

STATE OF NORTH CAROLINA

LEASE AGREEMENT

COUNTY OF CHATHAM

THIS LEASE AGREEMENT (hereinafter "Lease"), made and entered into as of the last date set forth in the notary acknowledgements below by and between, Chatham County, a body politic and corporate, hereinafter designated as Lessor, and the **STATE OF NORTH CAROLINA** through the North Carolina Department of Agriculture & Consumer Services hereinafter designated as Lessee;

WITNESSETH:

THAT WHEREAS, authority to approve and execute this lease agreement was delegated to the Department of Administration by resolution adopted by the Governor and Council of State on the 1st day of September, 1981; and as amended on September 8, 1999 and December 7th, 1999, and

WHEREAS, the parties hereto have mutually agreed to the terms of this lease agreement as hereinafter set out,

NOW THEREFORE, in consideration of the rental hereinafter agreed to be paid and the terms and conditions hereinafter set forth, Lessor does hereby let and lease unto Lessee and Lessee hereby takes and leases from Lessor for and during the period of time and subject to the terms and conditions hereinafter set out certain space in the **Town/City of Pittsboro**, County of Chatham, North Carolina, more particularly described as follows:

Being approximately 2008 net square feet of office space located at 1192 US Highway 64 Business (Address), Pittsboro (Town), Chatham County, North Carolina 27312 and further described in "Exhibit A"

(DEPARTMENT OF AGRICULTURE)

THE TERMS AND CONDITIONS OF THIS LEASE AGREEMENT ARE AS FOLLOWS:

1. The term of this lease shall be for a period of Three (3) year(s), commencing on the 1 day of May, 2020, or as soon thereafter as the leased premises are ceded to the Lessee and terminating on the 30 day of April, 2023.
2. During the term of the lease, the Lessee shall pay to the Lessor as rental for said premises the sum of \$ 1.00 for term.

3. Lessor agrees to furnish to the Lessee, as a part of the consideration for this lease, the following services and utilities to the satisfaction of the Lessee.

- a. Heating facilities, air conditioning facilities, adequate electrical facilities, adequate lighting fixtures and sockets, hot and cold water facilities, and adequate toilet facilities.
- b. Lessor to provide required fire extinguishers and servicing, pest control, and outside trash disposal including provisions for the handling of recyclable items such as aluminum cans, cardboard and paper. Maintenance of lawns, parking areas (including snow removal) and common areas is required.
- c. Parking
- d. The Lessor covenants that the leased premises are generally accessible to persons with disabilities. This shall include access into the premises from the parking areas (where applicable), into the premises via any common areas of the building and access to an accessible restroom.
- e. All stormwater fees.
- f. Any fire or safety inspection fees.
- g. Daily janitorial service and supplies.
- h. All utilities, except telephone.
- i. All land transfer tax/fees imposed by the County or City in which the space is located.
- j. The number of keys to be provided to Lessee for each lockset shall be reasonably determined by Lessee prior to occupancy and said keys shall be furnished by Lessor to Lessee at no cost to Lessee.
- k. All other terms and conditions of the signed "Proposal to Lease to the State of North Carolina" Form PO-28 and "Specifications for Non-advertised Lease."

4. During the lease term, the Lessor shall keep the leased premises in good repair and tenantable condition, to the end that all facilities are kept in an operative condition. Maintenance shall include, but is not limited to furnishing and replacing electrical light fixture ballasts, air conditioning and ventilating equipment filter pads, if applicable, and broken glass. In case Lessor shall, after notice in writing from the Lessee in regard to a specified condition, fail, refuse, or neglect to correct said condition, or in the event of an emergency constituting a hazard to the health or safety of the Lessee's employees, property, or invitees, it shall then be lawful for the Lessee in addition to any other remedy the Lessee may have, to make such repair at its own cost and to deduct the amount thereof from the rent that may then be thereafter become due hereunder. The Lessor reserves the right to enter and inspect the leased premises, at reasonable times, and to make necessary repairs to the premises.

5. It is understood and agreed that Lessor shall, at the beginning of said lease term as hereinabove set forth, have the leased premises in a condition satisfactory to Lessee, including repairs, painting, partitioning, remodeling, plumbing and electrical wiring suitable for the purposes for which the leased premises will be used by Lessee.

6. The Lessee shall have the right during the existence of this lease, with the Lessor's prior consent, to make alterations, attach fixtures and equipment, and erect additions, structures or signs in or upon the leased premises. Such fixtures, additions, structures or signs so placed in or upon or attached to the leased premises under this lease or any prior lease of which this lease is an extension or renewal shall be and remain the property of the Lessee and may be removed therefrom by the Lessee prior to the termination of this lease or any renewal or extension thereof, or within a reasonable time thereafter. The Lessee shall have no duty to remove any improvement or fixture placed by it on the premises or to restore any portion of the premises altered by it. In the event Lessee elects to remove his improvements or fixtures and such removal causes damage or injury to the demised premises, Lessee will repair only to the extent of any such damage or injury.

7. If the said premises be destroyed by fire or other casualty without fault of the Lessee, this lease shall immediately terminate and the rent shall be apportioned to the time of the damage. In case of partial destruction or damage by fire or other casualty without fault of the Lessee, so as to render the premises untenable in whole or in part, there shall be an apportionment of the rent until the damage has been repaired. During such period of repair, Lessee shall have the right to obtain similar office space at the expense of Lessee or the Lessee may terminate the lease by giving fifteen (15) days written notice to the Lessor.

8. Lessor shall be liable to Lessee for any loss or damages suffered by Lessee which are a direct result of the failure of Lessor to perform an act required by this lease, and provided that Lessor could reasonably have complied with said requirement.

9. Upon termination of this lease, the Lessee will peaceably surrender the leased premises in as good order and condition as when received, reasonable use and wear and damage by fire, war, riots, insurrection, public calamity, by the elements, by act of God, or by circumstances over which Lessee had no control or for which Lessor is responsible pursuant to this lease, excepted.

10. The Lessor agrees that the Lessee, upon keeping and performing the covenants and agreements herein contained, shall at all times during the existence of this lease peaceably and quietly have, hold, and enjoy the leased premises free from the adverse claims of any person.

11. The failure of either party to insist in any instance upon strict performance of any of the terms and conditions herein set forth shall not be construed as a waiver of the same in any other instance. No modification of any provision hereof and no cancellation or surrender thereof shall be valid unless in writing and signed and agreed to by both parties.


12. Any hold over after the expiration of the said term or any extension thereof, shall be construed to be a tenancy from month to month, and shall otherwise be on the terms and conditions herein specified, so far as applicable; however, either party shall give not less than sixty (60) days written notice to terminate the tenancy.

13. The parties to this lease agree and understand that the continuation of this lease agreement for the term period set forth herein, or any extension or renewal thereof, is dependent upon and subject to the appropriation, allocation or availability of funds for this purpose to the agency of the Lessee responsible for payment of said rental. The parties to this lease also agree that in the event the agency of the Lessee or that body responsible for the appropriations of said funds, in its sole discretion, determines, in view of its total local office operations that available funding for the payment of rents are insufficient to continue the operation of its local offices on the premise leased herein, it may choose to terminate the lease agreement set forth herein by giving Lessor written notice of said termination, and the lease agreement shall terminate immediately without any further liability to Lessee.

14. All notices herein provided to be given, or which may be given by either party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States mail, certified and postage prepaid and addressed as follows: To the Lessor at Chatham County Manager's Office, Post Office Box 1809, Pittsboro, North Carolina 27312 the Lessee at **North Carolina Department of Agriculture & Consumer Services Attn: Property Manager, 1616 Mail Service Center, Raleigh, North Carolina 27699-1616**. Nothing herein contained shall preclude the giving of such notice by personal service. The address to which notices shall be mailed as aforesaid to either party may be changed by written notice.
15. Lessee shall not assign this lease or sublet any part of the Leased Premises without the written consent of the Lessor.
16. Lessor agrees that the Lessee's decision to self insure satisfies all insurance requirements of this lease applicable to the Lessee.
17. The State of North Carolina is an immune sovereign and is not ordinarily subject to suit. However, the State has enacted the North Carolina Tort Claims Act, pursuant to which the State may be liable for the torts of its officers and employees, within the terms of the Act. Accordingly, the Lessee will be primarily liable for any claims within the coverage of the Tort Claims Act.
18. N.C.G.S. § 133-32 and Executive Order 24 prohibit the offer to, or acceptance by, any State Employee of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of any response in this procurement, you attest, for your entire organization and its employees or agents, that you are not aware that any such gift has been offered, accepted, or promised by any employees of your organization.
19. N.C.G.S. § 147-86.59 Certification of Eligibility under the Iran Divestment Act is attached hereto as **Exhibit B** and shall be executed as a part of this lease agreement for all persons and parties seeking to do business with the State.

13. All parking areas shall be adequately lighted and located within a reasonable distance of the office.
14. Lessor shall provide all conduits and pull strings from above the ceiling to outlet boxes. State to install wiring and cover plates.
15. Lessor is responsible for providing all cleaning supplies and paper and soap products for kitchen and bathrooms regardless of who contracts for janitorial services.

Lessor is in agreement with the above conditions and the conditions of the also signed "proposal to Lease to the State of North Carolina" Form PO-28.



Signature of the Lessor

May 11, 2020
Date