

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Agreement" or "Lease") is made and entered into this 26th day of October, 2021 ("Effective Date") by and between Gary Webb & Minnie Webb ("Landlord") and Flatiron Constructors, Inc. ("Tenant").

RECITALS

A. Landlord owns certain partially improved real property located near Dunn, NC and having a street address of 1089 & 1101 Sadler Rd, Dunn, NC 28334; the property is more particularly described as on Exhibit A attached hereto, including any existing improvements relating to the ingress and egress thereto (the "Property").

B. Landlord has agreed to lease to Tenant upon the terms and conditions set forth herein the Property.

NOW, THEREFORE, in consideration of the covenants, conditions, restrictions and agreements contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant agree with each other as follows:

1. **Lease of Parcel.** Landlord demises and leases to Tenant the Property for the "Term" of this Agreement, as described hereafter, upon the terms and conditions contained herein, together with the improvements and appurtenances (if any) contained thereon.

2. **Term.** The term of this Agreement ("Term") shall be Forty-Eight (48) months. Upon expiration of the Term, this Lease shall continue month-to-month at the same rental rate listed in Section 3 until such time that either party gives thirty (30) days written notice of intent to terminate this Agreement.

3. **Rent for Parcel.** During the Term, Tenant shall pay to Landlord at Landlord's address for notice set forth in Section 17 below (or at such other location that Landlord designates in writing), monthly installments of rent ("Rent") in the amount of \$1,500.00/Month. Such Rent shall be due and payable on or before the fifth (5th) day of each calendar month during the Term. If any Rent, or other payment is received after the date when due, the parties agree that additional Rent in the amount of ten percent (10%) of the outstanding sums shall also be due and payable. In the event of any partial month at the beginning of the Term, the Rent shall be prorated based on the number of days remaining in the month. Notwithstanding the foregoing, upon Landlord and Tenant's mutual execution of this Lease, Tenant shall deliver to Landlord the amount of \$3,000.00, which amount shall be applied to the Tenant's Rent obligation for the first month of the Term, and for Tenant's Rent obligation for the last month of the Term.

4. **Taxes.** Landlord agrees to pay any and all real estate taxes and assessments levied upon the Property as they become due which do not arise out of Tenant's occupancy or use of the Property. Tenant shall be responsible for any sales taxes, any taxes or assessments levied on Tenant's personal property, or any taxes or assessments levied in connection with Tenant's use, and Tenant shall pay such taxes and assessments as they become due.

5. **Use.** The Property shall be used by Tenant as the location for a jobsite office, laydown yard, project storage, and other items related to a highway construction project it is building (the "Permitted Use"). Tenant covenants and agrees that it will not use, or permit any use of the Property, in violation of any federal, state or local law, rule, regulation or ordinance.

6. **Permits and Licenses.** Tenant agrees at its sole cost and expense to obtain and maintain thereafter from all applicable governmental jurisdictions all permits and licenses required for the Permitted Use.

7. **Maintenance and Repair.** Tenant shall be responsible for the operation, maintenance and repair of the Property during the term of this Lease. Tenant covenants and agrees that it will not commit waste to the Property. Tenant hereby consents to Landlord and its authorized agent accessing the Property for the purposes of examining and inspecting the Property, provided Landlord provides forty-eight (48) hours notice before such entry and follows all safety directives of Tenant while on the Property.

8. **Tenant Work and Repairs.**

a. Tenant shall procure all necessary permits before undertaking any and all construction or repair work on or about the Property (“Tenant Work or Tenant Repairs”). Tenant shall perform all Tenant Work or Tenant Repairs in a good and workmanlike manner. Tenant shall use materials of good quality and perform Tenant Work or Tenant Repairs only with contractors previously approved of in writing by Landlord. Tenant shall comply with all laws, ordinances, and regulations, including, but not limited to, building, health, fire, and safety codes. Tenant shall promptly pay when due the entire cost of any Tenant Work or Tenant Repairs on the Property undertaken by Tenant, so that the Property shall at all times be free of liens for labor and materials.

b. Tenant shall have the right to erect a modular office (the “Office”) and a fence along boundary lines approved by Landlord to demarcate the Property (the “Fence”), provided that Tenant removes the Office and Fence and any related equipment or materials at the end of the Lease Term. Tenant shall also have the right to grade the Parcel and install gravel and/or pavement to accommodate its Office and other Permitted Uses. Tenant shall have the right to install on the Property any personal property or trade fixtures it deems necessary for conducting business upon the Property for its Permitted Use, provided Tenant shall be responsible for any repair of any damage to the Property resulting from removal of such personal property or trade fixtures.

9. **Condition of Premises and Representations:** Landlord represents and warrants that, to its knowledge, the Property is not in violation of any environmental laws or other governmental requirements and that there has been no release, discharge or other disposal of any hazardous substances on or about the Property as of the execution date of this Lease.

10. **Casualty and Condemnation.**

A. **Casualty.** If the Property is damaged or destroyed by fire or other casualty during the Term, either Landlord or Tenant by written notice given to the other shall have the right to terminate this Agreement with thirty (30) days written notice to the other. In the event of any such casualty, whereupon this Lease is not terminated and Tenant is unable to use the Property for a period of three (3) consecutive business days, then Rent shall abate until such time as the Property is restored to a condition that permits Tenant to use the Property for its Permitted Use. In the event of any partial casualty, whereupon a portion of the Property may be used for its Permitted Use, then Rent shall be prorated based upon that portion of the Property which is useable as it relates to the size of the Property before such casualty.

B. **Condemnation.** If all or more than 50% of the Property is taken by condemnation or a deed in lieu of condemnation, then this Agreement shall terminate as of the actual date of the taking and any Rent due hereunder shall be prorated on a daily basis as of the date of such taking. If less than 50% of the Property is taken by condemnation or a deed in lieu of condemnation, then at Landlord’s option either this

Lease shall continue for the remaining portion of the Property (and Rent prorated accordingly) or the Lease shall be terminated.

11. **Default and Remedies.**

A. **Default.** Landlord may terminate this Agreement if (i) Tenant fails to pay any Rent due hereunder or Tenant fails to comply with any other term or provision of this Agreement, and such failure to pay Rent or other default continues for thirty (30) days after written notice to Tenant or, if such performance is not reasonably subject to completion within said 30-day period, Tenant fails to commence cure within fifteen (15) days after notice and fails to continuously and with reasonable diligence pursue such performance to completion within sixty (60) days; or (ii) in the event that Tenant files a voluntary petition of bankruptcy, claims insolvency, is placed in receivership, or if there is an assignment for the benefit of creditors (any of the foregoing is referred to in this Lease as a "Default").

B. **Remedies.** In the event of a Default then Landlord may, at Landlord's option, pursue any and all available remedies in law or equity.

C. **Early Termination.** Tenant shall have the option, by providing written notice sixty (60) days in advance, to terminate the Lease for convenience. In the event of any such termination for convenience, all Rent shall continue to be owed until the early termination date.

12. **Assignment.** Landlord shall have the right to sell or convey the Property and assign this Agreement, provided that such assignee assumes all obligations of Landlord and is bound to all terms and conditions contained in this Agreement.

13. **Surrender.** Upon termination of this Agreement, Tenant agrees that it will immediately surrender and deliver to Landlord possession of the Property in a clean condition, reasonable wear and tear excepted, with the removal of all personal property, improvements, appurtenances and trade fixtures installed by Tenant, and shall repair any damage to the Property from such removal, with such repairs being done by method of applying seed and straw to the Property. Tenant agrees to leave any gravel or otherwise paved driveways installed.

14. **Authority.** Landlord and Tenant represent and warrant that each has the authority to enter into this Agreement.

15. **Notices.** All notices, requests, demands and other communications required or permitted to be given hereunder must be in writing and delivered by first-class or certified mail, postage prepaid, or via overnight delivery by a national carrier, or personally delivered, at such address as either party may, from time to time, designate in writing. Notices shall be deemed sufficiently served or given on the date dispatched in a manner provided above. The initial addresses of the parties shall be:

With respect to Landlord, at:

Minnie & Gary Webb
P.O. Box 1133
Dunn, NC 28335

With respect to Tenant, at:

Flatiron Constructors, Inc.
Attn: Jim Schneiderman, William Clayton

860 Aviation Parkway, Suite 1000
Morrisville, NC 27560

16. **Security Deposit:**

a. **Security Deposit:** To secure the faithful performance by Tenant of all of Tenant's covenants, conditions, and agreements in the Lease to be observed and performed, Tenant shall upon Landlord and Tenant's mutual execution of this Lease, deposit with Landlord, and throughout the Term keep on deposit with Landlord, a security, cleaning, and damage deposit in the amount of the amount of One Thousand and no/100 Dollars (\$1000.00) ("Security Deposit") as security for the return of the Property at the expiration of the Term in as good condition as when Tenant entered the Property, normal wear and tear excepted, as well as the faithful, timely, and complete performance of all other terms, conditions, and covenants of the Lease.

b. **Return of Security Deposit:** If Tenant shall perform all of its respective covenants and agreements in the Lease, the Security Deposit, together with a statement, shall be returned to Tenant without interest, no later than sixty (60) days after the expiration of the Term, or any renewal or extension thereof (or such earlier time if required by applicable law), provided Tenant has vacated the Property and surrendered possession thereof to Landlord.

17. **Miscellaneous.**

A. **Amendment.** This Agreement may not be amended or modified without the written consent of the parties hereto.

B. **Commercially Reasonable.** With respect to matters arising under this Agreement, each party shall act in a commercially reasonable manner except when another standard is expressly provided.

C. **Construction.** This Agreement shall not be interpreted in favor of or against any party merely because of its respective efforts in preparing it.

D. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. A facsimile copy of a signature shall be as binding as an original signature.

E. **Entire Agreement.** This Agreement embodies the entire agreement and understanding between the parties and supersedes any prior oral or written agreements with respect to the matters stated herein.

F. **Governing Law.** This Agreement shall be governed by and construed under the laws of North Carolina.

G. **Headings.** The section headings in this Agreement are inserted for convenience of reference only and shall not in any way affect the meaning or construction of the Agreement.

H. **Relationship of Parties.** No provision of this Agreement and no action taken pursuant hereto shall create any relationship between the parties other than as specifically set forth herein.

Without limiting the generality of the foregoing, the parties are not partners of, or joint venturers with, or agents for, each other.

I. Severability. If any term of this Agreement or any application thereof shall be invalid or unenforceable, the remainder of the Agreement and any other application of such term shall not be affected thereby.

J. Singular and Plural. Whenever required by the context of this Agreement, the singular shall include the plural, and vice versa, and the masculine shall include the feminine and neuter genders, and vice versa.

[signature pages immediately follow]

IN WITNESS WHEREOF, Landlord and Tenant have caused this Agreement to be executed and delivered as of the day and year first above written.

Landlord:

By: *Gary Webb Minnie Webb*
Name: Gary Webb Minnie Webb
Title: Owners

Tenant:

By: *Jim*
Name: JIM SCHNEIDEMAN
Title: VICE PRESIDENT

By: *L Brumfield*
Name: L Brumfield
Title: VP Finance

EXHIBIT A

Description of Property



Print this page

Property Description:

2.12 ACRES BAREFOOT 1835 NC SR

Harnett County GIS

PID: 021527 0250

PIN: 1527-95-7830.000

REID: 0036070

Subdivision:

Taxable Acreage: 2.120 AC ac

Caclulated Acreage: 2.28 ac

Account Number: 1400031601

Owners: WEBB GARY R & WEBB MINNIE F

Owner Address : PO BOX 1133 DUNN, NC 28335-0000

Property Address: 1101 SADLER RD DUNN, NC 28334

City, State, Zip: DUNN, NC, 28334

Building Count: 0

Township Code: 02

Fire Tax District: Dunn Averagesboro

Parcel Building Value: \$0

Parcel Outbuilding Value : \$0

Parcel Land Value : \$12720

Parcel Special Land Value : \$0

Total Value : \$12720

Parcel Deferred Value : \$0

Total Assessed Value : \$12720

Neighborhood: 00200M

Actual Year Built:

TotalAcutalAreaHeated: Sq/Ft

Sale Month and Year: 6 / 2007

Sale Price: \$0

Deed Book & Page: 2396-0079

Deed Date: 1183075200000

Plat Book & Page: -

Instrument Type: WD

Vacant or Improved:

QualifiedCode: A

Transfer or Split: T

Within 1mi of Agriculture District: Yes

Prior Building Value: \$0

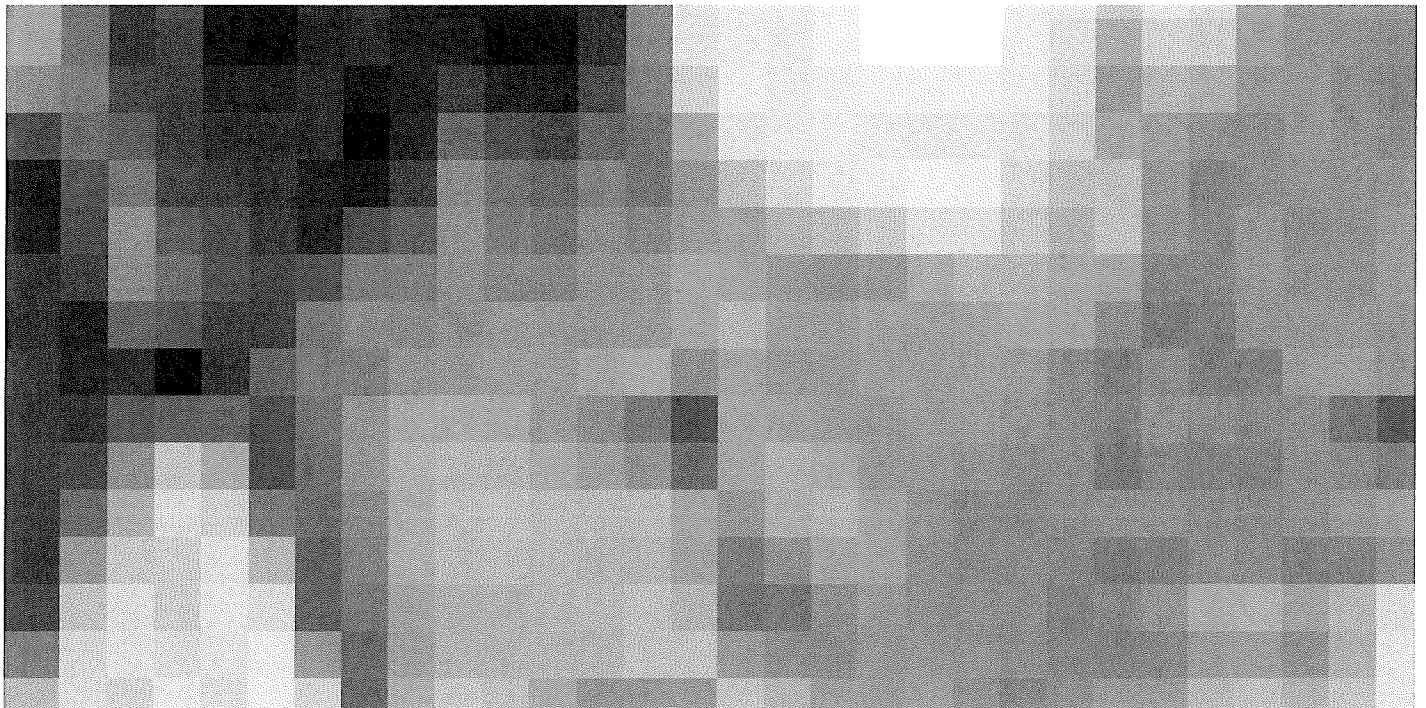
Prior Outbuilding Value : \$0

Prior Land Value : \$16960

Prior Special Land Value : \$0

Prior Deferred Value : \$0

Prior Assessed Value : \$16960



Print this page

Property Description:

2.20 ACRES BETTY BAREFOOTINTER 95 SERV

Harnett County GIS

PID: 021516 0057

PIN: 1527-95-5692.000

REID: 0036064

Subdivision:

Taxable Acreage: 2.200 AC ac

Caclulated Acreage: 2.11 ac

Account Number: 1400031601

Owners: WEBB GARY R & WEBB MINNIE F

Owner Address : PO BOX 1133 DUNN, NC 28335-0000

Property Address: 1089 SADLER RD DUNN, NC 28334

City, State, Zip: DUNN, NC, 28334

Building Count: 0

Township Code: 02

Fire Tax District: Dunn Averagesboro

Parcel Building Value: \$0

Parcel Outbuilding Value : \$0

Parcel Land Value : \$13200

Parcel Special Land Value : \$0

Total Value : \$13200

Parcel Deferred Value : \$0

Total Assessed Value : \$13200

Neighborhood: 00200M

Actual Year Built:

TotalAcutalAreaHeated: Sq/Ft

Sale Month and Year: 6 / 2007

Sale Price: \$0

Deed Book & Page: 2396-0079

Deed Date: 1183075200000

Plat Book & Page: -

Instrument Type: WD

Vacant or Improved:

QualifiedCode: A

Transfer or Split: T

Within 1mi of Agriculture District: Yes

Prior Building Value: \$0

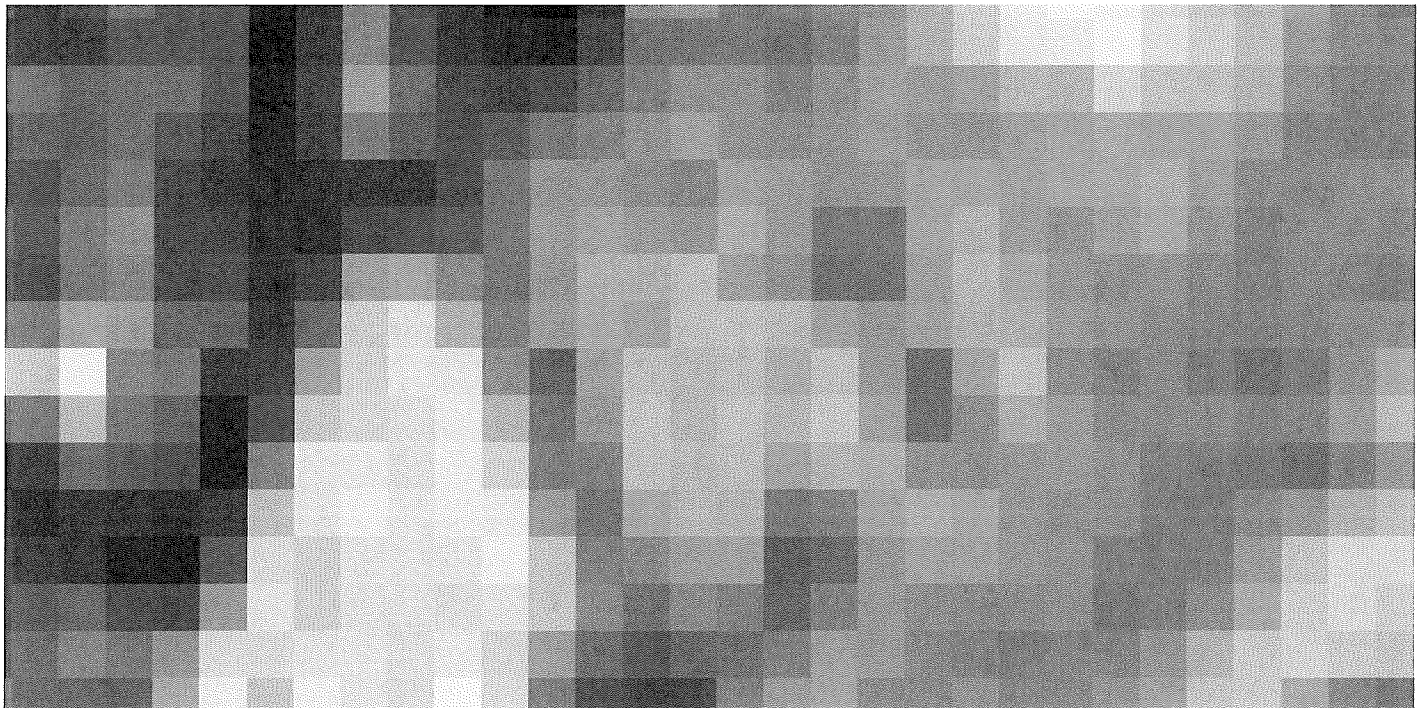
Prior Outbuilding Value : \$0

Prior Land Value : \$17600

Prior Special Land Value : \$0

Prior Deferred Value : \$0

Prior Assessed Value : \$17600



Print this page



Property Description:
.75 ACRE BAREFOOT LAND

Harnett County GIS

PID: 021527 0185 02

PIN: 1527-95-4980.000

REID: 0043235

Subdivision:

Taxable Acreage: 0.750 AC ac

Caclulated Acreage: 0.77 ac

Account Number: 201112000

Owners: WEBB GARY R & WEBB MINNIE F

Owner Address : P O BOX 1133 DUNN, NC 28335-0000

Property Address: WEEKS OFF RD NC

City, State, Zip: , NC,

Building Count: 0

Township Code: 02

Fire Tax District: Dunn Averagesboro

Parcel Building Value: \$0

Parcel Outbuilding Value : \$0

Parcel Land Value : \$3000

Parcel Special Land Value : \$0

Total Value : \$3000

Parcel Deferred Value : \$0

Total Assessed Value : \$3000

Neighborhood: 00200M

Actual Year Built:

TotalAcutalAreaHeated: Sq/Ft

Sale Month and Year: 1 / 1989

Sale Price: \$0

Deed Book & Page: 875-0496

Deed Date: 599616000000

Plat Book & Page: -

Instrument Type: MP

Vacant or Improved:

QualifiedCode: X

Transfer or Split:

Within 1mi of Agriculture District: Yes

Prior Building Value: \$0

Prior Outbuilding Value : \$0

Prior Land Value : \$3380

Prior Special Land Value : \$0

Prior Deferred Value : \$0

Prior Assessed Value : \$3380



Generating Map...