaged cities we work with, we have identified retailers and developers looking to aggressively expand their market presence regionally and nationally. We understand the parameters set by retailers when reviewing potential new locations. We have a roster of developers who are looking to replicate previous developments in similar communities across appropriate geographic regions. r360 LLC meets with these retailers tenant reps and developers in a variety of settings - at ICSC functions or in their offices - to position opportunities across our engaged city portfolio down to the specific sites meeting their criteria. Extensive analysis and preparation prior to the Portfolio Review allow meetings to focus on deal making in addition to exchanging information. Retailers and developers have told us that this is the most productive use of their time and their preferred way to discuss opportunities and negotiate deals.

c. Implementation of Retail Recruitment Plan

An r360 LLC Team Member will be designated as the Primary point of contact between the appropriate city officials and r360 LLC. The Client Managers responsibilities in include:

- 1. Communication with the Client
- 2. Communication with local property owners, developers and brokers
- 3. Updating and Maintaining the City of Crossville Basecamp account
- 4. Responding to On-Demand research report requests

The r360 LLC team will focus on pro-actively recruiting developers and tenant reps to your community. This effort will include:

- 1. Outgoing phone calls to tenant rep firms
- 2. Outgoing phone calls to retail developers
- 3. Portfolio Reviews with tenant reps and developers
- 4. ICSC Conference meetings with tenant rep firms and developers
- 5. Updating the Focus Property List
- 6. Updating the Retail Target List
- 7. Basecamp updates in real time as new information becomes available
- 8. Responding to specific research and site information requests from developers and tenant reps

The r360 LLC Research and Marketing Team Members will develop marketing materials for your community to be used at ICSC Conferences. This group will also respond to all custom retail research requests related to our Crossville engagement.

Senior management of r360 LLC will be involved in overseeing all aspects of the engagement and will participate in the appropriate meetings related to retail development prospects for your community.

Multiple members of the r360 LLC team will be involved in representing the City of Crossville at ICSC Deal Making & Idea Exchange Conferences across the U.S. Our schedule for the remainder of 2015 and 2016 includes the following conferences:

- Atlanta
- Orlando
- New York
- Las Vegas RECon
- Gulf South
- Dallas
- Chicago
- San Diego
- Carolinas Idea Exchange
- TN/KY Idea Exchange
- Midwest (OK/MO)
- Gulf South

EXHIBIT B

Optional Services

PUBLIC/PRIVATE PARTNERSHIPS - INCENTIVES CONSULTING SERVICES

r360 has partnered with several industry experts to provide incentives consulting services to public sector organizations. It is critical for community leaders to understand the validity of these request by leveraging the knowledge of these experts through quantitative analysis of the project pro forma, measuring the impact on existing retail sales (cannibalization) and calculating the potential for increased retail sales tax revenue to the city and the economic impact on city finances.

INCENTIVES CONSULTING FEES NEGOTIATED PER PROJECT