

To: Members

Dunwoody City Council

From: J. Jay Vinicki

Assistant City Manager

Re: Final Termination of MRI Lease

Date: December 1, 2025

Action

Authorize the Mayor, City Manager, or designee to execute all documents necessary and proper to terminate the lease with Elite Radiology.

Summary

The lease with the Elite Radiology (a.k.a. Advanced Diagnostic Group, LLC), the MRI tenant in City Hall, expired August 31, 2025. Elite removed their major equipment and vacated the premises by that date; however, there was more restoration of the area that needed to be done. Note: Restoration does not mean rebuilding it to how the City wants the area to be in the end only to restore it to a level where that action can happen.

The obligation to build out the space falls on the City. The City has negotiated the attached termination of the lease. Points to know:

- Elite will pay the City \$73,700 less a \$4,637 deposit for a net of \$69,063. This payment is to complete items like restoring the ceiling, ripping out the floor, etc. This payment is not to complete the build out.
- The City has engaged an architect for designing the area's build out alternatives. When that process is complete, staff will come back to Council with an overall price which should be available within the next two months.
- Almost all uses of the area focus on expanding police evidence and making the rest office, storage, or meeting space.

COMMERCIAL LEASE TERMINATION AGREEMENT

This COMMERCIAL LEASE TERMINATION AGREEMENT (the "<u>Agreement</u>") is hereby made and entered into as of December 1, 2025 (the "Effective Date") by and between The City of Dunwoody, a Georgia political subdivision (the "<u>Landlord</u>") and Advanced Diagnostic Group, LLC, a Florida limited liability company formerly known as ADG Acquisition Holdings, LLC, a Florida corporation (the "<u>Tenant</u>"). Landlord and Tenant may each be referred to in this Agreement as a "Party," or collectively, as "Parties."

RECITALS

WHEREAS, Tenant leases that certain property commonly known as 4800 Ashford Dunwoody Road, Suite 140, Dunwoody, Georgia 30338 (the "<u>Premises</u>") from Landlord pursuant to that certain Commercial Lease Agreement dated February 10, 2025 (the "<u>Lease</u>"); and

WHEREAS, the Term of the Lease expired on August 31, 2025; and

WHEREAS, the Tenant surrendered the Premises to Landlord on August 31, 2025 ("Surrender Date"); and

WHEREAS, there is a disagreement between Tenant and Landlord about the conditions of the Premises as of August 31, 2025, and whether Tenant's responsibilities under the Lease have been fully discharged as of that date; and

WHEREAS, in an effort to resolve the disagreement to the satisfaction of both Landlord and Tenant, the parties desire to enter into this Agreement.

NOW, THEREFORE, in consideration of the premises, mutual covenants and agreements herein contained, the parties hereto agree as follows:

- 1. <u>Recitals; Terms</u>. The parties hereto agree that the foregoing Recitals are true and correct and are incorporated herein by this reference. Capitalized terms used but not defined herein shall have the meaning set forth in the Lease.
- 2. Payment; Condition of Premises on Surrender Date. As consideration for Landlord's acceptance of the condition of the Premises and to release Tenant from its obligations, responsibilities, and duties under the Lease, Tenant hereby agrees to pay over to Landlord within fifteen (15) days of the Effective Date, funds in the amount of \$73,700.00 ("Termination Payment"). Landlord shall accept, as a credit against the Termination Payment, the security deposit currently held by Landlord in the amount of \$4,637.00, for a net balance owed of \$69,063.00. As consideration for Tenant's payment, Landlord hereby agrees to accept the Premises in their "asis" condition on the Surrender Date, and expressly waives any requirements set forth in the Lease that requires Tenant to repair any damage to Premises caused by the removal of equipment, furniture, trade fixtures or other personal property placed in the Premises by Tenant.

- 3. Release. The Lease is hereby terminated as of the Surrender Date. Except as expressly provided herein, as of the Surrender Date and upon full performance of the parties of their respective obligations hereunder, Landlord, Tenant, and all other respective related and affiliated parties and entities including, but not limited to all officers, directors, employees, partners and shareholders of any of said entities, its or their successors and assigns (collectively the "Related Parties"), are hereby relieved, discharged and released from any and all past, present and future liabilities, obligations, claims, actions, causes of action, proceedings, suits, debts, dues, contracts, agreements and judgments whatsoever which any of them now has, ever had or which any of them hereafter can, shall or may have, for, or by reason of any cause, matter or thing arising from said Lease, the existence of the Lease, or in any way arising out of or connected with Tenant's use and/or occupancy of the Premises; provided neither Landlord nor Tenant shall be released from claims by the other party for contribution or indemnification for claims by third parties for personal injury or property damage which accrued prior to the Surrender Date.
- 4. Representations and Warranties of Tenant. Tenant hereby represents and warrants to Landlord that: (i) this Agreement has been duly authorized by all necessary action on the part of Tenant and constitutes the valid and binding act of Tenant and is enforceable against Tenant in accordance with its terms; (ii) other than as indicated herein, Tenant has not assigned, sublet or otherwise transferred or encumbered its interest in the Lease or the Premises, in whole or in part; and (iii) the undersigned individual is a duly authorized signatory of Tenant and has the power and authority to execute and deliver this Agreement on behalf of Tenant.
- 5. <u>Successors and Assigns</u>. This Agreement shall inure to the benefit of and be binding upon Landlord and Tenant and their respective successors and assigns.
- 6. <u>Notices</u>. Any notice required or permitted to be given to Landlord or Tenant shall be given to Landlord and Tenant at:

If to Landlord: The City of Dunwoody

4800 Ashford Dunwoody Road

Dunwoody, GA 30338

Attn: Jay Vinicki, Asst. City Manager Email: jay.vinicki@dunwoodyga.gov

With a copy to: Jill Dunn

Freeman Mathis & Gary, LLP 100 Galleria Parkway, Suite 1600

Atlanta, GA 30339-5948 Email: JDunn@fmglaw.com

If to Tenant: Advanced Diagnostic Group, LLC

c/o Akumin Operating Corp.

8300 W. Sunrise Blvd. Plantation, Florida 33322

Attn: Legal

Email: legal@akumin.com

- 7. <u>Entire Agreement</u>. This Agreement contains the entire agreement and supersedes all prior agreements and understandings, oral or written, with respect to the subject matter hereof, and may be changed only by an agreement in writing signed by the party against whom any waiver, change, amendment, modification or discharge is sought.
- 8. Governing Law; Jurisdiction; Venue. This Agreement shall be construed and enforced in accordance with the laws of the State of Georgia. Any action, special proceeding or other proceeding that may be brought arising out of, in connection with, or by reason of this Agreement, shall be instituted exclusively in the circuit or county court located in DeKalb County, Georgia. Each party hereto agrees not to assert, by way of motion, as a defense or otherwise, in any such action, that it is not subject to the personal jurisdiction of such court or that such court is an improper venue. Each party hereto irrevocably submits to the jurisdiction of such court in any such action.
- 9. <u>Multiple Counterparts; Electronic Signatures</u>. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts together shall constitute one and the same instrument. This Agreement may be executed and delivered by electronic transmission, including e-mail. Any electronic signatures shall have the same legal effect as manual signatures.

[Separate Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

LANDLORD:

The City of Dunwoody

By: Lynn Deutsch

Its: Mayor

Acknowledged by:

By: Sharon Lowery

City Clerk, City of Dunwoody

By: Kenneth R. Bernard, Jr.

City Attorney, City of Dunwoody

TENANT:

Advanced Diagnostic Group, LLC.

By: Joseph Wilson

Its: Authorized Representative