

**NORTH CAROLINA**

**LEASE AGREEMENT**

**CHATHAM COUNTY**

**THIS LEASE AGREEMENT** (this “Lease”), made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2025, by and between Chatham County, a body corporate and politic of the State of North Carolina (hereinafter “Landlord”) and Love Chatham, Inc., a North Carolina nonprofit corporation having its principal place of business in Chatham County, North Carolina (hereinafter “Tenant”);

**WITNESSETH:**

**WHEREAS**, Tenant has requested that Landlord lease to Tenant all of that certain real property including improvements more particularly described on **Appendix 1** attached hereto (the “Property”) so that Tenant may use the same as transitional housing for low- and moderate-income persons (the “Purpose of this Lease”); and

**WHEREAS**, Landlord has authority to appropriate funds and lease property to any person, firm, or corporation to carry out any public purpose Landlord itself is authorized to engage in; and

**WHEREAS**, Landlord, is authorized by law to undertake, sponsor, organize, engage in, and support other social service programs intended to further the health, welfare, education, employment, safety, comfort, and convenience of the citizens of Chatham County; and

**WHEREAS**, Landlord has agreed to lease the Property to be used by Tenant for transitional housing for low- and moderate-income persons and has determined that the agreement of Tenant to use such space for the Purpose of this Lease is sufficient consideration, together with the rent hereinafter stated, for this Lease;

**NOW, THEREFORE**, in consideration of the foregoing and the mutual agreements herein set forth, the parties agree as follows:

1. **LEASE OF PREMISES.** Landlord hereby leases to Tenant, and Tenant leases from Landlord, the Property located at 57 Camp Drive, Pittsboro, NC 27312, along with all improvements, personal property and appurtenances pertaining to the Property and the improvements thereon (collectively referred to as the “Premises”), to be occupied and used upon the terms and conditions herein set forth.
2. **ACCEPTANCE OF PREMISES BY TENANT.** Tenant has examined and inspected the Premises and found the same to be in all respects suitable for Tenant’s use. BY THE EXECUTION OF THIS LEASE, TENANT SHALL BE DEEMED TO HAVE ACCEPTED THE PREMISES IN AS-IS CONDITION (AS OF THE COMMENCEMENT DATE) AND ACKNOWLEDGES THAT LANDLORD HAS MADE NO REPRESENTATIONS OR WARRANTIES (EXPRESS OR IMPLIED, OR OTHERWISE) WITH RESPECT THERETO, INCLUDING, WITHOUT LIMITATION, A WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR

PURPOSE, ALL OF WHICH WARRANTIES ARE EXPRESSLY DISCLAIMED BY LANDLORD.

3. USE AND OCCUPANCY. Tenant shall be entitled to use the Premises for any lawful purpose in furtherance of the Purpose of this Lease. Tenant agrees that no unlawful use of the Premises will be made.
4. TERM. The term of this Lease shall commence on the 1st day of \_\_\_\_\_, 2025 (the Commencement Date”) and shall exist and continue for a term of three (3) years until the \_\_\_\_\_ day of \_\_\_\_\_, 2028, unless terminated as hereinafter provided. The term of this Lease may be extended for an additional term of twelve (12) months at a rent and other terms and conditions to be mutually agreed upon by Landlord and Tenant.
5. RENT. Tenant shall pay Landlord an annual rent of \$ \_\_\_\_\_, payable in monthly installments of \$ \_\_\_\_\_, due and payable on or before the first day of each month. All payments made later than the tenth (10th) day of each month during the Term shall be subject to a five percent (5%) late fee. The payment of rent for any fractional calendar month shall be prorated accordingly.
6. UTILITY EXPENSES. Tenant shall contract in its own name and pay for all utilities and other services furnished to the Premises, or needed by Tenant.
7. IMPROVEMENTS, REPAIRS, ADDITIONS, REPLACEMENTS.
  - a. Tenant shall not make any additions or improvements to the Premises without the prior written consent of Landlord, which may be withheld in Landlord’s sole and absolute discretion. Any alteration, addition, improvement or change conducted by Tenant shall be done in a good and workmanlike manner and in compliance with the applicable building and zoning laws. Upon the expiration or earlier termination of this Lease, Tenant shall have no obligation to alter, restore or remove any improvements that Tenant made to the Premises during the Term. All machinery, fixtures, trade fixtures, furniture, equipment (including without limitation all machinery and equipment which may be attached to the floor of the Premises), and other personal property installed or placed in the Premises at Tenant’s expense, regardless of the manner of attachment to the Premises or the improvements thereon, shall be and remain personal property and the property of Tenant, removable by it at its option at the expiration or earlier termination of this Lease. Tenant shall, however, repair any damage caused by said removal.
  - b. Tenant shall at all times during the term of this Lease, and at its own cost and expense, keep and maintain in good condition and repair the Premises and shall exercise reasonable care to prevent waste, damage or injury to the same.
  - c. Tenant will not cause or permit any hazardous or toxic substance to be brought upon, kept or used in or about the Premises, whether by the Tenant, its agents, employees, contractor, or invitees, unless same will be used, kept and stored in a

manner that complies with federal and state laws regulating any such hazardous or toxic substance so brought upon or used or kept in or about the Premises. If a violation of the foregoing occurs, the Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines and losses (including, without limitation, diminution in value of the Premises, and attorney's fees). Indemnification of the Landlord by the Tenant shall include but not be limited to any cost incurred in connection with site investigation, clean-up, remedial, removal or restoration work required by any federal, state or local government agency as a result of contamination by the Tenant, a sublessee, its agents, employees, contractors or invitees.

As used herein, the term "toxic or hazardous substances" means any toxic or hazardous substance, material or waste which is or becomes regulated by any local government authority, the State of North Carolina, or the United States Government, including but not limited to such materials and substances as are regulated under the Comprehensive Environmental Response Compensation and Liability Act 42 U.S.C. 9601 et seq. and as regulated under the North Carolina Oil Pollution and Hazardous Substances Control Act.

- d. On the expiration or sooner termination of this Lease, Tenant shall quit and surrender the Premises, remove all Tenant owned property, if any, and return the same to Landlord in the same or better condition that existed on the date hereof, ordinary wear and tear excepted.
8. REQUIREMENTS OF PUBLIC AUTHORITY. Tenant shall, at its own cost and expense, promptly observe and comply with all laws, ordinances, requirements, orders, directives, rules, and regulations of any governmental authority affecting the Premises or any part thereof, whether the same are in effect at the commencement of the term of this Lease or may in the future be passed, enacted or directed. Tenant shall pay all fines, penalties, and fees levied upon or suffered by Landlord, which arise out of or occur from the failure of the Tenant to comply with the covenants of this Section.
9. COVENANT AGAINST LIENS. If, because of any act, or omission of Tenant, any mechanic's or other lien, charge or order for the payment of money shall be filed against Landlord or any portion of the Premises, Tenant shall, at its own cost and expense, cause the same to be discharged of record or bonded within thirty (30) days after written notice from Landlord to Tenant of the filing thereof, and Tenant shall indemnify and save harmless Landlord against all costs, liabilities, claims, and demands resulting therefrom.
10. ACCESS TO PREMISES. Landlord or Landlord's agent shall have the right, but not the obligation, to enter upon the Premises at any reasonable times to inspect and examine the same.
11. ASSIGNMENT AND SUBLETTING. Tenant may not assign, or sublet, either in whole or in part, mortgage or otherwise encumber this Lease or its interest herein without Landlord's prior written consent, which may be withheld in Landlord's sole and absolute discretion.

In the event Landlord consents to an assignment or sublease, Landlord, as a condition to its consent, may require the assignee or sublessee to assume the liabilities set forth herein and pays an assumption fee and all other expenses, including attorney fees, incurred by Landlord.

12. SIGNS. Subject to the prior written approval of Landlord, which may be withheld in Landlord's sole and absolute discretion, Tenant shall have the right to install, maintain and replace signs upon the Premises, provided the same comply with all sign ordinances and any conditions stated by Landlord in writing and delivered to Tenant, as the same may be changed or modified from time to time. All costs of the signs, including permits, will be paid by Tenant, and such signs placed upon the Premises will be removed by Tenant at its cost at the expiration or earlier termination of this Lease.
13. INDEMNITY. Tenant shall indemnify, defend and save harmless Landlord from and against any and all claims, costs, expenses (including, without limitation, reasonable attorney fees and the cost of investigations and experts), damage, penalty or judgment arising from injury to persons or property sustained on and about the Premises. Tenant shall at its own cost and expense defend any and all suits or actions, including appeals, which may be brought against Landlord or in which Landlord may be impleaded with others upon any such aforementioned matter or claim except suits or actions which arise or occur solely as a result of the acts of Landlord, its officers, agents or employees.
14. INSURANCE.
  - a. Tenant shall and keep in full force and effect during the term of this Lease comprehensive general liability insurance with an insurance company or companies licensed to do business in the State of North Carolina and approved by Landlord in an amount of not less than Five Hundred Thousand Dollars (\$500,000.00) with respect to injury or death to any one person, Five Hundred Thousand Dollars (\$500,000.00) with respect to injury or death to more than one person in any one accident or occurrence, and Fifty Thousand Dollars (\$50,000.00) with respect to damages to property. Such policy or policies shall include Landlord as an additional insured party.
  - b. Tenant shall and keep in full force and effect during the term of this Lease Property insurance covering any peril generally included in the classification "special form" (including without limitation damage by fire, windstorm, flooding, and earthquake) covering all building and other real property improvements now or in the future located on the Premises in an amount not less than 100% of their full replacement cost.
  - c. All such insurance carried by Tenant shall name Landlord as an additional insured and shall provide that the same cannot be modified or canceled without thirty (30) days written notice to both parties, and shall waive any right of subrogation against Landlord or Tenant. Tenant shall furnish proof of all such insurance and the renewal of the same.

15. QUIET ENJOYMENT. Tenant, upon paying the rent and all other sums and charges required by it to be paid as herein provided, and observing and keeping all covenants, warranties, agreements, and conditions of this Lease on its part to be kept, shall quietly have and enjoy the Premises during the term hereof without any hindrance or molestation by anyone claiming under, by, or through Landlord.
16. DEFAULT OF TENANT. If Tenant shall (i) fail to pay any installment of rent due herein; (ii) cease to exist as a non-profit for any reason (including but not limited to for reasons related to the filing of a voluntary or involuntary petition for bankruptcy, filing of a receivership action, administrative dissolution, or any other similar administrative or judicial proceeding); or (iii) fail to keep and perform any covenant or obligation of this Lease, specifically including the Purpose of this Lease, and shall continue in such default for a period of thirty (30) days with respect to any default after Landlord has given Tenant written notice of such default and demand of performance, then Landlord may:
- a. Enter into the Premises or any part thereof and expel Tenant or any person occupying the same in order to repossess and enjoy said Premises as in Landlord's former estate, and hold Tenant responsible for the cost of performing any covenant or obligation hereunder not performed by Tenant;
  - b. Exercise its rights under subparagraph (a) above and re-let the Premises, applying the rent collected from the new Tenant toward the cost of performing Tenant's obligations and covenants;
  - c. Terminate this Lease; or
  - d. In addition to the foregoing, Landlord may pursue the rights and remedies accorded to it under applicable law or Landlord may do nothing and shall not waive any of its rights and remedies by such inaction. Upon default, Tenant hereby expressly waives notice to quit possession and such other formalities or conditions as may be required by law.
17. WAIVERS. Failure of Landlord to complain of any act or omission on the part of Tenant no matter how long the same shall continue shall not be deemed to be a waiver by Landlord of any of its rights hereunder. No waiver by Landlord at any time, express or implied, of any breach of any provision of this Lease shall be deemed a waiver of a breach of any other provision of this Lease or a consent to any subsequent breach of the same or any other provision.
18. NOTICES. Every notice, approval, consent or other communication authorized or required by this Lease shall not be effective unless same shall be in writing and either personally delivered or sent postage prepaid by United States registered or certified mail, return receipt requested, directed to the other party at its address shown as follows:

To the Landlord:

To the Tenant:

Chatham County Manager  
Chatham County  
Post Office Box 1809  
Pittsboro, North Carolina 27312

Dakota Philbrick, Executive Director  
Love Chatham, Inc.  
421 N Holly Ave.  
Siler City, North Carolina 27344

The parties shall be responsible for notifying each other of any change of address.

19. PARTIAL INVALIDITY. If any term, covenant, condition or provision of this Lease or the application thereof at any time to any extent be invalid or unenforceable, the remainder of this Lease or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each term, covenant, condition, and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.
20. EMINENT DOMAIN. If the whole or any part of the Premises shall be acquired or condemned by eminent domain or like power for any public or quasi-public use or purpose which renders the Premises unusable by Tenant then this Lease shall terminate effective on the date possession thereof shall be taken. Such termination, however, shall be without prejudice to the right of either Landlord or Tenant to recover compensation and damages caused by the taking from the condemner. Neither party shall have any rights in any award made to the other party by any condemnation authority.
21. ENTIRE AGREEMENT. No oral statement or prior written matter shall have any force or effect. Tenant agrees that it is not relying on any representation or agreement other than those contained in this Lease.

This Lease with Appendix 1 attached hereto contains all the agreements and conditions made between the parties hereto and may not be modified orally or in any other manner than in writing signed by the parties hereto or their respective successor.

**IN WITNESS WHEREOF**, the Landlord and Tenant have set their hands and seals this the day and year first above written.

**SIGNATURES AND ACKNOWLEDGEMENTS TO FOLLOW**

LANDLORD:  
CHATHAM COUNTY

By: \_\_\_\_\_

Bryan Thompson, County Manager

ATTEST:

By: \_\_\_\_\_  
Jennifer K. Johnson, Clerk Chatham  
County Board of Commissioners

TENANT:  
LOVE CHATHAM

By: \_\_\_\_\_  
Dakota Philbrick, Executive Director

ATTEST:

By: \_\_\_\_\_  
Secretary

NORTH CAROLINA  
COUNTY OF \_\_\_\_\_

I \_\_\_\_\_, a Notary Public of the County and State aforesaid, do hereby certify that Bryan Thompson personally appeared before me this day and acknowledged that he is the County Manager of Chatham County, North Carolina, and he as County Manager, being authorized to do so, executed the foregoing instrument on behalf of the said County.

Witness my hand and official seal this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Notary Public in and for the State of North Carolina

SEAL

\_\_\_\_\_  
Printed Name

My Commission Expires: \_\_\_\_\_

NORTH CAROLINA  
COUNTY OF \_\_\_\_\_

I \_\_\_\_\_, a Notary Public of the County and State aforesaid, do hereby certify that Dakota Philbrick personally appeared before me this day and acknowledged that she is the Executive Director of Love Chatham, and Executive Director, being authorized to do so, executed the foregoing instrument on behalf of Love Chatham, Inc.

Witness my hand and official seal this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Notary Public in and for the State of North Carolina

SEAL

\_\_\_\_\_  
Printed Name

My Commission Expires: \_\_\_\_\_



### **Appendix 1**

BEGINNING at an iron stake at an agreed and established corner in the property of Dr. Horton Camp and wife, Clara A. Camp and running thence North 5° and 56 minutes East, a new line, 251' to Ernest Brewer line; thence with Ernest Brewer line South 67° and .07 minutes East 108' to an iron stake in Brewer line; thence South 5° and 56 minutes West 233' to stake in Dr. Horton Camp lands, an agreed corner; thence North 76° and 17 minutes West 72' to stake, this being 30' from the starting point; thence South 5° and 56 minutes West almost 100' to a stake in the line of Chatham County property; thence North 88° and 56 minutes west with the line of Chatham county a distance of 30' to stake; thence North 5° and 56 minutes East 100' to the point of beginning.

The same consisting of a house and lot indicated on map and survey made of Dr. Horton Camp property by F.M. Carlisle, C.E. on March 29th 1948, and indicated on said map as Frank Lasater lot and also a strip of land just south of said lot 30' wide and 100' long to be used as a driveway or outlet. The parties of the first part retaining a right to use said strip as an entrance or driveway to other lands now owned by the parties of the first part.

The above being a portion of the lands that was conveyed to Dr. Horton Camp and wife, by H.J. Hoover and wife, which deed is recorded in the office of the Register of deeds for Chatham County in Book H.R. at Page 143.