

**FORSYTH COUNTY**  
**BOARD OF COMMISSIONERS**

BRIEFING DRAFT

MEETING DATE: OCTOBER 22, 2020

AGENDA ITEM NUMBER: \_\_\_\_\_

14

**SUBJECT: RESOLUTION AUTHORIZING EXECUTION OF A LEASE AGREEMENT BETWEEN FORSYTH COUNTY AND THE STATE OF NORTH CAROLINA, FOR LEASE OF COUNTY OWNED PROPERTY LOCATED IN THE AGRICULTURE BUILDING AT 1450 FAIRCHILD DRIVE (GENERAL SERVICES DEPARTMENT)**

**COUNTY MANAGER'S RECOMMENDATION OR COMMENTS:**

**SUMMARY OF INFORMATION:**

ATTACHMENTS:

YES

NO

SIGNATURE: \_\_\_\_\_

COUNTY MANAGER

DATE: \_\_\_\_\_

**RESOLUTION AUTHORIZING EXECUTION OF A LEASE AGREEMENT BETWEEN  
FORSYTH COUNTY AND THE STATE OF NORTH CAROLINA, FOR LEASE OF  
COUNTY OWNED PROPERTY LOCATED IN THE AGRICULTURE BUILDING  
AT 1450 FAIRCHILD DRIVE  
(GENERAL SERVICES DEPARTMENT)**

**WHEREAS** the State of North Carolina, on behalf of its Department of Agriculture & Consumer Services, in order to house a N.C. Forest Service Office, desires to lease 263.5 square feet of office space, rooms 408 and 4081, at the Agriculture Building, owned by Forsyth County and located at 1450 Fairchild Drive, Winston-Salem, N.C., for a three-year term beginning December 1, 2020, and ending November 30, 2023, at an annual rent of \$2,284.10, payable in equal monthly installments;

**WHEREAS** the above-described property will not be needed by Forsyth County for County purposes during the term of the proposed lease; and

**WHEREAS** N.C.G.S. 160A-274, authorizes any governmental unit to lease to any other governmental unit any interest in real property upon such terms and conditions it deems wise, with or without consideration upon action by the governing body of the governing unit;

**NOW, THEREFORE, BE IT RESOLVED**, by the Forsyth County Board of Commissioners that the Chairman or County Manager and the Clerk to the Board are hereby authorized to execute, on behalf of Forsyth County, the Lease Agreement, which is attached and incorporated herein by reference, with the State of North Carolina, on behalf of its Department of Agriculture & Consumer Services, N.C. Forest Service, for a three-year term, beginning December 1, 2020, and ending November 30, 2023, at an annual rent of \$2,284.10, payable in equal monthly installments, subject to a pre-audit certificate thereon by the County Chief Financial Officer, where applicable, and approval as to form and legality by the County Attorney.

Adopted this 22<sup>nd</sup> day of October 2020.

## LEASE AGREEMENT

THIS AGREEMENT, made and entered into effective December 1, 2020, by and between FORSYTH COUNTY ("Landlord"), a political subdivision of the State of North Carolina, and the STATE OF NORTH CAROLINA on behalf of the North Carolina Department of Agriculture & Consumer Services ("Tenant");

For the purpose and subject to the terms and conditions hereinafter set forth, the parties agree that Landlord shall lease to Tenant the properties hereinafter set forth.

1. **PREMISES.** Landlord, for and in consideration of rent, conditions, and consideration hereinafter mentioned, provided for and covenanted to be paid, kept and performed by Tenant, leases to the Tenant 263.5 square feet of real property, rooms 408 and 4081, located at 1450 Fairchild Drive, Winston-Salem, North Carolina, as further identified in Exhibit A attached hereto and incorporated by reference ("Premise").
2. **TERM.** Tenant shall have and hold the Premises for a term of three (3) years beginning December 1, 2020 and ending on November 30, 2023, unless sooner terminated as hereinafter provided. Notwithstanding anything to the contrary herein, Landlord may terminate the Agreement, for any reason or for no reason, by providing Tenant written notice of at least 120 days, and this Agreement shall terminate no later than November 30, 2023.
3. **RENTAL.** Tenant agrees to pay Landlord without demand, deduction or set off, an annual rental amount of two thousand two hundred eighty four dollars and ten cents (\$2,284.10). Monthly payments of one hundred ninety dollars and thirty-four cents (\$190.34) due the first day of the Term.
4. **LATE CHARGES.** If rent payment is not postmarked or hand delivered within 15 days after it becomes due, Tenant shall pay Landlord, as additional rental, a late charge equal to five percent (5%) of the overdue amount, plus any actual bank fees incurred for resumed or dishonored checks. 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.
5. **UTILITIES.** Landlord shall provide utilities to include, but not limited to, electric, water, stormwater, sewer, and gas services to the Premises. Tenant shall be responsible for providing telephone and internet services to the Premises.
6. **USE OF PREMISES.** The Premises shall be used solely for the purposes of housing a North Carolina Forest Service office and providing related services to the community. The Premises shall not be used for any illegal purposes, nor in any manner to create any nuisance or trespass, nor in any manner to vitiate the insurance or increase the rate of insurance on the Premises. This Lease shall be terminated immediately if the Premises are no longer used for the purpose set forth herein. Tenant shall comply with all Building Rules and Regulations set forth in Exhibit 2, attached hereto and incorporated herein by reference.
7. **INDEMNITY; INSURANCE.** Tenant agrees to and hereby does indemnify and hold Landlord harmless against all claims for damages to persons or property by reason of Tenant's use or occupancy of the Premises, and all expenses incurred by Landlord because thereof, including attorney's fees and court costs. Supplementing the foregoing and in addition

thereto, Tenant shall during the term of this Lease and any extension or renewal thereof, and at Tenant's expense, maintain in full force the following insurance coverage:

- a) **Commercial General Liability Insurance.** The Tenant shall maintain occurrence version commercial general liability insurance or equivalent form with a limit of not less than \$1,000,000 each occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than three times the occurrence limit. Such insurance shall:
  1. **Include the County, its officials, officers, and employees as additional insureds** with respect to performance of the Services. The coverage shall contain no special limitations on the scope of protection afforded to the above listed insureds.
  2. Be primary with respect to any insurance or self-insured retention programs covering the County, its officials, officers, and employees.
- b) **Commercial Property Insurance.** The Landlord is responsible for maintaining real property insurance for the Premises located at 1450 Fairchild Drive, Winston-Salem, North Carolina. The Tenant is solely responsible for maintaining insurance coverage for any improvements made to the Premises by the Tenant and any business personal property of the Tenant. In no event will the Landlord be required to repair or replace any improvements or personal property owned by the Tenant, its employees, or contractors.
- c) **Workers' Compensation and Employers' Liability Insurance.** The Tenant shall maintain workers' compensation insurance with North Carolina statutory limits and employers' liability insurance limits no less than \$100,000 each accident and disease.
- d) **Other Insurance Requirements.** The Tenant shall:
  1. Furnish the County with properly executed certificates of insurance which shall clearly evidence all insurance required in this section.
  2. Provide certified copies of endorsements and policies, if requested by the County, in lieu of or in addition to certificates of insurance.
  3. Replace certificates, policies, and endorsements for any such insurance expiring prior to completion of the services.
  4. Maintain such insurance from the time the lease commences until the lease is terminated.
  5. Place such insurance with insurers authorized to do business in North Carolina and having A. M. Best Company ratings of not less than

A:VII. Any alternatives to this requirement shall require written approval of the County's Risk Manager.

- e) The Tenant understands and acknowledges that these insurance coverage requirements are minimums and that they do not restrict or limit the hold harmless provisions of this agreement.

8. **SERVICES BY LANDLORD.** Landlord agrees to keep in good repair the Premises, except repairs rendered necessary by the negligence or intentional wrongful acts of Tenant, its agents, employees, or its invitees. Landlord shall provide reasonable building maintenance services, provided that Landlord shall not maintain any property belonging to Tenant or provided or altered by Tenant. Landlord shall maintain the grounds surrounding the building, including paving, the mowing of the grass, care of shrubs, general landscaping and snow removal as scheduled by Landlord. Landlord shall provide routine housekeeping services for the Premises, provided, however, that Landlord is not responsible for any damage to the Premises by Tenant. Tenant shall be responsible for its own employees' safety. Tenant shall promptly report in writing to Landlord any defective condition known to it which Landlord is required to repair and failure to report such conditions shall make Tenant responsible to Landlord for any liability incurred by Landlord by reasons of such conditions.

Tenant accepts the Premises in their present condition and as suited for the uses intended by Tenant unless advance notice is provided to Landlord. Tenant agrees to return the Premises to the Landlord at the expiration or prior termination of this Lease, in as good condition and repair as when first received, natural wear and tear, damage by storm, fire, lightning, earthquake or other casualty alone excepted. Tenant, Tenant's employees, agents, contractors or subcontractors 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 paragraph.

9. **ALTERATIONS.** Tenant shall not make any alterations, additions, or improvements to the Premises without Landlord's prior written consent. Tenant shall promptly remove any alterations, additions, or improvements constructed in violation of this Paragraph 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. Landlord may require Tenant to remove any alterations, additions or improvements (whether or not made with Landlord's consent) at the termination of the Lease and to restore the Premises to its prior condition, 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 machinery or equipment 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 machinery or equipment.

10. **REMOVAL OF FIXTURES.** Tenant may (if not in default hereunder) prior to the expiration of this Lease, or any extension or renewal thereof, remove all fixtures and equipment which it has placed in the Premises, provided Tenant repairs all damage to the Premises caused by such removal.

11. **DESTRUCTION OF OR DAMAGE TO PREMISES.** If the Premises are totally destroyed by storm, fire, lightning, earthquake or other casualty, this lease shall terminate as of the date of such destruction. If the premises are damaged but not wholly destroyed by any such casualties, rental shall abate in such proportion as effective use of the Premises has been affected and Landlord shall restore Premises to substantially the same condition as before damage as speedily as is practicable, whereupon full rental shall recommence. Tenant is responsible for insuring its personal property stored on the Premises, and Landlord shall not be responsible for any damage or loss to Tenant's property.

12. **GOVERNMENTAL ORDERS.** Tenant agrees, at its own expense, to comply promptly with all requirements of any legally constituted public authority made necessary by reason of Tenant's occupancy of the Premises. Landlord agrees to comply promptly with any such requirements if not made necessary by reason of Tenant's occupancy.

13. **CONDEMNATION.** If the whole of the Premises, or such portion thereof as will make the Premises unusable for the purposes herein leased, is condemned by any legally constituted authority for any public use or purpose, then in either of said events the term hereby granted shall cease from the date when possession thereof is taken by public authorities, and rental shall be accounted for as between Landlord and Tenant as of said date. Such termination, however, shall be without prejudice to the rights of either Landlord or Tenant to recover compensation and damage caused by condemnation from the condemner. It is further understood and agreed that Tenant shall not have any rights in any award made to Landlord by any condemnation authority.

14. **ASSIGNMENT AND SUBLETTING.** Tenant shall not, without the prior written consent of Landlord, which shall not be unreasonably withheld, 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.

15. **EVENTS OF DEFAULT.** To the extent allowed by law, 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 the rental as provided for herein; (b) Tenant abandons the Premises; (c) Tenant fails to comply with or abide by and perform any other obligation imposed upon Tenant under this Lease; (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; (g) Tenant makes an assignment for benefit of creditors; (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.

16. **REMEDIES UPON DEFAULT.** 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) if the Event of Default involves nonpayment of rental and Tenant fails to cure such default with five (5) days after receipt of written notice thereof from Landlord, or if the Event of Default involves a default

in performing any of the terms or provisions of this Lease other than the payment of rental and Tenant fails to cure such default within thirty (30) days after receipt of written notice of default from Landlord, Landlord may terminate this Lease (if Tenant has failed to cure such default after receiving 30 days written notice) 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) if the Event of Default involves any matter other than those set forth in item (a) of this paragraph, 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) upon any Event of Default (if Tenant has failed to cure such default after 30 days written notice), Landlord may, without terminating this Lease, re-let 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 Landlords 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. In the event Landlord hires an attorney to enforce its rights upon default, Tenant shall in addition be liable for reasonable attorney's fees and all costs of collection.

17. **EXTERIOR SIGNS.** Tenant shall place no signs upon the outside walls or roof of the Premises, except with the express written consent of the Landlord. 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.

18. **PARKING.** Tenant shall be entitled to use parking spaces as available and as assigned by Landlord in the lots serving the Premises.

19. **LANDLORD'S ENTRY OF PREMISES.** Landlord may advertise the Premises For Rent or For Sale. Landlord may access the Premises at any time necessary to exhibit the Premises to prospective purchasers or tenants, to inspect the Premises and to make repairs required of Landlord or to provide services under the terms hereof or to make repairs to Landlord's adjoining property, if any.

20. **EFFECT OF TERMINATION OF LEASE**  
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.

21. **MORTGAGEE'S RIGHTS**  
Tenant's rights shall be subject to any bona fide mortgage, deed of trust or other security interest which is now or may hereafter be placed upon the Premises by Landlord. Tenant shall, if requested by Landlord, execute a separate agreement reflecting such subordination, and shall be obligated to execute such documentation as may facilitate Landlord's sale or refinancing of the Premises, including, but not limited to estoppel certificates, subordination or attornment agreements.

22. **QUIET ENJOYMENT**

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, but always subject to the terms hereof. Notwithstanding anything to the contrary herein, in the event Landlord shall sell or otherwise transfer its interest in the Premises, Tenant agrees to attorn to any new owner or interest holder and shall, if requested by Landlord, execute a separate agreement reflecting such attornment, provided that said agreement requires the new owner or interest holder to recognize its obligations and Tenant's rights hereunder.

23. **HOLDING OVER.** If Tenant remains in possession of the Premises after expiration of the term hereof, with Landlord's acquiescence and without any express agreement of the parties, Tenant shall be a tenant at will and there shall be no renewal of this Lease by operation of law. If Tenant remains in possession of the Premises after expiration of the term hereof without Landlord's acquiescence, Tenant shall be a tenant at sufferance and commencing on the fraction thereof during which Tenant so remains in possession of the premises, be twice the monthly rental otherwise payable under Paragraph 3 above.

24. **RIGHTS CUMULATIVE.** All rights, powers and privileges conferred hereunder upon parties hereto shall be cumulative and not restrictive of those given by law.

25. **WAIVER OF RIGHTS.** No failure of Landlord or Tenant to exercise any power given hereunder or to insist upon strict compliance 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 or Tenant's right to demand exact compliance with the terms hereof.

26. **ENVIRONMENTAL LAWS.** Tenant shall be liable for all environmental damage, liability or cost, including reasonable attorney's fees, arising out of Tenant's use of the Premises and shall defend and hold Landlord harmless from any claims or actions relating to environmental damage, spills, exposure or other effects caused by Tenant within the Premises. Tenant shall comply with all federal, state, and local laws, ordinances, and regulations. Tenant shall not bring unto the Premises any Hazardous Materials without the prior written approval by Landlord. Any approval must be preceded by submission to Landlord of appropriate Material Safety Data Sheets (MSDS Sheets). In the event of approval by Landlord, Tenant covenants that it comply with all requirements of any constituted public authority and all federal, state, and local codes, statutes, rules and regulations, and laws, whether now in force or hereafter adopted relating to Tenant's use of the Premises, or relating to the storage, use, disposal, processing, distribution, shipping or sales of any hazardous, flammable, toxic or dangerous materials, waste or substance, the presence of which is regulated by a federal, state, or local law, ruling, rule or regulation (hereafter collectively referred to as "Hazardous Materials"); (2) comply with any reasonable recommendations by the insurance carrier of either Landlord or Tenant relating to the use by Tenant on the Premises of such Hazardous Materials; (3) refrain from unlawfully disposing of or allowing the disposal of any Hazardous Materials upon, within, about or under the Premises; and (4) remove all Hazardous Materials from the Premises placed upon, released into or introduced to the Premises by Tenant, its agents, contractors, employees, clients, or invitees, either after their use by Tenant or upon the expiration or earlier termination of this Lease, in compliance with all applicable laws.

27. **TIME OF ESSENCE.** Time is of the essence in this Lease.



28. ABANDONMENT. 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 shall, at the option of Landlord, 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.

29. DEFINITIONS. "Landlord" as used in this Lease shall include the undersigned, its representatives, assigns, and successors in title to the Premises. "Tenant" shall include the undersigned and its representatives, assigns and successors, and if this lease shall be validly assigned or sublet, shall include also Tenant's assignees or sublease 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.

30. NOTICES. All notices required or permitted under this Lease shall be in writing and shall be personally delivered or sent by United States certified mail, return receipt requested, postage prepaid to individuals listed below:

Notice to Tenant:

North Carolina Department of Agriculture & Consumer Services  
Attn: Property Manager / Incident Business Advisor  
1616 Mail Service Center  
Raleigh, North Carolina 27699-1600

Notice to Landlord:

Dudley Watts  
County Manager  
Forsyth County Government Center  
201 N. Chestnut St.  
Winston-Salem, NC 27101

With a copy to:  
Property Manager  
Forsyth County Government Center  
201 N. Chestnut St.  
Winston-Salem, NC 27101

All notices shall be effective upon delivery. Any party may change its notice address upon notice to the other parties, given as provided herein.

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

32. AUTHORIZED LEASE EXECUTION. Each individual executing this Lease as director, officer, partner, member or agent of a corporation, limited liability company, or

partnership represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of such corporation, limited liability company, or partnership.

33. **TRANSFER OF LANDLORD'S INTEREST.** In the event of the sale, assignment or transfer by Landlord of its interest in the Premises or in this Lease (other than a collateral assignment to secure a debt of Landlord) to a successor in interest who expressly assumes the obligations of Landlord under this Lease, Landlord shall thereupon be released and discharged from all its covenants and obligations under this Lease, except those obligations that have accrued prior such sale, assignment or transfer. Landlord's assignment of this Lease, or of any or all of its rights in this Lease, shall not affect Tenant's obligations hereunder, and Tenant shall attorn and look to the assignee as Landlord, provided Tenant has first received written notice of the assignment of Landlord's interest.

34. **MEMORANDUM OF LEASE.** 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 Rent and other sums due) as either party may wish to incorporate. The cost of recording such Memorandum of Lease shall be borne by the party requesting execution of same.

35. **GOVERNING LAW.** This Agreement is governed by the laws of North Carolina, except that provisions relating to conflict of laws shall not apply.

36. **INDEPENDENT CONTRACTOR.** The Tenant shall operate as an independent contractor, and the Landlord shall not be responsible for any of the Tenant's, its employees or invitees acts or omissions. To the extent permitted under North Carolina law, the Tenant agrees to hold the Landlord harmless from and against any claims, expenses (including attorney fees), costs or liability for the negligent or intentional acts or omissions of the Tenant or its employees. The Tenant, its employees, and invitees have no authority to enter into contracts or agreements on behalf of the Landlord. The Tenant declares that it has complied with all federal and state laws regarding business permits, certificates, and licenses that may be required to carry out the services to be performed under this Lease. The Landlord shall not be liable to the Tenant for any expenses paid or incurred by either the Tenant, its employees, or invitees unless otherwise agreed in writing. The Tenant shall supply, at its sole expense, all equipment, tools, materials, and/or supplies required to provide services unless otherwise agreed in writing. To the extent permitted by North Carolina law, the Tenant shall indemnify and save harmless the Landlord from and against all losses, claims, demands, payments, suits, actions, recoveries and judgments of every nature and description brought or recoverable against it or them by reason of any negligent or intentional act or omission of the Tenant or its employees in the execution of the work or in consequence of any negligence or carelessness in guarding the same, to the extent authorized by law. The Tenant shall assume all risk and bear any loss or injury to property or persons occasioned by neglect or accident while using the premises; and shall also assume all blame or loss by reason of neglect or violation of any state or federal law or municipal rule, regulation or order, to the extent authorized by law.

37. **EXHIBIT.** Exhibit A, a drawing that shows the Premises described in Section I hereinabove, is incorporated herein by reference. **This drawing is not a formal survey and is only a general representation of boundaries. If there is any discrepancy between Exhibit 1 and any other provision of this Agreement, such other provision of this Agreement shall govern.** Exhibit B, an outline of Building Rules and Regulations.

38. Landlord represents and warrants to Tenant that all action required to authorize Landlord's execution, delivery and performance of this Lease has been taken, and that this Lease constitutes Landlord's binding and enforceable obligation.

[SIGNATURE PAGE TO FOLLOW]

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

FORSYTH COUNTY, NORTH CAROLINA

(SEAL)

By: \_\_\_\_\_  
J. Dudley Watts, Jr, County Manager

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Ashleigh M. Sloop, Clerk to the Board

Date: \_\_\_\_\_

(SEAL)

STATE OF NORTH CAROLINA

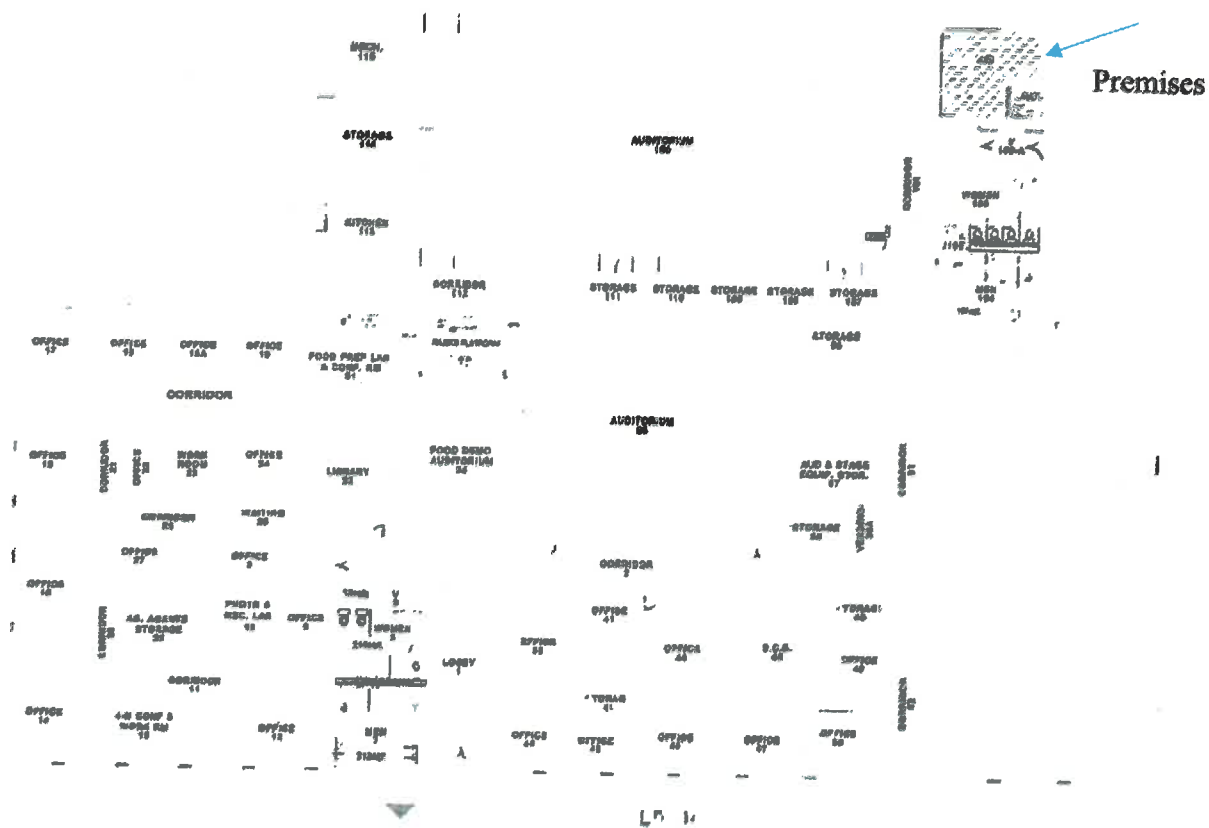
By: Andrew A. Meier  
Printed Name: ANDREW A. MEIER  
Title: DIRECTOR  
Date: September 14, 2020

ATTEST:

Bruce Atkinson

Date: 9/14/2020

# EXHIBIT A



**Exhibit B**  
**Building Rules and Regulations**

1. The entry and passages shall not be obstructed by the Tenant, nor used by it for any other purpose than for ingress and egress to and from its respective office.
2. No sign, advertisement or notice shall be inscribed, painted or affixed on any part of the outside or inside of the Premises, except doors of offices, which shall be approved by Landlord prior to installation.
3. Tenant shall not solicit or permit others to solicit goods or services to the public on the Premises.
4. Advertisement of services and/or products not provided by the building tenants and/or the Landlord is prohibited on the property.
5. Requests for access cards and/or keys must be submitted to the Landlord by a designated pre approved contact for each Tenant. Requests from individual employees will not be processed. Access cards and/or keys issued to tenants for building access shall not be given or loaned to others for any reason. In the event of lost access cards and/or keys, the Landlord will furnish a replacement card and/or key and a fine of five dollars will be required of the tenant per lost item, per occurrence which will be billed in the following month's rent invoice.
6. No additional locks shall be placed on any doors on the Premises nor shall any lock be changed without prior approval from the Landlord.
7. No Tenant shall do or permit anything to be done in said Premises, or bring or keep anything therein, which will in any way increase the fire hazard on said Building, or in any other way injure or annoy any other tenant, or conflict with the laws relating to fires, or with the regulations of the Fire Department, or with any insurance policy upon said Building or any part thereof, or conflict with any rules and ordinances of Forsyth County.
8. Each tenant will keep its Premises in a good state of preservation and cleanliness not causing unnecessary labor on the housekeeping staff due to carelessness and/or disregard for cleanliness.
9. If tenant requires a burglar alarm or similar service it must be submitted in written form to the Landlord for approval prior to installation; Landlord reserves the right to deny these requests based on the business needs of the Premises.
10. No tenant shall store, house, or secure personal belongings and/or property of clients or other individuals on the Premises. Tenant shall be liable to Landlord for the cost of removing client possessions or personal property in conflict with this rule.
11. No tenant shall allow or enable any person other than tenant employees entry into the building outside of building posted business hours. Any after hours meetings and/or events that involve persons not employed by tenant must be submitted in writing to the Landlord for approval prior to the meeting and/or event.

12. No tenant shall use any other method of heating or air conditioning than that provided for the Premises without special agreement. Usage of space heaters and/or fans may be allowed during business hours but are not to be left on overnight and/or when staff is not present. Any documented violation will result in a one time written warning to the tenant from the Landlord. Subsequent violations will result in a twenty five dollar (\$25) fine per violation to be billed in the following month's rental invoice to compensate for consumption of excess utilities.

13. No animals shall be allowed in or kept on the Premises except those identified and used as service animals.

14. Use of tobacco and other vaping products is prohibited.

15. No bicycles or small motorized vehicles shall be allowed inside the Premises.

16. No loitering is permitted on the Premises.

17. The Landlord reserves the right to have any intoxicated person or those deemed to be under the influence removed from the building should safety concerns arise or a disturbance occur.

The Landlord reserves the right to alter and/or add reasonable Rules and Regulations as may become necessary and needed for the safety, security, cleanliness, and care of the Premises. The Lessee shall observe and is responsible for it's clients and/or visitors to also observe the Rules and Regulations as stated. Such Rules and Regulations are in addition to the Lease and have the same force as if being a part of the Lease.