

REQUEST FOR BOARD ACTION

**HENDERSON COUNTY
BOARD OF COMMISSIONERS**

MEETING DATE: July 17, 2024

SUBJECT: Purchase Contract – Property Acquisition

PRESENTER: Christopher Todd, Assistant County Manager

ATTACHMENTS: Draft Agreement for Purchase

SUMMARY OF REQUEST:

Attached is a draft agreement for purchase, under which the County would acquire +/- .77 acres located at 285 E. Allen Street & 101 S. Grove Street in Hendersonville, at a cost of \$2,477,310.

Also included in the agreement are the terms of a lease agreement with the seller, Barrister Properties, to commence on the date of closing.

BOARD ACTION REQUESTED:

The Board is requested to approve the agreement and lease terms.

Suggested Motion:

I move that the Board approve the agreement for the purchase of the property and lease terms, as indicated in the agreement.



REALTOR® North Carolina Association
of REALTORS®

**AGREEMENT FOR PURCHASE AND SALE
OF IMPROVED REAL PROPERTY**

THIS AGREEMENT, including any and all addenda attached hereto ("Agreement"), is by and between

a(n) Henderson County,

("Buyer"), and
(individual or State of formation and type of entity)

a(n) Barrister Properties,

("Seller").
(individual or State of formation and type of entity)

(NOTE: If the Buyer or Seller is an entity, in order to form a binding agreement and complete a transaction, the entities listed as Buyer or Seller in this Agreement should be validly formed and in good standing with the Secretary of State in the State of formation of the entity.)

FOR AND IN CONSIDERATION OF THE MUTUAL PROMISES SET FORTH HEREIN AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE PARTIES HERETO AGREE AS FOLLOWS:

Section 1. Terms and Definitions: The terms listed below shall have the respective meaning given them as set forth adjacent to each term.

(a) "**Property**": (Address) 285 E Allen Street & 101 S Grove St
PIN #: 956877059 & 9568876293

Plat Reference: Lot(s) n/a, Block or Section n/a, as shown on Plat Book or Slide
n/a at Page(s) n/a, Henderson County, consisting of +/- .77 acres.

If this box is checked, "Property" shall mean that property described on Exhibit A attached hereto and incorporated herewith by reference,


(For information purposes: (i) the tax parcel number of the Property is: PIN #: 956877059 & 9568876293 ;
and, (ii) some or all of the Property, consisting of approximately +/- .77 acres, is described in Deed Book
n/a, Page No. n/a, Henderson County.)

together with all buildings and improvements thereon and all fixtures and appurtenances thereto and all personal property, if any, itemized on Exhibit A.

\$ 2,477,310.00 (b) "**Purchase Price**" shall mean the sum of Two Million, Four Hundred Seventy-Seven
Thousand, Three Hundred Ten Dollars,
payable on the following terms:

\$ 10,000.00 (i) "**Earnest Money**" shall mean Ten Thousand Dollars
or terms as follows: n/a

The Earnest Money shall be deposited in escrow with
The Collie Law Firm Trust Account (name of person/entity with whom
deposited- "Escrow Agent") within five (5) calendar days of the Contract Date, to be applied as part
payment of the Purchase Price of the Property at Closing, or disbursed as agreed upon under the provisions
of Section 10 herein. Should Buyer fail to deliver the Earnest Money by the date required hereunder, or
should any check or other funds paid by Buyer be dishonored, for any reason, by the institution upon which

 This form jointly approved by:
North Carolina Bar Association's Real Property Section
REALTOR® North Carolina Association of REALTORS®, Inc.

STANDARD FORM 580-T
Revised 7/2023
© 7/2023

Buyer Initials _____ Seller Initials _____

the payment is drawn, Buyer shall have one (1) banking day after written notice of such dishonor to deliver cash, official bank check, wire transfer or electronic transfer to the Escrow Agent. If Buyer fails to deliver the required funds within one (1) banking day after written notice, then Seller may terminate this Agreement by written notice to Buyer at any time thereafter, provided Seller has not then received acknowledgement by Escrow Agent of its receipt of funds from Buyer. If the Escrow Agent has not delivered to the Seller the acknowledgement of Earnest Money on the last page of this Agreement by the calendar day following the date the Earnest Money is required to be delivered hereunder, it shall be presumed that the Earnest Money was not delivered by the required time (unless, upon the written request of Seller, Escrow Agent can provide proof of its receipt of the Earnest Money by the required time). Buyer and Seller consent to the disclosure by the Escrow Agent, to the parties to this Agreement, the Broker(s) and any Buyer lender, of any material facts pertaining to the Earnest Money.

ANY EARNEST MONEY DEPOSITED BY BUYER IN A TRUST ACCOUNT MAY BE PLACED IN AN INTEREST BEARING TRUST ACCOUNT, AND: (check only ONE box)

ANY INTEREST EARNED THEREON SHALL BE APPLIED AS PART PAYMENT OF THE PURCHASE PRICE OF THE PROPERTY AT CLOSING, OR DISBURSED AS AGREED UPON UNDER THE PROVISIONS OF SECTION 10 HEREIN. (Buyer's Taxpayer Identification Number is: n/a)

ANY INTEREST EARNED THEREON SHALL BELONG TO THE ACCOUNT HOLDER IN CONSIDERATION OF THE EXPENSES INCURRED BY MAINTAINING SUCH ACCOUNT AND RECORDS ASSOCIATED THEREWITH.

(ii) Delivery of a promissory note secured by a deed of trust, said promissory note in the amount of \$ n/a Dollars

being payable over a term of n/a years, with an amortization period of n/a years, payable in monthly installments of principal, together with accrued interest on the outstanding principal balance at the rate of _____ percent (n/a %) per annum in the amount of \$ n/a , with the first principal payment beginning on the first day of the month next succeeding the date of Closing, or such other terms as may be set forth on Exhibit B. At any time, the promissory note may be prepaid in whole or in part without penalty and without further interest on the amounts prepaid from the date of such prepayment. (NOTE: In the event of Buyer's subsequent default upon a promissory note and deed of trust given hereunder, Seller's remedies may be limited to foreclosure of the Property. If the deed of trust given hereunder is subordinated to senior financing, the material terms of such financing must be set forth on Exhibit B. If such senior financing is subsequently foreclosed, the Seller may have no remedy to recover under the note.)

(iii) Cash, balance of Purchase Price, at Closing in the amount of Two Million, Four Hundred Sixty-Seven Thousand, Three Hundred Ten Dollars.
\$ 2,467,310.00

Buyer, at Buyer's expense, shall be entitled to pursue qualification for and approval of any loan Buyer intends to obtain in connection with the transaction contemplated by this Agreement. (Note: Buyer's obligations under this Agreement are not conditioned upon obtaining or closing any loan. Therefore, Buyer is advised to consult with Buyer's lender prior to signing this offer to assure that the Examination Period allows sufficient time for Buyer's lender to provide Buyer sufficient information to decide whether to proceed with or terminate the transaction.)

(c) "Closing" shall mean the date of completion of the process detailed in Section 11 of this Agreement. Closing shall occur on or before August 5, 2024 or n/a

(d) "Contract Date" means the date this Agreement has been fully executed by both Buyer and Seller.

(e) "Examination Period" shall mean the period beginning on the first day after the Contract Date and extending through 5:00pm (based upon time at the locale of the Property) on

n/a

TIME IS OF THE ESSENCE AS TO THE EXAMINATION PERIOD.

(f) **"Broker(s)"** shall mean:

Whitney Commerical Real Estate, LLC ("Listing Agency"),
Andrew Riddle ("Listing Agent" - License # 297804)
 Acting as: Seller's Agent; Dual Agent
 and n/a ("Selling Agency"),
n/a ("Selling Agent" - License # n/a)
 Acting as: Buyer's Agent; Seller's (Sub) Agent; Dual Agent

(g) **"Seller's Notice Address"** shall be as follows:

285 E Allen Street Hendersonville NC

e-mail address: _____ fax number: _____
except as same may be changed pursuant to Section 12.

(h) **"Buyer's Notice Address"** shall be as follows:

100 N King St Hendersonville NC 28792

e-mail address: _____ fax number: _____
except as same may be changed pursuant to Section 12.

- (i) If this block is marked, additional terms of this Agreement are set forth on Exhibit B attached hereto and incorporated herein by reference. (Note: Under North Carolina law, real estate agents are not permitted to draft conditions or contingencies to this Agreement.)
- (j) If this block is marked, additional terms of this Agreement are set forth on the Additional Provisions Addendum (Form 581-T) attached hereto and incorporated herein by reference.
- (k) If this block is marked, additional terms of this Agreement are set forth on the Back Up Agreement Addendum (Form 581A-T) attached hereto and incorporated herein by reference.

Section 2. Sale of Property and Payment of Purchase Price: Seller agrees to sell and Buyer agrees to buy the Property for the Purchase Price.

Section 3. Proration of Expenses and Payment of Costs: Seller and Buyer agree that all property taxes (on a calendar year basis), leases, rents, mortgage payments and utilities or any other assumed liabilities as detailed on attached Exhibit B, and/or Exhibit C, as applicable, if any, shall be prorated as of the date of Closing. Seller shall pay for preparation of a deed and all other documents necessary to perform Seller's obligations under this Agreement, excise tax (revenue stamps), any deferred or rollback taxes, and other conveyance fees or taxes required by law, any fees required for confirming Seller's account payment information on owners' association dues or assessments for payment or proration; any fees imposed by an owners' association and/or a management company as agent of the owners' association in connection with the transaction contemplated by this Agreement other than those fees required to be paid by Buyer in this Section 3 below, and the following:

n/a

Buyer shall pay recording costs, costs of any title search, title insurance, survey, the cost of any inspections or investigations undertaken by Buyer under this Agreement, charges required by an owners' association declaration to be paid by Buyer for Buyer's future use and enjoyment of the Property, including, without limitation, working capital contributions, membership fees, or charges for Buyer's use of the common elements and/or services provided to Buyer, any costs or charges for determining restrictive covenant

compliance, and the following:

Each party shall pay its own attorney's fees.

Section 4. Deliveries: Seller agrees to use best efforts to deliver to Buyer, as soon as reasonably possible after the Contract Date, copies of all material information relevant to the Property in the possession of Seller, including but not limited to: title insurance policies (and copies of any documents referenced therein), surveys, soil test reports, environmental surveys or reports, site plans, civil drawings, building plans, maintenance records and copies of all presently effective warranties or service contracts related to the Property. Seller authorizes (1) any attorney presently or previously representing Seller to release and disclose any title insurance policy in such attorney's file to Buyer and both Buyer's and Seller's agents and attorneys; and (2) the Property's title insurer or its agent to release and disclose all materials in the Property's title insurer's (or title insurer's agent's) file to Buyer and both Buyer's and Seller's agents and attorneys. If Buyer does not consummate the Closing for any reason other than Seller default, then Buyer shall return to Seller all hard copy materials delivered by Seller to Buyer pursuant to this Section 4 (or Section 7, if applicable), if any, and shall, upon Seller's request, following release of the Earnest Money, provide to Seller copies of (subject to the ownership and copyright interests of the preparer thereof) any and all studies, reports, surveys and other information relating directly to the Property prepared by or at the request of Buyer, its employees and agents, without any warranty or representation by Buyer as to the contents, accuracy or correctness thereof. Notwithstanding the above provisions regarding delivery and return of information and documentation, should there exist a separate non-disclosure, confidentiality, or similar agreement between Buyer and Seller, the terms of which conflict with this provision insofar as delivery and return of information and documentation, then the terms of such non-disclosure, confidentiality, or similar agreement shall control as to the delivery and return of information and documentation.

Section 5. Evidence of Title: Seller agrees to convey fee simple insurable title to the Property without exception for mechanics' liens, free and clear of all liens, encumbrances and defects of title other than: (a) zoning ordinances affecting the Property, (b) Leases (as defined in Section 7, if applicable) and (c) specific instruments on the public record at the Contract Date agreed to by Buyer (not objected to by Buyer prior to the end of the Examination Period), which specific instruments shall be enumerated in the deed referenced in Section 11 (items 5(a), 5(b) and 5(c) being collectively "Permitted Exceptions"); provided that Seller shall be required to satisfy, at or prior to Closing, any encumbrances that may be satisfied by the payment of a fixed sum of money, such as deeds of trust, mortgages or statutory liens. Seller shall not enter into or record any instrument that affects the Property (or any personal property listed on Exhibit A) after the Contract Date without the prior written consent of Buyer, which consent shall not be unreasonably withheld, conditioned or delayed.

Section 6. Conditions: This Agreement and the rights and obligations of the parties under this Agreement are hereby made expressly conditioned upon fulfillment (or waiver by Buyer, whether explicit or implied) of the following conditions:

(a) **Title Examination:** After the Contract Date, Buyer shall, at Buyer's expense, cause a title examination to be made of the Property before the end of the Examination Period. In the event that such title examination shall show that Seller's title is not fee simple insurable, subject only to Permitted Exceptions, then Buyer shall promptly notify Seller in writing of all such title defects and exceptions, in no case later than the end of the Examination Period, and Seller shall have thirty (30) days to cure said noticed defects. If Seller does not cure the defects or objections within thirty (30) days of notice thereof, then Buyer may terminate this Agreement and receive a return of Earnest Money (notwithstanding that the Examination Period may have expired). If Buyer is to purchase title insurance, the insuring company must be licensed to do business in the state in which the Property is located. Title to the Property must be insurable at regular rates, subject only to standard exceptions and Permitted Exceptions.

(b) **Same Condition:** If the Property is not in substantially the same condition at Closing as of the date of the offer, reasonable wear and tear excepted, then the Buyer may (i) terminate this Agreement and receive a return of the Earnest Money or (ii) proceed to Closing whereupon Buyer shall be entitled to receive, in addition to the Property, any of the Seller's insurance proceeds payable on account of the damage or destruction applicable to the Property.

(c) **Inspections:** Buyer, its agents or representatives, at Buyer's expense and at reasonable times during normal business hours, shall have the right to enter upon the Property for the purpose of inspecting, examining, conducting timber cruises, and surveying the Property; provided, however, that Buyer shall not conduct any invasive testing of any nature without the prior express written approval of Seller as to each specific invasive test intended to be conducted by Buyer. Buyer shall conduct all such on-site inspections, examinations, testing, timber cruises and surveying of the Property in a good and workmanlike manner, at Buyer's expense, shall repair any damage to the Property caused by Buyer's entry and on-site inspections and shall conduct same in a manner that does not unreasonably interfere with Seller's or any tenant's use and enjoyment of the Property. In that respect, Buyer shall make reasonable efforts to undertake on-site inspections outside of the hours Seller's or any tenant's business is open to the public. Buyer

shall provide Seller or any tenant (as applicable) reasonable advance notice of and Buyer shall cause its agents or representatives and third party service providers (e.g. inspectors, surveyors, etc.) to give reasonable advance notice of any entry onto the Property. Buyer shall be obligated to observe and comply with any terms of any tenant lease which conditions access to such tenant's space at the Property. Upon Seller's request, Buyer shall provide to Seller evidence of general liability insurance. Buyer shall also have a right to review and inspect all contracts or other agreements affecting or related directly to the Property and shall be entitled to review such books and records of Seller that relate directly to the operation and maintenance of the Property, provided, however, that Buyer shall not disclose any information regarding this Property (or any tenant therein) unless required by law, and the same shall be regarded as confidential, to any person, except to its attorneys, accountants, lenders and other professional advisors, in which case Buyer shall obtain their agreement to maintain such confidentiality. Buyer assumes all responsibility for the acts of itself and its agents or representatives in exercising its rights under this Section 6(c) and agrees to indemnify and hold Seller harmless from any damages resulting therefrom. This indemnification obligation of Buyer shall survive the Closing or earlier termination of this Agreement. Except as provided in Section 6(b) above, Buyer shall have from the Contract Date through the end of the Examination Period to perform the above inspections, examinations and testing. ~~IF BUYER CHOOSES NOT TO PURCHASE THE PROPERTY, FOR ANY REASON OR NO REASON, AND PROVIDES WRITTEN NOTICE TO SELLER THEREOF PRIOR TO THE EXPIRATION OF THE EXAMINATION PERIOD, THEN THIS AGREEMENT SHALL TERMINATE, AND BUYER SHALL RECEIVE A RETURN OF THE EARNEST MONEY.~~

Section 7. Leases (Check one of the following, as applicable):

If this box is checked, Seller affirmatively represents and warrants that there are no Leases (as hereinafter defined) affecting the Property.

If this box is checked, Seller discloses that there are one or more leases affecting the Property ("Leases") and the following provisions are hereby made a part of this Agreement.

(a) A list of all Leases shall be set forth on **Exhibit C**. Seller represents and warrants that, as of the Contract Date, there are no other Leases, oral or written, recorded or not, nor any subleases affecting the Property, except as set forth on **Exhibit C**. Unless written consent is given by Buyer, Seller will not enter in to any Lease affecting the Property nor terminate any Lease in Exhibit C during the effectiveness of this Agreement. Buyer agrees to take no action which would affect any lease in Exhibit C prior to Closing;

(b) Seller shall deliver copies of any Leases to Buyer pursuant to Section 4 as if the Leases were listed therein;

(c) Seller represents and warrants that as of the Contract Date, there are no current defaults (or any existing situation which, with the passage of time, or the giving of notice, or both, or at the election of either landlord or tenant could constitute a default) either by Seller, as landlord, or by any tenant under any Lease ("Lease Default"). In the event there is any Lease Default as of the Contract Date, Seller agrees to provide Buyer with a detailed description of the situation in accordance with Section 4. Seller agrees not to commit a Lease Default as Landlord after the Contract Date; and agrees further to notify Buyer immediately in the event a Lease Default arises or is claimed, asserted or threatened to be asserted by either Seller or a tenant under the Lease.

(d) In addition to the conditions provided in Section 6 of this Agreement, this Agreement and the rights and obligations of the parties under this Agreement are hereby made expressly conditioned upon the assignment of Seller's interest in any Lease to Buyer in form and content acceptable to Buyer (with tenant's written consent and acknowledgement, if required under the Lease). Seller agrees to deliver an assignment of any Lease at or before Closing, with any security deposits held by Seller under any Leases to be transferred or credited to Buyer at or before Closing. The assignment shall provide: (i) that Seller shall defend, indemnify and hold Buyer harmless from claims, losses, damages and liabilities (including, without limitation, court costs and attorneys' fees) asserted against or incurred by Buyer which are caused by or the result of any default by Seller under any Lease prior to the date of Closing, and (ii) that Buyer shall defend, indemnify and hold Seller harmless from claims, losses, damages and liabilities (including, without limitation, court costs and attorneys' fees) asserted against or incurred by Seller which are caused by or the result of any default by Buyer under any Lease after the date of Closing.

(e) Seller also agrees to work diligently to obtain any tenant signatures on any estoppel certificates in such form as Buyer may reasonably request and to work diligently to obtain any subordination, nondisturbance and attornment agreements in such form as Buyer may reasonably request.

Section 8. Environmental: Seller represents and warrants that it has no actual knowledge of the presence or disposal, except as in accordance with applicable law, within the buildings or on the Property of hazardous or toxic waste or substances, which are defined as those substances, materials, and wastes, including, but not limited to: those substances, materials and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR Part 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302.4) and amendments thereto, or such substances, materials and wastes, which are or become regulated under any applicable local, state or federal law, including, without limitation, any material, waste or substance which is (i) petroleum, (ii) asbestos, (iii) polychlorinated biphenyls, (iv) designated as a Hazardous Substance pursuant to Section 311 of the

Buyer Initials _____ Seller Initials _____

Clean Water Act of 1977 (33 U.S.C. §1321) or listed pursuant to Section 307 of the Clean Water Act of 1977 (33 U.S.C. §1317), (v) defined as a hazardous waste pursuant to Section 1004 of the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §6903) or (vi) defined as a hazardous substance pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. §9601). Seller has no actual knowledge of any contamination of the Property from such substances as may have been disposed of or stored on neighboring tracts.

Section 9. Risk of Loss/Damage/Repair: Until Closing, the risk of loss or damage to the Property, except as otherwise provided herein, shall be borne by Seller. Except as to maintaining the Property in its same condition, Seller shall have no responsibility for the repair of the Property, including any improvements, unless the parties hereto agree in writing.

Section 10. Earnest Money Disbursement: In the event that any condition hereto is not satisfied, then the Earnest Money shall be refunded to Buyer. In the event of breach of this Agreement by Seller, the Earnest Money shall be refunded to Buyer upon Buyer's request, but such return shall not affect any other remedies available to Buyer for such breach. In the event of breach of this Agreement by Buyer, the Earnest Money shall be paid to Seller as liquidated damages and as Seller's sole and exclusive remedy for such breach, but without limiting Seller's rights under Section 6(c) or Section 22 of this Agreement. It is acknowledged by the parties that payment of the Earnest Money to Seller in the event of a breach of this Agreement by Buyer is compensatory and not punitive, such amount being a reasonable estimation of the actual loss that Seller would incur as a result of such breach. The payment of the Earnest Money to Seller shall not constitute a penalty or forfeiture but actual compensation for Seller's anticipated loss, both parties acknowledging the difficulty determining Seller's actual damages for such breach.

NOTE: In the event of a dispute between Seller and Buyer over the disposition of the Earnest Money held in escrow, a licensed real estate broker is required by state law (and Escrow Agent, if not a broker, hereby agrees) to retain the Earnest Money in the Escrow Agent's trust or escrow account until Escrow Agent has obtained a written release from the parties consenting to its disposition or until disbursement is ordered by a court of competent jurisdiction. Alternatively, if a broker or an attorney licensed to practice law in North Carolina is holding the Earnest Money, the broker or attorney may deposit the disputed monies with the appropriate clerk of court in accordance with the provisions of N.C.G.S. §93A- 12.

Seller and Buyer hereby agree and acknowledge that the Escrow Agent assumes no liability in connection with the holding of the Earnest Money pursuant hereto except for negligence or willful misconduct of Escrow Agent. Escrow Agent shall not be responsible for the validity, correctness or genuineness of any document or notice referred to under this Agreement. Seller and Buyer hereby agree to indemnify, protect, save and hold harmless Escrow Agent and its successors, assigns and agents pursuant to this Agreement, from any and all liabilities, obligations, losses, damages, claims, actions, suits, costs or expenses (including attorney fees) of whatsoever kind or nature imposed on, incurred by or asserted against Escrow Agent which in any way relate to or arise out of the execution and delivery of this Agreement and any action taken hereunder; provided, however, that Seller and Buyer shall have no such obligation to indemnify, save and hold harmless Escrow Agent for any liability incurred by, imposed upon or established against it as a result of Escrow Agent's negligence or willful misconduct.

Section 11. Closing: At or before Closing, Seller shall deliver to Buyer a special warranty deed unless otherwise specified on **Exhibit B** and other documents customarily executed or delivered by a seller in similar transactions, including without limitation, a bill of sale for any personal property listed on **Exhibit A**, an owner's affidavit, lien waiver forms (and such other lien related documentation as shall permit the Property to be conveyed free and clear of any claim for mechanics' liens) and a non-foreign status affidavit (pursuant to the Foreign Investment in Real Property Tax Act), and Buyer shall cause to be delivered the funds necessary to pay to Seller the Purchase Price. The Closing shall be conducted by Buyer's attorney or handled in such other manner as the parties hereto may mutually agree in writing. Possession shall be delivered at Closing, unless otherwise agreed herein. The Purchase Price and other funds to be disbursed pursuant to this Agreement shall not be disbursed until the Buyer's attorney's (or other designated settlement agent's) receipt of authorization to disburse all necessary funds.

Section 12. Notices: Unless otherwise provided herein, all notices and other communications which may be or are required to be given or made by any party to the other in connection herewith shall be in writing (which shall include electronic mail) and shall be deemed to have been properly given and received (i) on the date delivered in person or (ii) the date deposited in the United States mail, registered or certified, return receipt requested, to the addresses set out in Section 1(g) as to Seller, and in Section 1(h) as to Buyer, or at such other addresses as specified by written notice delivered in accordance herewith, (iii) at such time as the sender performs the final act to send such transmission, in a form capable of being processed by the receiving party's system, to any electronic mail address or facsimile number, if any, provided in Section 1(g) as to Seller, and in Section 1(h) as to Buyer or (iv) on the date deposited with a recognized overnight delivery service, addressed to the addresses set out in Section 1(g) as to Seller, and in Section 1(h) as to Buyer, or at such other addresses as specified by written notice delivered in accordance herewith. If a notice is sent by more than one method, it will be deemed received upon the earlier of the dates of receipt pursuant to this Section.

Section 13. Counterparts; Entire Agreement: This Agreement may be executed in one or more counterparts, which taken together, shall constitute one and the same original document. Copies of original signature pages of this Agreement may be exchanged via

facsimile or e-mail, and any such copies shall constitute originals. This Agreement constitutes the sole and entire agreement among the parties hereto and no modification of this Agreement shall be binding unless in writing and signed by all parties hereto. The invalidity of one or more provisions of this Agreement shall not affect the validity of any other provisions hereof and this Agreement shall be construed and enforced as if such invalid provisions were not included.

Section 14. Enforceability: This Agreement shall become a contract when signed by both Buyer and Seller and such signing is communicated to both parties; it being expressly agreed that notice given in accordance with Section 12 is not required for effective communication for the purposes of this Section 14. The parties acknowledge and agree that: (i) the initials lines at the bottom of each page of this Agreement are merely evidence of their having reviewed the terms of each page, and (ii) the complete execution of such initials lines shall not be a condition of the effectiveness of this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties, their heirs, successors and assigns and their personal representatives.

Section 15. Adverse Information and Compliance with Laws:

(a) **Seller Knowledge/Assessments:** Seller has no actual knowledge of (i) condemnation(s) affecting or contemplated with respect to the Property; (ii) actions, suits or proceedings pending or threatened against the Property; (iii) changes contemplated in any applicable laws, ordinances or restrictions affecting the Property; or (iv) governmental special assessments, either pending or confirmed, for sidewalk, paving, water, sewer, or other improvements on or adjoining the Property, and no pending or confirmed owners' association special assessments, except as follows (Insert "None" or the identification of any matters relating to (i) through (iv) above, if any):

n/a

Note: For purposes of this Agreement: (i) a "special assessment" is defined as a charge against the Property by a governmental authority in addition to ad valorem taxes and recurring governmental service fees levied with such taxes, or by an owners' association in addition to any regular assessment (dues), either of which may be a lien against the Property; a special assessment may be either pending or confirmed; (ii) a "confirmed" special assessment is defined as an assessment that has been approved by a governmental agency or an owners' association for the purpose(s) stated, whether, at the time of Closing, it is payable in a lump sum or future installments; (iii) a "pending" special assessment is defined as an assessment that is under formal consideration by a governmental agency or an owners' association but which has not been approved prior to Closing. Seller shall pay, in full at Closing, all confirmed governmental or association special assessments, provided that the amount thereof can be reasonably determined or estimated. The payment of such determined or estimated amount shall be the final payment between Buyer and Seller as to any confirmed special assessments. If the amount of any special assessment cannot be reasonably determined or estimated, the special assessment shall be deemed a pending special assessment. Buyer shall take title subject to all pending special assessments disclosed by Seller herein, if any.

(b) **Compliance:** To Seller's actual knowledge, (i) Seller has complied with all applicable laws, ordinances, regulations, statutes, rules and restrictions pertaining to or affecting the Property; (ii) performance of the Agreement will not result in the breach of, constitute any default under or result in the imposition of any lien or encumbrance upon the Property under any agreement or other instrument to which Seller is a party or by which Seller or the Property is bound; and (iii) there are no legal actions, suits or other legal or administrative proceedings pending or threatened against the Property, and Seller is not aware of any facts which might result in any such action, suit or other proceeding.

(c) **Owners' Association:** If the Property is subject to regulation by an owners' association, Seller shall deliver the following information to Buyer pursuant to Section 4 as if the same were listed therein (or Seller shall state that Seller does not have same in their possession or that such item is not applicable): (i) the name of the owners' association; (ii) the amount of regular assessments (dues); (iii) the name, address and telephone number of the president of the owners' association or of the association manager or management company; (iv) the owners' association website address; (v) the Seller's statement of account; (vi) the master insurance policy showing the coverage provided and the deductible amount; (vii) copies of any Declaration and/or Restrictive Covenants; (viii) the Rules and Regulations, (ix) the Articles of Incorporation and Bylaws of the owners' association; (x) the current financial statement and budget of the owners' association; (xi) the parking restrictions and information; and (xii) the architectural guidelines. Seller authorizes and directs any owners' association, any management company of the owners' association, any insurance company and any attorney who has previously represented the Seller to release to Buyer, Buyer's agents, representative, closing attorney or lender true and accurate copies of the foregoing items affecting the Property, including any amendments thereto.

Section 16. Survival of Representations and Warranties: All representations, warranties, covenants and agreements made by the parties hereto shall survive the Closing and delivery of the deed. Seller shall, at or within six (6) months after the Closing, and without further consideration, execute, acknowledge and deliver to Buyer such other documents and instruments, and take such other action as Buyer may reasonably request or as may be necessary to more effectively transfer to Buyer the Property described herein in accordance with this Agreement.

Buyer Initials _____ Seller Initials _____

Section 17. Applicable Law: This Agreement shall be construed under the laws of the state in which the Property is located. This form has only been approved for use in North Carolina.

Section 18. Assignment: This Agreement is freely assignable unless otherwise expressly provided on **Exhibit B**.

Section 19. Tax-Deferred Exchange: In the event Buyer or Seller desires to effect a tax-deferred exchange in connection with the conveyance of the Property, Buyer and Seller agree to cooperate in effecting such exchange; provided, however, that the exchanging party shall be responsible for all additional costs associated with such exchange, and provided further that a non-exchanging party shall not assume any additional liability with respect to such tax-deferred exchange. Seller and Buyer shall execute such additional documents, at no cost to the non-exchanging party, as shall be required to give effect to this provision.

Section 20. Memorandum of Contract: Upon request by either party, the parties hereto shall execute a memorandum of contract in recordable form setting forth such provisions hereof (other than the Purchase Price and other sums due) as either party may wish to incorporate. Such memorandum of contract shall contain a statement that it automatically terminates and the Property is released from any effect thereby as of a specific date to be stated in the memorandum (which specific date shall be no later than the date of Closing). The cost of recording such memorandum of contract shall be borne by the party requesting execution of same.

Section 21. Authority: Each signatory to this Agreement represents and warrants that he or she has full authority to sign this Agreement and such instruments as may be necessary to effectuate any transaction contemplated by this Agreement on behalf of the party for whom he or she signs and that his or her signature binds such party.

Section 22. Brokers: Except as expressly provided herein, Buyer and Seller agree to indemnify and hold each other harmless from any and all claims of brokers, consultants or real estate agents by, through or under the indemnifying party for fees or commissions arising out of the sale of the Property to Buyer. Buyer and Seller represent and warrant to each other that: (i) except as to the Brokers designated under Section 1(f) of this Agreement, they have not employed nor engaged any brokers, consultants or real estate agents to be involved in this transaction and (ii) that the compensation of the Brokers is established by and shall be governed by separate agreements entered into as amongst the Brokers, the Buyer and/or the Seller.

Section 23. Attorneys Fees: If legal proceedings are instituted to enforce any provision of this Agreement, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorneys fees and court costs incurred in connection with the proceeding.

EIFS/SYNTHETIC STUCCO: If the adjacent box is checked, Seller discloses that the Property has been clad previously (either in whole or in part) with an "exterior insulating and finishing system" commonly known as "EIFS" or "synthetic stucco". Seller makes no representations or warranties regarding such system and Buyer is advised to make its own independent determinations with respect to conditions related to or occasioned by the existence of such materials at the Property.

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. AND THE NORTH CAROLINA BAR ASSOCIATION MAKE NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION. IF YOU DO NOT UNDERSTAND THIS FORM OR FEEL THAT IT DOES NOT PROVIDE FOR YOUR LEGAL NEEDS, YOU SHOULD CONSULT A NORTH CAROLINA REAL ESTATE ATTORNEY BEFORE YOU SIGN IT.

BUYER:

Individual

Date: _____

Date: _____

SELLER:

Individual

Date: _____

Date: _____

Buyer Initials _____ Seller Initials _____

Business Entity

Henderson County
(Name of Entity)

By: _____

Name: _____

Title: _____

Date: _____

Business Entity

Barrister Properties
(Name of Entity)

By: _____

Name: _____

Title: _____

Date: _____

WIRE FRAUD WARNING

To Buyers: Before sending any wire, you should call the closing agent's office to verify the instructions. If you receive wiring instructions for a different bank, branch location, account name or account number, they should be presumed fraudulent. Do not send any funds and contact the closing agent's office immediately.

To Sellers: If your proceeds will be wired, it is recommended that you provide wiring instructions at closing in writing in the presence of the closing agent. If you are unable to attend closing, you may be required to send an original notarized directive to the closing agent's office containing the wiring instructions. This directive may be sent with the deed, lien waiver and tax forms if those documents are being prepared for you by the closing agent. At a minimum, you should call the closing agent's office to provide the wire instructions. The wire instructions should be verified over the telephone via a call to you initiated by the closing agent's office to ensure that they are not from a fraudulent source.

Whether you are a buyer or a seller, you should call the closing agent's office at a number that is independently obtained. To ensure that your contact is legitimate, you should not rely on a phone number in an email from the closing agent's office, your real estate agent or anyone else.

The undersigned hereby acknowledges receipt of the Earnest Money set forth herein and agrees to hold said Earnest Money in accordance with the terms hereof.

(Name of Escrow Agent)

Date: _____

By: _____

Escrow Agent's contact/notice information is as follows:

e-mail address: _____ fax number: _____

except as same may be changed pursuant to Section 12.

Exhibit A

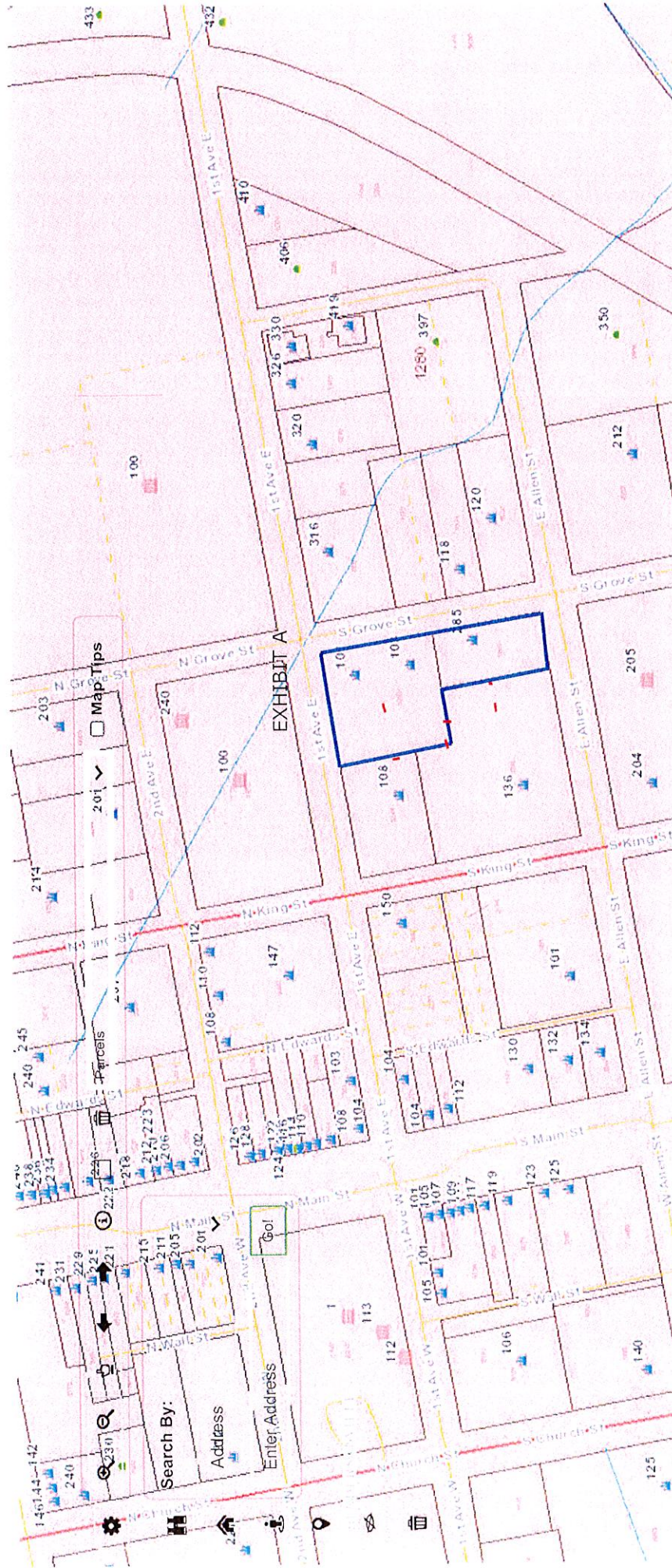


Exhibit B

The parties agree that on the day of closing, they will enter into a lease agreement in which the buyer will be the lessor and the seller will be the lessee. The terms of this lease agreement shall include the following provisions:

1. The buyer shall lease the building that the seller currently occupies (285 East Allen Street first and second floors) to the seller.
2. The lease price shall be 1800 per month due and owing on the 1st of each month.
3. The lessee may sublease the premises to Carr Blackwell and Associates, PC, or any law firm in which a named partner of Barrister Properties practices law for the term of the lease.
4. The lease shall expire, and the lease shall vacate the premises by August 31, 2025.

Exhibit C

STATE OF NORTH CAROLINA

COUNTY OF HENDERSON

LEASE AGREEMENT

Lease made this the 11th day of April, 2022, between BARRISTER PROPERTIES PARTNERSHIP, a North Carolina General Partnership, Post Office Box 608, Hendersonville, NC 28792, herein referred to as Lessor, and HOPE COALITION, CORP, a North Carolina Corporation, 109 Florence Street, Hendersonville, State of North Carolina, 28792 herein referred to as Lessee.

WITNESSETH

WHEREAS, Lessor owns certain real property in Henderson County, said property being described as an office building located on tract described in Deed recorded in Deed Book 854, at Page 29, Henderson County Registry; and

WHEREAS, Lessor desires to lease and Lessee desires to lease the office buildings located thereon at 101 South Grove, Hendersonville, NC 28792 for commercial purposes

NOW, THEREFORE IN CONSIDERATION for the mutual promises and covenants set forth herein the parties agree as follows:

1. Subject to the terms and conditions hereafter expressed, Lessor hereby leases to Lessee, and Lessee hereby rents from Lessor the office building located at 101 South Grove Street, Hendersonville, NC 28792 on that real property described in Deed recorded in Deed Book 854, at Page 29, Henderson County Registry.

2. The term of this lease shall be for (2) two years and shall begin on the 1st day of June, 2022. Lessee and/or Lessor shall have the option of renewing this lease for an additional one (1) year at the expiration of the original term under the same provisions, with the exception of the amount of rent due under the lease, which shall be subject to renegotiations at the end of the original term. It is further agreed that the rent shall not increase by more than 5%

per term. It is further agreed that if Lessee does not intend to renew lease, it shall provide sixty (60) days written notice to the Lessor. Lessor agrees to provide at least six (6) months notice to Lessee if it does not plan to renew the term of this lease. If said notice comes within the last six (6) months of the present lease, said lease will be extended so that Lessee shall be given a minimum of six (6) months notice in order to relocate its office.

3. In consideration for leasing said property, Lessee agrees to pay to Lessor, as rent for property, the sum of ONE THOUSAND SIX HUNDRED FIFTY and NO/100 DOLLARS (\$1,650.00) per month. The rent will be payable in monthly installments as follows:

a. The sum of ONE THOUSAND SIX HUNDRED FIFTY and NO/100 DOLLARS (\$1,650.00) on June 1, 2022 and a like sum on the 1st day of each succeeding month thereafter during the term of this lease. Any payment past due shall bear interest at the rate of eight percent (8%) per annum on amount then due.

b. All payments pursuant hereto shall be made by hand delivery to 285 E. Allen Street, Hendersonville, NC 28792 or by mail to Post Office Box 608, Hendersonville, NC 28793, or such other place as shall be designated by written notice from Lessor to Lessee, unless Lessor shall assign this lease or the right to receive the rentals there under, in which case rentals shall be paid to Lessor's assignee, after written notice of the assignment has been given to Lessee by Lessor.

4. Lessor acknowledges that Lessee has previously deposited with Lessor, as a security deposit, the sum of FIVE HUNDRED DOLLARS (\$500.00), and the parties agree that said deposit shall be security for performance of Lessee's obligations hereunder. Said sum may, at Lessor's option, be applied to satisfy any such obligation which may be in default without excusing Lessee from performance of any such obligation.

On the expiration or earlier termination of this lease, Lessee shall return the herein described property to Lessor in good repair, ordinary wear and tear resulting from proper use thereof, alone excepted. If the damage to said property exceeds the security deposit, then Lessee

shall be responsible for said damage. If the damage is less than said security deposit, and no other terms of this lease applies to cause a forfeiture of said deposit, same shall be returned to Lessee.

Any portion of said sum, which has not been so applied by Lessor, will be returned to Lessee at the termination of this lease.

5. The property herein leased consists of an office building located at 101 South Grove Street, Hendersonville, North Carolina

6. Lessee shall use said property in a careful and proper manner and shall comply with all laws, ordinances, and regulations relating to the possession, use or maintenance of property. Property shall be used only for commercial purposes.

7. Lessee agrees that it will make no alterations or changes in property without obtaining prior written permission from Lessor. All additions to and improvements of property of any kind shall immediately become property of Lessor and subject to the terms of this lease.

8. Lessee, at its own cost and expense, shall keep property in good repair, condition, and working order. Lessee shall not remove, alter, disfigure, or cover up any numbering, lettering, or insignia displayed on property, and shall see that property is not subjected to careless or needlessly rough usage. Lessor agrees to provide snow removal services for the parking area in the rear of the building at no cost to the Lessee:

9. Lessor agrees to have the water tested at least annually by an approved and authorized company/agent. Lessor agrees to pressure wash the steps, porches and railing as least once a year or as needed and further agrees to paint the porch and steps as needed at no cost to the Lessee.

10. Lessor, upon providing written or oral notice, shall have the right to enter on the premises where property may be located for the purpose of inspecting it or observing its use, so long as said entrance is made during normal business hours, is not disruptive to Lessee's business and is done at a mutually agreeable time.

11. Lessee shall give Lessor immediate notice of any attachment or other judicial process affecting any property leased.

12. Lessee and Lessor shall inspect property within 24 hours after receipt thereof unless Lessee gives written notice within said 24 hour period to Lessor specifying any defect in or other proper objection to property, Lessee and Lessor agrees that it shall be conclusively presumed, as between Lessor and Lessee, that Lessee and Lessor has fully inspected and acknowledged that property is in good condition and repair, and that Lessee and Lessor is satisfied with and has accepted property in such good condition and repair.

13. Lessee hereby assumes all risk of loss of and damage to property that arises as a result of the negligence or actions of Lessee. No loss or damage to property that arises as a result of Lessee's negligence or action will excuse any obligation of Lessee under this lease which will continue in full force and effect. In the event of such loss of or damage to property, Lessee at the option of Lessor shall:

- (a) Place the same in good repair; or
- (b) Replace the same with like property in good repair, which property shall thereupon become subject to this lease; or
- (c) Pay Lessor in cash for the amount of the loss or repair.

14. Lessee shall pay all utility costs of the herein described property, to include but not limited to electric, heating, fuel, water, cleaning and maintenance.

14. Lessor shall pay all license fees, assessments, and sales, use, property, and other taxes now or hereafter imposed on the property by reason of ownership. Lessee shall pay all such taxes and assessments imposed on the property by reason of leasing, renting, sale, possession or use.

15. Lessor shall provide insurance on the buildings at 101 Grove, but said insurance will only insure the building as a rental property. Lessee shall provide insurance for the contents

and personal property located in said premises. Lessee shall also provide insurance for premise liability. Lessee shall have adequate and proper insurance coverage and shall provide written proof of said insurance prior to use. In that regard Lessor will not be liable for any loss, injury, death, or damage to persons or property which at any time may be suffered or sustained by Lessee or any person whosoever may at any time be using or occupying or visiting the demised premises or be in, on, or about any portion of the premises, or shall result from or be caused by any other matter or thing whether of the same kind as or of a different kind that the matters or things above set forth, and Lessee shall indemnify Lessor against all claims, liability, loss or damage. Lessee hereby waives all claims against Lessor for damages to any building or improvements that are now or hereafter placed or built on the premises and to the property of Lessee in, on or about the premises, and for injuries to persons or property in or about the premises, from any cause arising at any time. The two preceding sentences shall not apply to loss, injury, death, or damages arising by reason of the negligence or misconduct of Lessor, its agents, or employees. Likewise, the provisions set forth in this paragraph shall not apply to individuals using said premises at events sponsored or conducted by the Lessor.

16. Lessee shall indemnify Lessor against all claims, actions, proceedings, costs, damages, and liabilities, including attorney's fees, arising out of, connected with, or resulting from use of the property, including without limitation the possession, use and operation of said property.

17. The following events constitute defaults by Lessee of his obligations under this agreement:

- (a) The nonpayment by Lessee for a period of one month of any sum required hereunder to be paid by Lessee.
- (b) The nonperformance by Lessee of any other term, covenant, or condition of this lease which is not cured within ten (10) days after notice thereof from Lessor.

- (c) Any affirmative act of insolvency by Lessee, or the filing by Lessee of any petition under any bankruptcy, reorganization, insolvency, or moratorium law, or any law for the relief of, or relating to, debtors.
- (d) The filing of any involuntary petition under any bankruptcy statute against Lessee, or the appointment of any receiver or trustee to take possession of the property of Lessee, unless such petition or appointment is set aside or withdrawn or ceases to be in effect within ten (10) days of the date of the filing or appointment.
- (e) The subjection of any of Lessee's property to any levy, seizure, assignment, application, or sale for or by any creditor or governmental agency.

18. On the occurrence of any of the events defined herein as constituting defaults,

Lessor may without notice to or demand on Lessee:

Take possession of the property and lease the same or any portion thereof, for such period and such rental, and to such persons, as Lessor shall elect, and apply the proceeds of any such renting, after deducting all costs and expenses incurred in connection with the recovery, repair, storage, and renting of the property, in payment of the rent and other obligations due from Lessee to Lessor hereunder, Lessee remaining responsible for any deficiency.

19. This lease shall be governed by and construed under the laws of North Carolina.

20. The property is and shall at all times remain the sole property of Lessor, and Lessee shall have no right, title, or interest therein except as expressly set forth in this lease.

21. Without the prior written consent of the Lessor, Lessee shall not (a) assign, transfer, pledge or hypothecate this lease, the property or any part thereof or any interest therein, (b) sublet or lend the property or any part thereof or (c) permit the property or any part thereof to be used by anyone other than Lessee or Lessee's employees, except as previously discussed and approved for the sublease of a portion of 101 South Grove Street to Hope Coalition Corp. Lessor may assign its interest or a part thereof, in this lease.

22. The obligations of Lessor and/or Lessee hereunder shall be suspended to the extent that they are hindered or prevented from complying therewith because of acts of God, fires, storms, accidents, governmental regulations, or interferences or any cause whatsoever beyond the control of Lessor and/or Lessee.

23. No delay or omission to exercise any right, power, or remedy accruing to Lessor on any breach or default of Lessee under this lease shall impair any such right, power, or remedy of Lessor, nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent, or approval of any kind or character on the part of Lessor of any breach or default under this lease, or any waiver on the part of Lessor of any provision or condition of this lease, must be in writing and should be effective only to the extent in such writing specifically set forth. All remedies, either under this lease or by law, or otherwise afforded to Lessor, shall be cumulative and not alternative.

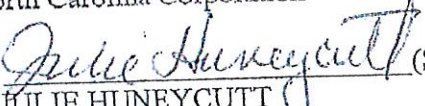
24. Any communications between Lessor and Lessee, payments, and notices provided herein to be given or made, shall be given or made by mailing the same to Lessor at P.O. Box 608, Hendersonville, NC 28793, and to Lessee at 109 Florence Street, Hendersonville, NC 28792, or to such other addresses as either party may in writing hereafter indicate.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on this the day and year first above written.

BARRISTER PROPERTIES PARTNERSHIP,
A North Carolina General Partnership

BY:  (SEAL)
EUGENE M. CARR III, General Partner

HOPE COALITION CORP.
a North Carolina Corporation

BY:  (SEAL)
JULIE HUNEYCUTT

STATE OF NORTH CAROLINA

COUNTY OF HENDERSON

I, Teresa L. Sitton, a Notary Public of said County and State, do hereby certify that Eugene M. Carr III, General Partner of BARRISTER PROPERTIES PARTNERSHIP, A NORTH CAROLINA GENERAL PARTNERSHIP, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and seal, this the 11th day of April, 2022.

My Commission Expires: 3/5/2024

Teresa L. Sitton
Notary Public



STATE OF NORTH CAROLINA

COUNTY OF HENDERSON

I, Teresa L. Sitton, a Notary Public of said County and State, do hereby certify that JULIE HUNEYCUTT for HOPE COALITION CORP., A NORTH CAROLINA CORPORATION, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and seal, this the 11th day of April, 2022.

My Commission Expires: 3/5/2026

Teresa L. Sitton
Notary Public



STATE OF NORTH CAROLINA


SPECIAL ADDENDUM TO LEASE AGREEMENT

COUNTY OF HENDERSON

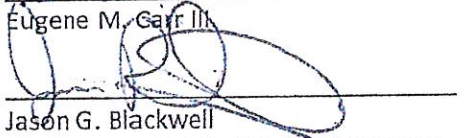
This agreement made by and between the Lessor, BARRISTER PROPERTIES PARTNERSHIP and the Lessee, HOPE COALITION, CORP, this 11th day of April, 2022, wherein the parties agree that in lieu of June, 2022 rent in the sum of \$1,650.00 for 101 S. Grove Street, Hendersonville, NC property, the Lessee will do certain repairs needed to said property as follows:

Pressure wash and paint as needed the steps, porches, and railings.
Repair bathroom wall (issue of cracking and bubbling plaster).
Paint the interior of the building.

Any additional repairs needed will be discussed and agreed upon before work is done.

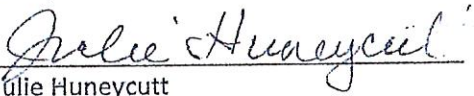


Eugene M. Carr III



Jason G. Blackwell

BARRISTER PROPERTIES PARTNERSHIP



Julie Huneycutt
HOPE COALITION CORP.

STATE OF NORTH CAROLINA

COUNTY OF HENDERSON

LEASE AGREEMENT

Lease made this the 2 day of February 2021, between BARRISTER PROPERTIES PARTNERSHIP, a North Carolina General Partnership, Post Office Box 608, Hendersonville, NC 28792, herein referred to as Lessor, and MEDIATION CENTER, INC. a North Carolina Corporation, 40 N. French Broad Avenue, Suite 8, Asheville, NC, 28801, State of North Carolina, herein referred to as Lessee.

W I T N E S S E T H

WHEREAS, Lessor owns certain real property in Henderson County, said property being described as an office building located on tract described in Deed recorded in Deed Book 854, at Page 29, Henderson County Registry; and

WHEREAS, Lessor desires to lease and Lessee desires to lease the office buildings located thereon at 103 South Grove, Hendersonville, NC 28792 for commercial purposes

NOW, THEREFORE IN CONSIDERATION for the mutual promises and covenants set forth herein the parties agree as follows:

1. Subject to the terms and conditions hereafter expressed, Lessor hereby leases to Lessee, and Lessee hereby rents from Lessor the office buildings located on that real property described in Deed recorded in Deed Book 854, at Page 29, Henderson County Registry.
2. The term of this lease shall be for (2) two years and shall begin on the 1st day of October, 2020. Lessee and/or Lessor shall have the option of renewing this lease for an additional one (1) year at the expiration of the original term under the same provisions, with the exception of the amount of rent due under the lease, which shall be subject to renegotiations at the end of the original term. It is further agreed that the rent shall not increase by more than 5% per term. It is further agreed that if Lessee does not intend to renew lease, it shall provide sixty (60) days written notice to the Lessor. Lessor agrees to provide at least six (6) months notice to Lessee if it does not plan to renew the term of this lease. If said notice comes within the last six

(6) months of the present lease, said lease will be extended so that Lessee shall be given a minimum of six (6) months notice in order to relocate its office.

3. In consideration for leasing said property, Lessee agrees to pay to Lessor, as rent for property, the sum of ONE THOUSAND FIVE HUNDRED and NO/100 DOLLARS (\$1,500.00) per month. The rent will be payable in monthly installments as follows:

a. The sum of ONE THOUSAND FIVE HUNDRED and NO/100 DOLLARS (\$1,500.00) on October 1, 2020 and a like sum on the 1st day of each succeeding month thereafter during the term of this lease. Any payment past due shall bear interest at the rate of eight percent (8%) per annum on amount then due.

b. All payments pursuant hereto shall be made by hand delivery to 285 E. Allen Street, Hendersonville, NC 28792 or by mail to Post Office Box 608, Hendersonville, NC 28793, or such other place as shall be designated by written notice from Lessor to Lessee, unless Lessor shall assign this lease or the right to receive the rentals there under, in which case rentals shall be paid to Lessor's assignee, after written notice of the assignment has been given to Lessee by Lessor.

4. Lessor acknowledges that Lessee has previously deposited with Lessor, as a security deposit, the sum of FIVE HUNDRED FIFTY DOLLARS (\$500.00), and the parties agree that said deposit shall be security for performance of Lessee's obligations hereunder. Said sum may, at Lessor's option, be applied to satisfy any such obligation which may be in default without excusing Lessee from performance of any such obligation.

On the expiration or earlier termination of this lease, Lessee shall return the herein described property to Lessor in good repair, ordinary wear and tear resulting from proper use thereof, alone excepted. If the damage to said property exceeds the security deposit, then Lessee shall be responsible for said damage. If the damage is less than said security deposit, and no other terms of this lease applies to cause a forfeiture of said deposit, same shall be returned to Lessee.

Any portion of said sum, which has not been so applied by Lessor, will be returned to Lessee at the termination of this lease.

5. The property herein leased consists of an office building located at 103 South Grove Street, Hendersonville, North Carolina

6. Lessee shall use said property in a careful and proper manner and shall comply with all laws, ordinances, and regulations relating to the possession, use or maintenance of property. Property shall be used only for commercial purposes.

7. Lessee agrees that it will make no alterations or changes in property without obtaining prior written permission from Lessor. All additions to and improvements of property of any kind shall immediately become property of Lessor and subject to the terms of this lease.

8. Lessee, at its own cost and expense, shall keep property in good repair, condition, and working order. Lessee shall not remove, alter, disfigure, or cover up any numbering, lettering, or insignia displayed on property, and shall see that property is not subjected to careless or needlessly rough usage. Lessor agrees to provide snow removal services for the parking area in the rear of the building at no cost to the Lessee.

9. Lessor agrees to have the water tested at least annually by an approved and authorized business/agent. Lessor agrees to pressure wash the steps, porches and railing as least once a year or as needed and further agrees to paint the porch and steps as needed at no cost to the Lessee.

10. Lessor, upon providing written or oral notice, shall have the right to enter on the premises where property may be located for the purpose of inspecting it or observing its use, so long as said entrance is made during normal business hours, is not disruptive to Lessee's business and is done at a mutually agreeable time.

11. Lessee shall give Lessor immediate notice of any attachment or other judicial process affecting any property leased.

12. Lessee and Lessor shall inspect property within 24 hours after receipt thereof unless Lessee gives written notice within said 24 hour period to Lessor specifying any defect in or other

proper objection to property, Lessee and Lessor agrees that it shall be conclusively presumed, as between Lessor and Lessee, that Lessee and Lessor has fully inspected and acknowledged that property is in good condition and repair, and that Lessee and Lessor is satisfied with and has accepted property in such good condition and repair.

13. Lessee hereby assumes all risk of loss of and damage to property that arises as a result of the negligence or actions of Lessee. No loss or damage to property that arises as a result of Lessee's negligence or action will excuse any obligation of Lessee under this lease which will continue in full force and effect. In the event of such loss of or damage to property, Lessee at the option of Lessor shall:

- (a) Place the same in good repair; or
- (b) Replace the same with like property in good repair, which property shall thereupon become subject to this lease; or
- (c) Pay Lessor in cash for the amount of the loss or repair.

14. Lessee shall pay all utility costs of the herein described property, to include but not limited to electric, heating, fuel, water, cleaning and maintenance.

15. Lessor shall pay all license fees, assessments, and sales, use, property, and other taxes now or hereafter imposed on the property by reason of ownership. Lessee shall pay all such taxes and assessments imposed on the property by reason of leasing, renting, sale, possession or use.

16. Lessor shall provide insurance on the buildings at 101 Grove, but said insurance will only insure the building as a rental property. Lessee shall provide insurance for the contents and personal property located in said premises. Lessee shall also provide insurance for premise liability. Lessee shall have adequate and proper insurance coverage and shall provide written proof of said insurance prior to use. In that regard Lessor will not be liable for any loss, injury, death, or damage to persons or property which at any time may be suffered or sustained by

Lessee or any person whosoever may at any time be using or occupying or visiting the demised premises or be in, on, or about any portion of the premises, or shall result from or be caused by any other matter or thing whether of the same kind as or of a different kind that the matters or things above set forth, and Lessee shall indemnify Lessor against all claims, liability, loss or damage. Lessee hereby waives all claims against Lessor for damages to any building or improvements that are now or hereafter placed or built on the premises and to the property of Lessee in, on or about the premises, and for injuries to persons or property in or about the premises, from any cause arising at any time. The two preceding sentences shall not apply to loss, injury, death, or damages arising by reason of the negligence or misconduct of Lessor, its agents, or employees. Likewise, the provisions set forth in this paragraph shall not apply to individuals using said premises at events sponsored or conducted by the Lessor.

17. Lessee shall indemnify Lessor against all claims, actions, proceedings, costs, damages, and liabilities, including attorney's fees, arising out of, connected with, or resulting from use of the property, including without limitation the possession, use and operation of said property.

18. The following events constitute defaults by Lessee of his obligations under this agreement:

- (a) The nonpayment by Lessee for a period of one month of any sum required hereunder to be paid by Lessee.
- (b) The nonperformance by Lessee of any other term, covenant, or condition of this lease which is not cured within ten (10) days after notice thereof from Lessor.
- (c) Any affirmative act of insolvency by Lessee, or the filing by Lessee of any petition under any bankruptcy, reorganization, insolvency, or moratorium law, or any law for the relief of, or relating to, debtors.

(d) The filing of any involuntary petition under any bankruptcy statute against Lessee, or the appointment of any receiver or trustee to take possession of the property of Lessee, unless such petition or appointment is set aside or withdrawn or ceases to be in effect within ten (10) days of the date of the filing or appointment.

(e) The subjection of any of Lessee's property to any levy, seizure, assignment, application, or sale for or by any creditor or governmental agency.

19. On the occurrence of any of the events defined herein as constituting defaults,

Lessor may without notice to or demand on Lessee:

Take possession of the property and lease the same or any portion thereof, for such period and such rental, and to such persons, as Lessor shall elect, and apply the proceeds of any such renting, after deducting all costs and expenses incurred in connection with the recovery, repair, storage, and renting of the property, in payment of the rent and other obligations due from Lessee to Lessor hereunder, Lessee remaining responsible for any deficiency.

20. This lease shall be governed by and construed under the laws of the State of North Carolina.

21. The property is and shall at all times remain the sole property of Lessor, and Lessee shall have no right, title, or interest therein except as expressly set forth in this lease.

22. Without the prior written consent of the Lessor, Lessee shall not (a) assign, transfer, pledge or hypothecate this lease, the property or any part thereof or any interest therein, (b) sublet or lend the property or any part thereof or (c) permit the property or any part thereof to be used by anyone other than Lessee or Lessee's employees, except as previously discussed and approved for the sublease of a portion of 103 South Grove Street to the Mediation Center. Lessor may assign its interest or a part thereof, in this lease.

23. The obligations of Lessor and/or Lessee hereunder shall be suspended to the extent that they are hindered or prevented from complying therewith because of acts of God, fires, storms, accidents, governmental regulations, or interferences or any cause whatsoever beyond the control of Lessor and/or Lessee.

24. No delay or omission to exercise any right, power, or remedy accruing to Lessor on any breach or default of Lessee under this lease shall impair any such right, power, or remedy of Lessor, nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent, or approval of any kind or character on the part of Lessor of any breach or default under this lease, or any waiver on the part of Lessor of any provision or condition of this lease, must be in writing and should be effective only to the extent in such writing specifically set forth. All remedies, either under this lease or by law, or otherwise afforded to Lessor, shall be cumulative and not alternative.

25. Any communications between Lessor and Lessee, payments, and notices provided herein to be given or made, shall be given or made by mailing the same to Lessor at P.O. Box 608, Hendersonville, NC 28793, and to Lessee at 133 Fifth Avenue West, Hendersonville, NC 28792, or to such other addresses as either party may in writing hereafter indicate.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on this the day and year first above written.

BARRISTER PROPERTIES PARTNERSHIP,
A North Carolina General Partnership

BY:  (SEAL)
EUGENE M. CARR III, General Partner

THE MEDIATION CENTER, INC.,
a North Carolina Corporation

BY:  (SEAL)
LAUREN JEFFORDS, EXEC. DIRECTOR

STATE OF NORTH CAROLINA

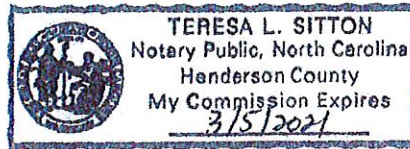
COUNTY OF HENDERSON

I, Teresa L. Sitton, a Notary Public of said County and State, do hereby certify that Eugene M. Carr III, General Partner of BARRISTER PROPERTIES PARTNERSHIP, A NORTH CAROLINA GENERAL PARTNERSHIP, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and seal, this the 18th day of February, 2021

My Commission Expires: 3/5/2021

Teresa L. Sitton
Notary Public



STATE OF NORTH CAROLINA

COUNTY OF HENDERSON

I, Laura Jeffords, a Notary Public of said County and State, do hereby certify that ~~LAURA~~ JEFFORDS, for THE MEDIATION CENTER, INC., A NORTH CAROLINA CORPORATION, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and seal, this the 9 day of February, 20 21.

My Commission Expires: 10.14.25

Christy D. Zeidi
Notary Public





North Carolina Association
of REALTORS®

COMMERCIAL LEASE AGREEMENT
(Single Tenant Facility)

(Note: This form is not intended to be used as a Sublease and SHOULD NOT be used in Sublease circumstances)

THIS COMMERCIAL LEASE AGREEMENT, including any and all addenda attached hereto ("Lease"), is by and between
Henderson County,

a(n) _____ ("Landlord"),
(individual or State of formation and type of entity)

whose address is _____, and

Barrister Properties,
a(n) _____ ("Tenant").

(individual or State of formation and type of entity)

whose address is _____

If this box is checked, the obligations of Tenant under this Lease are secured by the guaranty of _____
_____ (name(s) of guarantor(s)) attached hereto and incorporated herein by reference.

(Note: Attach Guaranty Agreement (Form 595-T) or attorney-drafted guaranty).

For and in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

PREMISES

1. Landlord leases unto Tenant, and Tenant hereby leases and takes upon the terms and conditions which hereinafter appear, the following described property, including any improvements located thereon (herein after called the "Premises"), to wit:

(Address): 285 E Allen Street, Hendersonville, NC 28792

All A portion of the property in Deed Reference: Book n/a, Page No. n/a, Henderson
County; consisting of approximately _____ acres.

Plat Reference: Lot(s) n/a, Block or Section _____, as shown on Plat Book or Slide
_____ at Page(s) _____, Henderson County, consisting of .25 acres.

If this box is checked, Premises shall mean that property described on **Exhibit A** attached hereto and incorporated herewith by reference.

(For information purposes only, the tax parcel number of the Premises is: PIN # 9568-87-7059)

Occupancy Limitation: If this box is checked, notwithstanding any greater occupancy of the Premises which may be permitted by any law, statute, ordinance, regulation, rule (including rules enacted pursuant to any private use restrictions), as the same may be amended from time to time, Tenant shall not allow occupancy of the Premises to exceed _____ persons per _____ square feet in the Premises at any one time.

TERM

2. The term of this Lease shall commence on August 5, 2024 ("Lease Commencement Date"), and shall end at 11:59 p.m. (based upon the time at the locale of the Premises) on August 31, 2025, unless sooner terminated as herein provided. The first Lease Year Anniversary shall be the date twelve (12) calendar months after the first day of the first full month immediately following the Lease Commencement Date and successive Lease Year Anniversaries shall be the date twelve (12) calendar months from the previous Lease Year Anniversary.

If this box is checked, Tenant shall have the option of renewing this Lease, upon written notice given to Landlord at least n/a days prior to the end of the then expiring term of this Lease, for n/a additional term(s) of n/a years each.

Page 1 of 12



North Carolina Association of REALTORS®, Inc.

Tenant Initials _____ Landlord Initials _____



STANDARD FORM 592-T
Revised 7/2023
© 7/2023

If this box is checked, Tenant shall have the option of renewing this Lease, upon written notice given to Landlord at least n/a days prior to the end of the then expiring term of this Lease, for additional term(s) as specified on **Exhibit B**.

Option to Lease- If this box is checked, Tenant, upon the payment of the sum of \$ n/a (which sum is not rental or security deposit hereunder, but is consideration for this Option to Lease and is non-refundable under any circumstances) shall have a period of n/a days prior to the Lease Commencement Date ("Option Period") in which to inspect the Premises and make inquiry regarding such sign regulations, zoning regulations, utility availability, private restrictions or permits or other regulatory requirements as Tenant may deem appropriate to satisfy itself as to the use of the Premises for Tenant's intended purposes. Tenant shall conduct all such on-site inspections, examinations, inquiries and other review of the Premises in a good and workmanlike manner, shall repair any damage to the Premises caused by Tenant's entry and on-site inspections and shall conduct same in a manner that does not unreasonably interfere with Landlord's or any tenant's use and enjoyment of the Premises. In that respect, Tenant shall make reasonable efforts to undertake on-site inspections outside of the hours any tenant's business is open to the public and shall give prior notice to the tenant at the Premises of any entry onto the Premises for the purpose of conducting inspections. Upon Landlord's request, Tenant shall provide to Landlord evidence of general liability insurance. Tenant shall also have a right to review and inspect all contracts or other agreements affecting or related directly to the Premises and shall be entitled to review such books and records of Landlord that relate directly to the operation and maintenance of the Premises, provided, however, that Tenant shall not disclose any information regarding the Premises (or any tenant therein) unless required by law and the same shall be regarded as confidential, to any person, except to its attorneys, accountants, lenders and other professional advisors, in which case Tenant shall obtain their agreement to maintain such confidentiality. Tenant assumes all responsibility for the acts of itself, its agents or representatives in exercising its rights under this Option to Lease and agrees to indemnify and hold Seller harmless from any damages resulting therefrom. This indemnification obligation of Tenant shall survive the termination of this Option to Lease or this Lease. Tenant shall, at Tenant's expense, promptly repair any damage to the Premises caused by Tenant's entry and on-site inspections. **IF TENANT CHOOSES NOT TO LEASE THE PREMISES, FOR ANY REASON OR NO REASON, AND PROVIDES WRITTEN NOTICE TO LANDLORD THEREOF PRIOR TO THE EXPIRATION OF THE OPTION PERIOD, THEN THIS LEASE SHALL TERMINATE AND NEITHER PARTY SHALL HAVE ANY FURTHER OBLIGATIONS HEREUNDER AND LANDLORD SHALL RETURN TO TENANT ANY RENTAL OR SECURITY DEPOSIT PAID TO LANDLORD HEREUNDER.** Tenant shall be deemed to have exercised its Option to Lease and to be bound under the terms of this Lease if (i) Tenant shall occupy the Premises prior to the expiration of the Option Period, whereupon the date of occupancy shall be deemed the Lease Commencement Date, or (ii) Tenant shall not provide written notice to Landlord of its termination of this Lease prior to the expiration of the Option Period. **Tenant reserves right to early terminate Lease Agreement upon 30 days notice in writing**

RENTAL

3. Beginning on August 5, 2024 ("Rent Commencement Date"), Tenant agrees to pay Landlord (or its Agent as directed by Landlord), without notice, demand, deduction or set off, an annual rental of \$ 21,600.00, payable in equal monthly installments of \$ 1,800.00, in advance on the first day of each calendar month during the term hereof. Upon execution of this Lease, Tenant shall pay to Landlord the first monthly installment of rent due hereunder. Rental for any period during the term hereof which is less than one month shall be the pro-rated portion of the monthly installment of rental due, based upon a 30 day month.

If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every n/a Lease Year Anniversary by n/a % over the amount then payable hereunder. In the event renewal of this Lease is provided for in Section 2 hereof and effectively exercised by Tenant, the rental adjustments provided herein shall apply to the term of the Lease so renewed, or

If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every n/a Lease Year Anniversary by the greater of: (i) _____ percent (n/a %) over the amount then payable hereunder, or, (ii) the percentage increase (but not any decrease) in the numerical index of the "Consumer Price Index for All Urban Consumers" (1982-84 = 100) published by the Bureau of Labor Statistics of the United States Department of Labor ("CPI") for the immediately preceding twelve (12) month period over the amount then payable hereunder.

If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every n/a Lease Year Anniversary by \$ n/a over the amount then payable hereunder. In the event renewal of this Lease is provided for in Section 2 hereof and effectively exercised by Tenant, the rental adjustments provided herein shall apply to the term of the Lease so renewed.

If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted as provided on **Exhibit B**.

If this box is checked, Tenant shall pay all rental to Landlord's Agent at the following address:

ACH Bank Draft _____

LATE CHARGES

4. If Landlord fails to receive full rental payment within 5 days after it becomes due, Tenant shall pay Landlord, as additional rental, a late charge equal to Five Point Zero percent 5.000 (%) of the overdue amount or \$ n/a whichever is greater, plus any actual bank fees incurred for dishonored payments. The parties agree that such a late charge represents a fair and reasonable estimate of the cost Landlord will incur by reason of such late payment.

SECURITY DEPOSIT

5. Upon the execution of this Lease, Tenant shall deposit with Landlord the sum of \$ n/a as a security deposit which shall be held by Landlord as security for the full and faithful performance by Tenant of each and every term, covenant and condition of this Lease. The security deposit does not represent payment of and Tenant shall not presume application of same as payment of the last monthly installment of rental due under this Lease. Landlord shall have no obligation to segregate or otherwise account for the security deposit except as provided in this Section 5. If any of the rental or other charges or sums payable by Tenant shall be over-due and unpaid or should payments be made by Landlord on behalf of Tenant, or should Tenant fail to perform any of the terms of this Lease, then Landlord may, at its option, appropriate and apply the security deposit, or so much thereof as may be necessary, to compensate toward the payment of the rents, charges or other sums due from Tenant, or towards any loss, damage or expense sustained by Landlord resulting from such default on the part of the Tenant; and in such event Tenant upon demand shall restore the security deposit to the amount set forth above in this Section 5. In the event Tenant furnishes Landlord with proof that all utility bills and other bills of Tenant related to the Premises have been paid through the date of Lease termination, and performs all of Tenant's other obligations under this Lease, the security deposit shall be returned to Tenant within sixty (60) days after the date of the expiration or sooner termination of the term of this Lease and the surrender of the Premises by Tenant in compliance with the provisions of this Lease.

If this box is checked, Agent shall hold the security deposit in trust and shall be entitled to the interest, if any, thereon.

UTILITY BILLS/SERVICE CONTRACTS

6. Landlord and Tenant agree that utility bills and service contracts ("Service Obligations") for the Premises shall be paid by the party indicated below as to each Service Obligation. In each instance, the party undertaking responsibility for payment of a Service Obligation covenants that they will pay the applicable bills prior to delinquency. The responsibility to pay for a Service Obligation shall include all metering, hook-up fees or other miscellaneous charges associated with establishing, installing and maintaining such utility or contract in said party's name. Within thirty (30) days of the Lease Commencement Date, Tenant shall provide Landlord with a copy of any requested Tenant Service Obligation information.

<u>Service Obligation</u>	<u>Landlord</u>	<u>Tenant</u>	<u>Not Applicable</u>
Sewer/Septic		X	
Water		X	
Electric		X	
Gas		X	
Telephone		X	
HVAC (maintenance/service contract)	X		
Elevator (including phone line)	X		
Security System		X	
Fiber Optic		X	
Janitor/Cleaning		X	
Trash/Dumpster		X	
Landscaping/Maintenance		X	
Sprinkler System (including phone line)			X
Pest Control	X		
Snow/Ice Removal	X		

Landlord shall not be liable for injury to Tenant's business or loss of income therefrom or for damage that may be sustained by the person, merchandise or personal property of Tenant, its employees, agents, invitees or contractors or any other person in or about the Premises, caused by or resulting from fire, steam, electricity, gas, water or rain, which may leak or flow from or into any part of the Premises, or from the breakage, leakage, obstruction or other defects of any utility installations, air conditioning system or other components of the Premises, except to the extent that such damage or loss is caused by Landlord's gross negligence or willful misconduct. Landlord represents and warrants that the heating, ventilation and air conditioning system(s) and utility installations existing as of the Lease Commencement Date shall be in good order and repair. Subject to the provisions of this Section 6, Landlord shall not be liable in damages or otherwise for any discontinuance, failure or interruption of service to the Premises of utilities or the heating, ventilation and air conditioning system(s) and Tenant shall have no right to terminate this Lease or withhold rental because of the same.

RULES AND REGULATIONS

7. If this box is checked, the rules and regulations attached hereto ("Rules and Regulations") are made a part of this Lease. Tenant agrees to comply with all Rules and Regulations of Landlord in connection with the Premises which are in effect at the time of the execution of the Lease or which may be from time to time promulgated by Landlord in its reasonable discretion, provided notice of such new Rules and Regulations is given to Tenant in writing and the same are not in conflict with the terms and conditions of this Lease.

PERMITTED USES

8. The permitted use of the Premises shall be: Attorneys Offices ("Permitted Use"). The Premises shall be used and wholly occupied by Tenant solely for the purposes of conducting the Permitted Use, and the Premises shall not be used for any other purposes unless Tenant obtains Landlord's prior written approval of any change in use.

Landlord makes no representation or warranty regarding the suitability of the Premises for or the legality (under zoning or other applicable ordinances) of the Permitted Use for the Premises, provided however, that Landlord does represent that it has no contractual obligations with other parties which will materially interfere with or prohibit the Permitted Use of Tenant at the Premises. At Tenant's sole expense, Tenant shall procure, maintain and make available for Landlord's inspection from time to time any governmental license(s) or permit(s) required for the proper and lawful conduct of Tenant's business in the Premises.

Tenant shall not cause or permit any waste to occur in the Premises and shall not overload the floor, or any mechanical, electrical, plumbing or utility systems serving the Premises. Tenant shall keep the Premises, and every part thereof, in a clean and wholesome condition, free from any objectionable noises, loud music, objectionable odors or nuisances.

TAXES AND INSURANCE

(Note: The following box should only be checked if there are no boxes checked below in Section 9.)
 If this box is checked, Tenant shall have no responsibility to reimburse Landlord for taxes or insurance.

9. Landlord shall pay all taxes (including but not limited to, ad valorem taxes, special assessments and any other governmental charges) on the Premises and shall procure and pay for such commercial general liability, broad form fire and extended and special perils insurance with respect to the Premises as Landlord in its reasonable discretion may deem appropriate. Tenant shall reimburse Landlord for all taxes and insurance as provided herein within fifteen (15) days after receipt of notice from Landlord as to the amount due. Tenant shall be solely responsible for insuring Tenant's personal and business property and for paying any taxes or governmental assessments levied thereon. Tenant shall reimburse Landlord for taxes and insurance during the term of this Lease, and any extension or renewal thereof. **If boxes are checked below, the manner of reimbursement shall be as indicated:**

Taxes

- The amount by which all taxes (including but not limited to, ad valorem taxes, special assessments and any other governmental charges) on the Premises for each tax year exceed all taxes on the Premises for the tax year n/a; or
- All taxes (including but not limited to, ad valorem taxes, special assessments and any other governmental charges) on the Premises for each tax year.

If one of the two boxes above is checked, then if the final Lease Year of the term fails to coincide with the tax year, any excess for the tax year during which the term ends shall be reduced by the pro rata part of such tax year beyond the Lease term. If such taxes for the year in which the Lease terminates are not ascertainable before payment of the last month's rental, then the amount of such taxes assessed against the Property for the previous tax year shall be used as a basis for determining the pro rata share, if any, to be paid by Tenant for that portion of the last Lease Year.

If one of the two boxes above is checked, Tenant shall reimburse Landlord for taxes by paying to Landlord, beginning on the Rent Commencement Date and on the first day of each calendar month during the term hereof, an amount equal to one-twelfth (1/12) of the then current tax payments for the Premises. Upon receipt of bills, statements or other evidence of taxes due, Landlord shall pay or cause to be paid the taxes. If at any time the reimbursement payments by Tenant hereunder do not equal the amount of taxes paid by Landlord, Tenant shall upon demand pay to Landlord an amount equal to the deficiency or Landlord shall refund to Tenant any overpayment (as applicable) as documented by Landlord. Landlord shall have no obligation to segregate or otherwise account for the tax reimbursements paid hereunder except as provided in this Section 9.

Insurance

the excess cost of commercial general liability, broad form fire and extended and special perils insurance with respect to the Premises over the cost of the first year of the Lease term for each subsequent year during the term of this Lease; or

the cost of all commercial general liability, broad form fire and extended and special perils insurance with respect to the Premises.

If one of the two boxes above is checked, Tenant shall reimburse Landlord for insurance by paying to Landlord, beginning on the Rent Commencement Date and on the first day of each calendar month during the term hereof, an amount equal to one-twelfth (1/12) of the then current insurance premiums for the Premises. Upon receipt of bills, statements or other evidence of insurance premiums due, Landlord shall pay or cause to be paid the insurance premiums. If at any time the reimbursement payments by Tenant hereunder do not equal the amount of insurance premiums paid by Landlord, Tenant shall upon demand pay to Landlord an amount equal to the deficiency or Landlord shall refund to Tenant any overpayment (as applicable) as documented by Landlord. Landlord shall have no obligation to segregate or otherwise account for the insurance premium reimbursements paid hereunder except as provided in this Section 9.

Provided however, notwithstanding any provision of the foregoing, that in the event Tenant's use of the Premises results in an increase in the rate of insurance on the Premises, Tenant shall pay to Landlord, upon demand and as additional rental, the amount of any such increase.

INSURANCE; WAIVER; INDEMNITY

10. (a) During the term of this Lease, Tenant shall maintain commercial general liability insurance coverage (occurrence coverage) with broad form contractual liability coverage and with coverage limits of not less than 1000000 combined single limit, per occurrence, specifically including liquor liability insurance covering consumption of alcoholic beverages by customers of Tenant should Tenant choose to sell alcoholic beverages. Such policy shall insure Tenant's performance of the indemnity provisions of this Lease, but the amount of such insurance shall not limit Tenant's liability nor relieve Tenant of any obligation hereunder. All policies of insurance provided for herein shall name as "additional insureds" Landlord, Landlord's Agent, all mortgagees of Landlord and such other individuals or entities as Landlord may from time to time designate upon written notice to Tenant. Tenant shall provide to Landlord, at least thirty (30) days prior to expiration, certificates of insurance to evidence any renewal or additional insurance procured by Tenant. Tenant shall provide evidence of all insurance required under this Lease to Landlord prior to the Lease Commencement Date.

(b) Landlord (for itself and its insurer) waives any rights, including rights of subrogation, and Tenant (for itself and its insurer) waives any rights, including rights of subrogation, each may have against the other for compensation of any loss or damage occasioned to Landlord or Tenant arising from any risk generally covered by the "all risks" insurance required to be carried by Landlord and Tenant. The foregoing waivers of subrogation shall be operative only so long as available in the State of North Carolina. The foregoing waivers shall be effective whether or not the parties maintain the insurance required to be carried pursuant to this Lease.

(c) Except as otherwise provided in Section 10(b), Tenant indemnifies Landlord for damages proximately caused by the negligence or wrongful conduct of Tenant and Tenant's employees, agents, invitees or contractors. Except as otherwise provided in Section 10(b), Landlord indemnifies Tenant for damages proximately caused by the negligence or wrongful conduct of Landlord and Landlord's employees, agents, invitees or contractors. The indemnity provisions in this Section 10 cover personal injury and property damage and shall bind the employees, agents, invitees or contractors of Landlord and Tenant (as the case may be). The indemnity obligations in this Section 10 shall survive the expiration or earlier termination of this Lease.

REPAIRS BY LANDLORD

11. Landlord agrees to keep in good repair the roof, foundation, structural supports and exterior walls of the buildings located on the Premises (exclusive of all glass and exclusive of all exterior doors) and, except as may be specifically allocated to Tenant in Section

12 herein, Landlord agrees to be responsible for capital replacements on the Premises; provided that Landlord shall not be responsible for repairs or capital replacements rendered necessary by the negligence or intentional wrongful acts of Tenant, its employees, agents, invitees or contractors. Tenant shall promptly report in writing to Landlord any defective condition known to it which Landlord is required to repair or replace and failure to report such conditions shall make Tenant responsible to Landlord for any liability incurred by Landlord by reason of such conditions.

(Note: Should Landlord and Tenant need to further detail the allocation of responsibility hereunder, the Special Stipulations box at the end of the Lease should be checked and such allocation should be specified on an Exhibit B.)

REPAIRS BY TENANT

12. (a) Tenant accepts the Premises in their present condition and as suited for the Permitted Use and Tenant's intended purposes. Tenant, throughout the initial term of this Lease, and any extension or renewal thereof, at its expense, shall maintain in good order and repair the Premises, (except those repairs expressly required to be made by Landlord hereunder), specifically including but not limited to any building and other improvements located thereon, all light bulb and ballast replacements, plumbing fixtures and systems repairs within the Premises and water heater repairs. Tenant further agrees to care for the grounds around the building, including the mowing of grass, care of shrubs and general landscaping. Tenant shall use only licensed contractors for repairs where such license is required. Landlord shall have the right to approve the contractor as to any repairs in excess of \$ n/a.

If this box is checked, Tenant, at its expense, shall maintain the heating, ventilation and air conditioning system(s) ("HVAC Systems") in good order and repair, including but not limited to replacement of parts, compressors, air handling units and heating units. Tenant shall be required to maintain a preventive maintenance contract for the HVAC Systems on terms and with a provider reasonably acceptable to Landlord, which contract shall call for at least semi-annual maintenance, inspection and repair of such HVAC Systems ("HVAC Contract"). Tenant shall provide a copy of the HVAC Contract to Landlord annually. Provided that: (i) Tenant has kept the HVAC Contract in force, and, (ii) Tenant shall have obtained Landlord's prior written approval of the contractor and the repair or replacement expenses for the HVAC Systems, then, for any calendar year, Tenant shall be responsible for the cost of repairing or replacing the HVAC Systems (or any major component thereof) up to \$ n/a per HVAC System with a maximum repair or replacement cost of \$ n/a for all HVAC Systems ("HVAC Cap") in such year. Tenant shall provide Landlord copies of all records related to the servicing, maintenance, repair, and replacement of the HVAC Systems upon the occurrence of any service, maintenance, repair, or replacement of the HVAC Systems. Landlord shall be responsible for paying the repair cost or replacement cost of such HVAC System in excess of the HVAC Cap.

If this box is checked, Landlord, at its expense, shall maintain the heating, ventilation and air conditioning system(s) ("HVAC Systems") in good order and repair, including but not limited to replacement of parts, compressors, air handling units and heating units. Provided that, Tenant shall reimburse Landlord for the cost of repairing or replacing the HVAC Systems (or any major component thereof) an amount up to \$ n/a per HVAC System with a maximum replacement cost of \$ n/a for all HVAC Systems ("HVAC Cap") in such year. Landlord shall be responsible for paying the repair cost or replacement cost of such HVAC System in excess of the HVAC Cap. Tenant shall reimburse Landlord for the amount of the HVAC Cap payable hereunder upon the written request of Landlord.

(b) Tenant, Tenant's employees, agents, invitees or contractors shall take no action which may void any manufacturers or installers warranty with relation to the Premises. Tenant shall indemnify and hold Landlord harmless from any liability, claim, demand or cause of action arising on account of Tenant's breach of the provisions of this Section 12.

ALTERATIONS

13. Tenant shall not make any alterations, additions, or improvements to the Premises without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Landlord, in connection with Landlord's consent to same, may designate any such alterations, additions, or improvements to the Premises as subject to removal upon the expiration or earlier termination of this Lease, in which case, upon Landlord's written notice to Tenant to remove same at the expiration or earlier termination of this Lease, Tenant shall do so and restore the Premises to the condition that existed prior to such alterations, additions, or improvements being made. Tenant shall promptly remove any alterations, additions, or improvements constructed in violation of this Section 13 upon Landlord'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 Landlord, free of any liens or encumbrances. Tenant has no authority to allow, will not permit, and will indemnify Landlord and hold it harmless from, any contractors', laborers', mechanics', or materialmen's liens, or any other similar liens filed against the Premises in connection with any alterations, additions, or improvements to the Premises.

SURRENDERING THE PREMISES

14. Tenant shall schedule its move date with Landlord, in writing, in advance of the expiration or earlier termination of this Lease. Tenant agrees to return the Premises to Landlord at the expiration or earlier termination of this Lease, broom clean and in as good condition and repair as on the Lease Commencement Date, natural wear and tear, damage by storm, fire, lightning, earthquake or other casualty alone excepted. By written notice to Tenant, Landlord may require Tenant to remove any alterations, additions or improvements at the expiration or earlier termination of this Lease (whether or not made with Landlord's consent and whether or not

designated via Section 13 as subject to removal) and to restore the Premises to its prior condition as of the Lease Commencement Date, all at Tenant's expense. All alterations, additions and improvements which Landlord has not required Tenant to remove shall become Landlord's property and shall be surrendered to Landlord upon the termination of this Lease, except that Tenant may remove any of Tenant's personal property or trade fixtures which can be removed without material damage to the Premises. Tenant shall repair, at Tenant's expense, any damage to the Premises caused by the removal of any such personal property or trade fixtures.

(Note: Should Landlord and Tenant need to further enumerate their intent/understanding as to the status of items or property as fixtures, trade fixtures, or personal property hereunder, the Special Stipulations box at the end of the Lease should be checked and such enumeration should be specified by listing same by category on an Exhibit B.)

DESTRUCTION OF OR DAMAGE TO PREMISES

15. (a) If the Premises are totally destroyed by storm, fire, lightning, earthquake or other casualty, Landlord shall have the right to terminate this Lease on written notice to Tenant within thirty (30) days after such destruction and this Lease shall terminate as of the date of such destruction and rental shall be accounted for as between Landlord and Tenant as of that date.

(b) If the Premises are damaged but not wholly destroyed by any such casualties or if the Landlord does not elect to terminate the Lease under Section 15(a) above, Landlord shall commence (or shall cause to be commenced) reconstruction of the Premises within one hundred twenty (120) days after such occurrence and prosecute the same diligently to completion, not to exceed two hundred seventy (270) days from the date upon which Landlord receives applicable permits and insurance proceeds. In the event Landlord shall fail to substantially complete reconstruction of the Premises within said two hundred seventy (270) day period, Tenant's sole remedy shall be to terminate this Lease.

(c) In the event of any casualty at the Premises during the last one (1) year of the Lease Term, Landlord and Tenant each shall have the option to terminate this Lease on written notice to the other of exercise thereof within sixty (60) days after such occurrence.

(d) In the event of reconstruction of the Premises, Tenant shall continue the operation of its business in the Premises during any such period to the extent reasonably practicable from the standpoint of prudent business management, and the obligation of Tenant to pay annual rental and any other sums due under this Lease shall remain in full force and effect during the period of reconstruction. The annual rental and other sums due under this Lease shall be abated proportionately with the degree to which Tenant's use of the Premises is impaired, commencing from the date of destruction and continuing during the period of such reconstruction. Tenant shall not be entitled to any compensation or damages from Landlord for loss of use of the whole or any part of the Premises, Tenant's personal property, or any inconvenience or annoyance occasioned by such damage, reconstruction or replacement.

(e) In the event of the termination of this Lease under any of the provisions of this Section 15, both Landlord and Tenant shall be released from any liability or obligation under this Lease arising after the date of termination, except as otherwise provided for in this Lease.

GOVERNMENTAL ORDERS

16. Tenant, at its own expense, agrees to comply with: (a) any law, statute, ordinance, regulation, rule, requirement, order, court decision or procedural requirement of any governmental or quasi-governmental authority having jurisdiction over the Premises, (b) the rules and regulations of any applicable governmental insurance authority or any similar body, relative to the Premises and Tenant's activities therein; (c) provisions of or rules enacted pursuant to any private use restrictions, as the same may be amended from time to time and (d) the Americans with Disabilities Act (42 U.S.C.S. §12101, et seq.) and the regulations and accessibility guidelines enacted pursuant thereto, as the same may be amended from time to time. Landlord and Tenant agree, however, that if in order to comply with such requirements the cost to Tenant shall exceed a sum equal to one (1) year's rent, then Tenant may terminate this Lease by giving written notice of termination to Landlord in accordance with the terms of this Lease, which termination shall become effective sixty (60) days after receipt of such notice and which notice shall eliminate the necessity of compliance with such requirements, unless, within thirty (30) days of receiving such notice, Landlord agrees in writing to be responsible for such compliance, at its own expense, and commences compliance activity, in which case Tenant's notice given hereunder shall not terminate this Lease.

CONDEMNATION

17. (a) If the entire Premises shall be appropriated or taken under the power of eminent domain by any governmental or quasi-governmental authority or under threat of and in lieu of condemnation (hereinafter, "taken" or "taking"), this Lease shall terminate as of the date of such taking, and Landlord and Tenant shall have no further liability or obligation arising under this Lease after such date, except as otherwise provided for in this Lease.

(b) If more than twenty-five percent (25%) of the floor area of any building of the Premises is taken, or if by reason of any taking, regardless of the amount so taken, the remainder of the Premises is not one undivided space or is rendered unusable for the Permitted Use, either Landlord or Tenant shall have the right to terminate this Lease as of the date Tenant is required to vacate the

portion of the Premises taken, upon giving notice of such election within thirty (30) days after receipt by Tenant from Landlord of written notice that said Premises have been or will be so taken. In the event of such termination, both Landlord and Tenant shall be released from any liability or obligation under this Lease arising after the date of termination, except as otherwise provided for in this Lease.

(c) Landlord and Tenant, immediately after learning of any taking, shall give notice thereof to each other.

(d) If this Lease is not terminated on account of a taking as provided herein above, then Tenant shall continue to occupy that portion of the Premises not taken and the parties shall proceed as follows: (i) at Landlord's cost and expense and as soon as reasonably possible, Landlord shall restore (or shall cause to be restored) the Premises remaining to a complete unit of like quality and character as existed prior to such appropriation or taking, and (ii) the annual rent provided for in Section 3 and other sums due under the Lease shall be reduced on an equitable basis, taking into account the relative values of the portion taken as compared to the portion remaining. Tenant waives any statutory rights of termination that may arise because of any partial taking of the Premises.

(e) Landlord shall be entitled to the entire condemnation award for any taking of the Premises or any part thereof. Tenant's right to receive any amounts separately awarded to Tenant directly from the condemning authority for the taking of its merchandise, personal property, relocation expenses and/or interests in other than the real property taken shall not be affected in any manner by the provisions of this Section 17, provided Tenant's award does not reduce or affect Landlord's award and provided further, Tenant shall have no claim for the loss of its leasehold estate.

ASSIGNMENT AND SUBLETTING

~~18. Tenant shall not 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 Tenant, without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Tenant shall pay to Landlord, concurrently with any request for consent to assignment or sublet, a non-refundable fee of \$ n/a as payment to Landlord for its review and processing of the request. In addition, Tenant shall pay to Landlord any legal fees and expenses incurred by Landlord in connection with the proposed assignment or sublet, to the extent such amounts exceed \$ n/a. 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 Landlord. No sublease or assignment by Tenant shall relieve Tenant of any liability hereunder.~~ Lessee may sublease premises to Carr Blackwell & Associates or any other entity that a named partner of Barrister Properties is a partner of or employed by.

EVENTS OF DEFAULT

19. 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 Tenant: (a) Tenant fails to pay when due the rental or any other monetary obligation as provided for herein; (b) Tenant abandons or vacates the Premises; (c) Tenant fails to comply with or abide by and perform any non-monetary obligation imposed upon Tenant under this Lease within thirty (30) days after written notice of such breach; (d) Tenant is adjudicated bankrupt; (e) A permanent receiver is appointed for Tenant's property and such receiver is not removed within sixty (60) days after written notice from Landlord to Tenant to obtain such removal; (f) Tenant, either voluntarily or involuntarily, takes advantage of any debt or relief proceedings under any present or future law, whereby the rent or any part thereof is, or is proposed to be, reduced or payment thereof deferred and such proceeding is not dismissed within sixty (60) days of the filing thereof; (g) Tenant makes an assignment for benefit of creditors; or (h) Tenant's effects are levied upon or attached under process against Tenant, which is not satisfied or dissolved within thirty (30) days after written notice from Landlord to Tenant to obtain satisfaction thereof.

REMEDIES UPON DEFAULT

20. Upon the occurrence of Event of Default, Landlord 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) Landlord may terminate this Lease by giving written notice to Tenant and upon such termination shall be entitled to recover from Tenant damages as may be permitted under applicable law; or (b) Landlord may terminate this Lease by giving written notice to Tenant and, upon such termination, shall be entitled to recover from the Tenant damages in an amount equal to all rental which is due and all rental which 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); or (c) Landlord, as Tenant's agent, without terminating this Lease, may enter upon and rent the Premises, in whole or in part, at the best price obtainable by reasonable effort, without advertisement and by private negotiations and for any term Landlord deems proper, with Tenant being liable to Landlord for the deficiency, if any, between Tenant's rent hereunder and the price obtained by Landlord on reletting, provided however, that Landlord shall not be considered to be under any duty by reason of this provision to take any action to mitigate damages by reason of Tenant's default and expressly shall have no duty to mitigate Tenant's damages. No termination of this Lease prior to the normal ending thereof, by lapse of time or otherwise, shall affect Landlord's right to collect rent for the period prior to termination thereof. Tenant acknowledges and understands that Landlord's acceptance of partial rental will not waive Tenant's breach of this Lease or limit Landlord's rights against Tenant hereunder or Landlord's right to evict Tenant through a summary ejectment proceeding, whether filed before or after Landlord's acceptance of any such partial rental.

EXTERIOR SIGNS

21. Tenant shall place no signs upon the outside walls, doors or roof of the Premises, except with the express written consent of the Landlord in Landlord's sole discretion. Any consent given by Landlord shall expressly not be a representation of or warranty of any legal entitlement to signage at the Premises. Any and all signs placed on the Premises by Tenant shall be maintained in compliance with governmental rules and regulations governing such signs and Tenant shall be responsible to Landlord for any damage caused by installation, use or maintenance of said signs, and all damage incident to removal thereof. Existing monument sign to remain as is

LANDLORD'S ENTRY OF PREMISES

22. Landlord may advertise the Premises "For Rent" 120 days before the termination of this Lease. Landlord may enter the Premises upon prior notice at reasonable hours to exhibit same to prospective purchasers or tenants, to make repairs required of Landlord under the terms hereof, for reasonable business purposes and otherwise as may be agreed by Landlord and Tenant. Landlord may enter the Premises at any time without prior notice, in the event of an emergency or to make emergency repairs to the Premises. Upon request of Landlord, Tenant shall provide Landlord with a functioning key to the Premises and shall replace such key if the locks to the Premises are changed.

QUIET ENJOYMENT

23. So long as Tenant observes and performs the covenants and agreements contained herein, it shall at all times during the Lease term peacefully and quietly have and enjoy possession of the Premises, subject to the terms hereof.

HOLDING OVER

24. If Tenant remains in possession of the Premises after expiration of the term hereof, Tenant shall be a tenant at sufferance and there shall be no renewal of this Lease by operation of law. In such event, commencing on the date following the date of expiration of the term, the monthly rental payable under Section 3 above shall for each month, or fraction thereof during which Tenant so remains in possession of the Premises, be twice the monthly rental otherwise payable under Section 3 above.

ENVIRONMENTAL LAWS

25. (a) Tenant covenants that with respect to any Hazardous Materials (as defined below) it will comply with any and all federal, state or local laws, ordinances, rules, decrees, orders, regulations or court decisions relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions on, under or about the Premises or soil and ground water conditions, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resource Conservation and Recovery Act, the Hazardous Materials Transportation Act, any other legal requirement concerning hazardous or toxic substances, and any amendments to the foregoing (collectively, all such matters being "Hazardous Materials Requirements"). Tenant shall remove from the Premises, all Hazardous Materials that were placed on the Premises by Tenant or Tenant's employees, agents, invitees or contractors, either after their use by Tenant or upon the expiration or earlier termination of this Lease, in compliance with all Hazardous Materials Requirements.

(b) Tenant 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 Tenant shall provide Landlord with copies of all such items upon request. Tenant 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 Hazardous Materials Requirements by Tenant, or related in any manner to Hazardous Materials. In addition, Tenant shall provide Landlord with copies of all responses to such correspondence at the time of the response.

(c) Tenant hereby indemnifies and holds harmless Landlord, 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) paid, incurred or suffered by, or asserted against Landlord 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 of any Hazardous Materials caused by Tenant or Tenant's employees, agents, invitees or contractors. 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 Tenant, its agents, employees, invitees or successors in interest.

(d) For purposes of this Lease, "Hazardous Materials" means any chemical, compound, material, substance or other matter that: (i) is defined as a hazardous substance, hazardous material or waste, or toxic substance pursuant to any Hazardous Materials Requirements, (ii) is regulated, controlled or governed by any Hazardous Materials Requirements, (iii) is petroleum or a petroleum product, or (iv) is asbestos, formaldehyde, a radioactive material, drug, bacteria, virus, or other injurious or potentially injurious material (by itself or in combination with other materials).

(e) The warranties and indemnities contained in this Section 25 shall survive the termination of this Lease.

Tenant Initials _____ Landlord Initials _____

SUBORDINATION; ATTORNMENT; ESTOPPEL

26. (a) This Lease and all of Tenant's rights hereunder are and shall be subject and subordinate to all currently existing and future mortgages affecting the Premises. Within ten (10) days after the receipt of a written request from Landlord or any Landlord mortgagee, Tenant shall confirm such subordination by executing and delivering Landlord and Landlord's mortgagee a recordable subordination agreement and such other documents as may be reasonably requested, in form and content satisfactory to Landlord and Landlord's mortgagee. Provided, however, as a condition to Tenant's obligation to execute and deliver any such subordination agreement, the applicable mortgagee must agree that mortgagee shall not unilaterally, materially alter this Lease and this Lease shall not be divested by foreclosure or other default proceedings thereunder so long as Tenant shall not be in default under the terms of this Lease beyond any applicable cure period set forth herein. Tenant acknowledges that any Landlord mortgagee has the right to subordinate at any time its interest in this Lease and the leasehold estate to that of Tenant, without Tenant's consent.

(b) If Landlord sells, transfers, or conveys its interest in the Premises or this Lease, or if the same is foreclosed judicially or nonjudicially, or otherwise acquired, by a Landlord mortgagee, upon the request of Landlord or Landlord's successor, Tenant shall attorn to said successor, provided said successor accepts the Premises subject to this Lease. Tenant shall, upon the request of Landlord or Landlord's successor, execute an attornment agreement confirming the same, in form and substance acceptable to Landlord or Landlord's successor and Landlord shall thereupon be released and discharged from all its covenants and obligations under this Lease, except those obligations that have accrued prior to such sale, transfer or conveyance; and Tenant agrees to look solely to the successor in interest of Landlord for the performance of those covenants accruing after such sale, transfer or conveyance. Such agreement shall provide, among other things, that said successor shall not be bound by (a) any prepayment of more than one (1) month's rental (except the Security Deposit) or (b) any material amendment of this Lease made after the later of the Lease Commencement Date or the date that such successor's lien or interest first arose, unless said successor shall have consented to such amendment.

(c) Within ten (10) days after request from Landlord, Tenant shall execute and deliver to Landlord an estoppel certificate (to be prepared by Landlord and delivered to Tenant) with appropriate facts then in existence concerning the status of this Lease and Tenant's occupancy, and with any exceptions thereto noted in writing by Tenant. Tenant's failure to execute and deliver the Estoppel Certificate within said ten (10) day period shall be deemed to make conclusive and binding upon Tenant in favor of Landlord and any potential mortgagee or transferee the statements contained in such estoppel certificate without exception.

ABANDONMENT

27. Tenant shall not abandon the Premises at any time during the Lease term. If Tenant shall abandon the Premises or be dispossessed by process of law, any personal property belonging to Tenant and left on the Premises, at the option of Landlord, shall be deemed abandoned, and available to Landlord to use or sell to offset any rent due or any expenses incurred by removing same and restoring the Premises.

NOTICES

28. 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 Tenant shall be delivered or sent to the address shown at the beginning of this Lease, except that upon Tenant taking possession of the Premises, then the Premises shall be Tenant's address for such purposes. Notices to Landlord shall be delivered or sent to the address shown at the beginning of this Lease and notices to Agent, if any, shall be delivered or sent to the address set forth in Section 3 hereof. All notices shall be effective upon delivery. Any party may change its notice address upon written notice to the other parties, given as provided herein.

BROKERS

29. Except as expressly provided herein, Tenant and Landlord agree to indemnify and hold each other harmless from any and all claims of brokers, consultants or real estate agents by, through or under the indemnifying party for fees or commissions arising out of the lease of the Property to Tenant.

Tenant and Landlord represent and warrant to each other that: (i) except as to the brokers designated below ("Brokers"), they have not employed nor engaged any brokers, consultants or real estate agents to be involved in this transaction and (ii) that the compensation of the Brokers is established by and shall be governed by separate agreements entered into as amongst the Brokers, the Tenant and/or the Landlord.

Whitney Commerical Real Estate, LLC ("Listing Agency"),
Andrew Riddle ("Listing Agent" - License # 297804)
Acting as: Landlord's Agent; Dual Agent
and n/a ("Leasing Agency"),
n/a ("Leasing Agent" - License # _____)
Acting as: Tenant's Agent; Landlord's (Sub)Agent; Dual Agent

GENERAL TERMS

30. (a) "Landlord" as used in this Lease shall include the undersigned, its heirs, representatives, assigns and successors in title to the Premises. "Agent" as used in this Lease shall mean the party designated as same in Section 3, its heirs, representatives, assigns and successors. "Tenant" shall include the undersigned and its heirs, representatives, assigns and successors, and if this Lease shall be validly assigned or sublet, shall include also Tenant's assignees or sublessees as to the Premises covered by such assignment or sublease. "Landlord", "Tenant", and "Agent" include male and female, singular and plural, corporation, partnership or individual, as may fit the particular parties.

(b) No failure of Landlord to exercise any power given Landlord hereunder or to insist upon strict compliance by Tenant of its obligations hereunder and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Landlord's right to demand exact compliance with the terms hereof. All rights, powers and privileges conferred hereunder upon parties hereto shall be cumulative and not restrictive of those given by law.

(c) **Time is of the essence in this Lease.**

(d) This Lease may be executed in one or more counterparts, which taken together, shall constitute one and the same original document. Copies of original signature pages of this Lease may be exchanged via facsimile or e-mail, and any such copies shall constitute originals. This Lease constitutes the sole and entire agreement among the parties hereto and no modification of this Lease shall be binding unless in writing and signed by all parties hereto. The invalidity of one or more provisions of this Lease shall not affect the validity of any other provisions hereof and this Lease shall be construed and enforced as if such invalid provisions were not included.

(e) Each signatory to this Lease represents and warrants that he or she has full authority to sign this Lease and such instruments as may be necessary to effectuate any transaction contemplated by this Lease on behalf of the party for whom he or she signs and that his or her signature binds such party. The parties acknowledge and agree that: (i) the initials lines at the bottom of each page of this Lease are merely evidence of their having reviewed the terms of each page, and (ii) the complete execution of such initials lines shall not be a condition of the effectiveness of this Lease.

(f) Upon request by either Landlord or Tenant, 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 annual rental 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. The NC REALTOR Memorandum of Lease (Form 596-T) or an attorney-drafted memorandum of lease may be used for this purpose.

(g) If legal proceedings are instituted to enforce any provision of this Lease, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorneys fees and court costs incurred in connection with the proceeding.

SPECIAL STIPULATIONS

Note: Under North Carolina law, real estate agents are not permitted to draft lease provisions

If this box is checked, additional terms of this Lease are set forth on **Exhibit B** attached hereto and incorporated herein by reference.

If this box is checked, improvements to the Premises to be provided by Landlord are set forth on **Exhibit C** attached hereto and incorporated herein by reference.

[THIS SPACE INTENTIONALLY LEFT BLANK]

Tenant Initials _____ Landlord Initials _____

THIS DOCUMENT IS A LEGAL DOCUMENT. EXECUTION OF THIS DOCUMENT HAS LEGAL CONSEQUENCES THAT COULD BE ENFORCEABLE IN A COURT OF LAW. THE NORTH CAROLINA ASSOCIATION OF REALTORS® MAKES NO REPRESENTATIONS CONCERNING THE LEGAL SUFFICIENCY, LEGAL EFFECT OR TAX CONSEQUENCES OF THIS DOCUMENT OR THE TRANSACTION TO WHICH IT RELATES AND RECOMMENDS THAT YOU CONSULT YOUR ATTORNEY.

IN WITNESS WHEREOF, the parties hereto have hereunto caused this Lease to be duly executed.

LANDLORD:

Individual

Date: _____

Date: _____

Business Entity

_____ **Barrister Properties** _____
(Name of Firm)

By: _____

Title: _____

Date: _____

TENANT:

Individual

Date: _____

Date: _____

Business Entity

_____ **Henderson County** _____
(Name of Firm)

By: _____

Title: _____

Date: _____