

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): June 29, 2020 (June 26, 2020)

ARMSTRONG FLOORING, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-37589
(Commission
File No.)

47-4303305
(IRS Employer
Identification No.)

**2500 Columbia Avenue P.O. Box 3025
Lancaster, Pennsylvania**
(Address of principal executive offices)

17603
(Zip code)

Registrant's telephone number, including area code: (717) 672-9611

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.0001 par value	AFI	New York Stock Exchange

Item 1.01 Entry into a Material Definitive Agreement

On June 26, 2020, Armstrong Flooring, Inc. (the "Company") entered into: (i) a Lease Agreement (the "Headquarters Lease") with HIGH PROPERTIES, a Pennsylvania limited partnership, as successor to HIGH PROPERTIES, a Pennsylvania general partnership (the "Landlord"), regarding a future location for the Company's headquarters and design showroom (the "Headquarters"); and (ii) a Lease Agreement with the Landlord (the "Technical Center Lease") and, together with the Headquarters Lease, the "Leases") regarding a future location for the Company's light industrial, research and development, product testing and development operations (the "Technical Center").

Under the terms of the Headquarters Lease, the Company will lease an aggregate of 58,500 square feet in two existing adjacent buildings in Greenfield, located in Lancaster, Pennsylvania. The term of the Headquarters Lease will be for ten (10) years and four (4) months (the "Headquarters Term"), with an anticipated commencement date of June 1, 2021. The Company has two (2) renewal options for five (5) years each at 95% of the fair market rental rate of the Headquarters premises. During the first sixteen (16) months of the Headquarters Term, the Company will pay the Landlord an initial monthly rental rate of \$26.75 per square foot, plus operating expenses and real estate taxes, subject to a rent abatement period, with a gradual rate increase for each twelve (12) month period thereafter, culminating with a monthly rental rate of \$31.97 per square foot, plus operating expenses and real estate taxes, during the final twelve (12) months of the Headquarters Term.

Under the terms of the Technical Center Lease, the Company will lease 32,143 square feet of an existing building also in Greenfield, Lancaster, Pennsylvania. The term of the Technical Center Lease will be for ten (10) years and seven (7) months (the "Technical Center Term"), with an anticipated commencement date of March 1, 2021. The Company has two (2) renewal options for five (5) years each at 95% of the fair market rental rate of the Technical Center premises. During the first sixteen (16) months of the Technical Center Term, the Company will pay the Landlord an initial monthly rental rate of \$11.71 per square foot, plus operating expenses and real estate taxes, subject to a rent abatement period, with a gradual rate increase for each twelve (12) month period thereafter, culminating with a monthly rental rate of \$13.30 per square foot, plus operating expenses and real estate taxes, during the final twelve (12) months of the Technical Center Term.

If not extended for three (3) months at the Company's option with six (6) months' advance notice, the Company's current lease term for headquarters space expires on June 30, 2021. The Company's current lease term for certain technical center space expires on April 30, 2021.

The foregoing summaries of the Leases do not purport to be complete and are subject to and qualified in their entirety by reference to the Headquarters Lease and Technical Center Lease, copies of which are filed as Exhibits 10.1 and 10.2 hereto and are incorporated herein by reference.

Section 7 – Regulation FD**Item 7.01 Regulation FD Disclosure.**

On June 29, 2020, the Company issued a press release announcing its planned Headquarters and Technical Center relocation. The full text of the press release is attached hereto as Exhibit 99.1.

The information in Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1, is being furnished herewith and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits**(d) Exhibits**

<u>Exhibit No.</u>	<u>Description</u>
10.1	<u>Lease Agreement – Part I, dated June 26, 2020, by and between the Company and HIGH PROPERTIES, a Pennsylvania limited partnership, as successor to HIGH PROPERTIES, a Pennsylvania general partnership.</u>
10.2	<u>Lease Agreement – Part I, dated June 26, 2020, by and between the Company and HIGH PROPERTIES, a Pennsylvania limited partnership, as successor to HIGH PROPERTIES, a Pennsylvania general partnership.</u>
99.1	<u>Press Release of Armstrong Flooring, Inc., dated June 29, 2020.</u>
104	Cover Page Interactive Data File (formatted as inline XBRL)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ARMSTRONG FLOORING, INC.

By: /s/ Christopher S. Parisi
Christopher S. Parisi
Senior Vice President, General Counsel &
Secretary

Date: June 29, 2020

LEASE AGREEMENT

Dated June 26, 2020

Between

HIGH PROPERTIES

A Pennsylvania limited partnership

“Landlord”

and

ARMSTRONG FLOORING, INC.

A Delaware corporation

“Tenant”

Relating to

**1740 – 1770 Hempstead Road
Lancaster, Pennsylvania 17601**

LEASE AGREEMENT

PART I - BASIC LEASE INFORMATION

This Lease Agreement (this "Lease") is made and executed this 26th day of June, 2020, by and between **HIGH PROPERTIES**, a Pennsylvania limited partnership, as successor to **HIGH PROPERTIES**, a Pennsylvania general partnership, (herein called "Landlord"), and **ARMSTRONG FLOORING, INC.**, a Delaware corporation (herein called "Tenant").

This Lease consists of the following two parts: Part I which sets forth terms defined in this Lease (and certain obligations under the Lease) and which is sometimes referred to as the "Basic Lease Information," and Part II which provides the terms and conditions for this Lease and which is sometimes referred to as the Standard Terms and Conditions. Part I and Part II collectively, are referred to as this "Lease." Capitalized terms not otherwise defined in this Part I - Basic Lease Information shall have the meaning provided in Part II of the Lease.

The Basic Lease Information is as follows:

1. Landlord: HIGH PROPERTIES, a Pennsylvania limited partnership, as successor to HIGH PROPERTIES, a Pennsylvania general partnership
2. Tenant: ARMSTRONG FLOORING, INC., a Delaware corporation
3. Permitted Use: The Premises may be used by Tenant, its affiliates and successors, and its approved assignees, subtenants, and transferees, for any lawful office use, and all legally permitted ancillary uses thereto (including without limitation as a showroom), excluding weapons of war or mass destruction, firearms, pornography, alcohol, tobacco and nuisance uses or prohibited uses not allowed elsewhere in Greenfield Corporate Center.
4. Campus: Greenfield Corporate Center, located in the township of East Lampeter Township, County of Lancaster, Commonwealth of Pennsylvania
5. Building: Buildings 380 and 227 of the Campus located at 1740 -1770 Hempstead Road, Lancaster, Pennsylvania 17601
6. Premises: The Building and related improvements as outlined on the plan attached hereto as Exhibit A
7. Tenant Improvements: Those improvements to be completed by Landlord as defined in Section 25 of Part I. Landlord will provide Tenant with a \$75.00 PSF Tenant Improvement Allowance ("TIA") for the Office and Showroom space. Should the TIA be insufficient to fund the construction of the Premises, the TIA shall be extinguished prior to Tenant's capital being utilized. In the event any portion of the TIA is not used, any unused amount shall be retained by Landlord.
8. Term: Ten (10) Years and Four (4) Months
9. Term Commencement Date: June 1, 2021, except as otherwise provided in Sections 2.2 and 3 of Part II of this Lease
10. Expiration Date: September 30, 2031, except as otherwise provided in Sections 2.2 and 3 of Part II of this Lease.

11. Rentable Area of the Building: 58,500 Square Feet, subject to Tenant's remeasurement right set forth in Section 1.2 of Part II of this Lease.

12. Rentable Area of the Premises: 58,500 Square Feet, subject to Tenant's remeasurement right set forth in Section 1.2 of Part II of this Lease.

13. Tenant's Share:
(For pro-ration of Additional Rent) 100 Percent (100%)

14. Monthly Base Rent: Term Commencement Date – Sixteen (16) months following Term Commencement Date - \$130,406.25 - \$26.75 PSF
(Less \$130,406.25 per month for the period of Term Commencement Date – four (4) months following Term Commencement Date (“Concession Rent”), during which Tenant pays Additional Rent)
Months 17-28 - \$132,990.00 - \$27.28 PSF
Months 29-40 - \$135,671.25 - \$27.83 PSF
Months 41-52 - \$138,401.25 - \$28.39 PSF
Months 53-64 - \$141,180.00 - \$28.96 PSF
Months 65-76 - \$143,958.75 - \$29.53 PSF
Months 77-88 - \$146,883.75 - \$30.13 PSF
Months 89-100 - \$149,808.75 - \$30.73 PSF
Months 101-112 - \$152,782.50 - \$31.34 PSF
Months 113-124 - \$155,853.75 - \$31.97 PSF

15. Base Rent Over Term: \$17,656,860.00
(Less \$521,625.00 in Concession Rent equals Tenant's total Base Rent obligation of \$17,135,235.00)

16. Base Year: Not Applicable

17. Additional Rent: All amounts and charges required to be paid by Tenant hereunder (other than Base Rent) as described more particularly in Section 5.2 of Part II of this Lease

18. Rent: Includes both the Base Rent and Additional Rent to be paid by Tenant hereunder

19. Security Deposit: \$130,406.25

20. Landlord's Address for Notices: HIGH PROPERTIES
c/o High Associates Ltd.
1853 William Penn Way
P.O. Box 10008
Lancaster, PA 17605-0008

With copies, in all cases, to:

HIGH COMPANY, LLC
1853 William Penn Way
P.O. Box 10008
Lancaster, PA 17605-0008
Attn: General Counsel

21. Tenant's Address for Notices:

Prior to the Term Commencement Date:

Armstrong Flooring, Inc.
Attn: General Counsel
2500 Columbia Avenue
P.O. Box 3025
Lancaster, PA 17604

On and after the Term Commencement Date:

Armstrong Flooring, Inc.
Attn: General Counsel
1740 – 1770 Hempstead Road
Lancaster, Pennsylvania 17601

With copies, in all cases, to:

Pepper Hamilton LLP
Attn: Hannah Dowd McPhelin
100 Market Street, Suite 200
P.O. Box 1181
Harrisburg, PA 17108-1181
For courier deliveries, ZIP code 17101-2044

and

CBRE
Attn: Scott Miller, Executive Vice President
555 East Lancaster Avenue, Suite 120
Radnor, PA 19087

22. Rent Payment/Address:

Payable to:
HIGH PROPERTIES
P.O. Box 10605
Lancaster, PA 17605-0605

23. Commissions:

Broker's commission to be paid to: Scott Miller
CBRE, Inc.
555 East Lancaster Ave, Suite 120
Radnor, PA 19807

24. Calculation of Rentable Area:

Single-Tenant Building. The Premises are part of a building which is leased entirely by Tenant. "Rentable Area" has been calculated to include the entire building.

25. Condition of Premises:

Separate from the Base Building, Landlord shall improve the Premises with the improvements shown on Exhibit B-3 (the "Tenant Improvements"), subject to minor modifications requested by Tenant. The Tenant Improvements shall be designed in accordance with Exhibit B. Such improvements are referred to in Part II of the Lease and exhibits hereto as the "Tenant Improvements." Except as may be expressly provided in this Lease (including any exhibits hereto), Tenant acknowledges that neither Landlord nor any of Landlord's Affiliates (as defined in Section 15(c) of Part II of the Lease), nor any of their agents, have made any representations, warranties or covenants, either express or implied, with respect to the Premises, the Building, the Common Areas (as defined in Section 1.3 of Part II of the Lease), or the Campus, or the condition of any of the foregoing. Except as set forth in Section 9,

Part II of the Lease, Landlord makes no representation that the building systems are appropriate for Tenant's proposed use. If Tenant is intending to install racking or other equipment, Tenant should verify with the municipality regarding permitting and other requirements. Based upon Tenant manufacturing processes or its distribution methods which may include style of racking, type of palletization, materials being stored and quantities being stored, modifications may be required to building systems such as life safety, electrical or mechanical systems. These costs shall be borne solely by Tenant.

26. Payment of Operating Expenses: Tenant shall pay Tenant's Share (as defined herein) of annual Operating Expenses (as defined in Section 6.3 of Part II of the Lease).
27. Payment of Utilities: Tenant shall pay all charges for utilities used or incurred by Tenant at the Premises, including without limitation heat, water, sewer, gas and electricity.
28. Responsibility for HVAC Systems: Landlord shall perform all maintenance, repair and replacement of the HVAC Systems (as defined in Section 7.2 of Part II of the Lease) serving the Premises, including without limitation the scheduled maintenance set forth on Exhibit C to the Lease and any increased maintenance or replacements required to comply with CDC guidelines and the most current ASHRAE standards with respect to COVID-19. The cost of any such maintenance, repair or replacement of the HVAC Systems shall be paid by Tenant as part of Operating Expenses. Landlord shall, however, provide Tenant with a one (1) year warranty on all HVAC Systems. This warranty shall start as of the Term Commencement Date. If after the one-year warranty period expires, a replacement is required, the Tenant shall be responsible for a prorated share of the replacement expense amortized over the life expectancy of the replacement, as part of Operating Expenses. The proration shall be based upon a fifteen (15) year life expectancy of the replacement.
29. Obligation for Snow Removal and Grounds Maintenance: Landlord shall mow lawns, maintain and replace shrubbery, weed where appropriate, and remove snow and ice from walkways, roadways and parking areas in accordance with the requirements specified on Exhibit D to the Lease. The cost of such services shall be included as an Operating Expense.
30. Special Lease Terms: Landlord represents that other than the two existing leases, there are no encumbrances affecting the availability of the Premises or Tenant's contemplated use thereof. Relocation of the two existing tenants shall begin upon execution of this Lease and the termination/amendment of both tenants' leases shall be finalized within forty-five (45) days thereafter.
- Tenant has two (2) renewal options for five (5) years each upon the terms and conditions set forth in Rider 1 and Rider 2.
31. Attachments: The following are attached to and made a part of this Lease:
Part II – Standard Terms and Conditions
Exhibit A - Depiction of the Premises
Exhibit A-1 - Delivery Condition
Exhibit B - Design Process Narrative
Exhibit B-1 - Construction Schedule
Exhibit B-2 - Exterior Façade and Landscaping Plans

Exhibit B-3 - Tenant Improvements
Exhibit C - Specifications for HVAC Maintenance Agreement
Exhibit D - Lawn Care and Snow Removal Requirements
Exhibit E - Rules and Regulations
Exhibit F - Escrow Agreement
Exhibit G - Janitorial Specifications
Exhibit H - Landlord's Lien Subordination Agreement
Rider 1 - Renewal Option #1
Rider 2 - Renewal Option #2

The registrant will provide supplementally any of the foregoing attachments to the Securities and Exchange Commission upon request.

IN WITNESS WHEREOF, and intending to be legally bound, Landlord and Tenant have caused this Part I of the Lease to be signed by their duly authorized officers or agents under seal, as of the date set forth above.

LANDLORD

HIGH PROPERTIES,
a Pennsylvania Limited Partnership
and as successor to High Properties, a general partnership
By: High General Corporation,
Sole General Partner

June 26, 2020

Date

By: /s/ Mark C. Fitzgerald

Print Name: Mark C. Fitzgerald
Title: Executive Vice President & Chief Operating Officer

TENANT

ARMSTRONG FLOORING, INC.,
a Delaware corporation

June 26, 2020

Date

By: /s/ Christopher S. Parisi

Print Name: Christopher S. Parisi
Title: SVP, General Counsel

LEASE AGREEMENT

Dated June 26, 2020

Between

HIGH PROPERTIES

A Pennsylvania limited partnership

“Landlord”

and

ARMSTRONG FLOORING, INC.

A Delaware corporation

“Tenant”

Relating to

**1827 Freedom Road
Suite 102
Lancaster, Pennsylvania 17601**

LEASE AGREEMENT

PART I - BASIC LEASE INFORMATION

This Lease Agreement (this "Lease") is made and executed this 26th day of June, 2020, by and between **HIGH PROPERTIES**, a Pennsylvania limited partnership, as successor to **HIGH PROPERTIES**, a Pennsylvania general partnership (herein called "Landlord"), and **ARMSTRONG FLOORING, INC.**, a Delaware corporation (herein called "Tenant").

This Lease consists of the following two parts: Part I which sets forth terms defined in this Lease (and certain obligations under the Lease) and which is sometimes referred to as the "Basic Lease Information," and Part II which provides the terms and conditions for this Lease and which is sometimes referred to as the Standard Terms and Conditions. Part I and Part II collectively, are referred to as this "Lease." Capitalized terms not otherwise defined in this Part I - Basic Lease Information shall have the meaning provided in Part II of the Lease.

The Basic Lease Information is as follows:

1. Landlord: HIGH PROPERTIES, a Pennsylvania limited partnership as successor to HIGH PROPERTIES, a Pennsylvania general partnership
2. Tenant: ARMSTRONG FLOORING, INC., a Delaware corporation
3. Permitted Use: The Premises may be used by Tenant, its affiliates and successors, and its approved assignee, subtenants, and transferees, for any lawful use, including without limitation light industrial, research and development, product testing and development and all legally permitted ancillary uses thereto, including without limitation office space, excluding weapons of war or mass destruction, firearms, pornography, alcohol, tobacco and nuisance uses or prohibited uses not allowed elsewhere in Greenfield Corporate Center. Additionally, Tenant shall be permitted to use the Gaylord box storage located under the cooling tower outside the Premises for storage.
4. Campus: Greenfield Corporate Center, located in the township of East Lampeter Township, County of Lancaster, Commonwealth of Pennsylvania
5. Building: Building 36 of the Campus located at 1827 Freedom Road, Lancaster, Pennsylvania 17601
6. Premises: Suite 102 of the Building as outlined on the plan attached hereto as Exhibit A
7. Tenant Improvements: Those improvements to be completed by Landlord as defined in Section 25 of Part I. Landlord will provide Tenant with a \$25.00 PSF Tenant Improvement Allowance ("TIA") for the Tenant Improvements, which has been included in the Base Rent (Part I, Section 14). Should the TIA be insufficient to fund the construction of the Tenant Improvements, the TIA shall be extinguished prior to Tenant's capital being utilized. In the event any portion of the TIA is not used, any unused amount shall be retained by Landlord.
8. Term: Ten (10) Years and Seven (7) Months

9. Term Commencement Date: March 1, 2021, except as otherwise provided in Sections 2.2 and 3 of Part II of this Lease

10. Expiration Date: September 30, 2031, except as otherwise provided in Sections 2.2 and 3 of Part II of this Lease.

11. Rentable Area of the Building: 59,550 Square Feet

12. Rentable Area of the Premises: 32,143 Square Feet

13. Tenant's Share: 53.976 Percent (53.976%)
(For pro-ration of Additional Rent)

14. Monthly Base Rent: Term Commencement Date – sixteen (16) months following the Term Commencement Date - \$31,366.21 per month - \$376,394.53 per year - \$11.71 PSF
(Less \$31,366.21 per month for the period of Month 1 through Month 4 (“Concession Rent”), during which Tenant pays Additional Rent)

Months 17-28	\$31,794.78 per month - \$381,537.41 per year - \$11.87 PSF
Months 29-40	\$32,250.14 per month - \$387,001.72 per year - \$12.04 PSF
Months 41-52	\$32,705.50 per month - \$392,466.03 per year - \$12.21 PSF
Months 53-64	\$33,160.86 per month - \$397,930.34 per year - \$12.38 PSF
Months 65-76	\$33,643.01 per month - \$403,716.08 per year - \$12.56 PSF
Months 77-88	\$34,125.15 per month - \$409,501.82 per year - \$12.74 PSF
Months 89 -100	\$34,607.30 per month - \$415,287.56 per year - \$12.92 PSF
Months 101 -112	\$35,116.23 per month - \$421,394.73 per year - \$13.11 PSF
Months 113 -127	\$35,625.16 per month - \$427,501.90 per year - \$13.30 PSF

15. Base Rent Over Term: \$4,245,072.44
(Less \$125,464.84 in Concession Rent equals Tenant's total Base Rent obligation of \$4,119,607.60)

16. Base Year: Not Applicable

17. Additional Rent: All amounts and charges required to be paid by Tenant hereunder (other than Base Rent) as described more particularly in Section 5.2 of Part II of this Lease

18. Rent: Includes both the Base Rent and Additional Rent to be paid by Tenant hereunder

19. Security Deposit: \$31,366.21

20. Landlord's Address for Notices: HIGH PROPERTIES
c/o High Associates Ltd.
1853 William Penn Way
P.O. Box 10008
Lancaster, PA 17605-0008

With copies, in all cases, to:

HIGH COMPANY, LLC
1853 William Penn Way
P.O. Box 10008
Lancaster, PA 17605-0008
Attn: General Counsel

21. Tenant's Address for Notices:

Prior to the Term Commencement Date:

Armstrong Flooring, Inc.
Attn: General Counsel
2500 Columbia Avenue
P.O. Box 3025
Lancaster, PA 17604

On and after the Term Commencement Date:

Armstrong Flooring, Inc.
Attn: General Counsel
1740 – 1770 Hempstead Road
Lancaster, Pennsylvania 17601

With copies, in all cases, to:

Pepper Hamilton LLP
Attn: Hannah Dowd McPhelin
100 Market Street, Suite 200
P.O. Box 1181
Harrisburg, PA 17108-1181
For courier deliveries, ZIP code 17101-2044

and

CBRE
Attn: Scott Miller, Executive Vice President
555 East Lancaster Avenue, Suite 120
Radnor, PA 19087

22. Rent Payment/Address:

Payable to:
HIGH PROPERTIES
P.O. Box 10605
Lancaster, PA 17605-0605

23. Commissions:

Broker's commission to be paid to: Scott Miller
CBRE, Inc.
555 East Lancaster Ave, Suite 120
Radnor, PA 19807

24. Calculation of Rentable Area:

Non-Common Area Building. The Premises are a part of a building in which tenants are provided with their own private entrances and private restrooms and which is without any interior areas shared by tenants. "Rentable Area" has been calculated to include the entire building.

25. Condition of Premises:

Separate from the Base Building, Landlord shall improve the Premises with the improvements shown on Exhibit B-2 attached hereto (the "Tenant Improvements"), and designed in accordance with Exhibit B. Such improvements are referred to in Part II of the Lease (including exhibits hereto) as the "Tenant Improvements." Except as may be

expressly provided in this Lease, Tenant acknowledges that neither Landlord nor any of Landlord's Affiliates (as defined in Section 15(c) of Part II of the Lease), nor any of their agents, have made any representations, warranties or covenants, either express or implied, with respect to the Premises, the Building, the Common Areas (as defined in Section 1.3 of Part II of the Lease), or the Campus, or the condition of any of the foregoing. Except as set forth in Section 9, Part II of the Lease, Landlord makes no representation that the building systems are appropriate for Tenant's proposed use. If Tenant is intending to install racking or other equipment, Tenant should verify with the municipality regarding permitting and other requirements. Based upon Tenant manufacturing processes or its distribution methods which may include style of racking, type of palletization, materials being stored and quantities being stored, modifications may be required to building systems such as life safety, electrical or mechanical systems. These costs shall be borne solely by Tenant.

26. Payment of Operating Expenses: Tenant shall pay Tenant's Share (as defined herein) of annual Operating Expenses (as defined in Section 6.3 of Part II of the Lease).
27. Payment of Utilities: Tenant shall pay all charges for utilities used or incurred by Tenant at the Premises, including without limitation heat, water, sewer, gas and electricity.
28. Responsibility for HVAC Systems: Landlord shall perform all maintenance, repair and replacement of the HVAC Systems (as defined in Section 7.2 of Part II of the Lease) serving the Premises, including without limitation the scheduled maintenance set forth on Exhibit C to the Lease and any increased maintenance or replacements required to comply with CDC guidelines and the most current ASHRAE standards with respect to COVID-19. The cost of any such maintenance, repair or replacement of the HVAC Systems shall be paid by Tenant as part of Operating Expenses. Landlord shall, however, provide Tenant with a one (1) year warranty on all HVAC Systems. This warranty shall start as of the Term Commencement Date. If after the one-year warranty period expires, a replacement is required, the Tenant shall be responsible for a prorated share of the replacement expense amortized over the life expectancy of the replacement, as part of Operating Expenses. The proration shall be based upon a fifteen (15) year life expectancy of the replacement.
29. Obligation for Snow Removal and Grounds Maintenance: Landlord shall mow lawns, maintain and replace shrubbery, weed where appropriate, and remove snow and ice from walkways, roadways and parking areas in accordance with the requirements specified on Exhibit D to the Lease. The cost of such services shall be included as an Operating Expense.
30. Special Lease Terms: Tenant has two (2) renewal options for five (5) years each upon the terms and conditions set forth in Rider 1 and Rider 2.
Tenant has a right of first offer to lease additional space in the Building upon the terms and conditions set forth in Rider 3.
31. Attachments: The following are attached to and made a part of this Lease:
Part II - Standard Terms and Conditions
Exhibit A - Site Plan

Exhibit A-1 - Delivery Condition
Exhibit A-2 - Intentionally Deleted
Exhibit B - Design Process Narrative for Interior Fit-Out Documents
Exhibit B-1 - Construction Schedule
Exhibit B-2 - Tenant Improvements
Exhibit C - Specifications for HVAC Maintenance Agreement
Exhibit D - Lawn Care and Snow Removal Requirements
Exhibit E - Rules and Regulations
Exhibit F - Escrow Agreement
Exhibit G - Janitorial Specifications
Exhibit H - Landlord's Lien Subordination Agreement
Exhibit I — SNDA
Rider 1 - Renewal Option #1
Rider 2 - Renewal Option #2
Rider 3 - Right of First Offer

The registrant will provide supplementally any of the foregoing attachments to the Securities and Exchange Commission upon request.

IN WITNESS WHEREOF, and intending to be legally bound, Landlord and Tenant have caused this Part I of the Lease to be signed by their duly authorized officers or agents under seal, as of the date set forth above.

LANDLORD

HIGH PROPERTIES,
a Pennsylvania Limited Partnership
and as successor to High Properties, a general partnership
By: High General Corporation,
Sole General Partner

June 26, 2020

Date

By: /s/ Mark C. Fitzgerald

Print Name: Mark C. Fitzgerald
Title: Executive Vice President & Chief Operating Officer

TENANT

ARMSTRONG FLOORING, INC.,
a Delaware corporation

June 26, 2020

Date

By: /s/ Christopher S. Parisi

Print Name: Christopher S. Parisi
Title: SVP, General Counsel



Armstrong Flooring Announces New Headquarters Location

Global flooring manufacturer will relocate corporate offices in 2021, transforming three buildings into collaborative office space, design showroom and technical center

LANCASTER, JUNE 29, 2020—Armstrong Flooring, Inc. (NYSE: AFI) is announcing that the company will relocate its corporate headquarters to Greenfield, one of the mid-Atlantic’s premier mixed-use corporate parks, located in Lancaster, Pa. This announcement marks another significant step in the company’s business transformation journey.

Armstrong Flooring’s new corporate headquarters will include occupation of three leased buildings in Greenfield from High Real Estate Group LLC. Two adjacent buildings totaling approximately 60,000 square feet, will provide flexible office space for approximately 200 employees and will feature a 5,000-square-foot design showroom. Additionally, the company will lease a 30,000-square-foot building for its technical center, housing approximately 60 employees from company’s new product development, innovation and engineering teams.

“As we continue to transform our business and write the next chapter in the history of Armstrong Flooring, we’re proud that our roots will remain firmly planted in Lancaster County, the community we’ve called home for more than a century,” said Michel Vermette, Armstrong Flooring President and CEO. “Reinvigorating these spaces embodies Armstrong Flooring’s resiliency throughout generations and our ability to constantly reinvent ourselves by embracing new sources of inspiration and pursuing what’s next. This move also represents an important investment in our employees and our future, and one that will lead to collaboration and innovation far beyond the walls of these buildings.”

The new headquarters will be designed to foster Armstrong Flooring’s culture of innovation and teamwork by maximizing natural light and encouraging creativity and collaboration with inspiring, flexible work areas and multi-purpose common spaces. It will also include an inviting showroom space showcasing all parts of its business from various commercial and residential segments to its focus on innovation, sustainability and transformational design. Additionally, the move will provide significant, long-term efficiencies for the company.

“Both Armstrong Flooring and High have been an integral part of Lancaster’s heritage, so we are very excited to welcome them to Greenfield,” said Mark Fitzgerald, president and chief operating officer, High Real Estate Group LLC and High Associates Ltd. “By establishing its new headquarters here, Armstrong Flooring is demonstrating its commitment to Lancaster County and to sustainable business practices by reimagining and repurposing existing buildings to support a modern workplace environment.”



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“This is a great partnership between two stalwart companies in Lancaster, both with rich and deep histories here,” said Lisa Riggs, president, Economic Development Company of Lancaster County. “Armstrong Flooring’s move signals both an exciting direction for the company by its new leadership and is a huge vote of confidence in Lancaster County, at a time when all of us are looking for positive economic news.”

Construction will begin in August with anticipated completion in the second quarter of 2021. High Associates Ltd., Lancaster, Pa. will oversee the development process and manage the facilities; Greenfield Architects LLC of Lancaster, Pa. is the lead architect; Spiezle Architecture Group of Hamilton Township, N.J. is providing interior design; and, High Construction Company, Lancaster, Pa. is the general contractor. High Associates Ltd. represented the property owner and CBRE represented Armstrong Flooring in the transaction.

As part of Armstrong Flooring’s commitment to sustainability, the buildings will be renovated applying sustainable building practices that focus on human health and wellness, including using a selection of Armstrong Flooring’s beautiful, durable, and environmentally friendly resilient flooring products.

About Armstrong Flooring

Armstrong Flooring, Inc. (NYSE: AFI) is a global leader in the design and manufacture of innovative flooring solutions that inspire beauty wherever your life happens. Headquartered in Lancaster, Pennsylvania, Armstrong Flooring is a leading manufacturer of resilient products across North America. The company safely and responsibly operates 8 manufacturing facilities globally, working to provide the highest levels of service, quality and innovation to ensure it remains as strong and vital as its 150-year heritage. Learn more armstrongflooring.com.

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