

LEASE AGREEMENT

THIS LEASE. made this _____ day of _____, 2023, by and between the Town of Goldston ("Town") whose address is P.O. Box 527, Goldston, North Carolina 27252 and Chatham County ("County") whose address is P.O. Box 1809, Pittsboro, North Carolina 27312. Either the Town of the County may be referred to herein as "Party" or collectively as the "Parties."

WITNESSETH:

PREMISES

1. Town, for and in consideration of the rents, covenants, agreements, and stipulations hereinafter mentioned, provided for and covenanted to be paid, kept and performed by County, leases and rents unto County, and County hereby leases and takes upon the terms and conditions which hereinafter appear, the following described property (hereinafter called the "Premises"), to wit:

Address: All of that certain lot and Parcel #9153 of land known as 9235 Pittsboro-Goldston Road, Goldston, North Carolina 27252.

TERM

2. The County shall have and hold the Premises for a term of ten (10) years beyond the date of the original lease set to expire on January 12, 2024.

RENTAL

3. County agrees to pay Town without demand, deduction or set off, an annual rental of \$1.00 payable in advance on the first day of each calendar year during the term hereof.

UTILITY BILLS

4. County shall be responsible for all utilities used on or in the Premises. Responsibility to pay for a utility service shall include all metering, hook-up fees or other miscellaneous charges associated with the installation and maintenance of such utility in said party's name.

USE OF PREMISES

5. The Premises shall be used for public library purposes only. The Premises shall not be used for any illegal purposes, nor in any manner to create any nuisance or trespass, nor in any manner to vitiate the insurance or increase the rate of insurance on the Premises.

TAXES AND INSURANCE

6. Town represents that it owns the Premises and the Parties agree that it is exempt from both Town and County taxes. County shall pay upon demand as an additional rental during the term of this Lease and any extension or renewal thereof an extended coverage insurance in the minimum amount of at least \$500,000.00, including any and all public liability insurance on the building. County shall pay all insurance as provided herein within fifteen (15) days after receipt of notice from Town as to the amount due. County shall be solely responsible for insuring County's personal and business property.

INDEMNITY INSURANCE

7. County agrees to and hereby does indemnify and save Town harmless against all claims for damages to persons or property by reason of County's use or occupancy of the Premises, and all expenses incurred by Town because thereof, including attorney's fees and court costs. Supplementing the foregoing and in addition thereto, County shall during the term of this Lease and any extension or renewal thereof, and at County's expense, maintain in full force and effect comprehensive general liability insurance with limits of \$1,000,000.00 per person and \$3,000,000.00 per accident, and property damage limits of \$500,000.00, which insurance shall contain a special endorsement recognizing and insuring any liability accruing to County under the first sentence of this paragraph, and naming Town as additional insured. County shall provide evidence of such insurance to Town prior to the commencement of the term of this Lease. Town and County each hereby release and relieve the other, and waive any right of recovery, for loss or damage arising out of or incident to the perils insured against which perils occur in, on or about the Premises, whether due to the negligence of Town or County or their agents, employees, contractors and/or invitees, to the extent that such loss or damage is within the policy limits of said comprehensive general liability insurance. Town and County shall, upon obtaining the policies of insurance required, give notice to the insurance carrier or carriers that the foregoing mutual waiver of subrogation is contained in this Lease.

REPAIRS BY TOWN

8. Town agrees to keep in good repair the roof, foundation and exterior walls of the Premises and underground utility, water and septic systems outside the exterior walls of the building, but not window glass or repairs rendered necessary by the negligence or intentional wrongful acts of County, its agents, employees or invitees. Town shall make any necessary plumbing, electrical, heating and air conditioning system component replacements. For the purposes of this Lease and unless otherwise indicated, replacement shall be required if the estimated costs to repair any single item is greater than \$1,000.00. Town shall indemnify County from any liability, claim, demand or cause of action arising on account of Town's breach of the provisions of this paragraph. County shall promptly report in writing to Town any defective condition known to it that Town is required to repair or replace.

REPAIRS BY COUNTY

9. County will accept the Premises after anticipated renovations as suited for the use intended by County. County shall, throughout the term of this Lease, and any extension or renewal thereof, at its expense, maintain in good order and repair the Premises and other improvements located thereon not required to be maintained by the Town. County agrees to return the Premises to Town at the expiration or prior termination of this Lease, in as good condition and repair as when first received, usual wear and tear, damage by storm, fire, lightning, earthquake, or other casualty alone excepted. County, County's employees, agents, contractors or subcontractors shall take no action that may void any manufacturer's or installer's warranty with relation to the Premises. County shall indemnify and hold Town harmless from any liability, claim, demand, or cause of action arising on account of County's breach of the provisions of this paragraph.

ALTERATIONS

10. County shall not make any alterations, additions, or improvements to the Premises without Town's prior written consent. County shall promptly remove any alterations, additions, or improvements constructed in violation of this paragraph upon Town's written request. All approved alterations, additions, and improvements will be accomplished in a good and workmanlike manner, in conformity with all applicable laws and regulations, and by a contractor approved by Town, free of any liens or encumbrances. Town may require County to remove any alterations, additions or improvements (whether or not made with Town's consent) at the termination of the Lease and to restore the Premises to its prior condition, all at County's expense. All alterations, additions, and improvements that the Town has not required County to remove shall become Town's property and shall be surrendered to Town upon the termination of this Lease, except that County may remove any of County's machinery or equipment that can be removed without material damage to the Premises. County shall repair, at County's expense, any damage to the Premises caused by the removal of any such machinery or equipment.

REMOVAL OF FIXTURES

11. County may, prior to the expiration of this Lease, or any extension or renewal thereof, remove all fixtures and equipment that it has placed in the Premises, provided County repairs all damage to the Premises caused by such removal.

DESTRUCTION OF OR DAMAGE TO PREMISES

12. If the Premises are totally destroyed by storm, fire, lightning, earthquake, or other casualty, this lease shall terminate as of the date of such destruction and rental shall be accounted for as between Town and County as of that date. If the Premises are damaged but not wholly destroyed by any such casualties, County shall have the election as to whether to terminate this lease. Should the County not elect to terminate this lease, the rental shall abate in such proportion as effective use of the Premises has been affected, and Town shall restore Premises to substantially the same condition as before damage as speedily as is practicable, whereupon full rental shall recommence. Restoration shall be accomplished, if required hereunder, within 365 days of receipt of insurance proceeds by Town.

GOVERNMENTAL ORDERS

13. County agrees, at its own expense, to comply promptly with all requirements of any legally constituted public authority made necessary by reason of County's occupancy of the Premises. Town agrees to comply promptly with any such requirements if not made necessary by reason of County's occupancy.

ASSIGNMENT AND SUBLETTING

14. County shall not, without the prior written consent of Town, assign this Lease or any interest hereunder, or sublet the Premises or any part thereof, or permit the use of the Premises by any party other than the County. Consent to any assignment or sublease shall not impair this provision and all later assignments or subleases shall be made likewise only on the prior written consent of Town. The Assignee of County, at option of Town, shall become directly liable to Town for all obligations of County hereunder, but no sublease or assignment by County shall relieve County of any liability hereunder.

EVENTS OF DEFAULT

15. The happening of any one or more of the following events (hereinafter any one of which may be referred to as an "Event of Default") during the term of this Lease, or any renewal or extension thereof, shall constitute a breach of this Lease on the part of the Party defaulting: (a) County fails to pay the rental as provided for herein; (b) County abandons or vacates the Premises and fails to pay rental provided for herein; (c) County fails to comply with or abide by and perform any other obligation imposed upon County under this Lease (d) Town fails to comply with or abide by and perform any obligation imposed upon Town under this lease

REMEDIES UPON DEFAULT

16. Upon the occurrence of Event of Default by County, Town may pursue any one or more of the following remedies separately or concurrently, without prejudice to any other remedy herein provided or provided by law; (a) if the Event of Default involves nonpayment of rental and County fails to cure such default with five (5) days after receipt of written notice thereof from Town, or if the Event of Default involves a default in performing any of the terms or provisions of this Lease other than the payment of rental, and County fails to cure such default within fifteen (15) days after receipt of written notice of default from Town, Town may terminate this Lease by giving written notice to County and upon such termination shall be entitled to recover from County damages as may be permitted under applicable law; or (b) if the Event of Default involves any matter other than those set forth in item (a) of this paragraph, Town may terminate this lease by giving written notice to County and, upon such termination, shall be entitled to recover from County damages in an amount equal to all rental that is due and all rental that would otherwise have become due throughout the remaining term of this Lease, or any renewal or extension thereof (as if this Lease had not been terminated). Upon the occurrence of Event of Default by Town, County may terminate this lease by giving written notice to Town. In the event either Party hires an attorney to enforce its rights upon default, the prevailing Party shall be liable for the other Party's reasonable attorney's fees and court costs.

EXTERIOR SIGNS

17. County shall place no signs upon the outside walls or roof of the Premises, except with the express written consent of the Town. Any and all signs placed on the Premises by County shall be maintained in compliance with governmental rules and regulations governing such signs and County shall be responsible to Town for any damage caused by installation, use, or maintenance of said signs, and all damage incident to removal thereof.

HOLDING OVER

18. If County remains in possession of the Premises after expiration of the term hereof, with Town's acquiescence and without any express agreement of the Parties, County shall be a tenant at will at the rental rate that is in effect at end of this Lease and there shall be no renewal of this Lease by operation of law. If County remains in possession of the Premises after expiration of the term hereof without Town's acquiescence, County shall be a tenant at sufferance and commencing on the date following the date of such expiration, the monthly rental payable under Paragraph 3 above shall for each month, or fraction thereof during which County so remains in possession of the Premises, be twice the monthly rental otherwise payable under Paragraph 3 above.

ATTORNEY'S FEES

19. In the event that any action or proceeding is brought to enforce any term, covenant or condition of this Lease on the part of Town or County, the prevailing Party in such litigation shall be entitled to recover reasonable attorney's fees and costs.

RIGHTS CUMULATIVE

20. All rights, powers and privileges conferred hereunder upon Parties hereto shall be cumulative and not restrictive of those given by law.

WAIVER OF RIGHTS

21. No failure of either Party to exercise any power given it hereunder or to insist upon strict compliance by the other of its obligations hereunder and no custom or practice of the Parties at variance with the terms hereof shall constitute a waiver of either Party's right to demand exact compliance with the terms hereof.

ENVIRONMENTAL LAWS

22. (a) County shall not bring onto the premises any Hazardous Materials (as defined below) without the prior written approval by Town. Any approval must be preceded by submission to Town of appropriate Material Safety Data Sheets (MSD Sheets). In the event of approval by Town, County covenants that it will (1) comply with all requirements of any constituted public authority and all federal, state, and local codes, statutes, ordinances, rules and regulations, and laws, whether now in force or hereafter adopted relating to County's use of the Premises, or relating to the storage, use, disposal, processing, distribution, shipping or sales of any hazardous, flammable, toxic, or dangerous materials, waste or substance, the presence of which is regulated by a federal, state, or local law, ruling, rule or regulation (hereafter collectively referred to as "Hazardous Materials"); (2) comply with any reasonable recommendations by the insurance carrier of either Town or County relating to the use by County on the Premises of such Hazardous Materials; (3) refrain from unlawfully disposing of or allowing the disposal of any Hazardous Materials upon, within, about or under the Premises; and (4) remove Materials from the Premises, either after their use by County or upon the expiration or earlier termination of this lease, in compliance with all applicable laws all Hazardous Materials placed thereon during County's occupancy.

(b) County shall be responsible for obtaining all necessary permits in connection with its use, storage and disposal of Hazardous Materials and shall develop and maintain and, where necessary, file with the appropriate authorities, all reports, receipts, manifest, filings, lists and invoices covering those Hazardous Materials, and County shall provide Town with copies of all such items upon request. County shall provide within five (5) days after receipt thereof, copies of all notices, orders, claims or other correspondence from any federal, state or local government or agency alleging any violation of any environmental law or regulation by County, or related in any manner to Hazardous Materials. In addition, County shall provide Town with copies of all responses to such correspondence at the time of the response.

(c) County hereby indemnifies and holds harmless Town, its successors and assigns from and against any and all losses, liabilities, damages, injuries, penalties, fines, costs, expenses and claims of any and every kind whatsoever (including attorney's fees and costs, expenses or claims asserted or arising under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, from time to time, and regulations promulgated thereunder, any so-called state or local "Superfund" or "Superlien" law, or any other federal, state or local statute, law or ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Materials) paid, incurred or suffered by, or asserted against, Town as a result of any claim, demand or judicial or administrative action by any person or entity (including governmental or private entities) for, with respect to, or as a direct or indirect result of, the presence on or under or the escape, seepage, leakage, spillage, discharge, emission or release from the Premises on any Hazardous Materials caused by County or County's agents, employees, invitees or successors in interest. This indemnity shall also apply to any release of Hazardous Materials caused by a fire or other casualty to the premises if such Hazardous Materials were stored on the Premises by County, its agents, employees, invitees or successors in interest.

(d) If County fails to comply with the covenants to be performed hereunder with respect to hazardous materials, or if an environmental protection lien is filed against the premises as a result of the actions of County, its agents, employees or invitees, then the occurrence of any such events shall be considered a default hereunder.

(e) County will give Town prompt notice of any release of Hazardous Materials, reportable or non-reportable, to federal, state or local authorities, of any fire, or any damage occurring on or to the Premises.

(f) County will use and occupy the Premises and conduct its business in such a manner that the Premises are neat, clean, and orderly at all times with all chemicals or Hazardous Materials marked for easy identification and stored according to all codes as outlined above.

(g) The warranties and indemnifies contained in this Paragraph shall survive the termination of this Lease.

....

TIME OF ESSENCE

23. Time is of the essence in this Lease.

ABANDONMENT

24. County shall not abandon the Premises at any time during the Lease term. If County shall abandon the Premises or be dispossessed by process of law, any Personal Property belonging to County and left on the Premises for a period of 30 days shall, at the option of Town, be deemed abandoned, and available to Town to use or sell to offset any rent due or any expenses incurred by removing same and restoring the Premises. This section shall not be construed to prohibit County's temporary cessation of operations on the Premises as long as it complies with all of the other provisions of this Lease.

DEFINITIONS

25. "Town" as used in this Lease shall include the Town of Goldston, its, assigns and successors in title to the Premises. "County" shall include the County of Chatham and its assigns and successors, and if this lease shall be validly assigned or sublet, shall include also County's assignees or sub-lessees as to the Premises covered by such assignment or sublease. "Town", "County", and "Agent" include male and female, singular and plural, corporation, partnership or individual, as may fit the particular parties.

NOTICES

26. All notices required or permitted under this Lease shall be in writing and shall be personally delivered or sent by U.S. certified mail, return receipt requested, postage prepaid. Notices to County shall be delivered or sent to the address shown at the beginning of this Lease, except that upon County taking possession of the Premises, then the Premises shall be County's address for such purposes. Notices to Town shall be delivered or sent to the address shown at the beginning of this Lease.

All notices shall be effective upon delivery. Either Party may change its notice address upon written notice to the other Party, given as provided herein.

ENTIRE AGREEMENT

27. This Lease contains the entire agreement of the Parties hereto, and no representations, inducements, promises or agreements, oral or otherwise, between the parties, not embodied herein shall be of any force or effect. This Lease may not be modified except by a writing duly executed by all the Parties hereto.

AUTHORIZED LEASE EXECUTION

28. Each individual executing this Lease represents and warrants that she or he is duly authorized to execute and deliver this Lease on behalf of the Parties.

SPECIAL STIPULATIONS

29. Any special stipulations are set forth in the attached Exhibit A. Insofar as said Special Stipulations conflict with any of the foregoing provisions, said Special Stipulations shall control.

MEMORANDUM OF LEASE

30. Upon request by either Town or County, the Parties hereto shall execute a short form lease (Memorandum of Lease) in recordable form, setting forth such provisions hereof (other than the amount of Rent and other sums due) as either party may wish to incorporate. The cost of recording such Memorandum of Lease shall be borne by the Party requesting execution of same.

IN WITNESS WHEREOF, the Parties hereto have caused this Lease to be signed by their respective duly authorized officers, the day and year first above written.

TOWN OF GOLDSTON

By: _____
Mayor

ATTEST:

Clerk

COUNTY OF CHATHAM

By: _____
Chair, Chatham County Board of Comm

ATTEST:

Clerk, Chatham County Board of Commissioners