

**THIS LEASE DOES NOT BECOME EFFECTIVE UNTIL EXECUTED
BY THE NORTH CAROLINA DEPARTMENT OF ADULT CORRECTION**

STATE OF NORTH CAROLINA

LEASE AGREEMENT

COUNTY OF UNION

THIS LEASE AGREEMENT, made and entered into this the ____ day of _____, 2024, by and between, **COUNTY OF UNION**, hereinafter designated as Lessor, and the **STATE OF NORTH CAROLINA**, hereinafter designated as Lessee;

W I T N E S S E T H:

THAT WHEREAS, authority to approve and execute this lease agreement was delegated to the Department of Administration by resolution adopted by the Governor and Council of State on the 1st day of September 1981; and as amended on September 8, 1999 and December 7th, 1999, and October 6, 2020 and

WHEREAS, the parties hereto have mutually agreed to the terms of this lease agreement as hereinafter set out,

NOW THEREFORE, in consideration of the rental hereinafter agreed to be paid and the terms and conditions hereinafter set forth, Lessor does hereby let and lease unto Lessee and Lessee hereby takes and leases from Lessor for and during the period of time and subject to the terms and conditions hereinafter set out certain space in the **City of Monroe, County of Union**, North Carolina, more particularly described as follows:

Being approximately ±191 net square feet of office space located at 400 N. Main Street; Union County; Monroe, North Carolina, and further described in the floor plan, Exhibit "A".

**(NC DEPARTMENT OF ADULT CORRECTION, COMMUNITY SUPERVISION,
DIVISION 3, DISTRICT 20)**

THE TERMS AND CONDITIONS OF THIS LEASE AGREEMENT ARE AS FOLLOWS:

1. The term of this lease shall be for a period of **three (3) years**, commencing on **1st day of March 2024**, or as soon thereafter as the leased premises are ceded to the Lessee and terminating on the **28th day of February 2027**.

2. During the term of the lease, the Lessee shall pay to the Lessor as rental for said premises the sum of **\$1.00** dollar per annum, said rental to be payable within 15 days from receipt of invoice. The Lessee agrees to pay the aforesaid rental to the Lessor at the address specified, or, to such other address as the Lessor may designate by a notice in writing at least 15 days prior to the due date.

3. Lessor agrees to furnish to the Lessee, as a part of the consideration for this lease, the following services, and utilities to the satisfaction of the Lessee.

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

B. Maintenance of lawns, sidewalks, shrubbery, parking, paved areas and common areas and disposal of trash is required.

- C. Lessor provides required fire extinguishers and servicing, pest control, and outside trash disposal, including provision for the handling of recyclable items such as aluminum cans, cardboard, and paper. All pesticides must be applied by a licensed technician.
- D. All utilities except telecommunications.
- E. Daily janitorial service and supplies.
- F. Parking (as available).
- G. If applicable elevator service.
- H. The leased premises are generally accessible to persons with disabilities. This shall include access to the premises from the parking areas (where applicable), into the premises via any common areas of the building and access to accessible restroom.
- I. Any fire or safety inspection fees, stormwater fees, or land transfer tax/fees.
- J. All other terms and conditions of the signed "Proposal to Lease to the State of North Carolina" Form PO-28 incorporated herein by reference and the "Specifications for Non-advertised Lease" (Exhibit B).

4. During the lease term, the Lessor shall keep the leased premises in good repair and tenantable condition, to the end that all facilities are kept in operative condition. Maintenance shall include but is not limited to furnishing and replacing electrical light fixture ballasts, air conditioning and ventilating equipment filter pads, if applicable, and broken glass. In case Lessor shall, after notice in writing from the Lessee in regard to a specified condition, fail, refuse, or neglect to correct said condition, or in the event of an emergency constituting a hazard to the health or safety of the Lessee's employees, property, or invitees, it shall then be lawful for the Lessee in addition to any other remedy the Lessee may have, to make such repair at its own cost and to deduct the amount thereof from the rent that may then be thereafter become due hereunder. The Lessor reserves the right to enter and inspect the leased premises, at reasonable times, and to make necessary repairs to the premises.

5. It is understood and agreed that Lessor shall, at the beginning of said lease term as hereinabove set forth, have the leased premises in a condition satisfactory to Lessee, including repairs, painting, partitioning, remodeling, plumbing and electrical wiring suitable for the purposes for which the leased premises will be used by Lessee.

6. The Lessee shall have the right during the existence of this lease, with the Lessor's prior consent, to make alterations, attach fixtures and equipment, and erect additions, structures, or signs in or upon the leased premises. Such fixtures, additions, structures, or signs so placed in or upon or attached to the leased premises under this lease or any prior lease of which this lease is an extension or renewal shall be and remain the property of the Lessee and may be removed therefrom by the Lessee prior to the termination of this lease or any renewal or extension thereof, or within a reasonable time thereafter. The Lessee shall have no duty to remove any improvement or fixture placed by it on the premises or to restore any portion of the premises altered by it. In the event Lessee elects to remove his improvements or fixtures and such removal causes damage or injury to the demised premises, Lessee will repair only to the extent of any such damage or injury.

7. If the said premises are destroyed by fire or other casualty without fault of the Lessee, this lease shall immediately terminate, and the rent shall be apportioned to the time of the damage. In case of partial destruction or damage by fire or other casualty without fault of the Lessee, so as to render the premises untenable in whole or in part, there shall be an apportionment of the rent until the damage has been repaired. During such a period of repair, Lessee shall have the right to obtain similar office space at the expense of Lessee or the Lessee may terminate the lease by giving 15 days written notice to the Lessor.

8. Lessor shall be liable to Lessee for any loss or damage suffered by Lessee which is a direct result of the failure of Lessor to perform an act required by this lease, and provided that Lessor could reasonably have complied with said requirement.

9. Upon termination of this lease, the Lessee will peaceably surrender the leased premises in as good order and condition as when received, reasonable use and wear and damage by fire, war, riots, insurrection, public calamity, by the elements, by act of God, or by circumstances over which Lessee had no control or for which Lessor is responsible pursuant to this lease, excepted.

10. The Lessor agrees that the Lessee, upon keeping and performing the covenants and agreements herein contained, shall at all times during the existence of this lease peaceably and quietly have, hold, and enjoy the leased premises free from the adverse claims of any person.

11. The failure of either party to insist in any instance upon strict performance of any of the terms and conditions herein set forth shall not be construed as a waiver of the same in any other instance. No modification of any provision hereof and no cancellation or surrender thereof shall be valid unless in writing and signed and agreed to by both parties.

12. Any hold over after the expiration of the said term or any extension thereof, shall be construed to be a tenancy from month to month, and shall otherwise be on the terms and conditions herein specified, so far as applicable; however, either party shall give not less than 60 days written notice to terminate the tenancy.

13. The parties to this lease agree and understand that the continuation of this lease agreement for the term period set forth herein, or any extension or renewal thereof, is dependent upon and subject to the appropriation, allocation, or availability of funds for this purpose to the agency of the Lessee responsible for payment of said rental. The parties to this lease also agree that in the event the agency of the Lessee or that body responsible for the appropriations of said funds, in its sole discretion, determines, in view of its total local office operations that available funding for the payment of rents are insufficient to continue the operation of its local offices on the premise leased herein, it may choose to terminate the lease agreement set forth herein by giving Lessor written notice of said termination, and the lease agreement shall terminate immediately without any further liability to Lessee.

14. All notices herein provided to be given, or which may be given by either party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States mail, certified and postage prepaid and addressed as follows:

To the Lessor:

**Union County
500 N. Main Street
Monroe, North Carolina 28112**

w/copy to: N/A

To the Lessee:

**NC Department of Adult Correction (DAC), Purchasing Office
3512 Bush Street (MSC 5227)
Raleigh, North Carolina 27609-5227**

with a copy to:

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

Nothing herein contained shall preclude the giving of such notice by personal service. The address to which notices shall be mailed as aforesaid to either party may be changed by written notice.

15. Within 30 days of Commencement Date, Lessor agrees to construct, upfit, repair and maintain the Premises in accordance with (a) the approved floor plan attached hereto as Exhibit A and (b) the applicable regulation and building code provisions of the governmental authority having jurisdiction over the Premises.

16. N.C.G.S. § 133-32 and Executive Order 24 prohibit the offer to, or acceptance by, any State Employee of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of any response in this procurement, you attest, for your entire organization and its employees or agents, that you are not aware that any such gift has been offered, accepted, or promised by any employees of your organization.

IN TESTIMONY WHEREOF, this lease has been executed by the parties hereto, in duplicate originals, as of the date first above written.

The rest of this page is intentionally left blank.

LESSEE:

STATE OF NORTH CAROLINA

By: _____(SEAL)

**Joanne Rowland, Director
DAC Purchasing Office**

STATE OF NORTH CAROLINA

COUNTY OF _____

I, _____, a Notary Public in and for the County and State aforesaid, do hereby certify that **Joanne Rowland** personally appeared before me this date and acknowledged the due execution by s/he of the foregoing instrument as Director of State Property Office of the Department of Administration of the State of North Carolina, for the purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal this the ____day of _____, **2024**.

Notary Public

Printed Name: _____

My Commission Expires: _____

LESSOR:

UNION COUNTY

By: _____(SEAL)

Brian Matthews
Union County Manager

STATE OF NORTH CAROLINA

COUNTY OF _____

I, _____, a Notary Public in the County of _____
_____, and State aforesaid, do hereby certify that **Brian Matthews** personally came
before me this day and acknowledge the due execution of the foregoing instrument on behalf of the
limited liability company and for the purposes stated herein.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal this the ____ day of
_____, **2024**.

Notary Public

Printed Name: _____

My Commission Expires: _____

Exhibit B

SPECIFICATIONS FOR NON-ADVERTISED LEASE

1. The floor plan should show building exits for the proposed space. Also, provide the year the building was constructed.
2. This facility must provide an environment that is barrier-free and easily accessible to physically disabled staff, visitors and clientele. Compliance with the State Building Code and the Americans with Disabilities Act (ADA) is required. Toilet facilities shall be ADA accessible and code compliant.
3. The air conditioning and heating system shall be maintained by Lessor including frequent filter cleaning and replacement. Year-round ventilation shall be provided to prevent stale air problems and unacceptable CO2 content. Waiting areas, LAN rooms and conference room(s) may require additional HVAC.
4. Telecommunication room temperature should be within a range of 65° to a maximum of 75°. This is a 24-hour per day, 7-days per week requirement. A separate HVAC system may be required to maintain this temperature range.
5. All lighting and electrical maintenance shall be furnished by Lessor including the replacement of ballasts, light tubes, and replacement bulbs.
6. The Lessor shall provide required fire extinguishers and servicing, pest control (by a licensed technician) and outside trash disposal including provision for the handling of recycling items such as aluminum cans, cardboard, and paper. Frequent trash and recycling pick-up required. Year-round maintenance is required to maintain a neat and professional appearance of the site at all times.
7. Lessor shall provide internal and external signs that will provide easy identification of the office by the general public (*if applicable NC DAC request please work to be performed by [Correction Enterprises](#)*).
8. Locking hardware is required on all storage rooms, equipment rooms, files rooms and LAN room. Supply storage closets require shelving.
9. The Lessor shall provide sufficient window coverings shall be provided to control glare within the space (venetian blinds or acceptable equivalent).

10. The Lessor shall provide vinyl tile or other floor covering acceptable to the State in all finished areas. Prefer carpeting for all offices and conference rooms. If floors are carpeted, they should be commercial grade 26 oz or 24 oz carpet squares preferred, acceptable to the Lessee. LVT tile is preferred in the waiting area, LAN room(s), kitchenette, restrooms and hallways. LAN room tile should be anti-static. New or like-new carpet is preferred. If not new, carpet must be professionally cleaned and all stains removed before occupancy. High traffic areas will require frequent cleaning and replacement of floor finishes to maintain a neat, clean, high-quality finish and will be at the State Property Office's discretion.
11. Lessor shall shampoo all carpet and clean the outside of the building windows annually.
12. Lessor shall be responsible for snow and debris removal as quickly as possible to avoid work delays.
13. The per square foot price proposal is based on the floor plan and repair lists agreed upon by the State of North Carolina and includes but it not limited to all partitions, demolition, and up fitting costs: building and grounds maintenance; property taxes; insurance; fire and safety inspection fees; stormwater fees; land transfer tax; common area maintenance and other building operational costs.
14. The number of keys to be provided to the State for each lockset shall be reasonably determined by the State prior to occupancy, at no cost to the State.
15. All parking areas shall be adequately lighted and located within a reasonable distance of the office.
16. Lessor shall provide all conduits and pull strings from above the ceiling to outlet boxes. State to install wiring and cover plates.
17. Lessor is responsible for providing all cleaning supplies, paper and soap products for kitchen and bathrooms regardless of who contracts for janitorial services.

The lessor is in agreement with the above conditions and the conditions of the also signed "proposal to Lease to the State of North Carolina" Form PO-28.