

LEASE AGREEMENT
4000 Sancar Way, Research Triangle Park

This LEASE AGREEMENT ("**Lease**") is made as of the ____ day of _____, 2025 by and between **One Park Venture LLC**, a North Carolina limited liability company ("**Landlord**"), and Durham County, North Carolina ("**Tenant**") to be occupied by the Durham County Sheriff's Office, a division of Durham County, North Carolina. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant agree as follows:

1. KEY TERMS AND DEFINITIONS.

- a. "**Building**" means that certain building located at 4000 Sancar Way, Durham, North Carolina 27713.
- b. "**Premises**" means the space within the Building designated Suite100 containing in the aggregate approximately four thousand eight hundred forty-four (4,844) rentable square feet and consisting of office space described below and illustrated on **Exhibit A**.
- c. "**Permitted Use**" Tenant shall be permitted to use the Premises for general office use and law enforcement purposes except for the following prohibited uses: Detention or jail intake processing, Detention of jail release processing, Custodial interviews or interrogations, Arrestee or detainee² holding facility, Sex offender registration processing, or Community correction, probation or parole functions, as more particularly defined on Exhibit E attached hereto and incorporated herein by reference.
- d. "**Commencement Date**" shall mean March 1, 2026. Tenant's Rent obligations shall begin on the Commencement Date; provided, however, Tenant shall receive a day of free Rent at the end of the Term for every day Landlord was delayed in delivering the Premises beyond the Commencement Date, and Tenant's Rent obligations shall be limited to sixty (60) months from the Commencement Date, regardless of the fact the Term (as defined below) has not expired.
- e. "**Delivery Date**" means the earliest to occur of (i) the date on which Tenant takes possession of any portion of the Premises, or (ii) the date on which Landlord delivers possession of the Premises to Tenant with the Landlord's Work, if any, substantially complete (subject to adjustment for Tenant Delay). The anticipated Delivery Date is June 1, 2026.
- f. "**Term**" means the period beginning on the Commencement Date and expiring at 11:59 p.m. Eastern time on the last day of the sixtieth (60th) full calendar month after the Delivery Date.
- g. "**Expiration Date**" means the last day of the Term.
- h. "**Extension Option**" None.
- i. "**Base Rent**" means the sum \$1.00 annually, subject to escalation as provided in Subsection 5(c) below.
- j. "**Escalator**" means None.
- k. Intentionally omitted.
- l. "**Security Deposit**" means None.
- m. "**Landlord's Notice Address**" means c/o Research Triangle Foundation, Attn: Jessica Wisniewski, 700 Park Offices Drive, Suite 007, Durham, NC 27713, with a required copy to Ellis & Winters LLP, Attn: Michael G. Winters, 4131 Parklake Avenue, Suite 400, Raleigh, NC 27612.
- n. "**Tenant's Notice Address**" means Durham County Sheriff's Office Attn: County Manager 200 E. Main Street, 3rd Floor Durham, North Carolina 27701; with a required copy to Durham County Sheriff's Office Attn: Chief Deputy, 510 S. Dillard Street, Durham, North Carolina 27701.

- o. “**Landlord’s Property Manager**” means such property manager as Landlord may from time to time designate, Landlord having no obligation to engage a property manager.
- p. “**Landlord’s Broker**” means Jones Lang LaSalle Brokerage, Inc.
- q. “**Tenant’s Broker**” means None.

2. **PREMISES AND COMMON AREAS.** Landlord leases to Tenant, and Tenant leases from Landlord, the Premises, together with the non-exclusive right to access and use the Common Areas (defined below) for their intended purposes, subject in all respects to the terms and conditions of this Lease. For purposes of this Lease, references to “rentable square feet” and derivations thereof mean the product of the useable square footage determined by Landlord’s architect in accordance with the BOMA standards for office buildings utilized by Landlord multiplied by a factor of 1.1512. Except only as may be expressly provided otherwise in the Work Letter attached hereto as **Exhibit D**, Landlord and Tenant hereby stipulate and agree to rentable square footage of the Premises recited herein for all purposes in connection with this Lease. The term “**Property**” means, collectively, the Building, the lot or parcel of real estate owned or leased by Landlord on which it is situate, and all improvements thereto and fixtures owned by Landlord, including but not limited to the Premises. The term “**Common Areas**” means the washrooms, hallways, interior common corridors, stairwells, elevators, sidewalks and other areas and amenities from time to time made available by Landlord, in its sole and absolute discretion, for use in common by the tenants and occupants of the Property, but expressly excluding the roof of the Building and any such facilities located within or exclusively serving premises demised to a tenant. Landlord reserves the exclusive right to control, manage, reconfigure, eliminate and expand the Common Areas, including the right to close and restrict access to the same as it deems necessary for the proper and safe operation, maintenance, repair, and restoration of the Property. Tenant’s rights in the Common Areas during the Term include the non-exclusive right to the use of its proportionate share of the unreserved parking spaces from time to time located on the Property for Tenant and its employees, agents and invitees. Tenant shall be allotted four (4) reserved parking spaces near the entrance closest to the Premises for use by Tenant’s patrol vehicles. The remainder of Tenant’s vehicles shall be parked on the lower level of the parking deck in an area that is mutually agreeable to the Parties.

3. **TERM.** This Lease shall be for the Term specified in Section 1, commencing on the Commencement Date and expiring at 11:59 p.m. Eastern time on the Expiration Date, unless sooner terminated in accordance with its terms or extended pursuant to an option expressly set forth in this Lease. Upon the request of Landlord or Tenant, the parties agree to execute a written statement in a mutually agreeable form confirming the actual Commencement Date, Delivery Date, the Expiration Date, the rentable square footage of the Premises, room numbers for the Premises (if not specified herein), Tenant’s Proportionate Share, the schedule of Base Rent, Tenant’s acceptance of the Premises, and such other matters as Landlord may require.

DELAY IN DELIVERY OF POSSESSION. If Landlord is unable to deliver possession of the Premises to the Tenant on the Commencement Date for any reason other than Tenant’s fault, nevertheless the Commencement Date shall be deemed to occur on March 1, 2026, and Landlord shall not be liable to Tenant for any damages for such delay unless delay exceeds ninety (90) days from the anticipated Delivery Date of June 1, 2026, in which case Tenant may terminate this Lease upon written notice to Landlord.

Landlord will provide day for day rent abatement to Tenant at the end of the Term for every day that Landlord is delayed in delivering the Premises beyond the Commencement Date, so that Tenant’s Rent obligations will begin on the Commencement Date but Tenant will receive free rent at the end of the Term equal to the number of days between the Commencement Date and the Delivery Date. Nothing herein shall relieve Landlord of its obligation to use diligent efforts to deliver the Premises by the Anticipated Delivery Date.

For example, by way of illustration and not limitation, the following is an example of the terms set forth above:

On March 1, 2026, the Commencement Date shall be deemed to occur, and Tenant’s Rent obligations shall begin for a period of sixty (60) months commencing on March 1, 2026, and terminating on February 28, 2031. However, if Landlord was unable to deliver possession on March 1, 2026, and subsequently delivers possession on

June 1, 2026, the Term of the Lease shall be deemed to run from March 1, 2026, through May 31, 2031, however, Tenant's rent obligations shall expire on February 28, 2031, as such date represents sixty months of full payment. Therefore, Tenant shall be entitled to remain in the premises from March 1, 2031, through May 31, 2031, with abated rent, on a day for day basis for the period between the Commencement Date and the Delivery Date.

4. USE AND COMPLIANCE WITH LAWS.

(a) Use. Tenant shall occupy the Premises throughout the Term and use the Premises only for the Permitted Use. In no event may Tenant make any use of the Premises which: (i) violates any applicable laws, regulations or ordinances; (ii) violates any recorded covenants or restrictions applicable to the Premises, including without limitation the declarations, covenants, conditions and restrictions from time to time in effect for the Research Triangle Park; (iii) is or might constitute a nuisance; or (iv) makes hazard, liability, casualty, property, or other insurance unavailable to Landlord. Tenant shall not place excessive loads on any portion of the Premises or Property (including parking areas) or install, operate or use any equipment or machinery that would place excessive demands on Building systems.

(b) Compliance with Laws. Tenant, at its expense, shall comply with all laws, ordinances, orders, rules and regulations of state, federal, municipal or other agencies or bodies having jurisdiction relating to the use, condition and occupancy of the Premises, including without limitation all applicable requirements under or relating to the Occupational Safety and Health Act, as amended from time to time ("**OSHA**"), the Americans With Disabilities Act of 1990, as amended from time to time. Tenant shall also comply with Landlord's rules and regulations for the Property, which Landlord may in its discretion modify, amend, or restate such rules and regulations from time to time; provided, the same neither increase Tenant obligations nor decrease Tenant's rights under the Lease (collectively, "**Rules and Regulations**"). Subject to the Prohibited Uses on Exhibit E, any activities that are reasonable and customary parts of Tenant's use of the Premises as a satellite Durham County Sheriff's Office shall be expressly permitted pursuant to the terms and conditions of this Lease, and the same shall not be deemed violations of the Rules and Regulations. A copy of Landlord's current rules and regulations for the Property are attached as Exhibit C. Changes to the Rules and Regulations will be effective when provided to Tenant. Landlord shall not be liable to Tenant for violation of the Rules and Regulations by any other tenant, its employees, agents, visitors, licensees, or any other person.

5. RENTAL.

(a) Rent. The term "**Rent**" means Base Rent and all Additional Rent, as those terms are defined below. Except only as may be expressly provided otherwise in this Lease, Tenant shall pay Rent due under this Lease without demand, deduction, abatement, or offset of any kind. Landlord reserves the right to apply all payments of Rent received to amounts then due and payable in such order as Landlord determines in its sole discretion. All installments of Rent shall be delivered to One Park Venture LLC via Automated Clearing House (ACH) Debit upon delivery of Landlord's bank account information, or, if for any reason ACH transfer is not available, to One Park Venture LLC, Attn: Jessica Wisniewski, Chief Financial Officer, 700 Park Offices Dr, Suite 007, Durham, NC 27713, or such other address as Landlord may direct from time to time. References in this Lease to monthly Rent mean the applicable monthly installments of Base Rent and Tenant's Proportionate Share of the Operating Expense Differential (all as defined below).

(b) Base Rent. Tenant shall pay "**Base Rent**" in the amount specified in Section 1 within sixty (60) days of the commencement of Tenant's fiscal year, which currently is July 1 annually.

(c) Intentionally omitted.

(d) Intentionally omitted.

(e) Intentionally Omitted.

6. SECURITY DEPOSIT. Intentionally omitted.

7. SERVICES AND UTILITIES.

(a) Services. Landlord shall provide, in consideration of the Rent, the following:

(i) Heating, ventilation, and air conditioning ("**HVAC**") for the Premises during Operational Hours to maintain temperatures for comfortable use and occupancy acceptable for ordinary office uses (excluding supplemental HVAC such as server cooling);

(ii) Janitorial services for the Premises;

(iii) Hot and cold water sufficient for drinking, lavatory, toilet, and ordinary office purposes;

(iv) Electricity to the Premises at all times and in reasonable amounts necessary for normal office use and lighting

(v) Replacement of lighting tubes, lamp ballasts, and bulbs and damaged or stained ceiling tiles, air filters;

(vi) Extermination and pest control when necessary;

(vii) Maintenance of Common Areas and core areas and exterior walls, glass, plumbing, electrical and HVAC; and

(viii) Snow and ice removal for the Property, which may be provided, at Landlord's cost, by a third-party service provider which handles snow and ice removal for the Durham County Sheriff's Office

(b) Business Hours. "**Business Hours**" means: Monday through Friday, 7:00 a.m. through 7:00 p.m., and 8:00 a.m. to 1 p.m. on Saturdays, but excludes the following holidays (or the days on which the holidays are designated for observance) and such other holidays as Landlord from time to time designates: New Year's Day, Martin Luther King, Jr. Day, Easter (Good Friday), Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the Friday following Thanksgiving, Christmas Eve, and Christmas Day.

(c) Operational Hours. For purposes of this Lease, Operational Hours shall mean that the Premises is open to the public, Monday through Friday from 8:30 am to 5:00 pm; provided, however, Landlord and Tenant acknowledge and agree that Tenant will have patrol staff present or operating out of the Premises 24 hours per day, seven days per week, three hundred and sixty five days per year.

(d) 24 Hour Access. Tenant, its employees, agents, and invitees shall have access to the Premises, twenty-four (24) hours a day, seven (7) days a week.

(e) Extra Services. Landlord shall have the right to monitor the Tenant's use of water, electrical, gas, and other utility consumption, which shall include heating, and air conditioning within the Premises. Tenant shall not place or operate in the Premises any electrically operated equipment or other machinery, other than typewriters, personal computers, adding machines, reproduction machines, and other machinery and equipment normally used in offices without Landlord's prior written consent, in Landlord's sole discretion. Landlord may condition its consent to Tenant's installation and use of such equipment on, among other things, requiring payment for the extra use of electricity caused by operating this equipment or machinery. Also without limitation, Landlord may require that special, high electricity consumption installations of Tenant such as computer or reproduction facilities (except personal computers or normal office photocopy machines) be separately sub-metered for electrical consumption

(f) Interruption of Utilities and Services. Landlord does not warrant that any utilities or services Landlord supplies (whether or not specifically listed in this Lease) will not be temporarily interrupted or that such utilities and services are adequate or appropriate for use with Tenant's equipment. Services may be temporarily interrupted because of accidents, repairs, alterations, improvements, or any reason beyond the reasonable control of Landlord. Tenant is solely responsible for ensuring that available

utilities and services are suitable for use with its equipment. Neither any temporary interruption of utilities or services nor any inability of Tenant to operate its equipment with utilities and services provided by Landlord will: (i) be considered an actual or constructive eviction or disturbance of Tenant's use and possession of the Premises; (ii) make Landlord liable to Tenant for damages of any kind, including without limitation liability for damage to any personal property or data of Tenant lost or damaged by such interruption; (iii) entitle Tenant to any abatement of Base Rent or Additional Rent; or (iv) relieve Tenant from performing any of Tenant's obligations under this Lease. Notwithstanding the above, these limitations do not apply to Landlord's negligence, gross negligence, or willful misconduct. Landlord shall install a generator at the Building as part of Landlord's work.

8. ACCEPTANCE OF PREMISES. Tenant acknowledges and agrees that neither Landlord nor Landlord's agents have made any representations or promises with respect to the Premises, the Building or, the Property or the subject matter of this Lease except only as may be expressly set forth in this Lease. The taking of possession of the Premises by Tenant constitutes conclusive evidence, as against Tenant, that (a) Tenant accepts the same AS-IS, WHERE-IS, WITH ALL FAULTS and that the Landlord's Work, if any, required under the express terms of the Lease has been substantially completed (subject only to minor punch-list items), and (b) at the time Tenant took possession of the Premises, the Premises were in good condition and the Building systems serving the Premises were in good working order.

9. ALTERATIONS, TRADE FIXTURES, SIGNS AND CONTRACTORS.

(a) Alterations. Without Landlord's prior written consent, in Landlord's sole discretion, Tenant shall not make any alterations, improvements or additions (collectively, "**Alterations**") that (i) impact the structural components of the Premises or the Building or (ii) impact utility and other systems serving the Premises or the Building, or (iii) are located outside of or visible from the exterior of the Premises. All other Alterations remain subject to Landlord's prior written consent, which consent may be withheld or conditioned in Landlord's commercially reasonable discretion. Without limiting the generality of the foregoing, Landlord may condition its consent to any Alterations on, among other things, review and approval of complete and final architectural plans, specifications and construction drawings, the names and addresses of all Tenant's contractors and subcontractors, and applicable contracts, permits, licenses and certificates of insurance. Landlord may also require as a condition to its consent to any Alterations Tenant's agreement to remove the Alterations upon the expiration or prior termination of this Lease. In addition, prior to the commencement of any Alterations, Tenant shall provide Landlord with evidence reasonably satisfactory to Landlord of Tenant's ability to pay for such work and material in full and if requested by Landlord, shall deposit with Landlord at such time security for the payment of said work and materials as Landlord may require. Unless otherwise required by Landlord in writing, Tenant shall not remove or damage any permanent Alterations made by Tenant to the Premises, and all such Alterations shall belong to Landlord at the termination of this Lease. Due to statutory requirements of Tenant, Tenant must engage in a bidding and procurement process pursuant to North Carolina General Statutes and shall be entitled to select its contractors in accordance with such required bidding and procurement process; provided, however, at all times Tenant shall retain contractors that are duly licensed and insured prior to engaging in alterations to the Premises.

(b) Trade Fixtures. Tenant, at Tenant's sole cost and expense, shall be permitted to install trade fixtures in the Premises and, provided there is no default or Event of Default, remove its trade fixtures from the Premises upon the termination of this Lease. Tenant shall be responsible for whatever expenses are incurred in connecting its equipment to water, sewer, gas or other utilities, lines, and any other charge incurred in the installation of its trade fixtures. As used in this Lease the term "**trade fixtures**" includes but is not limited to racks, counters, shelves, mirrors, chairs or other similar fixtures and/or equipment that can be removed without substantial damage to the Premises. Notwithstanding the foregoing, nothing in this Subsection 9(b) is intended to permit, or may be construed as permitting, the installation of lab equipment in rooms limited to office use. If Tenant removes its trade fixtures, Tenant shall repair and restore all

damage caused by such removal. Removal of trade fixtures at the expiration or prior termination of the Term is governed by Section 12 below.

(c) Signs. Landlord has established a signage program for the Building and shall add Tenant's name to the interior building directional signage and suite signage at Landlord's expense; provided, that Landlord and Tenant shall mutually agree on the building signage and any signage installed at the visitor entrance. Other than the foregoing, Tenant shall not permit, allow or cause to be erected, installed, maintained, painted or displayed on, in or at the Premises, the Building or the Property any interior or exterior sign, lettering, placard, announcement, decoration, advertising media or advertising material of any kind whatsoever, visible from the exterior of the Premises, without the prior written approval of Landlord, in Landlord's sole discretion.

(d) Contractors. Tenant shall not permit any work to be performed anywhere on or about the Premises, the Building or the Property except by duly licensed contractors, each of whom must carry adequate general public liability, builder's risk, and workman's compensation insurance, certificates of which shall be furnished Landlord for approval prior to the commencement of any such work or the furnishing of any materials. All Alterations and any other work required or permitted to be done by Tenant with respect to the Premises or any portion thereof shall be in a good and workmanlike manner in compliance with all applicable laws, rules and regulations.

(e) Liens. Tenant shall keep the Premises, the Building, and the Property free from any liens arising out of any work performed, materials ordered, or obligations incurred by or on behalf of Tenant (collectively, "***Tenant Liens***"), and Tenant shall have no power to do any act or make any contract that may create or be the foundation of any lien, mortgage, or other encumbrance upon the reversionary or other estate of Landlord, or any interest of Landlord in the Premises or the Building. **NO CONSTRUCTION LIENS OR OTHER LIENS FOR ANY LABOR, SERVICES OR MATERIALS FURNISHED TO THE PREMISES OR TENANT LIENS OF ANY KIND SHALL ATTACH TO OR AFFECT THE INTEREST OF LANDLORD IN AND TO THE PREMISES OR THE PROPERTY, REGARDLESS OF WHETHER OR NOT LANDLORD HAS CONSENTED THERETO OR FUNDED, OVERSEEN OR APPROVED THE SAME WHETHER DIRECTLY OR INDIRECTLY.** Tenant's obligations under this Subsection 9(e) will survive the expiration or prior termination of this Lease.

(f) Mechanic's Lien Agent. If any Alterations performed by or on behalf of Tenant require appointment of a mechanics' lien agent under North Carolina General Statutes § 44A-11.1 (or any successor statute), Tenant shall ensure that the applicable appointment indicates in no uncertain terms that Tenant's interest in the Premises is a leasehold only, that such appointment is not done by or on behalf of Landlord, and that such appointment does not relate to Landlord's title to or interest in the Premises or the Property.

10. REPAIRS AND MAINTENANCE.

(a) Tenant's Responsibilities. Tenant, at Tenant's own cost and expense, either itself or using contractors or consultants approved in advance by Landlord, shall:

(i) keep the Premises and fixtures clean and in good order, including all necessary and appropriate measures to ensure Tenant meets its compliance obligations under Section 4;

(ii) make repairs or replacements to the Premises, the Building and the Property that become necessary or advisable as a result of Tenant's misuse or negligence, except to the extent that the repairs or replacements are covered by Landlord's insurance, provided that Tenant shall pay the applicable deductible and

(iii) maintain, repair and replace Tenant's decorative treatments, trade fixtures and any other special equipment installed by or for Tenant that serve the Premises only.

(b) Landlord's Responsibilities. Landlord agrees to keep in good repair the Common Areas and the structural portions of the roof, foundations, and exterior walls of the Building, excepting repairs for

which Tenant may be responsible under the terms of this Lease. Landlord also agrees to keep in good condition and repair and perform the periodic maintenance of the Common Areas and the roof membrane and the Building systems serving the Premises. Tenant shall promptly notify Landlord of any condition which Tenant knows to be in need of maintenance, repair or replacement by Landlord.

(c) Waste. Tenant shall neither cause nor permit any waste with respect to the Premises.

11. ENVIRONMENTAL MATTERS.

(a) Tenant's Responsibility. Tenant covenants and agrees that the Premises will, throughout the Term and at all times during Tenant's use or occupancy thereof, be kept and maintained so as to comply with all now existing or hereafter imposed statutes, laws, rules, ordinances, orders, permits, and regulations of all state, federal, local, and other governmental and regulatory authorities, agencies, and bodies applicable to the Premises pertaining to environmental matters, or regulating, prohibiting or otherwise having to do with asbestos, radon, PCB's and all other toxic, radioactive, or hazardous substances, materials or wastes, including, but not limited to, the Federal Clean Air Act, the Federal Water Pollution Control Act, and the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, (collectively, as amended from time to time, "***Environmental Laws***"). No material shall be installed anywhere else within the Premises or Property, by Tenant, or any employee, agent, or contractor of Tenant, which contains any asbestos or other toxic or hazardous waste or substance; or which causes, or could cause all or any portion of the Premises or the Property to be in violation of any Environmental Laws: (a) when such material is installed; (b) while such material remains thereon; or (c) when such material is disturbed or removed. Prior to introducing any such hazardous or regulated material or substance to the Premises or Property (other than household cleaning products and routine office supplies in amounts typical for an office use), Tenant shall obtain Landlord's prior written consent and provide to Landlord all information regarding the use, storage, transportation and/or disposal of the same (including without limitation applicable Material Safety Data Sheets). Tenant further agrees to provide Landlord with updates to such information and such additional information and documentation as Landlord may require from time to time upon Landlord's request. Tenant shall immediately notify Landlord of any actual or threatened violation of Tenant's obligations under this Section 11.

(b) Tenant's Liability. Notwithstanding contrary provisions of this Section 11, the Tenant's obligations and liabilities under this Section 11 will not apply to any condition or matter constituting a violation of any Environmental Laws: (A) which existed prior to the commencement of Tenant's use or occupancy of any portion of the Property, and was not caused, in whole or in part, by Tenant or Tenant's agents, employees, officers, partners, contractors, or invitees; or (B) to the extent such violation is caused by, or results from, the acts or omissions of Landlord or other tenants of the Property. Landlord, at its sole option, may require Tenant, at Tenant's cost and expense, to perform or cause to be performed any of the work that is the subject of Tenant's indemnity in this Subsection 11(b) and to post adequate financial security for the same. The covenants contained in this Subsection 11(b) will survive the expiration or prior termination of this Lease.

(c) Environmental Audits. Landlord and its engineers, technicians, and consultants (collectively the "***Auditors***") may, from time to time as Landlord deems appropriate, conduct periodic tests and examinations ("***Audits***") of the Premises to confirm and monitor Tenant's compliance with this Section 11. Such Audits shall be conducted in such manner as to minimize the interference with Tenant's permitted activities on the Premises; however, in all cases, the Audits shall be of such nature and scope as shall be reasonably required by then existing technology to confirm Tenant's compliance with this Section 11. Tenant shall fully cooperate with the Auditors in the conduct of such Audits. The cost of such Audits shall be paid by Landlord unless a Default has occurred under this Lease, or unless an Audit shall disclose a material failure of Tenant to comply with this Section 11, in either of which cases the cost of such Audit, and the cost of all subsequent Audits made during the Term and within 30 days thereafter (not to exceed two such Audits in any consecutive 12 month period), shall be paid for by Tenant within 30 days of receipt by Tenant of invoices for such audits.

12. SURRENDER. Upon the expiration or earlier termination of this Lease, Tenant shall surrender the Premises to Landlord in the same condition that the Premises were in on the Delivery Date except for: (a) ordinary wear and tear; (b) damage by the elements, fire, and other casualty not caused by the acts, negligence or willful misconduct of Tenant or its invitees, employees agents and/or contractors; (c) condemnation; and (d) Alterations permitted and approved by Landlord in accordance with this Lease, unless approval was conditioned on their removal at the end of the Term. In addition, Tenant shall upon surrender and prior to the expiration or termination of this Lease for any reason, deliver to Landlord a report prepared by a duly licensed consultant approved in advance by Landlord and certified to and for the reliance of Landlord, Landlord's Mortgagee and their successors and assigns, confirming that all lab equipment remaining within the Premises has been maintained, calibrated and is in working condition in accordance with the manufacturer's specifications. Tenant shall also remove from the Premises its personal property, trade fixtures, and any Alterations required to be removed and repair any and all damage to the Premises caused by such removal. If Tenant fails to remove any of its personal property or trade fixtures at the expiration or prior termination of the Term, Landlord shall have the option either to declare such items abandoned and Landlord the owner thereof, or to remove the same at Tenant's expense, and repair and restore all damage caused by such removal, and any amounts so expended by Landlord, together with an administrative fee of 15% of such costs, shall be paid by Tenant to Landlord promptly after demand as Additional Rent, with interest at the Default Rate from the date of expenditure through the date paid.

13. RIGHT OF ENTRY

Notwithstanding anything in this lease to the contrary and recognizing the unique work, legal requirements, and obligations of the Sheriff's Office, Landlord and its authorized agents shall have the right to enter the premises only upon providing at least seventy-two (72) hours' prior written notice to Tenant (except in the case of an emergency), and only during Tenant's regular operations hours, for the purpose of inspecting the premises, performing required maintenance or repairs, or showing the premises to prospective purchasers, lenders, or (within the final nine (9) months of the Lease Term) prospective tenants.

Any entry shall be conducted in a manner that does not unreasonably interfere with Tenant's operations and shall comply with all applicable security protocols or confidentiality requirements designated by Tenant. Landlord shall be accompanied at all times by a representative of the Tenant unless waived in writing by the Tenant.

In the event of emergencies posing imminent threat to life or property, Landlord may enter the premises without prior notice but shall notify Tenant as soon as practicable thereafter.

Landlord shall not perform any alterations or improvements within the premises without Tenant's prior written consent, which shall not be unreasonably withheld, conditioned, or delayed, and any such work shall be coordinated with Tenant to minimize disruption of law enforcement activities.

14. INSURANCE.

(a) Tenant's Insurance. Tenant, at Tenant's sole cost and expense shall, at all times, maintain in effect: (i) commercial general liability insurance applicable to the Premises and with limits of liability of at least \$1,000,000 per occurrence and \$2,000,000.00 in the aggregate and without modification to the standard separations of insured clause; (ii) cause of loss-special form property insurance (f/k/a "all risk" insurance), insuring against loss or damage to Tenant's property situated in or about the Premises insuring the replacement cost thereof, containing only standard printed exclusions and with an ordinance or law coverage endorsement; (iii) workers compensation insurance with not less than the statutorily required limits; (iv) employer's liability insurance with limits of at least \$1,000,000 per accident for bodily injury by accident and \$1,000,000 per accident for bodily injury by disease; (v) business automobile liability with limits of at least \$1,000,000 per accident; (vi) umbrella liability insurance of at least \$2,000,000 in excess of Tenant's commercial general liability, employer's liability and business automobile liability limits; and (vii) such other insurance that may from time to time be required by applicable law or required by Landlord or Landlord's Mortgagee. Tenant shall be solely responsible for safeguarding and insuring the personal

property of Tenant and its agents and invitees in and about the Premises and the Property, and Landlord shall have no liability for any loss or damage thereto.

(b) Additional Policy Requirements. Tenant's liability insurance policies shall name Landlord and its designees as additional insureds, and Tenant's property insurance shall name Landlord as "loss payee as its interest may appear." Tenant's commercial general liability and umbrella liability insurance policies shall contain an aggregate limit per location endorsement. All insurance carried by Tenant in connection with this Lease shall be provided by insurers approved in advance by Landlord and written on an occurrence (not claims-made) basis, shall be primary and non-contributing with respect to any insurance carried by Landlord, and shall not be cancellable without thirty (30) days prior written notice to Landlord. Tenant shall provide Landlord proof of the insurance required herein in the form of certificates of insurance or copies of the applicable policies prior to the execution of this Lease, at least ten (10) business days prior to the expiration of each policy, and from time to time upon Landlord's request.

(c) Landlord's Insurance. Landlord shall maintain casualty insurance on Landlord's interest in the Property in such amounts and on such terms as Landlord, in its commercially reasonable discretion, deems necessary or appropriate, except that Landlord shall not be obligated to insure any fixtures, trade fixtures, furniture, equipment or other personal property placed in or about the Premises or the Property by or at the expense of Tenant or Tenant's agents, representatives, contractors or invitees or other occupants of the Property. Landlord shall maintain general liability insurance with the limits and terms that Landlord, in Landlord's sole discretion, deems appropriate. Landlord's insurance costs are a component of the Operating Expenses as provided in Subsection 5(e).

(d) Increased Premiums.

If the Landlord provides written documentation from its insurance carrier demonstrating that a specific condition attributable solely to the Tenant's use of the premises has directly caused an increase in the Landlord's insurance premiums, the Tenant shall reimburse the Landlord for the documented portion of such increase, provided that:

1. the condition is not permitted or required under this Lease or applicable law;
2. the Landlord first notifies the Tenant in writing and gives the Tenant thirty (30) days to cure or modify the condition; and
3. such reimbursement shall be proportionate and reasonable in relation to the Tenant's specific impact.

Any dispute regarding such reimbursement shall be subject to the dispute resolution provisions on this Lease, if any.

(e) Intentionally Omitted

15. CASUALTY. If the Premises are totally destroyed by fire or other casualty, either Landlord or Tenant may, by written notice given not later than forty-five (45) days after the date of such destruction, terminate this Lease, in which event any monthly Rent paid for the period beyond the date of destruction shall be refunded to Tenant. Notwithstanding the foregoing, Tenant will not have the right to terminate under the immediately preceding sentence if the casualty was caused by Tenant's gross negligence or willful misconduct. If the Premises is rendered wholly untenable for the Permitted Use during Landlord's repairs following a complete or partial casualty, monthly Rent will abate while Landlord's repairs are made; or if Tenant is able to continue its operations during repairs, monthly Rent shall be adjusted and prorated in the proportion which the area of unusable portion of the Premises bears to the total Premises. The foregoing abatement of monthly Rent will be Tenant's sole claim against Landlord arising out of Tenant's inability to use and enjoy either part or all of the Premises as a result of fire or other casualty, and Landlord is not in any event liable to Tenant for any other claims or losses Tenant may suffer as a result of such fire or other casualty. If the damages to the Premises, the Building or the Property are such that Landlord concludes that restoration cannot be completed within one hundred eighty (180) days of the fire or other

casualty, Landlord may terminate this Lease by written notice to Tenant. Notwithstanding the foregoing, should any fire or other casualty be caused by the acts or negligence or willful misconduct of Tenant or its invitees, employees, agents and/or contractors, Landlord will have the option to terminate this Lease by written notice to Tenant, and there will be no apportionment or abatement of monthly Rent. In no event will Landlord be required to repair or restore the Premises other than to the condition existing as of the Delivery Date, excluding any work performed by Tenant.

16. CONDEMNATION. If all of the Property, or such part thereof as will make the Premises unusable for the purposes contemplated by this Lease, be taken under the power of eminent domain (or a conveyance in lieu thereof), then this Lease shall terminate as of the date possession is taken by the condemnor, and monthly Rent shall be adjusted between Landlord and Tenant as of such date. If only a portion of Property is taken and Tenant can continue to use the Premises for the purposes contemplated by this Lease, this Lease will not terminate, but monthly Rent shall abate in a just and proportionate amount to the loss of use occasioned by the taking. If a material portion of the Property is taken, Landlord or Tenant may elect to terminate this Lease upon thirty (30) days advance written notice, in which case this Lease shall terminate as of the date specified in Landlord's notice and monthly Rent shall be adjusted between Landlord and Tenant as of such date. Tenant shall have no right or claim to any part of the award made to or received by Landlord for any taking and no right to claim for any alleged value of the unexpired portion of this Lease; provided, however, that Tenant shall not be prevented from making a claim against the condemning party (but not against Landlord) for any moving expenses, loss of profits, or taking of Tenant's personal property (other than its leasehold estate) to which Tenant may be entitled, provided such claim does not reduce the award otherwise payable or due Landlord.

17. SUBORDINATION, ATTORNMENT AND ESTOPPELS. This Lease shall automatically be subordinate to any mortgage, deed of trust, deed to secure debt or similar security instrument (each a "**Mortgage**") which may heretofore have been or hereafter be placed against the Premises by Landlord, unless the mortgagee, grantee, beneficiary or secured party thereunder (each a "**Mortgagee**") elects that this Lease be superior to its Mortgage, in which event this Lease shall be superior. In the event of a foreclosure of any Mortgage on the Premises or Property, or any deed in lieu thereof, Tenant will attorn to the purchaser at a foreclosure sale or owner after recording of a deed in lieu, and their successors and assigns, and recognize the same as Landlord under this Lease provided such purchaser, successor or assignee agrees not to disturb Tenant's possession or rights under this Lease or in the Premises, so long as there is no Event of Default by Tenant under this Lease. Tenant shall execute and deliver to Landlord, within ten (10) days after Landlord's request, (a) such instruments evidencing such attornment and subordination of this Lease and related matters as Landlord or its Mortgagee shall request; and, as often as requested, and (b) estoppel certificates confirming any factual matter requested which is true and is within Tenant's knowledge regarding this Lease, the Premises, the Property or Tenant's use thereof, and any such certificate may be relied upon by any prospective Mortgagee or purchaser of the Premises. If Landlord submits a completed estoppel certificate to Tenant and Tenant fails to execute the certificate or object to its contents within ten (10) days, the matters stated therein will conclusively be deemed to be correct. Tenant further agrees to promptly provide Landlord and its purchasers, investors and lenders such financial information regarding Tenant and any Guarantors as Landlord may from time to time request, subject to reasonable confidentiality requirements. Without limiting the generality of the foregoing, Landlord, at Landlord's option may require such information to be audited, certified or prepared by an independent public accountant. Tenant agrees to give any Mortgagee of whom Tenant has been notified notice of any alleged default or failure to perform by Landlord under this Lease. The Mortgagee shall have a reasonable period of time after such notice, in all events at least thirty (30) days, to cure any such default or failure to perform, but shall have no obligation to do so, and Tenant shall accept such cure if timely made by the Mortgagee. Further, Tenant agrees to permit any Mortgagee, purchaser, or their successors and assigns, on acquiring Landlord's interest in the Premises or this Lease, to become substitute Landlord hereunder, with liability only for such Landlord obligations under this Lease as accrue after Landlord's interest is so acquired.

18. TRANSFER BY LANDLORD. No transfer or assignment of Landlord's interest in the Premises or the Property will constitute a termination, modification or amendment of this Lease. The term "**Landlord**" as used in this Lease means only the owner or ground lessee of the Property. Each Landlord, upon any transfer or

conveyance of its interest in the Premises or Property, shall be entirely freed and relieved of all covenants and obligations of Landlord hereunder, provided that the transferee of that Landlord's interest in the Premises or Property agrees to perform Landlord's outstanding obligations under this Lease.

19. ASSIGNMENT AND SUBLEASING.

(a) Assignment and Subleasing Restricted. To the maximum extent permitted by applicable law, in no event shall this Lease be assignable by operation of any law, and Tenant's rights hereunder may not become and shall not be listed by Tenant as an asset under any bankruptcy, insolvency or reorganization proceedings. Tenant may not assign, transfer, mortgage, or encumber this Lease, and may not sublet any part or all of the Premises without Landlord's prior written consent, which may be granted or withheld in Landlord's reasonable discretion; provided, however, that Landlord and Tenant acknowledge and agree that Landlord may withhold consent for an assignment which is contrary to the purposes for which the Durham and Wake Counties Research and Production Service District ("DWSD") allocated the funds Landlord may refuse to review or approve any proposed assignment or sublease until Tenant presents Landlord with the final, negotiated version of such assignment or sublease. Any assignment or sublease to which Landlord may consent (one consent not being any basis to contend that Landlord should consent to a further assignment or sublease) shall not relieve Tenant of any of its obligations hereunder. In addition, the assignee or sublessee shall agree in writing (a copy of which shall be delivered to Landlord) to assume all of Tenant's obligations under this Lease. Acceptance of Rent by Landlord after any non-permitted assignment or sublease shall not constitute approval thereof by Landlord. Landlord reserves the right to review and approve any and all advertisements and solicitations made by or on behalf of Tenant for the assignment or sublease of all or any portion of the Premises.

(b) Assignment Defined. For purposes of this Section 19, the word "**assignment**" includes, but is not necessarily limited to, the following: (a) if Tenant is a partnership or limited liability company, the withdrawal or change, whether voluntary, involuntary, or by operation of law, of partners or members owning a controlling percentage of the equity of the partnership or limited liability company, as the case may be, or the dissolution of the partnership or limited liability company; (b) if Tenant consists of more than one person, an assignment, whether voluntary, involuntary or by operation of law, by one person; and (c) if Tenant is a corporation, any dissolution or reorganization of Tenant, or the sale or other transfer, directly or indirectly, of a controlling percentage of capital stock of Tenant. The phrase "**controlling percentage**" means the ownership, whether direct or indirect, of and the right to vote stock or interests possessing at least 50% of the total combined voting power of all classes of Tenant's capital stock or equity interests issued, outstanding, and entitled to vote, or such lesser percentage as is required to provide actual control over the affairs of the corporation, partnership or limited liability company.

(c) Excess Rentals and Charges. If this Lease shall be assigned or the Premises or any portion thereof sublet by Tenant at a rental that exceeds the Rent to be paid to Landlord under this Lease and attributable to the Premises or the assigned or sublet portion thereof, then one-half (1/2) of any such excess shall be paid over to Landlord by Tenant. For purposes of determining such excess amount, Tenant's reasonable, out-of-pocket costs and expenses incurred in connection with such assignment or sublease will be deducted from the computation of rental due under the assignment or sublease. Landlord reserves the right to impose a reasonable charge or fee for the preparation and/or review of assignment or sublease documents in the context of an assignment or subleasing for which Landlord's consent is required and to recover reasonable attorneys' fees incurred in connection therewith.

20. DEFAULT AND REMEDIES.

(a) Event of Default Defined. An "**Event of Default**" will exist if Tenant: (i) fails to pay any installment of Rent or other sum required under the terms of this Lease when due, provided that Landlord will give Tenant written notice of nonpayment and five (5) business days to cure the same once in any given twelve (12) month period; (ii) holds over beyond the expiration or prior termination of this Lease without

the prior written consent of Landlord, in Landlord's sole and absolute discretion; (iii) files any petition or action for relief under any creditor's law in state or federal court, including without limitation bankruptcy, reorganization, and similar actions; (iv) has filed against it any petition or action for relief under any creditor's law in state or federal court, including without limitation bankruptcy, reorganization, and similar actions, and such proceeding shall not have been dismissed or vacated within sixty (60) days of such filing; (v) becomes insolvent, makes any transfer in fraud of creditors, has a receiver appointed for its assets, or makes an assignment for benefit of creditors; (vi) vacates, moves out or otherwise ceases to operate its business within the Premises, except to the extent and for so long as the Premises may be rendered untenable due to casualty or condemnation; (vii) fails to execute and deliver any instrument required under Section 17 within the time period specified therein; (viii) breaches or fails to timely and promptly perform any other agreement of, covenant of, or obligation imposed upon Tenant under this Lease, other than payment of Rent, and fails to cure such breach or failure within 15 days after written notice from Landlord; (ix) breaches, defaults or fails to comply with the terms of any other lease, contract or agreement between Tenant and Landlord or any parent, subsidiary or affiliate or Landlord or the Research Triangle Foundation of North Carolina beyond any applicable notice and cure period specified therein; or (x) breaches or fails to promptly perform any agreement of, covenant of, or obligation imposed upon Tenant under this Lease twice in any given twelve (12)-month period. As used in this Lease with respect to Tenant, the term "**default**" means any event that would constitute an Event of Default but for Tenant's applicable notice and cure rights. Tenant shall not be entitled to any notice or cure rights except for those expressly provided for in this Lease, and no reference to an ongoing or uncured default or Event of Default may be construed as implying any right to notice or opportunity to cure.

(b) Remedies. Upon the occurrence of an Event of Default, in addition to any other lawful right or remedy that Landlord may have at law or in equity, Landlord may, at its sole discretion and without further notice to Tenant, do one or more of the following: (i) terminate this Lease; (ii) declare immediately due and payable the entire amount of all Rent to become due through the stated expiration of the Term, discounted at an annual rate equal to the prime rate of interest as published by the Wall Street Journal (or, if unavailable, the prime rate of a national bank reasonably selected by Landlord) at the time of such Event of Default; and (iii) terminate Tenant's right of possession under this Lease without terminating this Lease, and relet the same at such amount as Landlord deems reasonable, and if the amount is less than the Rent reserved hereunder, Tenant shall immediately pay the difference on demand to Landlord, but if in excess of the Rent reserved hereunder, the entire amount shall belong to Landlord free of any claim of Tenant thereto.

(c) Landlord's Lien.

Notwithstanding anything in this lease to the contrary, the Landlord acknowledges that the Tenant is a public entity and that the personal property, trade fixtures, and other assets used by the Tenant are public property. Accordingly, the Landlord agrees that no security interest or lien shall attach to Tenant's property in a manner that conflicts with applicable laws governing public assets. In the event of a default, the Tenant shall be allowed to remove any of its property in accordance with applicable laws and regulations.

(d) Remedies Cumulative. All rights and remedies of Landlord are cumulative, and the exercise of any one shall not be an election excluding Landlord at any other time from exercise of a different or inconsistent remedy. Landlord may pursue its rights and remedies concurrently or in sequence, in such order and at such times as Landlord elects, in Landlord's discretion. After the service of notice or the commencement of a suit, or after final judgment granting Landlord possession of the Premises, Landlord may receive and collect any sums due under this Lease, and the payment thereof shall not make ineffective any notice or in any manner affect any pending suit or any judgment previously obtained. Tenant further agrees that Landlord may obtain an order for summary ejectment from any court of competent jurisdiction without prejudice to Landlord's right to otherwise collect Rent from Tenant. Landlord shall have no

obligation to take or refrain from taking any action or enforce or refrain from enforcing any remedy to mitigate its damages resulting from a default or Event of Default. In the event of a conflict between the provisions of this Subsection 20(d) and any other provision of this Lease, this Subsection 20(d) will control.

(e) No Waiver. No delay by Landlord in exercising its rights and remedies will constitute a waiver, and no waiver by Landlord will be effective unless the same is in writing. The failure of Landlord to exercise its rights under this Lease for any default or Event of Default will not constitute a waiver of that, or any different or subsequent, default or Event of Default. No acceptance by Landlord of partial or late payments of Rent or any other sums due under this Lease, regardless of whether such payment is marked "in full satisfaction" or words of similar import, will constitute a waiver of Landlord's right to timely payment in full, and Landlord may accept and apply partial and late payments without prejudice to its rights and remedies. Acceptance of Rent by Landlord even with knowledge of a default by Tenant shall not constitute a waiver of such default. The delivery of a key or other such tender of possession of the Premises to Landlord or Landlord's Property Manager will not constitute a termination of this Lease or a surrender of the Premises. No payments of money by Tenant to Landlord after a default, an Event of Default, or the expiration or prior termination of this Lease will cure such default or Event of Default or reinstate, extend, or renew the Term.

21. BANKRUPTCY. Landlord and Tenant understand that, notwithstanding certain provisions to the contrary contained herein, a trustee or debtor in possession under the United States Bankruptcy Code, as amended (the "*Code*"), may have certain rights to assume or assign this Lease. Landlord and Tenant further understand that, in any event, pursuant to the Code, Landlord is entitled to adequate assurances of future performance of the provisions of this Lease. The parties agree that, with respect to any such assumption or assignment, the term "*adequate assurance*" shall include at least the following: (a) in order to assure Landlord that the proposed assignee will have the resources with which to pay all Rent payable pursuant to the provisions of this Lease, any proposed assignee must have, as demonstrated to Landlord's satisfaction, a net worth (as determined in accordance with generally accepted accounting principles consistently applied) of not less than the net worth of Tenant on the date of this Lease plus 7% per annum for each year from the date of this Lease through the date of the proposed assignment, it being agreed that but for the financial condition and resources of Tenant, Landlord would not have agreed to execute this Lease and agree to the Rent and other terms and conditions set forth herein; (b) any proposed assignee must have been engaged in the conduct of business for the five years prior to any such proposed assignment; (c) the business of the proposed assignee is permitted under the terms of this Lease, it being agreed that Landlord's business and operations and the marketability of the Property will be substantially impaired if the trustee in bankruptcy or any assignee of this Lease makes any use of the Premises other than that permitted herein; and (d) any proposed assignee of this Lease must assume and agree in writing to be personally bound by the provisions of this Lease.

22. LANDLORD'S LIABILITY.

(a) Injury to Persons or Property. Tenant agrees that neither Landlord nor Landlord's Property Manager shall be liable for injury to Tenant's business or any loss of income therefrom or for any damage to any goods, wares, merchandise, or other property of Tenant, Tenant's contractors, agents, employees, invitees, customers, or any other person in or about the Premises or the Property unless such damage or loss is caused during the Term solely by the gross negligence or willful misconduct of Landlord (and not other tenants or occupants of the Property).

(b) No Personal Liability.

(c) Controlling Effect. In the event of a conflict between this Section 22 and any other term or condition of this Lease, this Section 22 shall govern.

23. QUIET ENJOYMENT.

If Tenant complies with its obligations under this Lease, Tenant shall have the right to peacefully enjoy the premises during the term. The landlord shall not unreasonably interfere with Tenant's use and enjoyment of the

premises. Any substantial and prolonged interference caused by the landlord, its agents, or contractors that materially affects Tenant's operations shall entitle Tenant to pursue remedies available under the Lease or at law, including but not limited to rent abatement, if such interference is not cured within a reasonable time after notice from Tenant.

24. HOLDOVER. Intentionally omitted.

25. BROKERAGE. Tenant represents and warrants that it has not had dealings with any real estate broker, finder, or other person with respect to this Lease in any manner, except for the Landlord's Broker identified in Section 1, if any, as Landlord's representative, and the Tenant's Broker identified in Section 1, if any, as Tenant's representative (collectively, "**Brokers**"). Landlord shall pay a commission to Brokers with respect to this Lease, if applicable, in accordance with a separate written agreement between Landlord and Brokers. This provision shall not be construed to create any third-party rights hereunder in favor of Brokers. Tenant shall indemnify, defend, and hold the Landlord Parties harmless from and against all claims by any broker, finder, or other person claiming to have dealt with Tenant in connection with this Lease and any subsequent amendment hereto, as well as all liabilities, damages, losses, costs, and expenses (including reasonable attorneys' fees and court costs) arising out of such claims or incurred by the Landlord Parties in connection with such claims. The provisions of this Section 25 will survive the expiration or prior termination of this Lease.

26. NOTICES. Any notice that Landlord or Tenant is required or desires to give to the other shall be deemed sufficiently given or rendered if made in writing and sent to Landlord's Notice Address or Tenant's Notice Address, as applicable, (a) personally via hand delivery, (b) by certified or registered mail, postage or fees prepaid, (c) by recognized overnight courier (such as FedEx or UPS overnight), or (d) via electronic mail (EMAIL), provided that the noticing party shall also provide a courtesy copy of any notice provided by electronic mail using one of the notice delivery methods a through c above. Landlord and Tenant may change their respective notice address upon ten (10) days' written notice to the other party; provided however, that no party may designate a Post Office Box or Post Office Drawer or address outside the continental United States as its notice address. All such notices or communications shall be deemed delivered, given, and received upon actual receipt (by personal delivery) or when the return receipt or receipt therefor is signed. Refusal to accept delivery or inability to deliver due to the recipient having failed to keep the sender informed of the recipient's current address shall not negate the effectiveness of the notice. Any notice required to be given to Landlord's Mortgagee or lender hereunder shall only be required to be given by Tenant to the extent that Tenant has received notice of the address of such lender or Mortgagee. Notwithstanding anything herein to the contrary, Landlord's Property Manager may give notices on behalf of Landlord, notices may be given on behalf of any party by such party's legal counsel, and, if notice is to be delivered at two or more addresses in accordance with this Lease, then the receipt or deemed receipt by any one addressee shall be deemed effective notice to such party for all purposes.

27. RELOCATION. Intentionally Omitted.

28. MISCELLANEOUS.

(a) Joint and Several Liability. If at any time the Tenant is comprised of more than one person or entity, such parties shall be jointly and severally liable for the obligations of Tenant hereunder.

(b) Intentionally Omitted.

(c) Intentionally Omitted.

(d) Approval Not a Warranty. Landlord's consent and approval rights under this Lease are for Landlord's exclusive benefit. No review, consent, approval or acquiescence by Landlord of or to any document, instrument, plan, specification, application or other item or matter will constitute a representation or warranty by Landlord as to the adequacy, sufficiency, legality, suitability or advisability of such item or matter.

(e) Authority. Each of Landlord and Tenant represents to the other that each has lawful authority to enter into this Lease and, by signing it in their name as set forth below, to be legally bound in accordance with the terms and conditions hereof.

(f) Binding Effect. This Lease shall be binding upon the respective parties hereto, and upon their heirs, executors, successors, and assigns, subject to the limitations on assignment and subleasing by Tenant set forth herein.

(g) Counterparts; Facsimile Signatures. This Lease may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. Any counterpart delivered by facsimile, pdf, commercially available electronic e-signature software or other electronic means shall have the same import and effect as original or manually signed counterparts and shall be valid, enforceable and binding for the purposes of this Lease.

(h) Recording. This Lease may not be recorded, nor may any memorandum or short form of this Lease be recorded.

(i) No Reservation or Option. The submission of this Lease to Tenant for review does not constitute a reservation of or option for the Premises or any portion of the Property, and this Lease shall become effective as a contract and lease only upon the execution and delivery by both Landlord and Tenant.

(j) Relationship between the Parties. Tenant is not, may not become, and shall never represent itself to be an agent of Landlord, and Tenant acknowledges that Landlord's title to the Property is paramount, and that it can do nothing to affect or impair Landlord's title. It is understood that Landlord shall not be deemed to be a partner or joint venture with Tenant in the conduct of Tenant's business.

(k) Construction. All pronouns and any variations thereof refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons referred to may require. All references to sections, articles, schedules and exhibits are to sections, articles, schedules and exhibits in or to this Lease unless otherwise specified. Unless otherwise specified in this Lease: (a) all meanings attributed to defined terms in this Lease are equally applicable to both the singular and plural forms of the terms so defined; (b) "including" means "including, but not limited to" and "including, without limitation"; (c) the words "hereof," "herein," "hereby," "hereunder" and words of similar import when used in this Lease refer to this Lease a whole and not to any particular provision, article, section or other subdivision of this Lease; and (d) the word "or" should not be deemed exclusive. Headings of sections or articles are for convenience only and are not to be considered in construing the meaning of the contents of such sections or articles.

(l) Joint Negotiation. Acknowledging that the parties have participated jointly in the negotiation and drafting of this Lease, if an ambiguity or question of intent or interpretation arises as to any aspect of this Lease, then it will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any provision of this Lease.

(m) Severability. The determination by any court of competent jurisdiction that any term or condition of this Lease is invalid or unenforceable shall not affect the remaining terms and conditions, which shall continue in full force and effect.

(n) Governing Law. This Lease, and the rights and obligations of each of Landlord and Tenant hereunder, shall be governed by and construed in accordance with the laws of the State of North Carolina.

(o) Time of the Essence. Time is of the essence as to all of Tenant's obligations under the terms of this Lease.

(p) Entire Agreement. This Lease and the exhibits attached hereto constitute the entire agreement between Landlord and Tenant. The exhibits to this Lease are incorporated herein by reference. This Lease supersedes all prior negotiations or agreements between the parties, whether oral, electronic or otherwise, and no changes, amendments, or modifications to this Lease will be effective unless made in writing and signed by the party to be bound. Tenant acknowledges and agrees that it has not relied upon any statements, representations, agreements, or warranties by Landlord, Landlord's Property Manager, Landlord's Broker or any other party except those expressly stated in this Lease.

29. ADDITIONAL PROVISIONS.

(a) Landlord's Work. Landlord shall perform the "Landlord's Work" described in the Work Letter attached hereto as Exhibit D, attached hereto and incorporated herein by reference.

(b) Termination Option. Tenant shall have a one-time right to terminate the Lease by giving Landlord written notice of such termination (the "***Termination Notice***") in which case: (a) the Lease will terminate effective as of the 11:59 p.m. on the date that is ninety (90) days from the date of the Termination Notice; and (b) Tenant shall surrender the Premises to Landlord in the condition required under the Lease on the Termination Date. Tenant's rights under this paragraph are conditioned upon there being no uncured default or Event of Default by Tenant at any time from the giving of the Termination Notice through the Termination Date.

[Signature page follows.]

IN WITNESS WHEREOF, this Lease has been executed by the parties as set forth below.

LANDLORD:

One Park Venture LLC

a North Carolina limited liability company

By: _____

Name: _____

Title _____

TENANT:

County of Durham

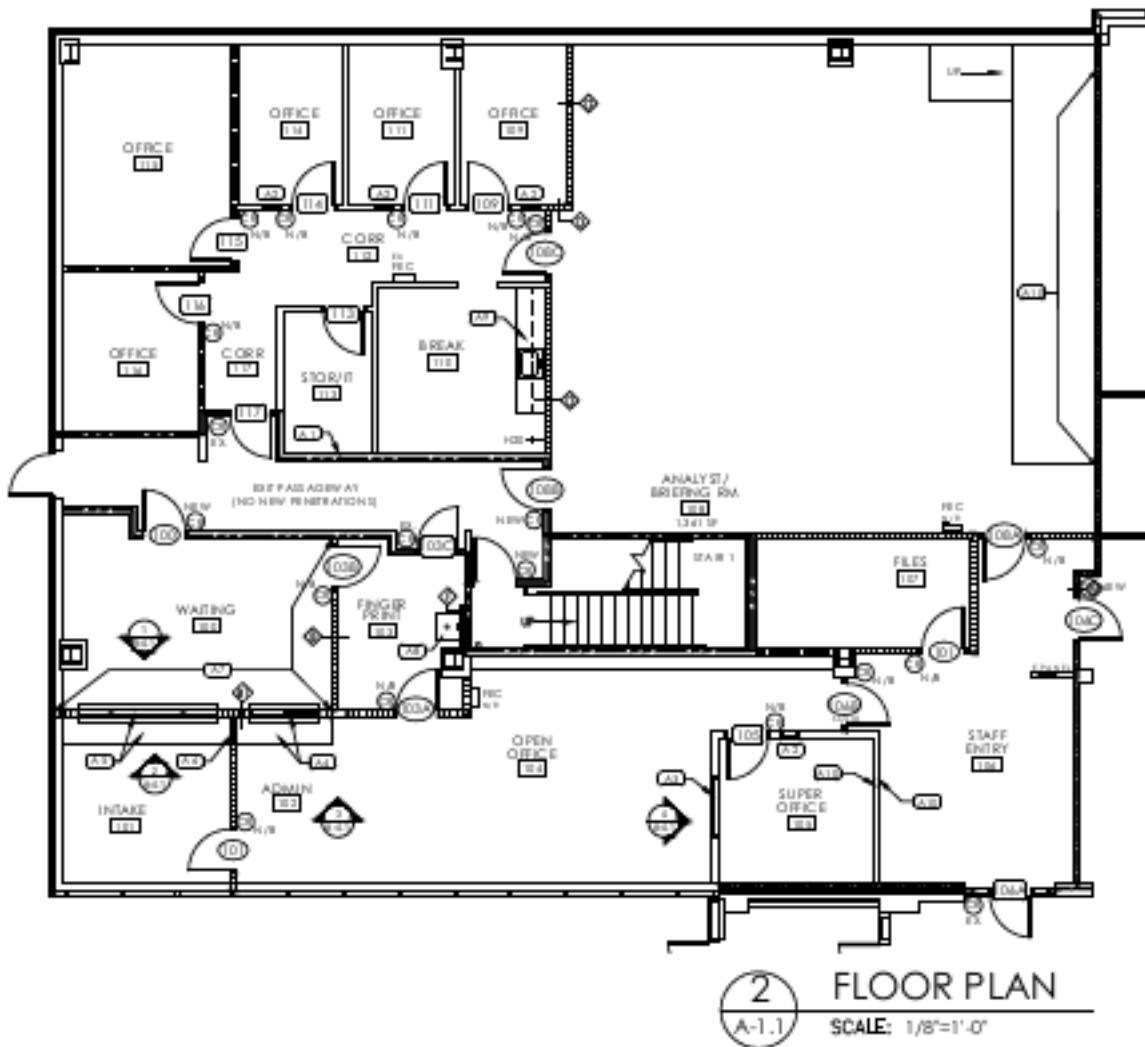
By: _____

Name: _____

Title: _____

[Exhibits follow.]

Exhibit A
Description of Premises



The foregoing illustration is included for the sole purpose of illustrating the approximate boundaries of the Premises.

Exhibit B

Description of Property

(as of the date of the Lease)

The parcel designated “Lot One Park” comprised of approximately 4.55 acres as shown on the plat recorded in Plat Book 205, Pages 300-307, Durham County Registry.

Exhibit C

Rules and Regulations

(as of the date of the Lease)

1. **No Obstructions.** Any sidewalks, lobbies, passages, elevators and stairways shall not be obstructed or used by Tenant for any purpose other than ingress and egress from and to the Premises. Landlord shall in all cases retain the right to control or prevent access by all persons whose presence, in the judgment of Landlord, shall be prejudicial to the safety, peace or character of the Property.
2. **Proper Use.** The toilet rooms, toilets, urinals, sinks, faucets, plumbing or other service apparatus of any kind shall not be used for any purposes other than those for which they were installed, and no sweepings, rubbish, rags, ashes, chemicals or other refuse or injurious substances shall be placed therein or used in connection therewith or left in any lobbies, passages, elevators or stairways. Tenant shall be responsible for any loss, cost or expense relating to any breakage, stoppage or damage of the toilet rooms, toilets, urinals, washbowls, plumbing fixtures and any other apparatus or property of Landlord or its affiliates resulting from the improper use of any such items by Tenant, its employees, agents or invitees.
3. **Safety Procedures.** Tenant shall not impair in any way the fire safety system and shall comply with all security, safety, fire protection and evacuation procedures and regulations established by Landlord or any governmental agency. No person shall go on the roof without Landlord's prior written permission.
4. **Visibility.** Skylights, windows, doors and transoms shall not be covered or obstructed by Tenant, and Tenant shall not install any window covering which would affect the exterior appearance of the Building, except as approved in writing by Landlord. Tenant shall not remove, without Landlord's prior written consent, any shades, blinds or curtains in the Premises.
5. **Use of Lines.** Without Landlord's prior written consent, Tenant shall not hang, install, mount, suspend or attach anything from or to any sprinkler, plumbing, utility or other lines.
6. **Locks.** No additional locks shall be placed upon any doors of said Premises, without first obtaining the written consent of Landlord, and Tenant will not permit any duplicate keys to be made (all necessary keys to be furnished by Landlord), but if more than two keys for any door are desired, the additional number shall be paid for by Tenant. Upon termination of this Lease, Tenant shall surrender all keys to said Premises and of the Building, and shall give to Landlord the explanation of the combination of all locks on the doors of any vaults or safes.
7. **Objectionable Uses.** Tenant shall not use nor keep in the Building any matter having an offensive odor, nor explosive or highly flammable material. The Premises shall not be used for the purpose of lodging or sleeping rooms, nor in any way to damage the reputation of the Property; and Tenant shall not disturb, nor permit the disturbance of, other tenants, by the use of musical instruments or any unseemly noises, nor by any interference whatever; and nothing shall be placed or permitted upon the outside window sills, or thrown from the windows of the building. Landlord shall have the right to exclude or eject from the building animals of every kind, birds, bicycles, and all canvassers and other persons who conduct themselves in such a manner as to be in the judgment of Landlord, an annoyance to Tenants or a detriment to the building. Notwithstanding anything in this Rule and Regulation number 7 to the contrary, Landlord acknowledges and agrees that any item that Tenant maintains which is reasonably and customarily associated with law enforcement activities shall not be deemed a violation of the Lease or these Rules and Regulations. Further, Landlord acknowledges and agrees that the Sheriff's Office has a duty to be public facing and may have walk-in victims, suspects, or witnesses from time to time, and Tenant requires the availability to respond to such interaction without the same being a violation of this Lease; provided, however, if such interaction arises to the level that an activity listed on Exhibit E is necessary, Tenant shall relocate such activities to another office of the Durham Sheriff's office.

8. **Wiring.** If Tenant desires to introduce electrical, signaling, telegraphic, telephonic, protective alarm or other wires, apparatus or devices, Landlord shall direct where and how the same are to be placed, and except as so directed, no installation boring or cutting shall be permitted. Landlord shall have the right to prevent and to cut off the transmission of excessive or dangerous current of electricity or annoyances into or through the Building or the Premises and to require the changing of wiring connections or layout at Tenant's expense, to the extent that Landlord may deem necessary, and further to require compliance with such reasonable rules as Landlord may establish relating thereto, and in the event of non-compliance with the requirements or rules, Landlord shall have the right immediately to cut wiring or to do what it considers necessary to remove the danger, annoyance or electrical interference with apparatus in any part of the Building. All wires installed by Tenant must be clearly tagged at the distributing boards and junction boxes and elsewhere where required by Landlord, with the number of the suite to which said wires lead, and the purpose for which the wires respectively are used, together with the name of the concern, if any, operating same.
9. **Machinery.** Tenant shall not put up, nor operate, any engine, boiler, dynamo, or machinery of any kind, nor carry on any mechanical business in the Premises, nor place any explosive therein, nor use any kerosene or oils, or burning fluids, in the Premises.
10. **Supplemental HVAC.** Tenant shall not use any method of heating, air conditioning or air cooling other than that provided by Landlord.
11. **Excessive Loads.** Tenant shall not place weights anywhere beyond the safe carrying capacity of the Building which is designed to normal office building standards for floor loading capacity. Landlord shall have the right to exclude from the Building heavy furniture, safes and other articles which may be hazardous or to require them to be located at designated places in the Premises.
12. **Parking.** Tenant shall comply with all parking regulations promulgated by Landlord from time to time for the orderly use of the vehicle parking areas, including without limitation the following: Parking shall be limited to automobiles, passenger or equivalent vans, motorcycles, light four wheel pickup trucks and (in designated areas) bicycles. No vehicles shall be left in the parking lot overnight without Landlord's prior written approval. Parked vehicles shall not be used for vending or any other business or other activity while parked in the parking areas. Vehicles shall be parked only in striped parking spaces, except for loading and unloading, which shall occur solely in zones marked for such purpose, and be so conducted as to not unreasonably interfere with traffic flow within the Property or with loading and unloading areas of other tenants. Employee and tenant vehicles shall not be parked in spaces marked for visitor parking or other specific use. All vehicles entering or parking in the parking areas shall do so at owner's sole risk and Landlord assumes no responsibility for any damage, destruction, vandalism or theft. Tenant shall cooperate with Landlord in any measures implemented by Landlord to control abuse of the parking areas, including without limitation access control programs, tenant and guest vehicle identification programs, and validated parking programs, provided that no such validated parking program shall result in Tenant being charged for spaces to which it has a right to free use under its Lease. Each vehicle owner shall promptly respond to any sounding vehicle alarm or horn, and failure to do so may result in temporary or permanent exclusion of such vehicle from the parking areas. Any vehicle which violates the parking regulations may be cited, towed at the expense of the owner, temporarily or permanently excluded from the parking areas, or subject to other lawful consequence. Bicycles are not permitted in the Building.
13. **No Smoking.** Tenant and its agents shall not smoke in the Building or at the Building entrances and exits.
14. **Move-In/Out.** Tenant shall comply with any move-in/move-out rules provided by Landlord and with any rules provided by Landlord governing access to the Building outside of Landlord's normal business hours. Throughout the Term, no furniture, packages, equipment, supplies or merchandise of Tenant will be received in the Building, except during such hours as shall be designated by Landlord, and Landlord in all cases shall also have the exclusive right to prescribe the method and manner in which the same shall be brought in or taken out of the Building.

15. Trash Removal. Tenant shall not place oversized cartons, crates or boxes in any area for trash pickup without Landlord's prior approval. Excessive amounts of trash or other out-of-the-ordinary refuse loads may be removed by Landlord at Tenant's expense.

Pest Control. If the Premises becomes infested with vermin or pests, Tenant, at Tenant's sole cost and expense, shall have such pests exterminated by contractors approved in advance by Landlord, and Tenant shall be responsible for repairing and restoring any damage resulting from such extermination.

Exhibit D
Tenant Allowance

This Work Letter (this “**Work Letter**”) is attached to and made a part of that certain Lease Agreement (the “**Lease**”), between **One Park Venture LLC**, a North Carolina limited liability company (“**Landlord**”), and **Durham Count, North Carolina** (“**Tenant**”). Terms used but not defined in this Work Letter have the meanings given in the Lease.

Definitions.

Landlord’s Work means the work described in the proposal attached hereto as Schedule-I and illustrated on Schedule-II.

Substantial Completion of the Premises shall occur upon the substantial completion of construction of the Landlord’s Work as required herein, with the exception of Punchlist Items (hereinafter defined) and any tenant fixtures, work-stations, built-in furniture, or equipment to be installed by Tenant. Substantial Completion shall have occurred even though (i) minor details of construction, decoration, or mechanical adjustments remain to be completed and/or (ii) there is a delay in the Substantial Completion due to a Tenant Delay as defined below.

Tenant Delay shall mean each day of delay in the performance of the Landlord’s Work that occurs because of (i) Tenant’s failure to timely deliver or approve any required documentation; (ii) any change to the Landlord’s Work that is requested by Tenant and approved by Landlord; (iii) any specification by Tenant of materials or installations in addition to or other than Landlord’s standard finish-out materials or Tenant’s requirement for materials, components, finishes or improvements that are not available in a commercially reasonable time; (iv) postponement of any work at the request of Tenant; (v) the failure by Tenant’s architect, space planner or other agent or contractor, to timely prepare plans, pull permits, provide approvals or perform any other act required hereunder; (vi) the failure of Tenant to pay, when due, any amounts required to be paid by Tenant; (vii) Tenant’s failure to attend any meeting with Landlord, any architect, design professional, or any contractor, or their respective employees or representatives, as may be required or scheduled hereunder or otherwise necessary in connection with the preparation or completion of any construction documents, or in connection with the performance of any work; (viii) a breach by Tenant of this Work Letter or the Lease; (ix) any other acts or omissions of Tenant. Notwithstanding anything contained in this Lease to the contrary, in the event of a Tenant’s Delay, the Delivery Date shall be accelerated by the number of days of such delay.

Tenant’s Representative shall mean David Labarre, who Tenant has appointed as its representative with full power and authority to bind Tenant for all actions taken with regard to the Landlord’s Work. Tenant hereby ratifies all actions and decisions with regard to the Landlord’s Work that the Tenant’s Representative may have taken or made prior to the execution of this Work Letter. Landlord shall not be obligated to respond to or act upon any plan, drawing, change order or approval or other matter relating to the Landlord’s Work until it has been executed by Tenant’s Representative or a senior officer of Tenant. Neither Tenant nor Tenant’s Representative shall be authorized to direct Landlord’s general contractor with respect to the Landlord’s Work, unless otherwise agreed to in writing by Landlord. In the event that Landlord’s general contractor performs any such work under the direction of Tenant or Tenant’s Representative, then Landlord shall have no liability for the cost of such work, the cost of corrective work required as a result of such work, any delay that may result from such work, or any other problem in connection with such work.

Total Construction Costs shall mean the entire cost of designing and constructing the Landlord’s Work, including space planning and preparation of the plans and specifications, labor and materials, electrical and other utility usage during construction, additional janitorial services, trash removal, general tenant signage, related taxes and insurance costs, the fees of any construction managers and an administrative fee to Landlord in an amount equal to five percent

(5%) of the Total Construction Costs which shall be deducted from the funds provided by the Durham and Wake Counties Research and Production Service District ("DWSD").

Construction. Landlord, at its cost and expense shall cause the Landlord's Work to be performed. Any cost savings achieved in connection with Landlord's work may be allocated to Architect and Engineering Fees, Tenant Improvements, Data Cabling, Furniture Fixtures and Equipment, exterior signage, project management, and other start-up costs, which Landlord and Tenant mutually agree to. Landlord will have the right, but not the obligation, to re-measure the rentable square footage of the Premises upon Substantial Completion of the Landlord's Work, which measurement shall be conclusive and binding on Tenant and Landlord absent manifest error. If the re-measured rentable square footage of the Premises differs from the rentable square footage recited in Section 1, then all calculations in this Lease based on the rentable square footage of the Premises, including without limitation Base Rent and Tenant's Proportionate Share, will be recalculated using the re-measured rentable square footage of the Premises.

Possession. Tenant, by taking possession of the Premises, agrees that Substantial Completion has occurred and that Landlord has satisfactorily performed the Landlord's Work, subject only to Punchlist Items (defined below), if any.

Punchlist. Landlord will notify Tenant upon Substantial Completion, which notice need not be given formally in writing. Within three (3) business days thereafter, Landlord's representative and Tenant's representative shall conduct a walk-through of the Premises and identify any necessary touch-up work, repairs and minor completion items that are necessary for final completion of the Tenant Improvements (the "***Punchlist Items***"). Neither Landlord's representative nor Tenant's representative shall unreasonably withhold his or her agreement on Punchlist Items. Landlord shall use reasonable efforts to complete all Punchlist Items within thirty (30) days after agreement thereon; however, Landlord shall not be obligated to engage overtime labor in order to complete such items.

Default. Notwithstanding any provision to the contrary contained in this Lease, if an Event of Default has occurred at any time prior to Substantial Completion, then (i) in addition to all other rights and remedies granted to Landlord pursuant to this Lease, Landlord shall have the right to cause the contractor to cease the construction of the Premises (in which case, Tenant shall be responsible for any delay in Substantial Completion caused by such work stoppage); and (ii) all other obligations of Landlord under the terms of this Work Letter shall be forgiven until such time, if any, as such Event of Default may be cured.

Allowance Landlord shall contribute a one-time tenant improvement allowance in an amount not to exceed Eight Hundred Seventy Five Thousand and No/100 Dollars (\$875,000.00). Tenant shall be permitted to allocate portions of the Allowance to Architect and Engineering Fees, Tenant Improvements, Data Cabling, Furniture Fixtures and Equipment, exterior signage, project management, and other start-up costs, which Landlord and Tenant mutually agree to.

SCHEDULE I
Approved Space Plan

[APPROVED SPACE PLANS TO BE INSERTED PRIOR TO EXECUTION]

SCHEDULE II
Approved Working Drawings

[APPROVED WORKING DRAWINGS TO BE INSERTED UPON APPROVAL PURSUANT TO
THE WORK LETTER]

Exhibit E
Definitions

As used in Section 1(c) Permitted Use, the following word shall have the following meaning:

- Detention or jail intake and release processing —means processing bonds, fingerprinting detainees, initiating house arrest (ankle monitors), storing detainee property, and inmate booking procedures. Notwithstanding the foregoing, Tenant shall be permitted to conduct some non-criminal related fingerprinting – i.e., professional background checks (nurses, teachers, etc. have to have their criminal backgrounds run for licensure).
- Custodial interviews or interrogations—means interrogating or questioning arrested individuals. As compared to non-custodial interviews. Non-custodial interviews would be permitted and would include, for example, a RTP employee coming in to report a vehicle break-in or a larceny. We would be able to take their report.
- Arrestee or detainee holding facility—means using the facility to temporarily hold someone pending transfer downtown to the jail
- Arrestee or detainee holding facility—means using the facility to temporarily hold someone pending transfer downtown to the jail
- Sex Offender Registration Means registering sex offenders with the Sheriff's Office. This function would remain downtown.