



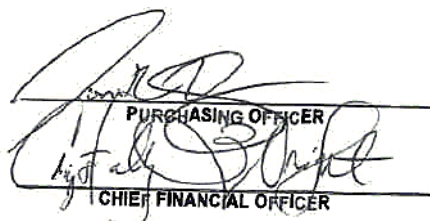

COUNTY OF DURHAM

Purchasing Division of the Finance Department
201 East Main Street 7th Floor, Durham NC 27701
919-560-0051(Telephone); 919-560-0057(Fax)

Funds Reservation 2600000707

General Data			
Company code	DCNC	Document date	11/21/2025
		Posting date	11/21/2025
More Data			
Text	LEASE AGREEMENT 08/01/25-06/30/26		
Overall Amount	91,827.72 USD		
To Approve	0.00 USD		

Document item 001			
Text	LEASE FOR-1129 EAST GEER ST-OES FLEET BUILDING		
8 MONTHS @ \$11,065.02			
3 MONTHS @ \$1,102.52			
Fund	1001010000	Funds center	4330100000
Cost Center	4330100000	G/L account	5200120100
Vendor	1000021171	Vendor Name	KNIGHTDALE HOLDINGS LLC
Ordering Address		Ordering Address	
Grant	NOT_RELEVANT	WBS Element	
Amount	91,827.72 USD		
Open amount	91,827.72 USD		
To approve	0.00 USD		


PURCHASING OFFICER

CHIEF FINANCIAL OFFICER



North Carolina
Durham County

CERTIFICATION

I, Macio Carlton, the duly appointed and qualified Deputy Clerk of the Durham County Board of County Commissioners, do hereby certify that the foregoing is a true and correct copy of:

The Board of County Commissioners approved Budget Ordinance Amendment #26BCC006 appropriating \$30,000 in General Fund fund balance for payment of lease expenses and approved the Lease Agreement for the Durham County Office of Emergency Services (OES) Fleet Maintenance Repair Facility Between Knightdale Holdings, LLC. (Landlord) and Durham County (Tenant) at 1129 E Geer St. Durham, NC for a 4-year term, with the first year's rent of \$119,550 and other terms as noted in the attached Lease Agreement upon final approval by the County Attorney's Office.

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the official seal of Durham County, this 28th day of July 2025.

(SEAL)



MACIO CARLTON

Deputy Clerk to the Board of County Commissioners

Information Officer; Maggie Clapp, Director of Social Services; Josh Edwards; Director of Strategy & Performance, and Claudia Hager, County Manager.

County Manager's Recommendation: The County Manager recommends that the Board extend sincere congratulations to all the winners of these prestigious awards from NACo and Digital Cities.

7. Consent Agenda (20 min)

[25-0367](#)

Approve Budget Ordinance Amendment #26BCC006 Appropriating \$30,000 in General Fund Fund Balance for Payment of Lease Expenses and Approval of the Lease Agreement for the Durham County Office of Emergency Services (OES) Fleet Maintenance Repair Facility Between Knightdale Holdings, LLC. (Landlord) and Durham County (Tenant) at 1129 E Geer St. Durham, NC for a 4-year term, with the First Year's Rent Amount of \$119,550 and Other Terms as Noted in the Attached Lease Agreement

Agenda Text:

The Board is requested to approve Budget Ordinance Amendment #26BCC006 appropriating \$30,000 in General Fund fund balance for payment of lease expenses and the Lease Agreement for the Durham County Office of Emergency Services (OES) Fleet Maintenance Repair Facility Between Knightdale Holdings, LLC. (Landlord) and Durham County (Tenant) at 1129 E Geer St. Durham, NC for a 4-year term, with the first year's rent of \$119,550 and other terms as noted in the attached Lease Agreement upon final approval by the County Attorney's Office.

Durham County has leased space for OES Fleet Maintenance at 122 Stone Park Court since 2016. The property was sold to the North Carolina Railroad in 2023 and is slated for demolition to allow for the realignment of the existing rail line adjacent to the property. Durham County has been notified that we must vacate the building by December 1, 2025. Multiple locations for the relocation of OES have been explored, and staff have determined that the location at 1129 E Geer Street is the best option to stand up a temporary facility by the December deadline. The permanent OES Fleet Maintenance Facility is envisioned to be co-located with a new General Services Fleet Maintenance Facility on the County's property at Junction Road. That co-located maintenance facility is in the County's Capital Improvement Plan for further discussion.

The lease term is August 1, 2025 through July 31, 2029. The first year's rent is \$119,550 and the rent escalates by 3% each following year. The County will pay Additional Rent in an amount estimated to be \$13,230 per year to cover the landlord's taxes and insurance. There are no Common Area Maintenance charges because the County is leasing the entire site, and no security deposit required from the County. The County will pay for all utilities. The Lease was negotiated by outside Counsel contracted through the County Attorney's Office.

Budget Ordinance Amendment #26BCC006 appropriating \$30,000 in General Fund fund balance provides necessary funding to cover the increased cost of the new lease for the property at 1129 E Geer Street.

General Services staff and contractors will maintain this property and make repairs as needed. This includes building systems, landscaping, hardscaping, parking lot, fencing, extermination, and refuse hauling. The Landlord maintains responsibility for repair and replacement of all roof and structural systems.

Upon approval and execution of the Lease Agreement, the County Project Management Division will lead the design and upfit of the building with all possible efforts to meet the December 1, 2025 deadline for OES to vacate their current facility. The Board has previously approved the Capital Project (4730DC164), Budget Ordinance Amendment (25BCC045), and architectural and pre-construction contracts to effectuate this renovation in a timely fashion.

Alignment With Strategic Plan: This item aligns with Strategic Plan Goal: Sustainable Infrastructure & Environment Plan for long-term use of County land, facilities, and equipment.

Resource Persons: Christy Raulli, Senior Real Estate Officer; Dan Nosbusch, Project Manager; Peri Manns, Deputy Director; Jay Gibson, Director, Engineering and Environmental Services; Marc Ferguson, EMS Administration and Finance, Mark Lockhart, Emergency Services Director; Curtis Massey, Deputy County Attorney

County Manager's Recommendation: The County Manager recommends that the Board approve Budget Ordinance Amendment #26BCC006 appropriating \$30,000 in General Fund fund balance for payment of lease expenses and approve the Lease Agreement for the Durham County Office of Emergency Services (OES) Fleet Maintenance Repair Facility Between Knightdale Holdings, LLC. (Landlord) and Durham County (Tenant) at 1129 E Geer St. Durham, NC for a 4-year term, with the first year's rent of \$119,550 and other terms as noted in the attached Lease Agreement upon final approval by the County Attorney's Office.

Attachments:

[1129 E Geer St - Lease Draft - Durham County EMS \(005\)](#)

[AAF-06 Legal Form OES Fleet Facility](#)

25-0369

Budget Ordinance Amendment No.26BCC005 to Recognize a Grant Award of \$6,883 from the Durham Library Foundation, Increasing the total Funding to \$177,883.

Agenda Text:

The Board is requested to approve Budget Ordinance Amendment No. 26BCC005 to recognize a grant award of \$6,883 from the Durham Library Foundation, increasing the total funding to \$177,883. The grant will support programs and services provided by the Durham County Library.

The Durham Library Foundation Board of Directors and Grants Review Committee

STATE OF NORTH CAROLINA)	
)	LEASE AGREEMENT
COUNTY OF DURHAM)	

THIS LEASE AGREEMENT (this "Lease") is made and entered into as of the 4th day of August 2025, by and between KNIGHTDALE HOLDINGS LLC, a North Carolina limited liability company ("Landlord") and The County of Durham ("Tenant"). For the purposes of this Lease, Tenant and Landlord are sometimes referred to individually as a "Party" and collectively as the "Parties".

IN CONSIDERATION of the rents hereinafter agreed to be paid and in consideration of mutual covenants and agreements hereinafter recited, Landlord does hereby lease unto Tenant and Tenant does hereby take as Tenant from Landlord a warehouse containing approximately 7,970 square feet of warehouse and office space (the "Building"), further described on Exhibit A, attached hereto and incorporated herein by reference located at 1129 E Geer St. Durham, NC together with certain land in the City of Durham, North Carolina, described on Exhibit B attached hereto and incorporated herein by reference (the "Land"). The Building and Land are collectively hereinafter referred to as the "Premises."

TO HAVE AND TO HOLD the Premises, subject and subordinate to all liens, encumbrances, easements, restrictions, covenants, zoning ordinances and any and all other governmental and quasi-governmental laws, rules, regulations and ordinances now or hereafter affecting or governing the Land, together with an exclusive right to use all parking spaces, exits, entrances, and driveways, on the Land for the accommodation of parking of vehicles of Tenant, its employees, suppliers, customers and invitees while using or visiting the Premises, unto the Tenant upon the following terms and conditions.

1. Term. The term of this Lease shall begin on the 1st day of August, 2025 (the "Occupancy Date"), and shall end at 12:00 midnight of the 31st day of July, 2029 (the "Initial Term"), unless extended according to the Tenant's option to renew.

Tenant shall provide Landlord with at least one hundred eighty (180) days' written notice of intent to vacate prior to the end of the Lease term. If no such notice is provided, the Lease shall automatically convert to a month-to-month tenancy under the same terms and conditions, subject to termination by either party with thirty (30) days' written notice.

2. Base Rent. An annual base rental (the "Base Rent") calculated based upon the rates described below shall be due and payable at Landlord's address shown below, in equal monthly installments and in advance on the 1st day of November, 2025, and on the first day of each succeeding month thereafter during the Term and according to the following schedule:

	Monthly Base Rent	Annual Base Rent
Year 1	\$9,962.50	\$119,550.00
Year 2	\$10,261.38	\$123,136.50
Year 3	\$10,569.22	\$126,830.60
Year 4	\$10,866.29	\$130,635.51

3. **Additional Rent.** In addition to the Base Rent payable hereunder, Tenant shall also pay to Landlord as additional rent (the "Additional Rent") (the Base Rent and Additional Rent shall collectively be referred to herein as "Rent") in the following amounts: (i) the amounts paid by Landlord for real estate taxes, special assessments or any governmental charges that may be assessed against the Premises ("Real Estate Tax Expenses"), and (ii) all amounts paid by Landlord for all premiums of insurance required by the Lease or other property and liability insurance coverage with respect to the Premises deemed reasonable by Landlord ("Insurance Expenses"). Additional Rent shall be paid in equal monthly installments in the same manner as provided for the Base Rent. As of the date of this Lease, the Additional Rent for Tenant is **approximately \$1.66 per sqft annually**. For the avoidance of doubt, Tenant shall pay Additional Rent beginning August 1, 2025, and for every month thereafter.

Landlord shall estimate Additional Rent and the amount so estimated shall be paid by Tenant in the manner described in this Section 3. Landlord shall adjust such estimate if at any time Tenant's obligation for such costs incurred or to be incurred is expected by Landlord to exceed the monthly installments paid as of such time on account of such costs, Landlord shall be entitled to increase the amount of such monthly installments to such amount as Landlord shall reasonably determine to allow Landlord to pay such costs when due. Notwithstanding any provision of this Section 3 to the contrary, Landlord shall not adjust Tenant's obligation to pay Additional Rent more than once per lease year.

Within 90 days after the end of each year, Landlord shall furnish Tenant a statement in reasonable detail of the actual amount of Insurance Expenses and Real Estate Tax Expenses paid or payable during the prior year and thereupon there shall be an adjustment between Landlord and Tenant with payment to or repayment by Landlord, as the case may require, to the end that Landlord shall receive the entire amount for such period. Any repayment that may be due by Landlord to Tenant shall be refunded to Tenant within thirty (30) days after receipt of Landlord's statement. If the amount paid by Landlord is greater than the amount paid by Tenant during the prior year, Tenant shall pay Landlord the difference between the amount paid by Tenant and the amount paid by Landlord, within 30 days after receipt of Landlord's statement. Notwithstanding anything in this Lease to the contrary, in no event shall Additional Rent increase more than 10% annually.

Tenant also shall pay directly to the taxing authority all taxes, fees and charges which are levied, assessed or imposed upon Tenant's operations, occupancy, or conduct of business at the Premises and upon Tenant's equipment, furniture, appliances, trade fixtures and other personal property of every kind installed in or located at the Premises. In addition, if Tenant installs or causes Landlord to install improvements that increase the assessed

value of the Building, then Tenant shall pay, as Additional Rent, the taxes reasonably allocable to such improvements.

4. Receipt and Condition of Premises: Tenant Improvements and Trade Fixtures. Landlord shall deliver the Premises to Tenant clean and free of debris, and Landlord warrants to Tenant that the Premises, including, but not limited to, the plumbing, roofing, electrical system including lighting, and entry doors in the Premises, shall be in good operating condition and repair and in compliance with all applicable codes, as of the Occupancy Date. The Premises shall be delivered with Landlord Improvements identified in Exhibit D ("Landlord Work Letter") of this Lease fully completed. Landlord shall commence within a reasonable time after the Lease signing and diligently complete the Landlord Improvements prior to the Occupancy Date. For the purposes of this Lease, Landlord will be deemed to have substantially completed Landlord Improvements when all such work is completed, except for "punch list" items, which do not prevent Tenant from using the Premises in the manner described in this Lease and which Landlord can complete within two (2) weeks after notice thereof. Tenant shall have ten (10) days after both (i) the date Tenant takes possession of the Premises and (ii) the date upon which Landlord notifies Tenant that Landlord Improvements (as hereinafter defined) are substantially complete to inspect the Premises and to determine that the Premises and all improvements made to the Premises, including, without limitation, Landlord Improvements, are satisfactory and are suited for the use intended by Tenant. Landlord, its agents and contractors may thereafter enter the Premises from time to time to complete punch list items with reasonable dispatch and without unreasonable interference with Tenant's use and enjoyment of the Premises. Subject to Tenant's right to inspect the Premises, any punch list items, and Landlord Improvements, as set forth above, Tenant, by its taking possession of the Premises, thereby acknowledges that it has inspected the Premises and that the Premises are satisfactory and are suited for the use intended by Tenant, except for such latent defects, if any, as would not be discovered by a reasonable, diligently conducted inspection of the Premises and Landlord Improvements relating thereto.

All other construction work to the Premises, other than Landlord Improvements, which Tenant determines to be necessary for the use and occupancy of and operation of Tenant's business in the Premises, shall be at Tenant's sole expense, which may include in Tenant's sole discretion, the ("Tenant Initial Improvements") attached hereto as Schedule 4.

All trade fixtures, signs or other personal property installed in the Premises by Tenant shall remain its property and may be removed at any time. Tenant shall, at its expense, promptly repair any damage to the Premises caused by the removal of such property and trade fixtures. The term "trade fixtures" excludes carpeting, floor coverings, attached shelving, lighting fixtures other than free-standing lamps, wall coverings or similar Tenant improvements, all of which shall become the property of Landlord upon surrender of the Premises, if not removed by Tenant according to this Lease. For the avoidance of doubt, after installation, Tenant shall have no right to remove the HVAC system or the sprinkler system at any time (except if due to casualty, damage or maintenance).

If visible from outside of the Premises and not included as Tenant Initial Improvements no exterior door, wall or window signs, awnings or canopies nor any lighting or protruding object or any decoration, lettering or advertising matter on any exterior door, wall, ceiling or window of the Premises is permitted without Landlord's written consent obtained in advance, which consent shall not be unreasonably withheld, conditioned or delayed. Tenant shall maintain any approved sign, canopy, decoration, lettering or advertising matter in good condition and repair and shall obtain any and all permits or licenses required by applicable governmental authorities.

5. Maintenance and Repair. Landlord, at its own expense, shall maintain and keep in good repair the exterior and supporting walls of the Building, the roof, and the foundation, and shall make all structural repairs to the Building, the Land, and the Premises that may become necessary, except where such

maintenance or repairs shall result from the negligence, gross negligence or willful misconduct of the Tenant, its employees, agents, or servants.

The Tenant, at its own expense, shall make all other repairs to the Premises, including the maintenance of the non-structural walls and floor and of the plumbing, heating, air conditioning and electrical systems, equipment and controls, including the replacement of any such system, or major equipment furnished and installed by Landlord (provided such are exterior of the structural walls, flooring and foundation). The Tenant, at its own expense, shall keep in repair and shall maintain in good condition all doors, load levelers, truck bumpers, hardware and fixtures in the Premises, all interior non-structural walls and painting and decorations of every kind, and shall replace all broken or damaged window glass and burned out light bulbs, ordinary wear and tear excepted. Tenant shall be responsible for repairing and maintaining the non-structural floor in good condition, ordinary wear and tear excepted. From the point they serve the Premises exclusively, whether located inside or outside (provided such are exterior of the structural walls, flooring and foundation), Tenant shall make all repairs, replacements and alterations necessary to maintain in good condition the HVAC system, all lines, apparatus, and equipment relating to utilities (including heating, air conditioning, water, gas, electricity and sewerage) (provided such are exterior of the structural walls, flooring and foundation). Unless caused by Landlord's negligence or conduct, Tenant's sole right of recovery shall be against Tenant's insurers for loss or damage to stock, furniture and fixtures, equipment, improvements and betterments regardless of cause.

Tenant shall at all times keep the Premises and the entryways and delivery areas adjoining the Premises clean and free from rubbish, dirt, snow and ice. Tenant shall store all trash, rubbish, and garbage in covered containers and shall provide for proper disposal. Tenant will not make or suffer any waste of the Premises or permit anything to be done in or upon the Premises that would create a nuisance subject always to Tenant's rights otherwise set forth in this Lease. Subject to Tenant's alterations, Tenant shall return the Premises to the Landlord at the termination of this lease in as good condition as at the beginning, ordinary wear and tear and damage from casualty excepted.

6. Insurance. At all times during the term of this Lease, Tenant shall, at its sole expense, procure maintain and name Landlord as an additional insured, on the following types of insurance coverage:

Commercial General Liability: Commercial General Liability insurance, including Bodily Injury and Property Damage Liability, Products and Completed Operations, Personal and Advertising Injury Liability, and Fire Damage Liability against any and all damages and liability, including attorneys' fees and expenses, on account of or arising out of injuries to or the death of any person or damage to property, however occasioned, in, on or about the Premises in amounts not less than \$1,000,000 per occurrence, \$2,000,000 annual aggregate, and \$50,000 Fire Damage Liability;

Employer's Liability/Workers' Compensation: Employer's Liability insurance with limits not less than \$500,000, and Workers' Compensation insurance providing statutory state benefits for all persons employed by Tenant in connection with the Premises as required by applicable law;

Form of Insurance/Companies: Except as otherwise set forth herein, all insurance provided for in Section 6 hereof shall be carried with insurance companies that are licensed or authorized to do business in the State in which the Premises is located, are in good standing with the Department of Insurance in the State in which the Premises is located and have a current rating issued by A.M. Best Company of not less than A-:VII, and/or whose claim paying ability is rated no lower than A by Standard & Poor's Ratings Service and A2 by Moody's Investors Service. Notwithstanding anything herein to the contrary, all insurance coverage may be provided through a combination of self-insurance, self-insurance retention, and/or express insurance policies. Insurance coverage shall be written as primary policy

coverage and not contributing with or excess of any coverage which Landlord may carry, and Lennar Partners, Inc., Landlord, and Landlord's managing agent shall be named as Additional Insureds with respect to Commercial General Liability and Automobile Liability, including any Umbrella or Excess policies. Tenant shall furnish Landlord at the inception of this Lease a Certificate of Insurance evidencing that all such insurance is in effect and that Landlord will be given prior written notice of cancellation or non-renewal. Not later than fifteen (15) days prior to the expiration of any insurance policy, evidence of renewals or replacements of such policy shall be delivered to Landlord. In the event Tenant shall fail to procure any contract of insurance required under the terms hereof or any renewal of or replacement for any contract of insurance that is expiring or has been canceled, Landlord may, but shall not be obligated to, after 15 days notice to Tenant and opportunity for Tenant to cure, procure such insurance on behalf of Tenant and the cost thereof shall be payable to Landlord as additional rent within ten (10) days following written demand therefor.

7. Utilities. Tenant shall subscribe for utility services in its own name and pay for all electricity, gas, water, heat and other utilities consumed or used on the Premises. Landlord shall not be in any way obligated or responsible for the furnishing of utility services, provided, however, that Landlord agrees to reasonably cooperate with Tenant in subscribing to such services, or installing, relocating or maintaining such utility access. Landlord hereby represents and warrants to Tenant that the Premises, as of the date of this Lease, are served by utilities necessary for the use, including, without limitation, gas, electricity, telephone service, water and sewer. Furthermore, Landlord represents and warrants that, as of the Occupancy Date, the Premises (including, without limitation, the roof, the walls and all plumbing, wiring, electrical, heating, air conditioning, fire protection and other systems, as well as parking lots and other paved areas, located in or at the Premises) are in full compliance with all applicable federal, state and local laws, statutes, regulations, rules, ordinances and common law and are in good condition, working order and repair, and are not in need of maintenance or repairs except for maintenance and repairs which are routine, ordinary and not material in nature or cost. Notwithstanding anything herein to the contrary, Landlord and Tenant acknowledge and agree that Tenant plans to undertake substantial renovations to the Premises and any violation of the applicable federal, state and local rules as described herein resulting from those renovations shall not be a breach of this Section 7.

8. Fire and Other Casualty Losses. Upon learning of damage by fire or other casualty to the Premises, Tenant shall promptly notify Landlord. If the damages are so extensive as to amount practically to the total destruction of the Premises, this Lease shall terminate, the Rent shall be apportioned prorata on a calendar year basis to the time of the damage. In all other cases where the Premises are damaged by fire or other casualty, Landlord shall repair the damage (to the extent of insurance proceeds received by Landlord) with reasonable dispatch, and if the damage has rendered the Premises untenable, in whole or in part, there shall be an apportionment of the rent prorata on a calendar year basis, until the damage has been repaired. In determining what constitutes reasonable dispatch, consideration shall be given to delays caused by strikes, adjustment of insurance and other causes beyond Landlord's control. The above notwithstanding, in the event repairs are not substantially completed within 90 days of such partial destruction, or cannot reasonably be expected to be fully complete within 120 days from the day of such partial destruction, Tenant shall have the option to cancel this Lease by providing written notice to the Landlord, such cancellation to be effective immediately and the parties shall be without further liability to the other except obligations provided in this Lease that expressly survive closing. Regardless of whether Landlord begins or completes the repair or restoration of the Premises after such casualty, Tenant expressly disclaims any and all interest it may have in and to any insurance proceeds with respect to the Premises (but not with respect to Tenant's personal property insured by Tenant's insurance policies) paid as a result of such casualty.

9. Condemnation. In the event the Premises or any part thereof shall be taken by condemnation or other similar proceedings or acts of federal, state, county or municipal or any governmental, public or

quasi-public authority for any public or quasi-public purposes, or a purchase in lieu thereof, then:

a) if the whole of the Premises are taken or so much of the Premises are taken as to render the Premises untenable, the Term shall cease at the time possession thereof shall be taken for such purpose, and the payment of Rent shall cease at such time.

b) if a portion of the Premises are taken, future Rent will be adjusted on a prorata basis to reduce the total Rent to the extent that the area of the Premises has been reduced.

Tenant shall have no claim to any condemnation award, however, nothing in this provision shall be construed to limit or effect the Tenant's right to an award of compensation for the taking of Tenant's leasehold interest hereunder, to the extent such action does not impair the rights of Landlord for the taking of or injury to the reversion. Notwithstanding anything in this section to the contrary, in the event the taking from the condemnation is such that it is reasonably unlikely (i) that the Premises will be sufficient for Tenant's use or (ii) that any repairs will be completed within 120 days after the taking (in Tenant's reasonable discretion), Tenant may elect to terminate this Lease by providing Landlord with 30 days notice of termination. Rent shall abate proportionately as of the earlier of entry of the taking as recorded in Durham County Register of Deeds or as of any physical taking.

10. Use of Premises and Land: The Premises shall be used only for general office, warehouse, and distribution use, including, without limitation, repair of emergency vehicles, equipment and material storage and the repair, maintenance and storage of vehicles, storage and use of all tools, machinery, parts, and supplies necessary for vehicle repair and maintenance; storage of any equipment and supplies necessary for Durham County, North Carolina Emergency Medical Services (EMS) operations, and/or OES Fleet operations. Repairs and maintenance of vehicles may include (but are not limited to) the following: oil changes, brake replacements, transmission servicing, cooling system repairs, electrical and fuels systems diagnostics and repairs, oil systems leak repairs, minor bodywork (such as replacing bumpers, broken headlights, and mirrors, repairing minor dents and performing light metalwork and welding), transmission overhauls, turbocharger replacement and major engine work. All such uses and all uses incidental thereto and all lawful uses not prohibited by applicable covenants, conditions and restrictions and governmental code (collectively, the "Permitted Use"). No other use shall be permitted unless (i) Landlord has approved, in writing, such use, which approval shall not be unreasonably withheld, conditioned or delayed; and (ii) Tenant causes such use to be conducted, at Tenant's sole cost and expense, under all legal requirements. Tenant shall occupy and use the Premises during the Term for the purposes above specified and none other. Tenant will not make or permit to be made any use of the Premises that, directly or indirectly, is forbidden by public law, ordinance or governmental regulation. Tenant, at its sole expense shall comply with all rules, regulations, or requirements of the local Inspection and Rating Bureau, or any other similar body, and shall not do, or permit anything to be done upon said Premises, or bring or keep anything thereon in violation of rules, regulations, or requirements of the Fire Department, local Inspection and Rating Bureau, Fire Insurance Rating Organization or other public or quasi public authority having jurisdiction and then only in such quantity and manner of storage as not to increase the rate of property insurance applicable to the Premises of the Land. Tenant shall indemnify and hold harmless Landlord if any of the Permitted Use is in violation of local zoning or municipal ordinances.

Tenant shall obtain, at Tenant's sole cost and expense, any permit, license, certificate or other authorization required for the lawful and proper use and occupancy by Tenant and shall exhibit the same to Landlord upon Landlord's request. Tenant shall be responsible for obtaining at Tenant's sole cost and expense any permit, license, certificate or other authorization required in connection with improvements made by the Tenant in or about the Premises. To the best of its actual knowledge without investigating, Landlord represents that the Premises and Land are in compliance with all Laws (including without limitation, ADA) as of the Occupancy Date.

11. Prohibition against Assignments/Subletting. This Lease shall not be assigned nor shall the Premises be sublet, without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed provided the Tenant remains liable for all obligations hereunder; and if such consent is given, no subsequent assignment or subletting shall be made without Landlord's written consent. Notwithstanding anything herein to the contrary, Tenant may assign this Lease in connection with the sale of all or substantially all of Tenant's assets or similar transactions or sublet the Premises to an affiliate of the Tenant without the prior consent of Landlord, provided that Tenant remains liable for all obligations hereunder. If Tenant assigns this Lease or sublets the Premises in such a manner as to require (under the appropriate municipal regulations) that the Premises be altered to accommodate multiple tenants, Tenant shall perform all such alteration work at its own cost and expense.

12. Indemnity. Except as otherwise set forth below, Tenant shall protect, indemnify, defend and save harmless the Landlord from and against any and all claims, demands and causes of action of any nature whatsoever, for injury to or death of a person, or loss of or damage to property, occurring on the Premises, or in any manner directly out of or connected with Tenant's use and occupancy of the Premises except as may be caused by Landlord's negligence or willful misconduct. Except as set forth herein, Landlord shall not be liable for any damages, injury, or loss to the persons, property, or affects of Tenant, or to any other person or persons suffered in, on or upon the Premises, or as result of the use of the Premises by Tenant, and Tenant agrees to indemnify, defend and protect and save harmless the Landlord against any and all damages or claims therefor except as may be caused by Landlord's negligence or willful misconduct. Notwithstanding anything in this Lease to the contrary, in no event shall Tenant be liable to Landlord for special, consequential, or punitive damages. The indemnity contained herein shall survive the termination hereof.

Landlord shall protect, indemnify, defend and save harmless the Tenant from and against any and all claims, demands and causes of action of any nature whatsoever, for injury to or death of a person, or loss of or damage to property, occurring on the Premises, or in any manner growing out of or connected with Landlord's use and occupancy of the Premises except as may be caused by Tenant's negligence or willful misconduct. Tenant shall not be liable for any damages, injury, or loss to the persons, property, or affects of Landlord, or to any other person or persons suffered in, on or upon the Premises, or as result of the use of the Premises by Landlord, and Landlord agrees to indemnify, defend and protect and save harmless the Tenant against any and all damages or claims therefor except as may be caused by Tenant's negligence or willful misconduct; provided, however, in no event shall Landlord be liable to Tenant for special, consequential, or punitive damages. The indemnity contained herein shall survive the termination hereof.

Notwithstanding anything in this Lease to the contrary, Landlord and Tenant acknowledge and agree that, for so long as the tenant is a political subdivision or state governmental agency of the State of North Carolina, (a) any provision hereof requiring Tenant to reimburse, indemnify and/or hold harmless Landlord or any other party, and (b) any provision of this Lease containing any waiver, release, or limitation of claims or remedies Tenant would otherwise have against Landlord or any other person, in each case shall be effective only if and to the extent the same is not prohibited by and/or would not constitute a violation of the laws or Constitution of the State of North Carolina. So long as Tenant is a political subdivision or state governmental agency of the State of North Carolina, Landlord and Tenant agree that Tenant shall not be required to perform any act or refrain from performing any act under this Lease if such performance or non-performance would constitute a violation of the laws or Constitution of the State of North Carolina.

13. Liens. No encumbrances, charges or liens against the Premises or Land shall exist because of any action or inaction by Tenant or its independent contractors. Tenant will discharge by bond or otherwise within ten (10) days of notice of its existence, any lien, encumbrance or other charge arising in violation of this Section.

14. Environmental Indemnity. Tenant hereby indemnifies and agrees to defend, protect and hold the Landlord and any successor or successors to Landlord's interest in and to the Premises, harmless from and against any and all losses, liabilities, fines, charges, damages, injuries, penalties, response cost, expenses and claims (collectively "Claims") of any and every kind whatsoever paid, incurred or suffered by, or asserted against, the Landlord including, without limitation, (i) all consequential damages; (ii) the costs of any required or necessary repair, cleanup or detoxification of the Premises, and the preparation and implementation of any closure, remedial or other required plans (collectively "Remedial Work"); and (iii) all reasonable costs and expenses incurred by Landlord in connection with clause (i) and (ii), for, with respect to, or as a direct or indirect result of the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission, or actual threatened release of any Hazardous Material (as hereinafter defined) brought upon the Premises in violation of applicable Environmental Laws by Tenant on the Premises (including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any federal or state or local statute, law, ordinance, code, rule, regulation, order to decree regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Material) ("Environmental Laws"), regardless of whether or not any of such activities were or will be undertaken in accordance with Hazardous Material Laws (as defined below). For purposes herein, the term "Hazardous Material" means and includes any flammable explosives, radioactive materials, or hazardous, toxic or dangerous waste, substances of related material including, but not limited to, substances defined as such in (or for purposes of) the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. sections 9601 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. sections 1801 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Sections 6901 et seq.; those substances defined as hazardous or toxic decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic and dangerous waste, substance or material, as now or at any time hereafter in effect.

Notwithstanding anything in this Lease to the contrary, Landlord shall be responsible for all costs and expenses relating to Hazardous Materials located on the Premises unless such costs and expenses are directly due to the Permitted Use, intentional acts or negligence of Tenant, its employees, agents, representatives, contractors, and licensees, in which case Tenant shall be liable for any costs or expenses relating to such Hazardous Materials. Notwithstanding anything contained in this Lease to the contrary, Tenant shall not have any liability to Landlord resulting from any conditions existing, or events occurring, or any Hazardous Materials existing or generated, at, in, on, under or in connection with the Premises prior to the Occupancy Date or any conditions caused directly or indirectly by Landlord (its agents, contractors, employees, or assigns) on the Premises.

Landlord warrants and covenants that: (i) neither it nor, to the best of its knowledge without investigation, its agents, employees or contractors have caused or will cause or permit the presence, use, generation, manufacture, release, discharge, storage, disposal or transport of any Hazardous Materials on, under, in, above, to or from the Premises and (ii) there are no Hazardous Materials on or about the Premises in violation of any Hazardous Material Laws. To the extent any Hazardous Materials are present in, at, on or about the Premises, the Building or the Land and not caused by Tenant or its agents, contractors, employees or subcontractors. Landlord shall indemnify and hold Tenant harmless and Landlord shall be solely

responsible for removing or otherwise remediating such Hazardous Materials as required by, and in full compliance with, all Hazardous Material Laws at no cost to Tenant. Landlord shall indemnify, defend, protect and hold Tenant harmless from and against any Claims to the extent arising out of any Remedial Work necessarily incurred by Tenant in connection with the presence, use, generation, manufacture, release, discharge, storage, disposal or transportation of any Hazardous Materials on, under, in, above, to or from the Premises prior to the Occupancy Date, due to the negligence or willful misconduct of Landlord or not caused by Tenant or its agents, contractors, employees or subcontractors. Notwithstanding anything contained herein to the contrary, in the event any Remedial Work is performed as a result of Hazardous Materials on the Premises existing prior to Tenant's acceptance of possession of the Premises and because of such Hazardous Materials Tenant closes for business, Rent shall be completely abated for the period during which such Remedial Work is performed.

The warranties, representations and indemnities made by the Parties in this Section 14 shall survive the expiration or earlier termination of this Lease.

15. Environmental Compliance. Tenant shall keep and maintain the Premises in compliance with, and shall not cause or permit the Premises to be in violation of, any federal, state or local laws, ordinances, statutes or regulations relating to industrial hygiene or to the environmental conditions on, under, or about the Premises including, but not limited to, soil and groundwater conditions. Tenant shall not use, generate, manufacture, store or dispose of on, under, or about the Premises or transport to or from the Premises any Hazardous Material other than in compliance with applicable law. Tenant hereby agrees at all times to comply fully and in a timely manner with, and to cause all of its employees, agents, suppliers, contractors and subcontractors and any other persons occupying or present on the Premises to so comply with, all applicable federal, state and local laws, regulations, guidelines, codes, statutes, and ordinances applicable to the use, generation, handling, storage, treatment, transport and disposal of any Hazardous Material now or hereafter located or present on or under the Premises. Tenant shall not install, or allow to be installed, any underground storage tanks on the Premises without the prior written consent of Landlord. In the event Landlord consents to the installation of any underground storage tanks, the Tenant shall keep all such underground storage tanks properly registered with appropriate federal, state and local authorities and shall pay in a timely manner all fees required by such authorities in connection with any clean-up fund or other program relating to underground storage tanks. Tenant shall furnish evidence satisfactory to Landlord reflecting any and all payments. Should Tenant fail to pay any such fees, Landlord may pay the same on Tenant's behalf and any amount so paid, together with interest at the rate of eight percent (8%) per annum from date paid by Landlord until paid by Tenant, shall become Additional Rent due from Tenant.

16. Hazardous Material Cleanup. Tenant shall immediately advise Landlord in writing of (i) any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened pursuant to any applicable federal, state or local laws, ordinances, or regulations relating to any Hazardous Material affecting the Premises ("Hazardous Material Laws") that become known to Tenant; and (ii) all claims made or threatened by any third party against Tenant or the Premises relating to damage, contribution, cost recovery compensation, loss or injury resulting from any Hazardous Material (the matters set forth in clause (i) and (ii) above are hereinafter referred to as "Hazardous Materials Claims"). Landlord shall have the right, but not the obligation, to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with any Hazardous Materials Claims.

17. Hazardous Material Remedial Actions. Tenant, at its sole cost and expense, shall be responsible for any release, discharge, or presence of Hazardous Materials on, under, or about the Premises caused or permitted to be caused by Tenant, its agents, employees, contractors, or subtenants. Without Landlord's prior written consent, Tenant shall not take any remedial action in response to the presence of any Hazardous Materials on, under, or about the Premises, nor enter into any settlement agreement, consent

decree, or other compromise in respect to any Hazardous Materials Claims, if such remedial action, settlement, consent, or compromise might, in Landlord's reasonable judgment, impair the value of Landlord's security hereunder or Landlord's interest in the reversion; provided, however, that Landlord's prior written consent shall not be required if the presence of Hazardous Materials poses an immediate threat to the health, safety, or welfare of any individual or is of such a nature that immediate remedial action is necessary, is required under Environmental Laws, or it is not reasonably possible to obtain Landlord's consent. In addition, no Landlord consent is required in cases where (i) such remedial action is required by a court or governmental authority of competent jurisdiction, or (ii) Tenant demonstrates to Landlord's reasonable satisfaction that there is no reasonable alternative that would result in less impairment of Landlord's security or interest in the reversion.

18. Events of Default. If one or more of the following events ("Event of Default") occurs, such occurrence constitutes a breach of this Lease by Tenant:

Rent: Tenant fails to pay any monthly Base Rent or Additional Rent, if applicable, as and when the same becomes due and payable, and such failure continues for more than ten (10) days; or

Other Sums: Tenant fails to pay any other sum or charge payable by Tenant hereunder as and when the same becomes due and payable, and such failure continues for more than thirty (30) days after Landlord gives written notice thereof to Tenant; or

Other Provisions: Tenant fails to perform or observe any other agreement, covenant, condition or provision of this Lease to be performed or observed by Tenant as and when performance or observance is due, and such failure continues for more than thirty (30) days after Landlord gives written notice thereof to Tenant, or if the default cannot be cured within said thirty (30) day period and Tenant fails promptly to commence with due diligence and dispatch the curing of such default or, having so commenced, thereafter fails to prosecute or complete with due diligence and dispatch the curing of such default; or

Insolvency: Tenant (a) files or consents by answer or otherwise to the filing against it of a petition for relief or reorganization or arrangement or any other petition in bankruptcy or liquidation or to take advantage of any bankruptcy or insolvency law of any jurisdiction; (b) makes an assignment for the benefit of its creditors; (c) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of itself or of any substantial part of its property; or (d) takes action for the purpose of any of the foregoing; or

Receiver: A court or governmental authority of competent jurisdiction, without consent by Tenant, enters an order appointing a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial power of its property, or constituting an order for relief or approving a petition for relief or reorganization or any other petition in bankruptcy or insolvency law of any jurisdiction, or ordering the dissolution, winding up or liquidation of Tenant, or if any such petition is filed against Tenant and such petition is not dismissed within sixty (60) days; or

Attachments: This Lease or any estate of Tenant hereunder is levied upon under any attachment or execution and such attachment or execution is not vacated within sixty (60) days; or

Assignment/Sublease: Tenant assigns this Lease or subleases all or any portion of the Premises without Landlord's prior written consent.

Termination: In the event of any breach of this Lease by Tenant, Landlord may, at its option, terminate the Lease and repossess the Premises pursuant to the laws of the State in which the Project is located and

recover from Tenant as damages:

- (a) the unpaid rent and other amounts due at the time of termination plus interest thereon at the maximum lawful rate per annum from the due date until paid;
- (b) the present value of the balance of the rent for the remainder of the term after termination less the present value of the fair market value rental of the Premises for said period (both determined by applying a discount rate of 1.5% below the Wall Street Journal Prime Rate); and
- (c) any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform its obligations under the Lease or which in the ordinary course of things would be likely to result therefrom, including, without limitation, the cost of recovering the Premises.

Landlord's Options: Landlord may, in the alternative, (i) continue this Lease in effect, as long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all its rights and remedies under the Lease, including the right to recover the rent as it becomes due under the Lease; or (ii) terminate Tenant's right of possession (but not this Lease) and repossess the Premises pursuant to the laws of the State in which the Project is located, without demand or notice of any kind to Tenant, in which event Landlord may, but shall be under no obligation to do so (except to the extent required by the laws of the State in which the Project is located), relet the Premises for the account of Tenant for such rent and upon such terms as shall be satisfactory to Landlord. For purpose of such reletting Landlord is authorized by Tenant to decorate or to make any repairs, changes, alterations or additions in or to the Premises that may be necessary or convenient, at Tenant's expense. Tenant shall also be responsible for rent for the period that the Premises are vacant and all costs of re-letting, including, without limitation, brokerage commissions. Tenant shall be liable for any deficiency of such rental below the total rental and all other payments herein provided for the unexpired balance of the term of this Lease. If said breach of the Lease continues, Landlord may, at any time thereafter, elect to terminate the Lease; or (iii) exercise any and all other rights and remedies available to Landlord at law or in equity.

Notwithstanding anything to the contrary set forth herein, (a) Landlord agrees to use its best efforts to mitigate its damages resulting from a default by Tenant, and (b) in no event shall Landlord sue Tenant for (and in no event shall Tenant be liable for) any lost profits (including, without limitation, any claims for lost business opportunity), punitive damages, speculative damages, incidental damages or consequential damages. Any costs or damages set forth herein shall not include costs normally paid for by a new tenant.

19. Quiet Enjoyment. Landlord warrants and represents to Tenant that Landlord has the right to make this Lease and that Tenant (provided Tenant is not in default hereunder), shall peacefully and quietly have, hold and enjoy the Premises throughout the Term without any manner of hindrance or molestation from Landlord or anyone claiming under Landlord, subject, however, to all the terms and provisions hereof. Landlord hereby represents and warrants to Tenant that (i) Landlord is the fee simple owner of the Premises and the parking and all other areas located on the Land free and clear of all liens, restrictions and encumbrances; (ii) there are no restrictions, covenants, agreements or conditions which prevent Tenant from using the Premises for the Tenant's Permitted Use, and Landlord shall not create, and shall use its best efforts to prevent from being created, any such restrictions, covenants, agreements or Premises; (iii) all facilities located in and/or serving the Premises are in good condition and repair, and there are no defects in any portion of the Premises; and (iv) the Premises is in compliance with all applicable laws, codes, rules, regulations, ordinances, orders and insurance requirements.

20. Right of Entry. Landlord and its authorized representatives shall have the right to enter the Premises at all reasonable times during normal business hours upon 48 hours' prior written notice (except emergencies) to inspect the Premises, to maintain and make repairs to the Premises, and, only during the last 180 days of the Term, to exhibit the Premises to prospective tenants.

21. Property of Tenant. Tenant may, at the expiration of the Term or the earlier termination hereof, remove all furniture, equipment, and other personal property that Tenant shall have placed in the Premises; provided that Tenant shall repair any damages to the Premises caused by such removal. All such property shall, during the Term, be at risk of Tenant only, and Landlord shall not be liable for any loss thereof or damage thereto unless caused by the negligence or willful misconduct of Landlord, its employees or agents. Any such property not removed within 30 days after the expiration or earlier termination of the Lease shall be deemed abandoned and may be disposed of by Landlord in any manner whatsoever.

22. End of Term, Holding Over. Any holding over after the expiration or termination of this Lease shall be construed as a month-to-month tenancy at a rental of one hundred twenty-five percent (125%) of the rent for the month of the Lease preceding the month in which the expiration or termination occurred, and otherwise in accordance with the terms hereof, as applicable for the first 180 days and thereafter at one hundred fifty percent (150%).

23. Subordination. This Lease is and shall remain subject and subordinate to and may be assigned as security for any present or future mortgage or deed of trust which may now or hereafter affect the Land and to and to and for all renewals, modifications, consolidations, replacements necessary to effect such subordination, however, Tenant shall execute promptly and deliver to Landlord any such certificate or certificates as Landlord may request evidencing the subordination of this Lease (with appropriate non-disturbance and attornment) to or the assignment of this Lease as security for any such mortgage or deed of trust. In the event any proceedings are brought for foreclosure of any mortgage on the Premises, Tenant will attorn to the purchaser at the foreclosure sale and recognize such purchaser as Landlord provided purchaser agrees to continue the lease in effect and not to disturb Tenant's possession so long as Tenant is not in default under the terms of this Lease beyond applicable notice, grace and cure periods. Notwithstanding anything in this Lease to the contrary and as a condition to the subordination of this Lease as set forth in this Article 23, Tenant's occupancy, possession, and other rights under this Lease shall not be disturbed, and shall survive any and all actions taken by, any mortgagee, trustee, ground lessor, or other security interest holder.

24. Estoppel Certificates. Tenant agrees to furnish promptly, from time to time, upon 30 days' notice from Landlord or any mortgagee, an estoppel certificate to Landlord or to Landlord's successor or assign or to any mortgagees.

25. Waiver. The waiver by Landlord or any breach of any covenant or agreement herein contained shall not be a waiver of any other default concerning the same or any other covenant or agreement herein contained. The receipt and acceptance by Landlord of delinquent Rent shall not constitute a waiver of any other default; but shall constitute only a waiver of, timely payment for the particular Rent payment involved. Landlord hereby waives any claim or lien, whether pursuant to any statute, law, rule, regulations, or common law, or otherwise, which Landlord may now or in the future have with respect to Tenant's leasehold improvements, trade fixtures, machinery, equipment, inventory, and all other property of Tenant which may be contained within the Premises during the Term.

26. Effect of Exercise of or Failure to Exercise Rights by Landlord. Neither the exercise of nor failure to exercise any right, option, or privilege under this Lease by Landlord shall exclude Landlord from exercising any and all other rights, options or privileges under this Lease, nor shall exercise or non-exercise relieve Tenant from Tenant's obligations to perform each and every covenant and condition to be performed by Tenant under this Lease, or from damages or other remedy for failure to perform or meet the obligation of this Lease.

27. Notice. Any notice that either Party desires or its required to give the other Party shall be in writing and shall be deemed to have been sufficiently given if either served personally or sent by prepaid,

registered or certified mail, addressed to the other Party at the address set forth below:

Landlord: Knightdale Holdings LLC
500 Cardinal Dr.
Raleigh, NC 27604
Attn: Chris Papadopoulos
Prestigehomesolutions1@gmail.com
919-280-8340

Tenant: County of Durham
200 E. Main Street, 3rd Floor
Durham, NC 27701
Attn: County Manager

With a copy to: County of Durham
200 E. Main Street, 4th Floor
Durham, NC 27701
Attn: County Attorney

Either Party may change its address by notifying the other Party of the change of address in the foregoing manner.

28. Successors and Assigns. The provisions of this Lease shall bind and inure to the benefit of Landlord and Tenant and their respective successors, heirs, legal representatives and assigns; it is understood and agreed, however, that the term "Landlord", as used in this Lease, means only the owner, or the Landlord for the time being, of the Land of which Premises are a part, so that in the event of any sale or sales (including, without limitation, any judicial sale, any sale in foreclosure and any sale pursuant to a power of sale contained in a mortgage or deed of trust affecting all or any part of the Land or a leasehold interest in the Premises) of said property or of any lease thereof, the Landlord named herein shall be and hereby is entirely freed and relieved of all covenants and obligations of Landlord hereunder accruing thereafter (except for all proceeds thereof to fulfill its obligations hereunder until new owner assumes such obligations) and it shall be deemed without further agreement that the grantee, assignee, or the lessee, as the case may be, has assumed and agreed to carry out any and all covenants and obligations of Landlord hereunder during the period such party has possession of the Premises. Tenant shall be bound to any succeeding landlord for all the terms, covenants and conditions hereof and shall execute any attornment agreement not in conflict herewith at the request of any succeeding landlord.

29. Entire Agreement. The entire agreement, intent and understanding between Landlord and Tenant is contained in the provisions of this Lease and any stipulations, representations, promises or agreements, written or oral, made prior to or contemporaneously herein. The terms "Landlord" and "Tenant" and all pronouns relating thereto shall be deemed to mean and include limited liability companies, corporations, partnerships and individuals as may fit the context and the masculine gender shall be deemed to include the feminine and the neuter and the singular number the plural. All changes, additions, or deletions hereto must be in writing and signed by Tenant and Landlord.

30. Time is of the Essence. Time is of the essence of this Lease with respect to each and all of the provisions herein.

31. Negation of Partnership. Landlord shall not become or be deemed a partner or joint venturer with Tenant by reason of the provisions herein.

32. Severability. The invalidity, illegality, or unenforceability of any provision of this Lease shall not render the other provisions hereof invalid, illegal or unenforceable.

33. Captions. The headings of the sections of this Lease are descriptive and for convenience only, are not a part of this Lease, and shall have no effect on the construction of interpretation of this Lease.

34. Governing Law. This agreement shall be governed by and construed pursuant to the laws of the State of North Carolina.

35. Survival: Any obligation which by its nature is due after this Lease expires, shall survive the Lease's termination.

36. Memorandum. Landlord and Tenant agree that his Lease shall not be recorded. Landlord and Tenant agree that upon request of either Party, to execute a Memorandum of Lease to be recorded in the Durham County Registry.

37. Signs. Tenant shall not place any sign on or about the Premises or the Land without prior express written approval of the Landlord, such approval shall not be unreasonably withheld, conditioned, or delayed. The content, size and location of any and all signs are subject to the ordinances and regulations of the City of Durham.

38. TENANT AUTHORITY: If Tenant is a corporation, partnership or other business entity, Tenant hereby represents and warrants to Landlord that Tenant is a duly formed and existing entity qualified to do business in the state in which the Leased Premises are located, that Tenant has full right and authority to execute and deliver this Lease, and that each person signing on behalf of Tenant is authorized to do so.

If Tenant is an individual, Tenant hereby represents that Tenant is one of the following (check applicable box and fill in information, if applicable):

- ☐ A citizen of the United States
- ☐ A noncitizen national of the United States
- ☐ A lawful permanent resident (Alien # _____)
- ☐ An alien authorized to work (Alien # or Admission #) _____ until (expiration date, if applicable, month/day/year) _____

To the extent that Tenant is operating within the Premises under a trade name, Tenant has filed an assumed name certificate with the Durham County Register of Deeds office and will supply a copy of the assumed name certificate to Landlord upon request.

Brokers: The Broker[s] are: City Plat ("**Landlord's Agent**") and Maverick Partners. ("**Tenant's Agent**") and Landlord will bear the cost of the commission payable to Broker in connection with this Lease. Landlord and Tenant warrant and represent to each other that they have not consulted or negotiated with any broker or finder with regard to the Premises or this Lease other than Maverick Partners (Tenant) and City Plat (Landlord). If either party shall be in breach of the foregoing warranty, such party shall

indemnify the other against any loss, liability and expense arising out of claims for fees or commissions from anyone having dealt with such party in breach.

- a. Construction of Improvements: Landlord shall, at its sole expense, perform the work and furnish all materials needed to complete the following improvements (collectively the "Landlord Improvements") further outlined in Landlord Work Letter attached here within Exhibit D.
- b. Parking: Tenant shall have the exclusive use of parking facilities and driveways for Tenant, Tenant's employees, Tenant's business invitees and Tenant's agents. Tenant is the sole tenant on the Land and shall have exclusive rights to parking thereon.
- c. Construction of Lease. This Lease shall not be construed more strictly against either Party regardless of which Party is responsible for the preparation of same. Highlighted language shall be of no greater or lesser force and effect than the remainder of this Lease. Any stricken language which is initialed by each Party shall be treated as though it did exist.

IN WITNESS WHEREOF, the Parties hereto have hereunto set their hand and seals all as of the day and year first above written intending to be legally bound hereby.

LANDLORD

KNIGHTDALE HOLDINGS LLC
a North Carolina limited liability company

By: 

Name: Chris Papadopoulos

Its: Managing Member

TENANT

The County of Durham

By: 

Name: Claudia Hager

Its: County Manager

This instrument has been pre-audited in the manner required
by the Local Government Budget and Fiscal Control Act.


64D5E274634E4D0A

Crystall Wright, Durham County Chief Financial Officer

Exhibit A

Description of the Premises

The Building containing warehouse and office space in the approximate amount of 7,970 square feet located at 1129 E Geer St. Durham NC. Durham County Tax Records Pin # 0832-71-3186

Exhibit B

Site Plan



Exhibit D

Landlord Work Letter

Landlord Work Scope – 1129 E Geer St, Durham, NC

Landlord to complete the following base building improvements prior to lease commencement, subject to mutually agreed lease terms and timeline.

Exterior Improvements

- Install a new lock on the main entry gate.
- Replace non-functional exterior flood lights.
- Power wash the exterior facade of the building and the paved parking areas.
- Repaint exterior of building, including:
 - All exterior doors (dark grey)
 - Gutters (black)
 - Bollards (yellow)
 - Retaining walls surrounding the parking lot (dark grey)
 - Exterior metal awnings (black) and any metal handrails or trim (black)
- Replace any missing or visibly broken windows on the west-facing wall.
- Remove loose debris and materials from the parking lot, loading dock area, and landscaped perimeter.

Interior – Office & Mezzanine Areas

- Replace missing floor tiles in the office areas.
- Clean and polish existing hard surface flooring in office areas.
- Remove non-functional security cameras (equipment only).
- Replace damaged or stained ceiling tiles where necessary; inspect roof to confirm no active leaks at time of replacement.
- Repair and repaint interior trim within the second-floor mezzanine office.
- Repaint all interior office, bathroom, mezzanine, and hallway walls with a neutral finish.
- Install new dark grey LVP flooring in the rear offices, mezzanine, and water fountain area.
- Paint interior doors (where existing) dark grey.
- Replace bathroom vanities and toilets with standard new commercial fixtures.
- Repair or replace ceiling exhaust fans and vents in bathrooms as needed.
- Remove the non-functioning water fountain near the mezzanine.

- Install a new door on the back office located on the first floor of the mezzanine.
- Demolish the non-load-bearing wall between the rear bathrooms and the door leading outside to improve flow in the mezzanine layout.

Interior – Warehouse Area

- Verify all existing overhead/garage doors are operational. Repair non-functional overhead doors.
- Repair or replace damaged or missing insulation on warehouse ceiling as necessary for basic functionality.
- Verify all existing overhead/garage doors motors are operational.
- Power wash the interior concrete floor of the warehouse.
- Power wash the interior side of the west-facing glass wall/windows.
- Re-mount thermostats securely to walls in current locations.
- Repair or replace only non-operational light fixtures within warehouse areas.

SCHEDULE 4

TENANT'S IMPROVEMENTS



HH ARCHITECTURE
919 225-2311 LL 919 225-2311 FAX HH-ARCH.COM

June 11, 2025

City Plat Commercial Real Estate
107 Fayetteville Street, Suite 400
Raleigh, NC 27601

Re: Agency: Durham County
Project: Office of Emergency Services Fleet Maintenance Facility

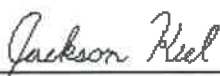
To Whom it May Concern

This letter is to identify the tenant improvement intentions for the above referenced project at the property located at 1129 E Geer Street, Durham, NC 22704. In accompaniment with a letter of intent from Maverick Partners, this letter outlines the following tenant improvement scope:

- Renovations to existing office areas to support administrative functions of the Office of Emergency Services. Spaces may include shop supervisor offices, workstations, a break room, and new accessible restrooms/wellness rooms.
- Exterior envelope improvements for enhanced moisture/thermal performance
- HVAC upgrades to support vehicle maintenance areas, such as heating/cooling, vehicle/welding exhaust capture, and CO monitoring and emergency exhaust for the vehicle bays.
- Evaluation of and upgrades as necessary to existing domestic water service and waste/vent system. Addition of floor drain(s) and oil/sand separator may be necessary.
- Compressed air drops at vehicle bay areas.
- Updates as needed to electrical system to support OES shop operations. This may also include the addition of a mobile generator with manual transfer switch.
- Addition of shore power to covered vehicle storage area for ambulances. Additional shore power on site for added ambulance storage may also be considered.
- Security/access control upgrades to the building as well as the existing surrounding fencing.
- Addition of an automatic sprinkler system.

Questions and clarifications to this tenant improvement scope should be directed to Maverick Partners and Durham County. Thank you for your consideration.

Sincerely,


Jackson Kiel, AIA, NCARB
Project Manager, Architect II