STATE OF NORTH CAROLINA

LEASE AGREEMENT

COUNTY OF BURKE

THIS LEASE AGREEMENT ("Lease"), made and entered into as of the last date set forth in the notary acknowledgments below, by and between the **COUNTY OF BURKE**_, a body politic and corporate, hereinafter referred to as "Lessor"; and the STATE OF NORTH CAROLINA, a body politic and corporate, hereinafter referred to as "Lessee." Lessor and Lessee are at times collectively referred to hereinafter as the "Parties" or individually as the "Party."

W I T N E S S E T H:

WHEREAS, pursuant to N.C. Gen. Stat. § 15-209 (a) ("Probation Office Accommodation Statute") the county commissioners of a county in which a probation office exists are required to provide suitable office space in or near the courthouse for probation officers and their administrative staff assigned thereto; and

WHEREAS, pursuant to N.C. Gen. Stat. § 143-341(4) the North Carolina Department of Administration ("NCDOA") has the power and duty to lease space in buildings for Lessee and its agencies and is required to keep a complete and accurate database of such leased space that includes certain data; and

WHEREAS, Lessor and Lessee, through NCDOA, desire to enter into this Lease in part to satisfy and document their respective statutory obligations; and

WHEREAS, the North Carolina Department of Adult Correction, Division of Community Supervision ("NCDAC") has approved the execution of this instrument for the purposes herein specified; and

WHEREAS, pursuant to N.C. Gen. Stat. § 146-32, authority to approve and execute this Lease was delegated to NCDOA by resolution adopted by the Governor and Council of State on the 1st day of September, 1981; and as amended on the 8th day of September 8, 1999, the 7th day of December 7, 1999 and the 6th day of October, 2020 (collectively, the "COS Resolutions"); and

WHEREAS, in accordance with the COS Resolutions NCDOA has further delegated its authority to approve and execute this Lease to NCDAC; and

WHEREAS, the Parties hereto have mutually agreed to the terms of this Lease as hereinafter set out.

NOW, THEREFORE, in consideration of the Premises, as described herein, the Probation Office Accommodation Status and the covenants, conditions and provisions hereinafter set forth, Lessor does hereby rent, lease and demise unto Lessee, and Lessee hereby takes and leases from Lessor, for and during the term and under the terms and conditions hereinafter set forth, the Premises, as described herein.

1. Premises. The "Leased Premises" or "Premises" means that certain office space consisting of approximately **_2,892_ square feet**, located a**t _203 S. Green Street**, with all rights, privileges and appurtenances thereto belonging, situated in a building lying and being in Township, City / Town of __**Morganton,__Burke_ County** (the "County"), North Carolina, as shown and more particularly described on Exhibit A, attached hereto and incorporated herein by this reference.

NCDAC, PROBATION AND PAROLE
DIVISION_4, DISTRICT 25 _

2. Term. The term of this Lease shall be for a period of **_one (_1_) year**, commencing on the **1st day of _May,_ 2026**_ (the "Commencement Date") and terminating on the **_30th _ day of _April,_ 2027_**(the "Term").

3. Rent. Lessee shall pay to Lessor as rental for the Premises, the sum of ONE DOLLAR ($1.00) for the Term.

4. Use of Leased Premises. In accordance with the Probation Office Accommodation Statute, the Premises shall be used by Lessee as office workspace for NCDAC employed probation officers and administrative support staff assigned to the County.

5. Compliance. Lessee agrees to comply with all governmental laws, rules, ordinances and regulations applicable to the Premises or Lessee's use thereof.

6. Maintenance and Services. During the Term, Lessor, at its sole cost and expense, shall maintain the Premises in a manner that is consistent with its upkeep of other comparable Lessor owned office space and shall, to the extent applicable to the Premises, furnish the following facilities, services and appurtenances:

A. Heating facilities, air conditioning facilities, adequate electrical facilities, adequate lighting fixtures and electrical sockets, hot and cold-water facilities, and adequate toilet facilities.

B. Maintenance of lawns, landscaping, sidewalks, paved areas, snow removal and disposal of trash, including provision for the handling of recyclable items such as aluminum cans, cardboard and paper.

C. Required fire extinguishers and servicing, pest control, and outside trash disposal. All pesticides must be applied by a licensed technician.

D. Janitorial services and supplies; provided that such services shall only be furnished on weekdays when Lessor's offices are open.

E. All utilities, except information technology and telecommunications.

F. Parking to accommodate a minimum of **_24_ employee vehicles, _23_ State employees vehicles and/or _as available_ employee / clientele vehicles.**

G. Access to the Premises for persons with disabilities and access to a restroom suitable for use by disabled persons.

H. Fire or safety inspections.

I. Payment of storm water fees.

J. Keys or access cards to the Premises for each employee of Lessee assigned to work therein.

K. Any additional matters or obligations set forth in the signed "Proposal to Lease to the State of North Carolina" (Form PO-28) attached hereto and incorporated herein as Exhibit B.

7. Inspection and Improvement. Lessor reserves the right, after giving prior notice, to enter and inspect the Premises, at reasonable times and to make necessary repairs to the Premises. Lessee shall not make any improvements or alterations to the Premises without Lessor's prior written consent. Unless so instructed by Lessor when it provides its written consent, Lessee shall have no duty to remove any improvement or alteration it makes to the Premises. In the event Lessee does remove its improvements or alterations, and such removal causes damage to the Premises, Lessee shall repair the damage at its sole cost and expense.

8. Insurance and Liability.

A. Lessor agrees that Lessee's decision to self-insure satisfies all insurance requirements of this Lease applicable to Lessee.

B. Lessee is an immune sovereign and is not ordinarily subject to suit. However, Lessee has enacted Chapter 143, Article 31, of the North Carolina General Statutes (the "Tort Claims Act"), pursuant to which the Lessee may be liable for the torts of its officers and employees, within the terms of the Tort Claims Act. Accordingly, Lessee will be primarily liable for any claims within the coverage of the Tort Claims Act.

C. Lessor is a body corporate and as such is ordinarily immune from liability for damage by reason of death or injure to person or property; however, Lessor may waive its immunity pursuant to applicable law if it is indemnified by a policy of insurance, Accordingly, Lessor agrees, solely to the extent indemnified by an insurance policy such that any amounts paid by Lessor to Lessee comes from insurance proceeds and not from Lessor's funds, to save Lessee harmless from and against any and all loss, damage, claim, demand, liability, or expense, including reasonable attorney's fees, by reason of damage to any person(s) or property on or about the Premises, which may arise or be claimed to have arisen as a result of the use or possession of the Premises by Lessee, its agents or employees, except where such loss or damage arises from the willful or negligent misconduct of Lessee, its agents or employees.

9. No Waiver of Immunity. No provision of this Lease shall be construed as constituting a waiver of Lessee's sovereign immunity or Lessee's immunity under the Eleventh Amendment of the Constitution of the United States and Lessee's liability for any claims shall be limited to the extent and manner of recovery provided in the Tort Claims Act. No provision of this Lease shall be construed as constituting a waiver of Lessor's or Lessee's sovereign, governmental, or statutory immunity or any other legal or equitable defense if otherwise available pursuant to law.

10. Holdover. Any holding over after the expiration of the Term, without the exercise of a renewal option or the execution of a new lease, shall be construed to be a tenancy from month to month, and shall otherwise be on the terms and conditions herein specified, so far as applicable; however, either Party shall give not less than sixty (60) days written notice to terminate the month to month tenancy.

11. Surrender of Premises. Upon the expiration of the Term or the earlier termination of this Lease, Lessee will peaceably surrender the Premises in as good order and condition as when received, reasonable use and wear excepted.

12. Quiet Possession. Lessor agrees that Lessee, upon keeping and performing the covenants and agreements herein contained, shall at all times during the Term peaceably and quietly have, hold, and enjoy the Premises free from the adverse claims of any person.

13. Availability of Funds. The Parties agree and understand that the continuation of this Lease for the Term is dependent upon and subject to the appropriation, allocation or availability of funds for this purpose to the agency of Lessee responsible for payment of personnel costs, rent and other expenses associated with this Lease. The Parties also agree that in the event the agency of Lessee or that body responsible for the appropriation of said funds, in its sole discretion, determines in view of its total local operations that available funding for the payment expenses associated with this Lease is insufficient to continue Lessee's operations on the Premise, it may choose to terminate this Lease by giving Lessor written notice of said termination, and this Lease shall terminate immediately without any further liability to Lessee.

14. Prohibition on Gifts. North Carolina General Statute §133-32 and Executive Order 24 prohibit the offer to, or acceptance by, any employee of Lessee of any gift from anyone with a contract with Lessee, or from any person seeking to do business with Lessee. By execution of this Lease, Lessor attests, for its entire organization, including its employees or agents, that it is not aware that any such gift has been offered, accepted, or promised by any employees of its organization.

15. Assignment and Subletting. This Lease may not be assigned or the Premises subleased by Lessee, in whole or in part, without the express written approval of Lessor.

16. Amendment. This Lease shall not be modified or amended except by an instrument in writing executed by or on behalf of Lessor and Lessee.

17. Binding Effect. This Lease shall be binding upon and inure to the benefit of Lessor and Lessee, their successors and permitted assigns.

18. Entire Agreement. This instrument contains the entire agreement between the Parties, and no statement, premise, inducement, representation or prior agreement which is not contained in this written Lease shall be valid or binding. The recitals in this Lease and the Exhibits attached hereto are hereby incorporated herein to the same extent as if fully set forth.

19. Severability. In case any one or more of the provisions contained in this Lease shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof and this Lease shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

20. Applicable Law. This Lease shall be governed by, construed and enforced in accordance with the laws of the State of North Carolina and court actions arising therefrom may be brought only within the courts of the State of North Carolina.

21. Effect of Waiver or Forbearance. The failure of either Party to insist in any instance upon strict performance of any of the terms and conditions herein set forth shall not be construed as a waiver of the same in any other instance.

22. Construction and Terms. No provision of this Lease shall be construed against or interpreted to the disadvantage of any Party by any court or other governmental or judicial authority by reason of such Party's having or being deemed to have prepared or imposed such provision. The section or paragraph headings and the titles are not a part of this Lease and shall have no effect upon the construction and interpretation of any part hereof. Capitalized terms used in this Lease shall have the meanings ascribed to them at the point where first defined, irrespective of where their use occurs, with the same effect as if the definitions of such terms were set forth in full and at length every time such terms are used.

23. Counterparts. This Lease may be executed in two or more counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

24. Memorandum of Lease for Recording. At the request of either Party, Lessor and Lessee shall execute a memorandum of this Lease for recording in the public records at the requesting Party's sole cost and expense. Such memorandum of Lease shall describe the Parties, set forth a description of the Premises, specify the Term and incorporate this Lease by reference.

25. Notices. All notices, requests and other communications hereunder shall be deemed to have been fully given, by either Party to the other, when made in writing and either deposited in the United States mail (sent certified, return receipt requested); personally delivered; or transmitted by overnight courier for next business day delivery to the addresses of Lessor and Lessee set forth below, or to such other addresses as the Parties may, from time to time, designate by written notice.

If intended for Lessor, addressed to Lessor, at:

County of Burke
Administration
Attn: County Manager
Post Office Box 219
Morganton, North Carolina 28680

If intended for Lessee, addressed to Lessee, at:

North Carolina Department of Adult Correction
Purchasing
Attn: Real Property Office
5227 Mail Service Center
3512 Bush Street
Raleigh, North Carolina 27699

With copy to:

North Carolina Department of Administration
State Property Office
Attn: Manager, Leasing and Space Planning Section
1321 Mail Service Center
Raleigh, North Carolina 27699

[remainder of page intentionally left blank - signatures begin on the following page]

IN TESTIMONY WHEREOF, this Lease has been executed by the Parties under seal, in duplicate originals, as of the dates set forth in the notary acknowledgments below.

LESSOR:

BURKE COUNTY

By: _____(sign)_

Print Name: **Brian Epley**_____

Title: **County Manager** ____

ATTEST:

_____ (Seal)
County Clerk

STATE OF NORTH CAROLINA

COUNTY OF _____

I, _____, a Notary Public in and for the aforesaid County and State do hereby certify that **_Brian Epley_** personally came before me this day and acknowledged that he/she is the **County Manager** and that by authority duly given and as an act of **_Burke County_**, the foregoing instrument was signed by _____, _____ (title), attested by himself/herself as Clerk and sealed with the common seal.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal, this the _____ day of _____, 202__.

Notary Public: _____

Print Name: _____

My Commission Expires: _____

LESSEE:

STATE OF NORTH CAROLINA

By: _____(sign)_

Print Name: **Joanne Rowland** _____

Title: **Director of Purchasing** _____

STATE OF NORTH CAROLINA

COUNTY OF _____

I, _____, a Notary Public for the County of _____, North Carolina, do hereby certify that _**Joanne Rowland**_, personally came before me this day and acknowledged the due execution of the foregoing instrument as the **Director of Purchasing, North Carolina Department of Adult Correction**, for the purposes therein expressed.

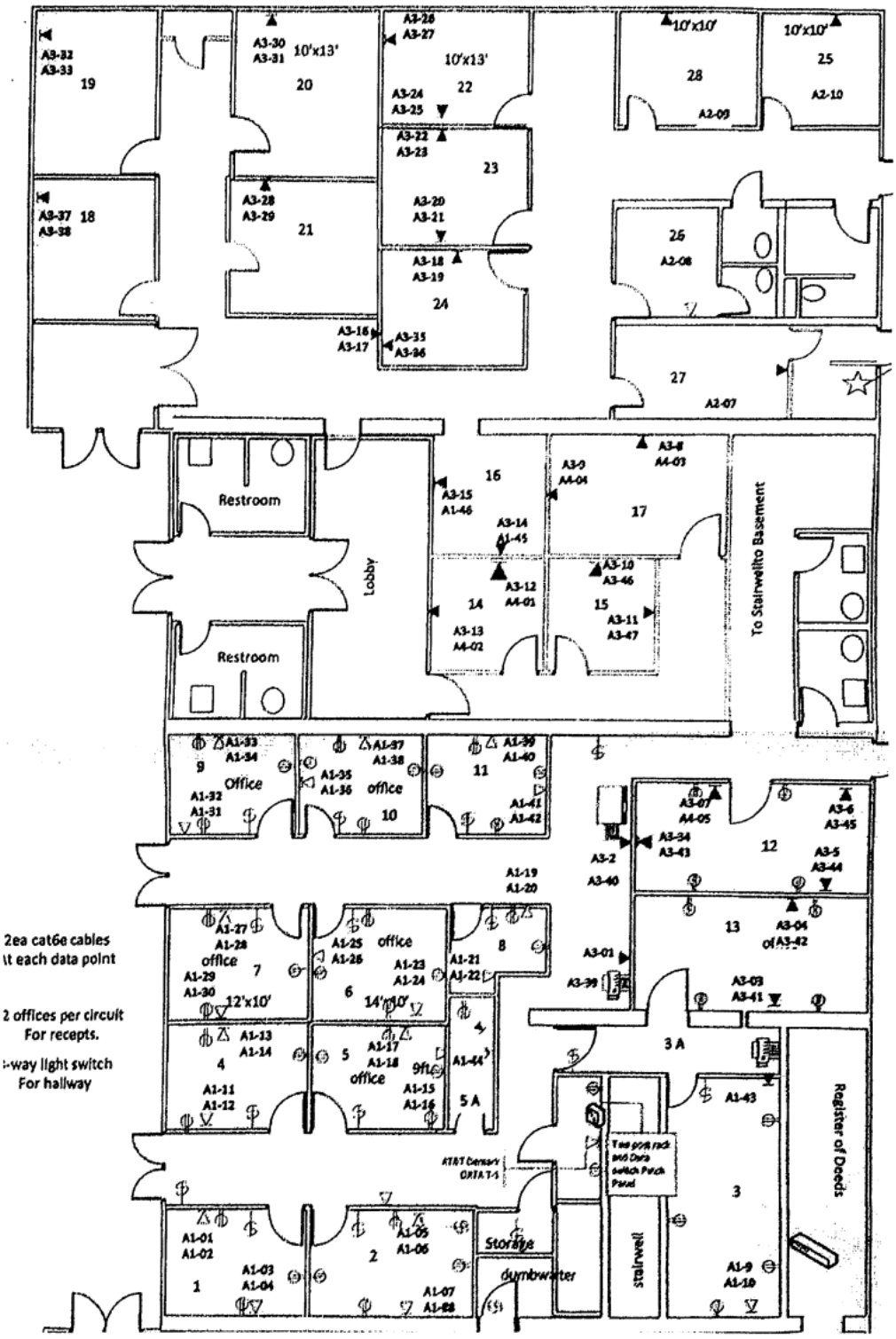
IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal, this the _____ day of _____, 202__.

Notary Public: _____

Print Name: _____

My Commission Expires: _____

Exhibit A



County owned; +/- **2,892 net square feet** *(no additional cost for +/- square feet)*