

RESOLUTION #08-01-04

RESOLUTION FOR LAND-OF-SKY REGIONAL COUNCIL TO LEASE WITH OPTION TO  
PURCHASE A PORTION OF LEICESTER CROSSING

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WHEREAS, Buncombe County is scheduled to close on the purchase of a portion of Leicester Crossing, fka Bi-Lo Shopping Center, 343 New Leicester Highway in Asheville pursuant to Resolution approving same dated December 4, 2007; and this purchase is being financed as a portion of the Installment Financing Contract also before this Board for approval on this agenda; and

WHEREAS, Land-of-Sky Regional Council is a Lead Regional Organization established for multi-county planning and development and its current mission statement reads as follows: "Work with local governments, the Region's leadership and state and federal agencies to foster desirable social, economic, cultural and ecological conditions in Buncombe, Henderson, Madison and Transylvania Counties."; and

WHEREAS, The Board of Commissioners desires to enter into a long term lease with option to purchase with Land-of-Sky Regional Council pursuant to NCGS § 160A-279; the lease is for a term of twenty five (25) years after which time Land-of-Sky shall have the option to purchase the premises for a nominal sum; the rental rate will be for the initial sum of the debt service on \$2,269,050 which is dependent on the interest rate received when the County issues the debt; and

WHEREAS, Buncombe County pays annual membership fees to Land-of-Sky Regional Council; Land-of-Sky Regional Council will hold membership fees at the FY2008 rate of \$122,341 until the debt is paid 25 years hence. Buncombe County agrees that no common area maintenance fees will to be charged to Land-of-Sky during the 25 year lease period; and

WHEREAS, This Board is of the opinion that it is in the best interests of the citizens and residents of the County to execute a Lease with Option to Purchase for of a portion of the property located at Leicester Crossing, fka Bi-Lo Shopping Center, 343 New Leicester Highway in Asheville to Land-of-Sky Regional Council; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners for the County of Buncombe as follows:

1. That the Chairman or County Manager be and is hereby authorized to execute a Lease with Option to Purchase for of a portion of the property located at Leicester Crossing, fka Bi-Lo Shopping Center, 343 New Leicester

Leicester Highway in Asheville to Land-of-Sky Regional Council upon the terms and conditions described above

2. That the Chairman be and he is hereby authorized to execute the Lease with Option to Purchase upon approval of the County Attorney.
3. That this resolution shall be effective upon its adoption.

This the 8<sup>th</sup> day of January, 2007.

ATTEST

BOARD OF COMMISSIONERS FOR THE  
COUNTY OF BUNCOMBE



KATHY HUGHES, CLERK



BY

NATHAN RAMSEY, CHAIRMAN

APPROVED AS TO FORM



COUNTY ATTORNEY

STATE OF NORTH CAROLINA  
COUNTY OF BUNCOMBE

AGREEMENT FOR LEASE AND  
PURCHASE OF COMMERCIAL REAL  
PROPERTY

THIS AGREEMENT FOR LEASE AND PURCHASE OF COMMERCIAL REAL PROPERTY (referred to herein as the "Agreement"), is made and entered into this 8<sup>th</sup> day of January, 2008 by and between BUNCOMBE COUNTY, a body politic and corporation (referred to herein collectively as "BUNCOMBE"), and LAND OF SKY REGIONAL COUNCIL, a regional planning commission (referred to herein as "LAND OF SKY").

BUNCOMBE is the owner of a certain tract or parcel of land being all of that portion of Tract 2 conveyed to BUNCOMBE by deed recorded in Deed Book 4509, at Page 1775 of the Buncombe County Registry and located at 339 New Leicester Highway, Asheville, North Carolina 28806; and the building and improvements located at said 339 New Leicester Highway contains approximately 32,000 square feet with parking in what is now or formerly known as Leicester Crossing Center (referred to herein as the "Property").

BUNCOMBE desires to lease certain Premises being a portion of said Leicester Crossing Center to LAND OF SKY, and LAND OF SKY desires to lease such Premises from BUNCOMBE for the term, at the rental and upon the covenants, conditions and provisions herein set forth. Following the term of the lease, LAND OF SKY desires to purchase and BUNCOMBE desires to sell the Premises at the purchase price and upon the covenants, conditions and provisions herein set forth.

The "Premises" subject to this Agreement is all of what is now or formerly known as Unit 4 of the Leicester Crossing Center; said Unit 4 being 17,676 square feet of the approximately 32,000 square foot building and improvements together with pro-rata parking which was conveyed to BUNCOMBE as set forth above; it being understood by the parties hereto that the Premises subject to this Agreement represents 55.3% of the total square footage of the building and improvements located at 339 New Leicester Highway and purchased by BUNCOMBE as described above.

NOW THEREFORE, in consideration of the mutual promises herein contained, and other good and valuable consideration, it is agreed:

A. **LEASE OF PREMISES.** LAND OF SKY shall lease the Premises from BUNCOMBE (the "Lease"), subject to the following terms and conditions:

1. **Term of Lease.** The term of the Lease shall begin on January 1, 2008 and end at 12:59:59 p.m. on December 31, 2033, or when the debt service on the \$2,179,410.50 is paid in full by LAND OF SKY, whichever shall first occur.

2. **Rent.** LAND OF SKY and BUNCOMBE hereby agree that the rent for the Premises subject to this Agreement shall be 55.3% of the cost to BUNCOMBE of the said improvements located at said 339 New Leicester Highway and currently owned by BUNCOMBE. During the term of this Agreement, LAND OF SKY shall pay rent as follows:

i. Beginning February 1, 2008, LAND OF SKY shall pay rent in the amount of the debt service on that portion of the current interim financing securing BUNCOMBE's purchase of this Property and other county business attributable to the LAND OF SKY leasehold space, or \$2,179,410.50, as set forth in the attached schedule. Payments shall be due on or before fifteen (15) days prior to the August 7, 2008 and February 1, 2009 due dates as set forth in the attached Interim Financing amortization; and

ii. After February 1, 2009, LAND OF SKY shall pay rent based on the balance due on the original debt service on that portion of the permanent financing attributable to the LAND OF SKY leasehold space as a portion of the total space available for rent or occupancy at 339 New Leicester Highway. Such rental payments shall continue to be due on or before fifteen (15) days prior to due date of debt service payment dates dependent on the rate received by BUNCOMBE when it issues its debt and in accordance with the amortization prepared when the permanent financing is closed.

3. **Late Charges.** Other remedies for non-payment notwithstanding, any amount due under any provision of the Lease (including, without limitation, rents, costs, charges, additional rents, or reimbursements) which is not paid by LAND OF SKY within ten (10) days after the due date as herein provided, shall be subject to a late charge equal to the greater of two percent (2%) of the amount due or twenty-five dollars (\$25.00), which shall be deemed additional rent. The late charge is due and payable at the end of the tenth day after the original unpaid amount is due and payable as herein provided. Any amount due under any provision of the Lease which is not paid within thirty (30) days after the date due, shall accrue interest from the due date at the highest legal rate, not to exceed eighteen percent (18%), until paid in full, which interest shall be deemed additional rent.

4. **Use.** LAND OF SKY shall use the Premises for the purpose of operating a office/business. LAND OF SKY shall make no other use of the Premises without the prior written consent of BUNCOMBE. LAND OF SKY shall not use the Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device.

5. **Sublease.** LAND-OF-SKY may sublease portions of the premises provided same is used solely as professional office space. All terms and conditions of this lease agreement between BUNCOMBE and LAND-OF-SKY remain the sole responsibility of LAND-OF-SKY to ensure compliance with these conditions and cannot be assigned to a sublessor. It is understood that no portion of the leased premises may be subleased without the prior written permission of Buncombe, which permission will not be unreasonably withheld.

6. **Repairs and Maintenance During Lease Term.** During the Lease term, LAND OF SKY shall, at LAND OF SKY's expense, maintain and make all necessary repairs to the Premises, including, but not limited to floors, doors and windows, interior and exterior walls, ceilings, roof, roof coverings (including flashing and gutters), heating, ventilation, air-conditioning, plumbing, electrical and mechanical equipment and systems, structural components (including foundations, columns, floors, walls, ceilings and roofs), crawl space and attic ventilation systems (if any).

7. **Alterations and Improvements.** LAND OF SKY, at LAND OF SKY's expense, shall have the right, upon BUNCOMBE's written consent, which shall not be unreasonably withheld or delayed, to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Premises from time to time as LAND OF SKY may deem desirable, provided that the same are made in a workmanlike manner and utilizing good quality materials. LAND OF SKY shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Premises, and fasten the same to the premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by LAND OF SKY at the commencement of the Lease term or placed or installed on the Premises by LAND OF SKY thereafter, shall remain LAND OF SKY's property free and clear of any claim by BUNCOMBE. LAND OF SKY shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Premises caused by such removal shall be repaired by LAND OF SKY at LAND OF SKY's expense.

8. **Property Taxes.** LAND OF SKY agrees to pay applicable all real estate taxes, personal property taxes and assessments of every nature assessed against the Premises and Improvements occupied by LAND OF SKY, as well as be responsible for the payment of any ad valorem or other taxes assessed against any stored goods or any contents placed on the Premises by LAND OF SKY or any of its subtenants or on any machinery, equipment, fixtures, or rolling stock located thereon.

Upon receipt of any such tax or governmental or private assessment statement by BUNCOMBE, BUNCOMBE shall promptly deliver the same to LAND OF SKY. LAND OF SKY shall pay any such tax or assessment on or before the later of the following dates: (a) ten (10) days prior to the date on which such tax or assessment becomes delinquent, or (b) thirty (30) days following his receipt of such statement from BUNCOMBE or directly from the taxing authority. All such taxes and assessments shall be deemed additional rent hereunder.

9. **Common Area Maintenance Fees and Dues.** Buncombe County agrees that no common area maintenance fees will be charged to LAND OF SKY. BUNCOMBE's annual membership dues paid to LAND OF SKY REGIONAL COUNCIL will be held at the current 2008 fiscal year level of \$122,341 until the debt service on the \$2,179,410.50 is paid in full by LAND OF SKY. Future increases in BUNCOMBE's allocated assessment of its dues paid to LAND OF SKY REGIONAL COUNCIL will be recorded as common area maintenance expense in the LAND OF SKY financial records.

10. **Insurance.**

a. If any building or improvement situated on the Premises is damaged by fire or other casualty resulting from any act or negligence of LAND OF SKY or any of LAND OF SKY's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and LAND OF SKY shall be responsible for the costs of repair not covered by insurance, if any.

b. BUNCOMBE may maintain, at BUNCOMBE's expense, fire and extended coverage insurance on all buildings and improvements situated on the Property in an amount equal to

the replacement value of all buildings and improvement situated on the Property. LAND OF SKY shall be responsible, at its own expense, for fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in or on the Premises.

c. LAND OF SKY shall, at its own expense, maintain a policy or policies of comprehensive general liability insurance with respect to activities on the Property with the premiums thereon fully paid on or before due date, issued by and binding upon some insurance company which has at least a B+ rating or equivalent rating by any recognized national rating organization, such insurance to afford minimum protection of not less than \$1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof.

BUNCOMBE shall be listed as an additional insured on LAND OF SKY's policy or policies of comprehensive general liability insurance, and LAND OF SKY shall, upon written request, provide BUNCOMBE with current Certificates of Insurance evidencing LAND OF SKY's compliance with this Paragraph. LAND OF SKY shall obtain the agreement of LAND OF SKY's insurers to notify BUNCOMBE that a policy is due to expire at least ten (10) days prior to such expiration.

d. The parties release each other, and their respective authorized representatives, from any claims for damage to any person or to the Property and the personal property, improvements, and alterations of either BUNCOMBE or LAND OF SKY in or on the Premises that are caused by or result from risks actually insured against under any insurance policies carried by the parties pursuant to the terms of this Lease and in force at the time of any such damage. Each party shall cause each insurance policy obtained by it to provide that the insurance company waives all right of recovery by way of subrogation against either party in connection with any damage covered by any policy. Neither party shall be liable to the other for any damage caused by fire or any of the risks insured against under any insurance policy required by this Lease which is in force at the time of such damage.

11. **Signs.** Following BUNCOMBE's written consent, which shall not be unreasonably withheld or delayed, LAND OF SKY shall have the right to place on the Property, at locations selected by LAND OF SKY, any signs which are permitted by applicable zoning ordinances and private restrictions. BUNCOMBE may refuse consent to any proposed signage that is in BUNCOMBE's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Property. BUNCOMBE shall cooperate with LAND OF SKY in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for LAND OF SKY to place or construct the foregoing signs. LAND OF SKY shall repair all damage to the Premises resulting from the removal of signs installed by LAND OF SKY.

12. **Entry.** BUNCOMBE shall have the right to enter upon the Premises at reasonable hours to inspect the same, provided BUNCOMBE shall not thereby unreasonably interfere with LAND OF SKY's business on the Premises.

13. **Default.** If default shall at any time be made by LAND OF SKY in the payment of rent when due to BUNCOMBE as herein provided, and if said default shall continue for fifteen (15) days after written notice thereof shall have been given to LAND OF SKY by BUNCOMBE, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed

by LAND OF SKY, and such default shall continue for thirty (30) days after notice thereof in writing to LAND OF SKY by BUNCOMBE without correction thereof then having been commenced and thereafter diligently prosecuted, BUNCOMBE may declare the term of this Lease ended and terminated by giving LAND OF SKY written notice of such intention, and if possession of the Premises is not surrendered, BUNCOMBE may reenter said premises and said reentry shall not constitute a breach of the peace. In the event BUNCOMBE terminates this Lease pursuant to this paragraph, LAND OF SKY shall be liable to BUNCOMBE for the remaining rent that would have been due for the unexpired term of the Lease notwithstanding such termination. BUNCOMBE shall have, in addition to the remedy above provided, any other right or remedy available to BUNCOMBE on account of any LAND OF SKY default, either in law or equity. BUNCOMBE shall use reasonable efforts to mitigate its damages.

**14. Covenants of BUNCOMBE.** BUNCOMBE covenants and warrants that upon performance by LAND OF SKY of its obligations hereunder, BUNCOMBE will keep and maintain LAND OF SKY in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Premises during the term of this Lease.

**15. Compliance with Law.** LAND OF SKY shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to LAND OF SKY's use of the Premises.

**B. PURCHASE OF PREMISES.** Upon expiration of the Lease term, LAND OF SKY shall have the option to purchase from BUNCOMBE and BUNCOMBE shall sell the LAND OF SKY the Premises, AS IS and in its then current condition, subject to the following covenants, terms and conditions:

**1. Purchase Price.** The stated purchase price for the Premises shall be \$500.00 and shall be paid in cash or equivalent at closing.

**2. Fixtures.** The following items, if any, are included in the purchase of the Premises free of liens: parking areas, roof, signage, outside walls, any built-in appliances, light fixtures, ceiling fans, attached floor coverings, window hardware, window and door screens, storm windows, doors, awnings, antennas, burglar/fire/smoke alarms, energy systems, outdoor plants and trees (other than in moveable containers), storage buildings, mailboxes, and any items attached or affixed to the Premises.

**3. Conditions.** The following shall be conditions to LAND OF SKY's obligation to complete the closing:

a. There must be no restriction, easement, zoning or other governmental regulation that would prevent the reasonable use of the Premises for a commercial enterprise.

b. The Premises must be in substantially the same or better condition at closing as of the date of this Agreement, with the exception of reasonable wear and tear and any damage caused by the act, failure to act or negligence of LAND OF SKY or its employees, agents or invitees, including any damages caused by LAND OF SKY's failure to maintain and repair the Premises as provided in paragraph 5 of Section A above.

c. All Deeds of Trust, liens and other charges against the Property must be paid and satisfied by BUNCOMBE prior to or at closing so that cancellation may be promptly obtained

following closing. BUNCOMBE shall remain obligated to obtain any such cancellations following closing.

d. Title must be delivered at closing by a SPECIAL WARRANTY DEED, and must be fee simple marketable title, free of all encumbrances except: utility easements approved by LAND OF SKY and in place at the time this Agreement is executed. The Premises must have legal access to a public right-of-way.

e. Water and sewer must be available to the Premises.

f. That all warranties and representations of BUNCOMBE made herein are true and correct as of the date of closing, except with respect to any immaterial matters or any matters as to which the action or inaction of LAND OF SKY, or LAND OF SKY's employees, agents and invitees following the commencement of the Lease term have caused such warranties or misrepresentations to become untrue or incorrect.

4. **Closing Expenses.** BUNCOMBE shall pay for preparation of the Deed and all other documents necessary to perform BUNCOMBE's obligations under this Contract, and for excise tax (revenue stamps) required by law. LAND OF SKY shall pay for recording the Deed and recording of all instruments required to secure the purchase price unpaid at closing. Each party shall be responsible for all attorney's fees incurred by such party.

5. **Evidence of Title.** BUNCOMBE agrees to use its best efforts to deliver to LAND OF SKY as soon as reasonably possible after the acceptance of this Contract, copies of all title information in possession of or available to BUNCOMBE, including but not limited to: title insurance policies, attorney's opinion on title, surveys, covenants, deeds, notes and deeds of trust and easements relating to the Property. LAND OF SKY may order a title commitment covering the title to the Property for at least thirty (30) years prior to the date of this Contract. If the commitment discloses any defects in title (other than liens or encumbrances of a definite or ascertainable amount which may be paid at closing from the proceeds due BUNCOMBE), LAND OF SKY shall notify BUNCOMBE of such defects, and BUNCOMBE shall (a) have thirty (30) days to cure such defects or (b) notify LAND OF SKY that BUNCOMBE does not intend to cure such defects. If BUNCOMBE elects not to cure such defects, LAND OF SKY shall have the option of either accepting the title to the Premises with such defects, or terminating its obligation to purchase the Premises pursuant to this Agreement and receiving a refund of the Earnest Money, if any.

6. **Labor and Material.** BUNCOMBE shall furnish at closing an affidavit and indemnification agreement in form satisfactory to LAND OF SKY showing that all labor and materials, if any, furnished to the Premises within one hundred twenty (120) days prior to the date of closing have been paid for and agreeing to indemnify LAND OF SKY, LAND OF SKY's title company, and LAND OF SKY's lender, if any, against all loss from any cause or claim arising therefrom.

7. **Environmental.** BUNCOMBE represents and warrants that it has no knowledge of any contamination of the Property from any hazardous or toxic wastes or substances that may have been disposed of or stored on neighboring tracts, and BUNCOMBE has no reason to suspect that any such use or disposal occurred prior to BUNCOMBE's ownership of the Property.

8. **Closing.** The "closing" shall be defined as the date and time of recording of the Deed. All parties agree to execute any and all documents and papers necessary in connection with closing and transfer of title on or before fifteen days following the termination of Lease Terms, at a place and time designated by LAND OF SKY. The Deed is to be made to LAND OF SKY REGIONAL COUNCIL, unless otherwise directed by LAND-OF-SKY.



**9. Adverse Information and Compliance with Laws.**

a. BUNCOMBE has no knowledge of (i) any condemnation or assessment affecting or contemplated with respect to the Premises; (ii) actions, suits or proceedings pending or threatened against the Premises; or (iii) changes contemplated in the applicable laws, ordinances or restrictions affecting the Premises.

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

c. There is no significant adverse fact or condition known to BUNCOMBE relating to the Premises or its intended use by LAND OF SKY which has not been specifically disclosed in writing by BUNCOMBE to LAND OF SKY.

**10. BUNCOMBE WARRANTIES.** BUNCOMBE hereby warrants that (a) BUNCOMBE is vested with the fee simple title to the Premises; (b) BUNCOMBE has the full right and authority to sell the Premises; (c) there are no applicable zoning laws, Deed restrictions, or other covenants, restrictions, agreements, liens, or encumbrances affecting the Premises which would be violated or restrict the occupancy, if any, and use of the Premises by LAND OF SKY; and (d) the existing certificate of occupancy permits the use contemplated by LAND OF SKY.

**C. GENERAL PROVISIONS.**

**1. Possession.** Possession of the Premises shall be delivered to LAND OF SKY at the commencement of the Lease term.

**2. Condemnation.** If, prior to the closing, any legally, constituted authority condemns the building situated on the Property or such part thereof which shall make the Premises materially unsuitable for LAND OF SKY's use, this Agreement shall terminate when the public authority takes possession, and BUNCOMBE and LAND OF SKY shall account for rental as of that date. LAND OF SKY shall have a pro-rata right in or to any portion of the condemnation award for the Property by the condemning authority.

**3. Damage or Destruction.** Subject to paragraph 8.a. of Section A. above, if prior to closing the Premises or any part thereof shall be damaged by fire or other casualty, and LAND OF SKY shall give prompt written notice thereof to BUNCOMBE. BUNCOMBE may elect:

(a) to terminate this Agreement as of the date of the fire or other casualty, by notice to LAND OF SKY within sixty (60) days after the date of such notice; or

(b) proceed with reasonable diligence to repair or cause to be repaired the Property so damaged, and if the Property, or any part thereof, shall be rendered untenable by reason of such damage, the Rent, or an amount thereof apportioned according to the area of the Property so rendered untenable, shall be abated for the period from the date of such damage to the date when the damage shall have been repaired as aforesaid; provided, however, that if BUNCOMBE

or any mortgagee of the Property shall be unable to collect the insurance proceeds (including lease insurance proceeds) applicable to such damage because of some negligent act or omission on the part of LAND OF SKY, or any employee, licensee or invitee of LAND OF SKY, the cost of repairing such damage shall be paid by LAND OF SKY and there shall be no abatement of Rent so long as BUNCOMBE is using its best efforts to repair the damage. BUNCOMBE shall not be liable for any inconvenience or annoyance to LAND OF SKY or injury to the business of LAND OF SKY resulting in any way from such damage or the repair thereof. In no event shall BUNCOMBE be required to repair any damage to the Building not covered by BUNCOMBE's insurance on the Building.

(c) Option to Terminate Lease: If the Building shall be so damaged by such fire or other casualty that substantial alteration or reconstruction of the Building shall, in BUNCOMBE's sole opinion, be required (whether or not the Premises shall have been damaged by such fire or other casualty), then BUNCOMBE may, at its option, terminate the lease and the term and estate hereby granted, by notifying LAND OF SKY in writing of such termination within sixty (60) days after the date of such damage.

If BUNCOMBE shall give notice of termination pursuant to any event set forth above, the Lease and the term and estate hereby granted shall expire as of the date of such termination with the same effect as if that were the date hereinafter set for the expiration of the term of this Agreement, and the Tenant shall pay the pro rated amount of the Rent to the date of such termination whereupon all rental obligation of LAND OF SKY shall be deemed paid in full. LAND OF SKY shall be relieved from paying rent and other charges during any portion of the Lease term that buildings and improvement situated on the Premises are inoperable or unfit for occupancy, or use, in whole or in part, for LAND OF SKY's purpose.

4. Risk: All personal property placed in the Property shall be at the risk of LAND OF SKY or the owner thereof, and BUNCOMBE shall not be liable for any damage to said personal property, or to LAND OF SKY arising from the bursting of pipes, or leaking of water or steam pipes, or from any act of negligence of LAND OF SKY, or any other occupant of the Building or of any other person whomsoever, nor from the leaking of the roof, nor from the leaking or overflowing of water or sewer pipes, or from heating or plumbing fixtures, or from the handling of electric wires or fixtures, or from any other cause whatsoever, except for causes arising from the negligent acts or omissions of BUNCOMBE, except as otherwise herein provided. LAND OF SKY understands that BUNCOMBE will not carry insurance of any kind on LAND OF SKY's furniture or furnishings or on any fixture or equipment removable by LAND OF SKY under the provisions of this Lease, and that BUNCOMBE shall not be obligated to repair any damage thereto or replace the same. LAND OF SKY may, at the expiration or earlier termination of this Agreement, remove all personal property and movable trade fixtures which LAND OF SKY has placed in the Property, provided LAND OF SKY repairs all damages to the Premises caused by such removal.

In addition, BUNCOMBE shall not be liable for any property stolen or taken from the Property by any person or persons, except any agent, servant, or employee of BUNCOMBE.

5. **Notice.** Any notice required or permitted under this Agreement shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to BUNCOMBE to: County of Buncombe  
c/o County Manager  
205 College Street, Suite 300  
Asheville, NC 28801

If to LAND OF SKY to: LAND OF SKY REGIONAL COUNCIL  
339 New Leicester Highway, Suite 140  
Asheville, NC 28806

BUNCOMBE and LAND OF SKY shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

6. **Waiver.** No waiver of any default of BUNCOMBE or LAND OF SKY hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by BUNCOMBE or LAND OF SKY shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

7. **Headings.** The headings used in this Agreement are for convenience of the parties only and shall not be considered in interpreting the meaning of any provisions of this Agreement.

8. **Applicable Law.** This Agreement shall be construed in accordance with the laws of the State of North Carolina, and any suit by or between the Parties shall be brought in the appropriate division of the General Courts of Justice of Buncombe County.

9. **Assignment.** The rights and obligations of LAND OF SKY under this Agreement may not be assigned by LAND OF SKY without the written consent of BUNCOMBE and which consent may be withheld for any reason.

10. **Consent.** If any provision of this Agreement requires the consent of either party, such party may withhold or delay its consent with respect to any matter in its sole and absolute discretion, unless otherwise specifically provided herein.

11. **Parties.** This Agreement shall be binding upon and inure to the benefit of the parties, and their heirs, successors and assigns. As used herein, words in the singular include the plural and the masculine includes the feminine and neuter genders, as appropriate.

12. **Survival** If any provision of this Agreement which, by its nature and effect, is required to be observed, kept or performed after the closing, it shall survive the closing and remain binding upon and for the benefit of the parties hereto until fully observed, kept or performed.

**13. Entire Agreement.** This Agreement contains the entire agreement of the parties and there are no representations, inducements or other provisions other than those expressed herein. All changes, additions or deletions hereto must be in writing and signed by all parties.

**14. Accord and Satisfaction.** No payment by LAND OF SKY or receipt by BUNCOMBE of a lesser amount than the entire required rental amount as set forth herein shall be deemed to be other than on account of the earliest stipulated rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and BUNCOMBE may accept such check or payment without prejudice to BUNCOMBE's right to recover the balance of such rent or pursue any other remedy in this Agreement.

**15. Execution.** This Agreement shall only become a binding contract when signed by both LAND OF SKY and BUNCOMBE. This Agreement may be signed in multiple originals, all of which together shall constitute one and the same instrument, with the signed original being retained by each party.

**16. Construction.** The parties agree that this Agreement has been negotiated in an arms length transaction, and the provisions set forth herein are not to be construed against the party who drafted this Agreement.

**17. Indemnification.** LAND OF SKY hereby agrees to indemnify and hold BUNCOMBE harmless from any and all claims, damages, liabilities or expenses arising out of (a) LAND OF SKY's use of the leased premises or common area, (b) any and all claims arising from any breach or default in the performance of any obligation of LAND OF SKY, (c) any act, omission or negligence of LAND OF SKY, its agents or employees. LAND OF SKY further releases BUNCOMBE from liability for any damages sustained by LAND OF SKY or any other person claiming by, through or under LAND OF SKY due to the leased premises, common area, or any part thereof or any appurtenances thereto becoming out of repair, or due to the happening of any accident, including, but not limited to, any damage caused by water, snow, windstorm, tornado, gas, steam, electrical wiring, sprinkler system, plumbing, heating and air conditioning apparatus and from any acts or omissions of co-tenants or other occupants of the said land and improvements located at 339 New Leicester Highway.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year set forth below.

{Signatures on Following Pages}

BUNCOMBE COUNTY

By:

Nathan Ramsey, Chairman

ATTEST:

Kathy Hughes  
Kathy Hughes, Clerk to the Board

STATE OF NORTH CAROLINA

COUNTY OF BUNCOMBE

I, Denise Robbins, Notary Public for said County and State, has personal knowledge of the identity of Kathy Hughes, and hereby certifies that said Kathy Hughes, Clerk to the Board, personally appeared before me this day and acknowledged that she is Clerk to the Board of Commissioners of County of Buncombe and that Nathan Ramsey is the Chairman of the Board of Commissioners of Buncombe County, and that by authority duly given and as the act of the County of Buncombe, the foregoing instrument was signed in its name by said Chairman, sealed with its official seal, and voluntarily attested to by herself as its Clerk as the act and deed of the County of Buncombe, all by authority duly given by its governing body.

Witness my hand and notarial seal, this the 9th day of June, 2008.

Denise Robbins  
Notary Public

My Commission Expires: 7/8/2011

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

Donna Clark  
Donna Clark, Finance Officer.

LAND OF SKY REGIONAL COUNCIL

5-28-08  
Date

Eddie Fox (Seal)  
BY: Eddie Fox, Chairman

STATE OF NORTH CAROLINA

COUNTY OF BUNCOMBE

I, Ayolina B. Merrill, a Notary Public of the County and State aforesaid, certify that Eddie Fox personally appeared before me this day and acknowledged that he is the Chairman of Land of Sky Regional Council, a regional planning commission of the State of North Carolina, and that he, as Chairman, being authorized to do so, voluntarily executed the foregoing instrument on behalf of Land of Sky Regional Council, as its act and deed.

Witness my hand and notarial seal, this the 28<sup>th</sup> day of May, 2008.

Ayolina B. Merrill  
Notary Public

My Commission Expires:

April 29, 2009

This instrument has been pre-audited  
in the manner required by the

Local Government Budget and Fiscal Control Act.

Peggy Barnes 5/28/08  
Finance Officer,  
Land of Sky Regional Council

**AMENDMENT TO LEASE PURCHASE AGREEMENT DATED JANUARY 8, 2008,  
BETWEEN BUNCOMBE COUNTY AND LAND-OF-SKY REGIONAL COUNCIL**

1. Both parties agree to this Amendment dated July 1, 2011, to the Lease Purchase Agreement dated January 8, 2008 (herein "Lease") and agree that this Amendment shall supersede any language in the Lease as it pertains to the particular issue.
2. Paragraph A.1 of the Lease and all hand written changes are amended as follows:
  1. Term of Lease. The term of the Lease shall begin on January 1, 2008, and end at 12:59:59 p.m. on December 31, 2034, or when the debt service on the \$2,179,410.50 is paid in full by LAND OF SKY, whichever shall first occur.
3. Paragraph A.2.iii shall be added as follows:
  - iii. LAND OF SKY is excused from paying principle and interest payments for 2011. Said excused payments shall be made up in 2034. LAND OF SKY shall begin making regular rental payment in accordance with Section A.2.ii. for 2012.

IN WITNESS WHEREOF, the parties hereto have caused these present to be executed and dated the day and year first above written.

BUNCOMBE COUNTY

LAND OF SKY REGIONAL COUNCIL

BY: *David Dantz*  
TITLE: Board Chairman

BY: *Letta Jean Taylor*  
TITLE: Chairman

DATE: 6/28/11

DATE: 6/13/11

**Second Amendment to Lease and Purchase  
of Commercial Real Property**

This Second Amendment to the Lease and Purchase of Commercial Real Property made and entered into this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (hereinafter sometimes "Amendment"), by and between **BUNCOMBE COUNTY**, a body politic and corporate of the State of North Carolina (hereinafter sometimes "County") and **LAND OF SKY REGIONAL COUNCIL**, a regional planning commission (hereinafter sometimes "LOS"), County and LOS are hereinafter sometimes referred to collectively as the "Parties."

**WITNESSETH:**

**Whereas,** on or about January 8, 2008, County and LOS did enter into and execute a Lease and Purchase of Commercial Real Property (hereinafter sometimes "Lease" or "Agreement") for all of what is now or formerly known as Unit 4 of the Leicester Crossing Center; said Unit 4 being approximately 14,670 square feet of the approximately 32,272 square foot building and improvements together with pro-rata parking (hereinafter sometimes "Premises");

**Whereas,** on or about July 1, 2011, the Parties amended the Lease as follows:

Paragraph A.1 of the Lease and all hand written changes was amended as follows:

1. Term of Lease. The term of the Lease shall begin on January 1, 2008, and end at 12:59:59 p.m. on December 31, 2034, or when the debt service on the \$2,179,410.50 is paid in full by LAND OF SKY, whichever shall first occur.

Paragraph A.2.iii was added as follows:

- iii. LAND OF SKY is excused from paying principal and interest payments for 2011. Said excused payments shall be made up in 2034. LAND OF SKY shall begin making regular rental payment in accordance with Section A.2.ii. for 2012.

**Whereas,** there has been a lapse in payment as the Parties have been in discussions concerning this Lease;

**Whereas,** County and LOS desire to enter into this Second Amendment to Lease and Purchase of Commercial Real Property.



**NOW THEREFORE**, County and LOS, for valuable consideration each to the other paid, the receipt and sufficiency of which is hereby acknowledged, agree to modify the Lease as follows:

1. The Fourth Unnumbered Paragraph, which begins: “The ‘Premises...’” is deleted in its entirety and replaced with the following:

The “Premises” subject to this Lease is all of the area shown on the attached **Exhibit A** shaded in pink and being approximately 14,670 square feet of the approximately 32,272 square foot building and improvements together with pro-rata parking.

2. Paragraph 2 of Section A is deleted in its entirety and replaced with the following:

## **2. Rental Provisions.**

- i. Rent.** LOS and County hereby agree that on or before June 30, 2018, LOS shall pay to County \$368,574.12 (plus any known and unpaid Common Area and Maintenance (hereinafter “CAM”)) fees as calculated below in Subsection (a) of this Amendment), which shall constitute payment in full of back rent owed to County by LOS for the Premises subject to this Agreement for July 1, 2015, through December 31, 2017, and the first bi-annual payment of rent hereunder. Subsequent payments of rents for the Premises shall be in the manner and amounts listed in the Future Minimum Lease Payments for Lease Obligations and the Amortization Schedule, which is attached hereto as **Exhibit B**, and due on or before the last day of June and December of each calendar<sup>year</sup> during the lease term. Subsequent CAM fees shall be paid by LOS within thirty (30) days after LOS receives an invoice for the same from County.

- a Common Area Maintenance Fees and Dues.** LOS agrees to pay the County CAM Fees in the following amounts:

Water and Sewage Fees; Premises-wide maintenance, repair, etc.	48% of any and all such costs
Sprinkler Service Contract	\$174 Annually
Roof replacement, maintenance, repair, etc.	45.5% of any and all such costs
Exterior Wall replacement, maintenance, repair, etc.	45.5% of any and all such costs
Parking Lot Maintenance, Replacement, and/or Repair (such maintenance, replacement and repairs do not include keeping said parking lot clean and free from rubbish, dirt, pests, snow, and ice).	45.5% of any and all such costs

- ii. **Rental Payments.** All rental payments, unless otherwise designated in writing, are to be made to County at PO Box 7526, Asheville, NC 28802. If LOS shall mail rental payment, it shall do so in advance allowing ample time for delivery of each rental payment to County, so the rental payment will be received in hand on or before the day designated in Subparagraph i above. LOS may also pay the rent via wire transfer or other means, so long as County receives the same on or before the day designated in Subparagraph i. above.
  - iii. **Utilities.** LOS shall, during the lease term, pay and be responsible for all utilities that are specific to the Premises, including but not limited to, telephone and other communication utilities, electricity, gas, and garbage service. County shall not be in any way be responsible for the interruption of utility services.
  - iv. **Safe and Sanitary Conditions.** LOS shall not permit, allow or cause any act or deed to be performed upon, in or about the Premises which shall cause or be likely to cause injury to any person or the Premises, particularly to the building or improvements located thereon, or to buildings, improvements, parking areas, sidewalks or pavement, if any, adjoining the Premises. LOS shall at all times keep the Premises in a neat and orderly conditions, and shall keep the Premises and the entryways, parking areas, sidewalks and delivery area used primarily by it, clean and free from rubbish, dirt, pests, snow, and ice. For the purposes of this section, “parking areas” and “sidewalks” shall include those portions of parking areas and sidewalks directly in front of Unit 4 of the Leicester Crossing Center building, continuing to the end of the Property.
3. Paragraph 9 of Section A is deleted in its entirety.
4. Paragraph 10 of Section A is deleted in its entirety and replaced with the following:

## **10. Insurance and Liability.**

### **i. Insurance.**

- a. If any building or improvement situated on the Premises is damaged by fire or other casualty resulting from any act or negligence of LOS or any of LOS’s agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and LOS shall be responsible for the costs of repair not covered by insurance, if any, including payment of County’s self-insured retention limits.
- b. LOS shall be responsible, at its own expense, for fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in or on the Premises. LOS will provide County with a certificate of insurance evidencing this coverage.

- c. LOS shall, at its own expense, maintain a policy or policies of comprehensive general liability insurance with respect to the Premises and activities on the Premises with a minimum limit of \$1,000,000 and a \$3,000,000 general aggregate. County shall be listed as an additional insured on this policy. LOS shall provide County with a certificate of insurance evidencing this coverage.
- d. LOS shall maintain Workers' Compensation insurance in compliance with all applicable statutes. The policy shall also provide Employer's Liability coverage with limits of not less than \$500,000 Bodily Injury each accident, \$500,000 Bodily Injury by disease, policy limit, and \$500,000 Bodily Injury by disease, each employee. LOS will provide County with a certificate of insurance evidencing this coverage.
- e. LOS shall, upon execution of this Lease and annually thereafter, provide County with current Certificates of Insurance evidencing LOS's compliance with this section. All insurance shall be procured from reputable insurers authorized to do business in North Carolina. LOS shall obtain the agreement of LOS's insurers to notify County that a policy is due to expire at least thirty (30) days prior to such expiration.
- f. **Insurance Rate Increase Due to LESSEE Activities.** If, during the lease term, as the result of any act or neglect of LOS, its invitees, agents, employees or representatives, or the nature of the business conducted in or on the Premises by LOS, the fire insurance rate upon the Premises or the building shall be increased over the rate existing as of the original date of this Lease, LOS on demand shall pay to County, as additional rent, a sum equal to one-twelfth of the annual cost of the increase of such insurance for each month in which this lease is in effect after the effective date of such increase.
- g. **Governmental Immunity.** Nothing in this section is intended to affect or abrogate Buncombe County's governmental immunity.
- h. **Untenantability.** If the Premises are made untenantable by fire or other casualty, as determined by the County in its sole discretion, the County may elect to terminate this Lease as of the date of the fire or casualty by notice to the other party within sixty (60) days after that date; provided that if the Premises can be rendered habitable within sixty (60) days (or if the delay beyond said sixty (60) days is due to the action, or failure to act by LOS) LOS may not terminate this Lease under this provision. In the event that neither party elects to terminate the Lease, then County shall proceed with all due diligence to repair, restore or rehabilitate the Building and the Premises at County's expense, in which event this Lease shall not terminate.

In the event the Lease is not terminated pursuant to this provision, rent shall abate on a per diem basis during the period of untenantability. In the event of the termination of this Lease pursuant to this Section, rent shall be apportioned on a per diem basis and paid to the date of the fire or other casualty. In the event that the Premises are partially damaged by fire or other casualty but are not made wholly untenantable, then County shall, except during the last year of the term hereof, proceed with all due diligence to repair and restore the Premises and the rent shall abate in proportion to the untenantability of the Premises during the period of restoration. If a portion of the Premises are made untenantable as aforesaid during the last year of the term hereof, County shall have the right to terminate this Lease as of the date of the fire or other casualty by giving written notice thereof to LOS within thirty (30) days after the date of fire or other casualty, in which event the rent shall be apportioned on a per diem basis and paid to the date of such fire or other casualty.

## **ii. Waiver of Claims.**

To the extent not prohibited by law, LOS releases County, its agents and employees and their successors and assigns from, and waives all claims for, damage or injury to person or property sustained by LOS its successors and assigns resulting from the Premises or any equipment or appurtenance becoming out of repair, or resulting from any accident in or about the Premises or resulting directly or indirectly from any act or neglect of any LOS or occupant of the Premises, or of any other person, excepting only County, its agents and employees. This Section shall include but not be limited to, the flooding of basements or other subsurface areas, and to damage caused by refrigerators, sprinkling devices, air-conditioning and/or electrical equipment, water, snow, frost, steam, excessive heat or cold, falling plaster, broken glass, sewage, gas, odors or noise, or the bursting or leaking of pipes or plumbing fixtures, and shall apply equally whether any such damage results from the act or neglect of County or of other occupants or servants in the Building or of any other person, and whether such damage be caused or result from anything or circumstance above mentioned or referred to, or any other thing or circumstance whether of a like nature or of a wholly different nature. If any such damage, or injury whether to the Premises or any part thereof, or whether to County or to others in the Building, results from any act or neglect of LOS, its employees, agents, invitees and customers, LESSEE shall be liable therefor and County may, at County's option, repair such damage and LOS shall, upon demand by County, reimburse County forthwith for the total cost of such repairs. LOS shall not be liable for any damage caused by its act or neglect if County has recovered the full amount of the damage from insurance and the insurance company has waived its right of subrogation against LOS. The parties hereto agree to use their best efforts to have any and all fire, extended coverage or any and all material damage insurance which may be carried

pursuant to Section 13 hereof endorsed with the following subrogation clause: "This insurance shall not be invalidated should the insured waive prior to a loss any or all right of recovery against any party for loss occurring to the property described herein." Each party hereto hereby waives all claims for recovery from the other party for any loss or damage to any of its property insured under valid and collectible insurance policies to the extent of any recovery collectible under such insurance.

Nothing in this section is intended to affect or abrogate Buncombe County's governmental immunity.

**iii. Indemnity.**

LOS shall indemnify, defend, and hold harmless the County and its subsidiaries, divisions, officers, directors and employees from all liability, loss, costs, claims, damages, expenses, attorney fees, judgments and awards arising or claimed to have arisen, from any injury caused by, or allegedly caused by, either in whole or in part, any act or omission of LOS or any employee, agent or assign of LOS. Nothing herein shall be construed as a waiver on the part of the County to any defense of any claim, including, but not limited to the defense of governmental immunity. The County's obligations under this paragraph shall be limited to the extent and manner of recovery pursuant to the County's self-insured claim policies and North Carolina law.

5. Section B is deleted in its entirety and replaced with the following:

**i. B. OPTION TO PURCHASE PREMISES.** Provided that LOS is and has continuously been in compliance with the provisions of the Lease, LOS shall have the option to purchase from County and County shall sell to LOS the Premises, AS IS and in its then current condition, subject to the following covenants, terms and conditions:

**a. Exercise Option.** LOS shall have the right to exercise this option to purchase at any time after the execution of this Amendment and before December 31, 2034. Closing shall occur within one hundred and eighty (180) days after notification to exercise option to purchase.

**b. Fixtures.** The following items, if any, are included in the purchase of the Premises free of liens: signage Specific to Premises, interior walls, any built-in appliances, light fixtures, ceiling fans, attached floor coverings, door screens, interior doors, awnings, antennas, energy systems specific to Premises, and any items attached or affixed to the Premises, including but not limited to the attached items set forth in Exhibit C.

**c. Purchase Price.** The purchase price for the Premises shall be

\$1,609,393.28 (one million, six hundred and nine thousand, three hundred and ninety three dollars and twenty eight cents). The price shall be paid in cash or equivalent at closing. Rents paid hereunder shall be deducted from the purchase price.

- d. **Parking Spaces.** Purchase price includes access to and the use of a reasonable number of parking spaces commensurate with LOS's then use of the Premises.
- e. **Declaration of Condominium:** Within thirty (30) days of receipt of written notice of the intent of LOS to exercise said option to purchase County shall prepare and file a declaration of condominium clearly defining the areas of the Property located at 339 New Leicester Highway, Asheville, North Carolina 28806 to be subject to the North Carolina Condominium Act, the common areas, percentage ownership in common elements of each unit, formula providing for pro rata contributions for common area maintenance of the condominium, and other matters necessary and appropriate to establish rights and responsibilities of condominium ownership and common area maintenance.
- f. **Conditions.**
  - 1. Title will be delivered at closing by a NON-WARRANTY DEED.
  - 2. All Deeds of Trust, liens and other charges against the Premises will be paid and satisfied by County prior to or at closing so that cancellation may be promptly obtained following closing. County will remain obligated to obtain any such cancellations following closing.
- g. **Closing Expenses.** County shall pay for preparation of the Deed and all other documents necessary to perform County's obligations under this Option, and for excise tax (revenue stamps) required by law. LOS shall pay for recording the Deed and recording of all instruments required to secure the purchase price unpaid at closing. Each party shall be responsible for all attorney's fees incurred by such party.
- h. **Closing.** The "closing" shall be defined as the date and time of recording of the Deed. All parties agree to execute any and all documents and papers necessary in connection with closing and transfer of title on or before sixty (60) days following the termination of lease terms, at a place and time designated by LOS. The Deed is to be made to LOS, unless otherwise directed by LOS.

6. Paragraph 17 of Section C is deleted in its entirety.

If there is any conflict between this Amendment and the Lease, the provisions of this Amendment shall prevail.

DRAFT



**IN WITNESS WHEREOF**, the parties hereby make, agree, and execute this Second Amendment to Lease and Purchase of Commercial Real Property by the below signatures of duly authorized officials or agents:

**County of Buncombe**

By: \_\_\_\_\_

\_\_\_\_\_

Its: \_\_\_\_\_

On: \_\_\_\_\_

**Land of Sky Regional Council**

By: \_\_\_\_\_

\_\_\_\_\_

Its: \_\_\_\_\_

On: \_\_\_\_\_

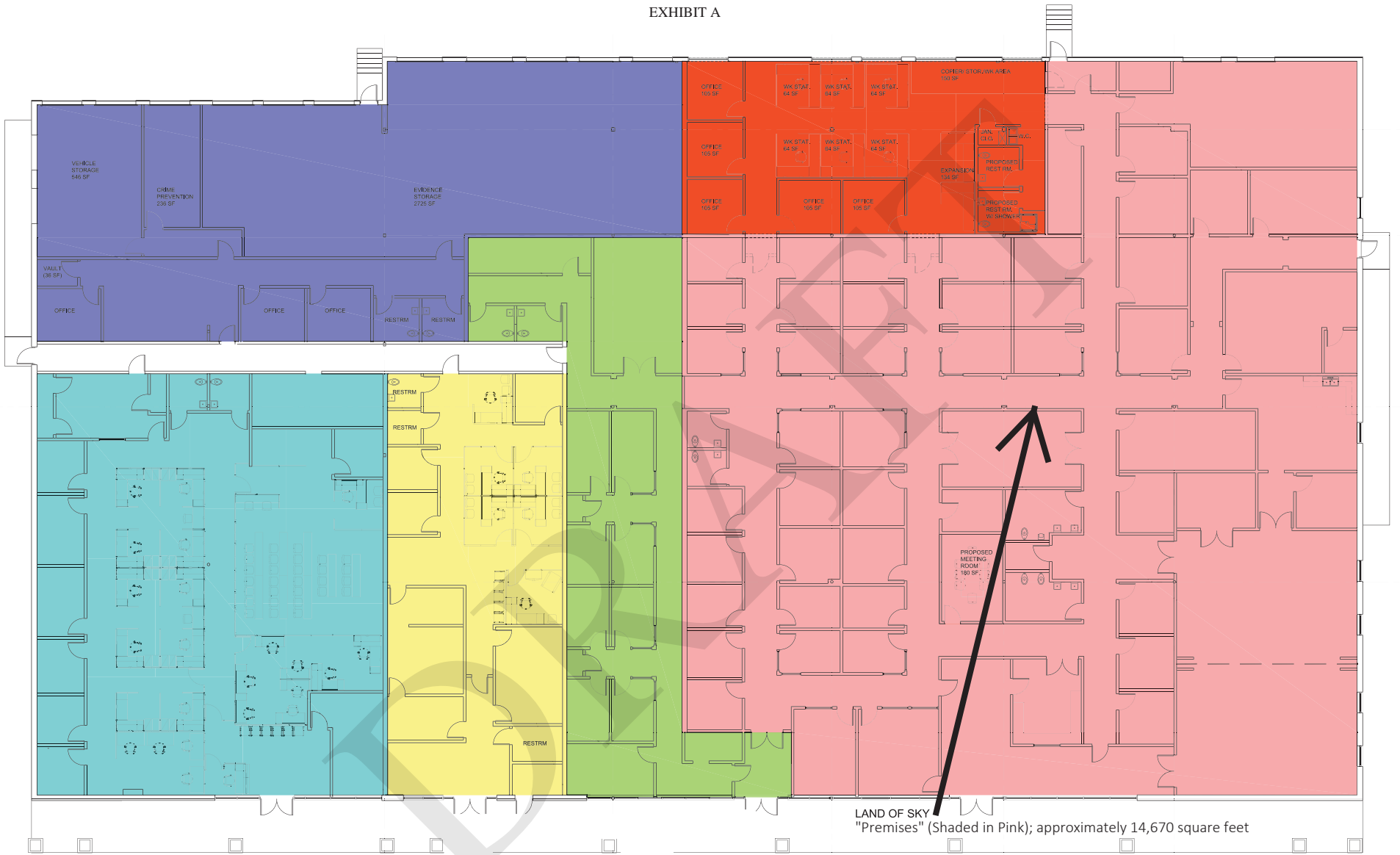
This Instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act

By: \_\_\_\_\_

Vickie Thomas, Finance Director



# EXHIBIT A



LAND OF SKY  
"Premises" (Shaded in Pink); approximately 14,670 square feet

339 NEW LEICESTER HIGHWAY, ASHEVILLE, NC  
Scale  $\frac{1}{8}$ "=1'-0"

# Exhibit B

Land of Sky Regional Council County Note Payable						
Compound Period:			Semiannual			
Nominal Annual Rate:			4.150%			
CASH FLOW DATA						
	Event	Date	Amount	Number	Period	End Date
1	Loan	6/30/2015	1,609,393.28	1		
2	Payment	12/31/2015	61,429.02	38	Semiannual	6/30/2034
3	Payment	12/31/2034	12,152.56	1		
AMORTIZATION SCHEDULE - Normal Amortization						
	Date	Payment	Interest	Principal	Balance	
Loan	6/30/2015				1,609,393.28	
2015 Totals		0.00	0.00	0.00		
1	12/31/2015	61,429.02	33,394.91	28,034.11	1,581,359.17	
2	6/30/2016	61,429.02	32,813.20	28,615.82	1,552,743.35	
2016 Totals		122,858.04	66,208.11	56,649.93		
3	12/31/2016	61,429.02	32,219.42	29,209.60	1,523,533.75	
4	6/30/2017	61,429.02	31,613.33	29,815.69	1,493,718.06	
2017 Totals		122,858.04	63,832.75	59,025.29		
5	12/31/2017	61,429.02	30,994.65	30,434.37	1,463,283.69	
6	6/30/2018	61,429.02	30,363.14	31,065.88	1,432,217.81	
2018 Totals		122,858.04	61,357.79	61,500.25		
7	12/31/2018	61,429.02	29,718.52	31,710.50	1,400,507.31	
8	6/30/2019	61,429.02	29,060.53	32,368.49	1,368,138.82	
2019 Totals		122,858.04	58,779.05	64,078.99		
9	12/31/2019	61,429.02	28,388.88	33,040.14	1,335,098.68	
10	6/30/2020	61,429.02	27,703.30	33,725.72	1,301,372.96	
2020 Totals		122,858.04	56,092.18	66,765.86		
11	12/31/2020	61,429.02	27,003.49	34,425.53	1,266,947.43	
12	6/30/2021	61,429.02	26,289.16	35,139.86	1,231,807.57	
2021 Totals		122,858.04	53,292.65	69,565.39		
13	12/31/2021	61,429.02	25,560.01	35,869.01	1,195,938.56	
14	6/30/2022	61,429.02	24,815.73	36,613.29	1,159,325.27	
2022 Totals		122,858.04	50,375.74	72,482.30		
15	12/31/2022	61,429.02	24,056.00	37,373.02	1,121,952.25	
16	6/30/2023	61,429.02	23,280.51	38,148.51	1,083,803.74	
2023 Totals		122,858.04	47,336.51	75,521.53		
17	12/31/2023	61,429.02	22,488.93	38,940.09	1,044,863.65	

	Date	Payment	Interest	Principal	Balance	
18	6/30/2024	61,429.02	21,680.92	39,748.10	1,005,115.55	
2024 Totals		122,858.04	44,169.85	78,688.19		
19	12/31/2024	61,429.02	20,856.15	40,572.87	964,542.68	
20	6/30/2025	61,429.02	20,014.26	41,414.76	923,127.92	
2025 Totals		122,858.04	40,870.41	81,987.63		
21	12/31/2025	61,429.02	19,154.90	42,274.12	880,853.80	
22	6/30/2026	61,429.02	18,277.72	43,151.30	837,702.50	
2026 Totals		122,858.04	37,432.62	85,425.42		
23	12/31/2026	61,429.02	17,382.33	44,046.69	793,655.81	
24	6/30/2027	61,429.02	16,468.36	44,960.66	748,695.15	
2027 Totals		122,858.04	33,850.69	89,007.35		
25	12/31/2027	61,429.02	15,535.42	45,893.60	702,801.55	
26	6/30/2028	61,429.02	14,583.13	46,845.89	655,955.66	
2028 Totals		122,858.04	30,118.55	92,739.49		
27	12/31/2028	61,429.02	13,611.08	47,817.94	608,137.72	
28	6/30/2029	61,429.02	12,618.86	48,810.16	559,327.56	
2029 Totals		122,858.04	26,229.94	96,628.10		
29	12/31/2029	61,429.02	11,606.05	49,822.97	509,504.59	
30	6/30/2030	61,429.02	10,572.22	50,856.80	458,647.79	
2030 Totals		122,858.04	22,178.27	100,679.77		
31	12/31/2030	61,429.02	9,516.94	51,912.08	406,735.71	
32	6/30/2031	61,429.02	8,439.77	52,989.25	353,746.46	
2031 Totals		122,858.04	17,956.71	104,901.33		
33	12/31/2031	61,429.02	7,340.24	54,088.78	299,657.68	
34	6/30/2032	61,429.02	6,217.90	55,211.12	244,446.56	
2032 Totals		122,858.04	13,558.14	109,299.90		
35	12/31/2032	61,429.02	5,072.27	56,356.75	188,089.81	
36	6/30/2033	61,429.02	3,902.86	57,526.16	130,563.65	
2033 Totals		122,858.04	8,975.13	113,882.91		
37	12/31/2033	61,429.02	2,709.20	58,719.82	71,843.83	
38	6/30/2034	61,429.02	1,490.76	59,938.26	11,905.57	
2034 Totals		122,858.04	4,199.96	118,658.08		
39	12/31/2034	12,152.56	246.99	11,905.57	0.00	
2035 Totals		12,152.56	246.99	11,905.57		
Grand Totals		2,346,455.32	737,062.04	1,609,393.28		
Last interest amount decreased by 0.05 due to rounding.						

## Exhibit C - Fixtures

Any items attached or affixed to the Premises, including, but not limited to:

- Signage specific to the Premises
- Interior walls
- Any built-in appliances
- Light fixtures
- Ceiling fans
- Attached floor coverings
- Door screens
- Interior doors
- Awnings
- Antennas
- Energy systems specific to Premises, including HVAC system
- Outdoor storage shed
- Hot water tanks
- Water fountains
- Toilets
- Sinks
- Cabinets
- Dishwasher
- Refrigerator
- Ice maker
- Microwaves
- Technology equipment
- Pictures
- Phone system
- Audio visual equipment
- Furniture
- Thin clients/computer equipment
- Printers
- Copy machines
- Kitchen supplies
- Office supplies
- Cleaning supplies