# HARNETT COUNTY HEALTH DEPARTMENT ENVIRONMENTAL HEALTH SECTION 307 W. CORNELIUS HARNETT BLVD. LILLINGTON, NC 27546 910-893-7547 PHONE 910-893-9371 FAX

# **Application for Repair**

		EMAIL ADDRESS:	daniella 100 Yahro.com		
OWNER NAME DOMAL T	Doniel	PHONE 2	15-416-3100		
PHYSICAL ADDRESS 1911 Hwy 87, Comeron, DC 28326					
MAILING ADDRESS (IF DIFFFERENT THAI	N PHYSICAL)				
IF RENTING, LEASING, ETC., LIST PROPERTY OWNER NAME AQL of Sonford 40 Atul Pate					
SUBDIVISION NAME	LOT #/TRACT #	STATE RD/HWY	SIZE OF LOT/TRACT		
	7 <del>-</del> 7		,		
Number of bedrooms [] Basement					
Garage: Yes [] No [⅓	Dishwasher: Yes [	[ No [ ]	Garbage Disposal: Yes [] No 🍂		
Water Supply: [] Private Well	[] Community Syst	em []County			
Directions from Lillington to your site: Hwy 210 to light on Ray Rd take					
200 traffic circle to nurshery Rd, Right onto 87/24 north					
Dwelling will be	on Right	beside the S	hell Station		
wells on the property by showir  2. The outlet end of the tank and t	" and "deed to your pr ng on your survey map. the distribution box will ed, underground utilities that your site is ready for days of issuance of the above information is o	need to be uncovered and pro s marked, and the orange sign or evaluation. e Improvement Permit or the to	perty lines flagged. After the tank is has been placed, you will need to call time set within receipt of a violation ledge. False information will result in		

**Owner Signature** 

# HOMEOWNER INTERVIEW FORM

It is important that you answer the following questions for our inspectors. Please do not leave any blanks if possible, and answer all questions to the best of your ability. Thank You.

Have you Also, with	received a violation letter for a failing system from our office? [] YES NO hin the last 5 years have you completed an application for repair for this site? [] YES	NO			
nstaller o Septic Ta	ne was built (or year of septic tank installation) of system ink Pumper of System				
2. W	Jumber of people who live in house?# adults # children What is your average estimated daily water usage? gallons/month or day water. If HCPU please give the name the bill is listed in	county			
3. If 4. W 5. If 6. If	you have a garbage disposal, how often is it used? [ ] daily [ ] weekly [ ] monthly When was the septic tank last pumped?	[] weekly			
9. A cł	o you use an "in tank" toilet bowl sanitizer? [ ] YES [X] NO are you or any member in your household using long term prescription drugs, antibiotic hemotherapy?] [ ] YES [X] NO If yes please list				
12. H	lave you put any chemicals (paints, thinners, etc.) down the drain? [ ] YES [X] NO lave you installed any water fixtures since your system has been installed? [ ] YES [X] I lease list any additions including any spas, whirlpool, sinks, lavatories, bath/showers, t				
14. H di	<ul> <li>13. Do you have an underground lawn watering system? [ ] YES [ ] NO</li> <li>14. Has any work been done to your structure since the initial move into your home such as, a roof, gutter drains, basement foundation drains, landscaping, etc? If yes, please list</li></ul>				
17. D	[] Power [] Phone [] Cable [] Gas [] rescribe what is happening when you are having problems with your septic system, and rst noticed?  The pumped cause it was backing up in December to you notice the problem as being patterned or linked to a specific event (i.e., wash cla ains, and household guests?) [] YES [X] NO If Yes, please list Never has go	when was this  all  out it is  othes, heavy  one back			
-	Coming out the graind				



HARNET	COUN	TY TAX	1174

2-0-09 BY(40)

FOR REGISTRATION REGISTER OF DEEDS HARRETY SOUTH NO. 2009 FEB 10 01:23:19 PM BK:2590 PG:185-188 FEE:\$20.00 NC REV STAMP:\$195.00 INSTRUMENT # 2009001718

Prepared, without title examination and on behalf of Grantee, by Stephen F. Later, Robbins May & Rich LLP Return after recording to Stephen F. Later, Robbins May & Rich LLP, 120 Applecross Road, Pinehurst, North Carolina 28374

Brief Description for Index: Lot 15, Babcock Village, Anderson Creek Township/Tax ID #01-9594-0033

#### GENERAL WARRANTY DEED

THIS GENERAL WARRANTY DEED is made on this the day of February, 2009 by and between MBM of NC, Inc., a North Carolina corporation with a postal address at 128 Waters Edge, Erwin, North Carolina 28339 (hereinafter "Grantor") and A&L of Sanford, L.L.C., a North Carolina limited liability company with a postal address at 121 Serenity Lane, Sanford, North Carolina 27330, (hereinafter "Grantee").

#### WITNESSETH

Grantor, for valuable consideration paid by Grantee, the receipt and sufficiency of which is hereby acknowledged, has and by these presents does grant, bargain, sell, and convey unto Grantee in fee simple, all right, title, and interest in the real property, situated in Anderson Creek Township, Harnett County, North Carolina, and more particularly described as hereinafter set forth (hereinafter the "Property").

Lot 15, Babcock Village, as shown on plat recorded in Book of Plats 8 at Page 17 of the Harnett County Registry.

Subject to and together with utility easements of record that are enforceable against the property, if any, and the lien for ad valorem property taxes or other assessments for the current year (to be prorated at closing), and applicable zoning or other ordinances.

The Property was acquired by Grantor by instrument recorded in Book 1873 at Page 219 of the Harnett County Registry.

TO HAVE AND TO HOLD the Property and all privileges and appurtenances thereto belonging to Grantee in fee simple.

And Grantor covenants with Grantee that Grantor is seized of the Property in fee simple, has the right to convey the Property in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever except for the exceptions noted herein.

The designations "Grantor" and "Grantee" as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

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IN WITNESS WHEREOF, this instrument is executed (a), if by individuals, by hereunto setting their hands under seal by adoption of the word "SEAL" appearing next to the individuals' names or signatures, (b), if by a corporation, by the duly authorized officers of the corporation on its behalf under seal by adoption of the facsimile seal printed hereon for such purpose or, if an impression seal appears hereon, by affixing such impression seal or by adoption of the word "SEAL" appearing next to the name of the corporation or the signatures of the officers, directors or shareholders, (c), if by a partnership, by the duly authorized partners of the partnership on its behalf under seal by adoption of the word "SEAL" appearing next to the name of the partnership or the signatures of the partners or (d), if by a limited liability company, by the duly authorized members or managers on its behalf under seal by adoption of the word "SEAL" appearing next to the name of the limited liability company or the signatures of the members or managers, on the day and year first above written.

MBM of NC, Inc.				
By: Manjeet Kaur Its: President (SEA)	L)			
STATE OF NORTH CAROLINA COUNTY OF <u>Cumberland</u>				
	d before me this day and acknowledged to me that the ument for the purpose stated therein and in the capacity			
Name	Capacity			
Manjeet Kaur Manjeet Keur	President, MBM of NC, Inc.			
I have personal knowledge of the identity of the principal; I have seen satisfactory evidence of the principal's identity, by a current state or federal identification with the principal's photograph in the form of a; or  A credible witness has sworn to the identity of the principal				
Witness my hand and official stamp or seal on this the 6th day of February, 2009.				
	Much Dawn Blackmit Milliam Notary Public  Print notary name: Shall a fall a sea Blackmit Notary name must be exactly as Disnotary seal of the sea of the s			
[affix notary seal, which must be fully legible]				

## LEASE AGREEMENT

#### SECTION 1: BASIC TERMS

This Section 1 contains the Basic Terms of this Lease between Landlord and Tenant, named below. Other Sections of the Lease referred to in this Section 1 explain and define the Basic Terms and are to be read in conjunction with the Basic Terms.

1.1 Date of Lease: April 1, 2021

1.2 Landlord: A&L of Sanford LLC

c/o Atul Patel, Agent/Manager

122,Quartermaster Dr Sanford, NC 27330

1.3 Tenant: Danco Passenger Transport Services LLC

c/o Darryl Daniel, Owner/Operator

1911 Highway 24/87 Cameron, NC 28326

1.4 Premises: 1911 Highway 24/87, Cameron, NC 28326

1.5 Property: Layout of Premises attached as Exhibit A, and surrounding property (approximately one acre)

1.6 (a) Lease Term: 10 years ("Term"), commencing on the date hereof ("Commencement Date") and ending 120 months thereafter ("Expiration Date");

(b) Lease Extension: Tenant shall be granted one (1) option to extend the Lease for five (5) years.

- 1.7 Permitted Uses: The primary residence of the family of Darryl Daniel, and for office use, and the use of surrounding property for only parking of the passenger buses and other vehicles.
- 1.8 Tenant's Guarantor: Darryl Daniel
- 1.9 Security deposit: \$1500.00 (To be paid at the time of signing of the lease)

1.10 Gross Rent Payable by Tenant is: Months

Monthly Base Rent \$1,800.00

1 - 60 \$1,800.00 61-120 \$2,300.00

121-180 \$2,800.00 (if Lease is extended)

# SECTION 2: LEASE OF PREMISES: RENT

- 2.1 <u>Lease of Premises for Lease Term.</u> Landlord hereby leases the Premises to Tenant, and Tenant hereby rents the Premises from Landlord, for the Term and subject to the conditions of this Lease.
- 2.2 <u>Types of Rental Payments.</u> Tenant shall pay (a) gross rent payable in monthly installments as set forth in Section 1.10 hereof, in advance, on the first (1<sup>st</sup>) day of each and every calendar month during the Term of this Lease (the "Gross Rent"); and (b) in the event any monthly installment of Gross Rent, is not paid within five (5) days of the date when due, Tenant will be required to pay a late charge in an amount of \$250.00 (the "Late Charge"); the Late Charge and the Gross Rent shall collectively be referred to as ("Rent"), to: Landlord (or such other entity designated as Landlord's agent (the "Agent"), or pursuant to such directions as Landlord shall designate in this Lease or otherwise in writing.
- 2.3 <u>Covenants Concerning Rental Payments.</u> Tenant shall pay the Rent promptly when due, without notice or demand, and without any abatement, deduction or setoff, except as may otherwise be expressly and specifically provided in this Lease. No payment by Tenant, or receipt or acceptance by Agent or Landlord, of a lesser amount than the correct Rent shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or letter accompanying any payment be deemed an accord or satisfaction, and Agent or

A DATE

Landlord may accept such payment without prejudice to its right to recover the balance due or to pursue any other remedy available to Landlord.

- 2.4 <u>Extension Option.</u> Tenant shall have the right to renew the Lease for one (1) additional term of five (5) years (the "Renewal Period"). Tenant shall provide Landlord with written notice of its intention to exercise the Renewal Period option herein granted by giving Landlord written notice thereof within one hundred twenty (120) days of the expiration of the initial term of this Lease (the "Notice").
- 2.5 <u>As-Is.</u> Tenant has examined the Premises and accepts it in the present condition "AS IS," "WHERE IS" and "WITH ALL FAULTS" as of the date Landlord delivers possession and without any representations on the part of Landlord or its agents as to the present or future condition as the reasonable use thereof will permit.

#### SECTION 3: OPERATING EXPENSES

# 3.1 Tenant Responsibility.

Tenant shall be responsible for the direct payment of electric, gas, water and sewer, and HVAC for the Premises. In addition, Tenant shall be responsible for personal property (FF&E) taxes, assessments and fees.

Tenant shall be responsible for real estate taxes, property insurance, exterior maintenance and repairs of the Premises and the common areas associated with the Premises and the Property, including walkways, parking lots, exterior lighting, landscaping, and general maintenance.

### SECTION 4: USE OF PREMISES AND COMMON AREAS: SECURITY DEPOSIT

- 4.1 <u>Use of Premises.</u> The Premises shall be used for the purpose(s) set forth in Section 1.7 above and for no other purpose whatsoever. Tenant shall not, at any time, use or occupy, or suffer or permit anyone to use or occupy, the Premises, or do or permit anything to be done on the Premises, in any manner that may (a) violate any Certificate of Occupancy for the Premises or the Property; (b) cause, or be liable to cause, injury to, or in any way impair the proper utilization of, all or any portion of the Property (including, but not limited to, the structural elements of the Property) or any equipment, facilities or systems therein; (c) constitute a violation of the laws and requirements of any public authority or the requirements of insurance bodies or the rules and regulations of the Property; (d) impair or tend to impair the character, reputation or appearance of the Property; or (e) unreasonably annoy, inconvenience or disrupt the operations or tenancies of other tenants or users of the Property, if any.
- 4.2 <u>Signage.</u> Tenant shall not affix any sign of any size or character to any portion of the Property, without prior written approval of Landlord, which approval shall not be unreasonably withheld or delayed. Tenant shall remove all signs of Tenant upon the expiration or earlier termination of this Lease and immediately repair any damage to either or both of the Property and the Premises caused by, or resulting from, such removal.
- 4.3 <u>Security Deposit.</u> Tenant has previously deposited with Landlord or Agent the sum set forth in Section 1.9 above, in cash (the "Security"), representing security for the performance by Tenant of the covenants and obligations hereunder, The Security shall be held by Landlord or Agent, without interest, in favor of Tenant; provided, however, that no trust relationship shall be deemed created thereby and the Security may be commingled with other assets of Landlord. If Tenant defaults in the performance of any of its covenants hereunder, Landlord or Agent may, without notice to Tenant, apply all or any part of the Security, to the extent required for the payment of any Rent or other sums due from Tenant hereunder, in addition to any other remedies available to Landlord. If such application occurs, Landlord shall make a reasonable effort to so advise Tenant, in writing, promptly following such application. In the event the Security is so applied, Tenant shall, upon demand, immediately deposit with Landlord or Agent a sum equal to the amount so used. If Tenant fully and faithfully complies with all to covenants hereunder, the Security (or any balance thereof) shall be returned to Tenant within thirty (30) days after the last to occur of (i) the date the Term expires or terminates (ii) delivery to Landlord of possession of the Premises. Landlord may deliver the Security to any purchaser of Landlord's interest in the Premises and thereupon Landlord and Agent shall be discharged from any further liability with respect to the Security, provided that such assignee of the Security acknowledges that it is holding the Security for Tenant's account under this Lease.
- **SECTION 5: QUIET ENJOYMENT**. Subject to the provisions of this Lease, so long as Tenant pays all of the Rent and performs all of its other obligations hereunder, Tenant shall not be disturbed in its possession of the Premises by Landlord, Agent or any other person lawfully claiming through or under Landlord. This covenant shall be construed as a covenant running with the Property and is not a personal covenant of Landlord.

SECTION 6: ASSIGNMENT, SUBLETTING AND MORTGAGING

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6.1 <u>Assignment and Subletting.</u> Tenant shall have no right to assign the Lease or sublease the Premises without Landlord's prior written approval.

### SECTION 7: INSURANCE

- 7.1 Insurance to be Maintained by Tenant. Tenant shall purchase and maintain at its own expense (a) "all-risk" property insurance covering the Property (at its full replacement cost), but excluding Tenant's Property, and (b) commercial general public liability insurance covering Landlord for claims arising out of liability for bodily injury, death, personal injury, advertising injury and property damage occurring in and about the Property and otherwise resulting from any acts and operations of Landlord, its agents and employees.
- Liability Insurance. Tenant shall purchase at its own expense and keep in force during this Lease a policy or policies of (i) commercial general liability insurance, including personal injury and property damage, in the amount of not less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) annual general aggregate per location, and comprehensive automobile liability insurance covering Tenant against any losses arising out of liability for personal injuries or deaths of persons and property damage occurring in or about the Premises and Property and (ii) "all-risk property insurance covering Tenant's property (and otherwise resulting form any acts or operations of Tenant). Said policies shall (a) name Landlord, Agent, and any party holding an interest to which this Lease may be subordinated as additional insureds, (b) be issues by an insurance company with a rating of A or better and otherwise reasonably acceptable to Landlord and licensed to do business in the state in which the Property is located, (c) provide that said insurance shall not be canceled or materially modified unless thirty (30) days' prior written notice shall have been given to Landlord, (d) provide coverage on an occurrence basis; (e) provide coverage for the indemnity obligations of Tenant under this Lease; (f) contain a severability of insured parties provision and a cross liability endorsement; (g) be primary, not contributing with, and not in excess of coverage which Landlord may carry; (h) a hostile fire endorsement; and (i) otherwise be in such form and include such coverage as Landlord may reasonably require. Said policy or policies or, at Landlord's option, Certificate of insurance on the so-called "ACORD" Form 27 evidencing said policies, shall be delivered to Landlord by Tenant upon commencement of the Lease and renewals thereof shall be delivered at least thirty (30) days prior to the expiration of said insurance.
- 7.3 <u>Waiver of Subrogation</u>. To the extent permitted by law, and without affecting the coverage provided by insurance required to be maintained hereunder, Landlord and Tenant each waive any right to recover against the other for (a) damages for injury to or death of persons, (b) damages to property, (c) damages to the Premises or any part thereof or (d) claims arising by reason of the foregoing, to the extent such damages and claims are insured against or required to be insured against by Landlord or Tenant under this Lease. This provision is intended to waive, fully and for the benefit of each party, any rights and/or claims which might give rise to a right of subrogation by any insurance carrier. The coverage obtained by each party pursuant to this Lease shall include, without limitation, a waiver of subrogation by the carrier, which conforms to the provisions of this section.

#### SECTION 8: ALTERATIONS

- 8.1 <u>Alterations.</u> Tenant may not make any alterations or improvements ("Alterations") in and to the Premises or the Property without first obtaining the written consent of Landlord in each instance.
- 8.2 Performance of Alterations. If consented to by the Landlord, Tenant shall cause the Alterations to be performed in compliance with all applicable permits, laws and requirements of public authorities, and with Landlord's reasonable rules and regulations or any other restrictions that Landlord or Agent may impose on the Alterations. Tenant shall cause the Alterations to be diligently performed in a good and workmanlike manner, using new materials and equipment at least equal in quality and class to the standards for the Property established by Landlord or Agent. Tenant shall obtain all necessary permits and certificates for final governmental approval of the Alterations and shall provide Landlord with "as built" plans, copies of all construction contracts, governmental permits and certificates and proof of payment for all labor and materials, without limitation, copies of paid invoices and final lien waivers.
- 8.3 <u>Lien Prohibition.</u> Tenant shall pay when due all claims for labor and material furnished to the Premises in connection with the Alterations. Tenant shall not permit any mechanics or materialmen's liens to attach to the Premises, the Property, or Tenant's leasehold estate. Tenant, at its expense, shall procure the satisfaction or discharge of record of all such liens and encumbrances within thirty (30) days after the filing thereof; or, if acceptable to Landlord, in its reasonable determination, Tenant may procure (for Landlord's benefit) a bond or other protection against any such lien or encumbrance. In the event Tenant has not so performed, Landlord may, at its option, pay and discharge such liens and Tenant shall be responsible to reimburse Landlord, on demand and as Additional Rent under this Lease, for all costs and expenses incurred in connection therewith, together with interest thereon at the rate set

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forth in Section 17.3 below, which expenses shall include reasonable fees of attorneys of Landlord's choosing, and any costs in posting bond to effect discharge or release of the lien as an encumbrance against the Premises or the Property.

# SECTION 9: LANDLORD'S AND TENANT'S PROPERTY

- 9.1 <u>Landlord's Property.</u> Subject to Section 9.2 below, all fixtures, machinery, equipment, improvements and appurtenances attached to, or built into, the Premises prior to Tenant's occupancy of the Premises, shall remain a part of the Premises, shall be deemed the property of Landlord (the "Landlord's Property"), without compensation or credit to Tenant; and shall not be removed by Tenant unless Landlord requests their removal. Further, any personal property in the Premises on the Commencement Date, movable or otherwise, unless installed and paid for by Tenant, shall be and shall remain the property of Landlord and shall not be removed by Tenant. In no event shall Tenant remove any of the following materials or equipment without Landlord's prior written consent: any power wiring or power panels, lighting or lighting fixtures, wall or window coverings, carpets or other floor coverings, heaters, air conditioners or any other HVAC equipment, fencing or security gates, or other similar building operating equipment and decorations.
- Tenant's Property. All movable non-structural partitions, business and trade fixtures, machinery and equipment, communications equipment and office equipment, that are installed in the Premises by, or for the account of. Tenant without expense to Landlord and that can be removed without structural damage to the Property, and all furniture, furnishings and other articles of movable personal property owned by Tenant and located in the Premises (collectively, the "Tenant's Property") shall be and shall remain the property of the Tenant and may be removed by Tenant at any time during the Term, provided Tenant repairs or pays the cost of repairing any damage to the Premises or to the Property resulting from the installation and/or removal thereof. At or before the Expiration Date, or the date of any earlier termination, Tenant, at its expense, shall remove from the Premises all of Tenant's Property (except such items thereof as Landlord shall have expressly permitted, in writing, to remain, which property shall become the property of Landlord), and Tenant shall repair any damage to the Premises or the Property resulting from any installation and/or removal of Tenant's Property. Any other items of Tenant's Property that shall remain in the Premises after the Expiration Date, or following an earlier termination date, may, at the option of Landlord, be deemed to have been abandoned, and in such case, such items may be retained by Landlord as its property or be disposed of by Landlord, in Landlord's sole and absolute discretion and without accountability, at Tenant's expense. Notwithstanding the foregoing, if Tenant is in default under the terms of this Lease, it may remove Tenant's Property from the Premises only upon the express written direction of Landlord.

### SECTION 10: REPAIRS AND MAINTENANCE

- 10.1 Tenant Repairs and Maintenance. Tenant shall, at its expense, throughout the Term, maintain and preserve, in first-class condition (subject to normal and customary wear and tear), the Premises and the fixtures and appurtenances therein (including, but not limited to, the Premises' plumbing and HVAC systems, all doors, and glass located in the Premises or otherwise available in the Property for Tenant's sole use. Tenant shall also be responsible for all cost and expenses incurred to perform only those repairs and replacements of a non-structural nature to the interior of the Premises, if and to the extent that the need for such repairs or replacements arises. Any repairs or replacements required to be made by Tenant to any or all of the structural components of the Property and the mechanical, electrical, sanitary, HVAC, or other systems of the Property or Premises shall be performed by appropriately licensed contractors approved by Landlord, which approval shall not be unreasonably withheld. All such repairs or replacements shall be subject to the supervision and control of Landlord, and all repairs and replacements shall be made with materials of equal or better quality than the items being repaired or replaced.
- 10.2 <u>Landlord Repairs.</u> Notwithstanding anything contrary herein, Landlord shall repair, replace and restore the foundation, exterior and interior load-bearing walls, roof structure and roof covering of the Property; provided however, that in the event that any such repair, replacement or restoration is necessitated due to Tenant's negligence or misconduct ("Tenant Necessitated Repairs"), then Tenant shall be required to reimburse Landlord for all costs and expenses that Landlord incurs in order to perform such Tenant Necessitated Repairs, and such reimbursement shall be paid, in full, within ten (10) business days after Landlord's delivery of demand therefor. Landlord agrees to commence the repairs, replacements or restoration described in this Section 10.2 within a reasonable period of time after receiving from Tenant written notice of the need for such repairs.
- SECTION 11: <u>UTILITIES</u>. Tenant shall purchase all utility services from the utility or municipality providing such service, and shall pay for such services when payments are due. Tenant shall be solely responsible for the repair and maintenance of any meters necessary in connection with such services. Tenant's use of electrical energy in the Premises shall not, at any time, exceed the capacity of either (i) any of the electrical conductors and equipment in or otherwise servicing the Premises, or (ii) the HVAC system of the Premises.

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SECTION 12: LANDLORD'S RIGHTS. Landlord, Agent and their respective agents, employees and representatives shall have the right to enter and/or pass through the Premises at any time or times upon reasonable prior notice (except in the event of emergency), provided Landlord, Agent or their respective agents are accompanied by a representative of Tenant: (a) to examine and inspect the Premises and to show them to actual and prospective lenders, prospective purchasers or mortgagees of the Property or providers or capital to Landlord and its affiliates; and (b) to make such repairs, alterations, additions and improvements in or to the Premises and/or in or to the Property or its facilities and equipment as Landlord is required or desires to make. During the period of four (4) months prior to the Expiration Date (or any time, if Tenant has vacated or abandoned the Premises or is otherwise in default under this Lease), Landlord and its agents may exhibit the Premises to prospective tenants.

# SECTION 13: NON-LIABILITY AND INDEMNIFICATION

- 13.1 Non-Liability. Except as provided in Section 13.2.2, none of Landlord, Agent, any other managing agent, or their respective affiliate, owners, partners, directors, officers, agents and employees shall be liable to Tenant for any loss, injury, or damage, to Tenant or to any other person, or to its or their property, irrespective of the cause of such injury, damage or loss. Further, none of Landlord, Agent, any other managing agent, or their respective partners, directors, officers, agents and employees shall be liable (a) for any damage caused by other tenants or person in, upon or about the Property, or caused buy operations in construction of any public or quasi-public work; (b) for consequential or indirect damages purportedly arising out of any loss of use of the Premises or any equipment or facilities therein by Tenant or any person claiming through or under Tenant; (c) any latent defect in the Premises or the Property; (d) injury or damage to person or property caused by fire, or theft, or resulting from the operation of heating or air conditioning or lighting apparatus, or from falling plaster, or from steam, gas, electricity, water, rain, snow, ice, or dampness, that may leak or flow from any part of the Property, or from the pipes, appliances or plumbing work of the same.
- Indemnification. Tenant hereby indemnifies, defends, and holds Landlord, Agent and their respective affiliates, owners, partners, directors, officers, agents and employees (collectively, "Landlord Indemnified Parties") harmless from and against any and all Losses (defined below) actually suffered or incurred by any Landlord Indemnified Parties arising from or in connection with (a) any act, omission or negligence of Tenant or Tenant's Persons; (b) any accident, injury or damage whatsoever (unless caused by Landlord's negligence) occurring in, at or upon either or both the Property and the Premises; (c) any breach by Tenant of any of its warranties and representations under this Lease; (d) any actions necessary to protect Landlord's interest under this Lease in a bankruptcy proceeding or other proceeding under the Bankruptcy Code; (e) any violation or alleged violation by Tenant of any law including, without limitation, any environmental law; (f) causing the presence, release, threat of release, or placement of hazardous materials on or in the Premises or any portion of the Property; (g) claims for work or labor performed or materials supplied furnished to or at the request of Tenant; and (h) claims arising from any breach or default on the part of Tenant in the performance of any covenant contained in this Lease (collectively, "Tenant's Indemnified Matters"). In case any action or proceeding is brought against any or all of Landlord and the Landlord Indemnified Parties by reason of any of Tenant's Indemnified Matters, Tenant, upon notice from any or all of Landlord, Agent or any Superior Party (defined below), shall resist and defend such action or proceeding by counsel reasonably satisfactory to, or selected by, Landlord. The term "Losses" shall mean all claims, demands, expenses, actions, judgments, damages (whether direct or indirect, known or unknown, foreseen or unforeseen), penalties, fines, liabilities, losses of every kind and nature (including, without limitation, property damage, diminution in value of Landlord's interest in the Premises or the Property, damages for the loss or restriction on use of any space or amenity within the Premises or the Property, damages arising from any adverse impact on marketing space in the Property, sums paid in settlement of claims and any cost and expenses associated with injury, illness or death to or of any person), suits, administrative proceedings, cost and fees, including, without limitation, attorneys' and consultants' fees and expenses, and the cost of cleanup, remediation, removal and restoration, that are in any way related to any matter covered by the foregoing indemnity. The provisions of this Section shall survive the expiration or termination of this Lease.
- 13.3 Force Majeure. Except as otherwise set forth in this Lease, the obligations of Tenant hereunder shall not be affected, impaired or excused, and Landlord shall have no liability whatsoever to Tenant, with respect to any act, event or circumstance arising out of (a) Landlord's failure to fulfill, or delay in fulfilling any of its obligations under this Lease by reason of labor dispute, governmental preemption of property in connection with a public emergency or shortages of fuel, supplies, or labor, or any other cause, whether similar or dissimilar, beyond Landlord's reasonable control; or (b) any failure or defect in the supply, quantity or character of utilities furnished to the Premises, or by reason of any requirement, act or omission of any public utility or other serving the Property, beyond Landlord's reasonable control.

SECTION 14: DAMAGE OR DESTRUCTION

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- 14.1 Notification and Repair. Tenant shall give prompt notice to Landlord and Agent of (a) any fire or other casualty to the Premises or the Property, and (b) any damage to or defect in any part or appurtenance of the Property's sanitary, electrical, HVAC, or other systems located in or passing through the Premises or any part thereof. Subject to the provisions of Section 13.3 below, if the Property of the Premises is damaged by fire or other insured casualty, Landlord shall repair (or cause Agent to repair) the damage and restore and rebuild the Property and/or the Premises (except for Tenant's Property) with reasonable dispatch after notice to it of the damage or destruction and the adjustment of the insurance proceeds attributable to such damage. Subject to the provisions of Section 13.3 below, Tenant shall not be entitled to terminate this Lease and no damages, compensation or claim shall be payable by Landlord for purported inconvenience, loss of business or annoyance arising from any repair or restoration of any portion of the Premises or of the Property pursuant to this Section. Landlord (or Agent, as the case may be) shall use its diligent, good faith efforts to make such repair or restoration promptly and in such manner as not to unreasonably interfere with Tenant's use and occupancy of the Premises, but Landlord or Agent shall not be required to do such repair or restoration work except during normal business hours of business days.
- 13.2 <u>Rental Abatement.</u> If (a) the Property is damaged by fire or other casualty thereby causing the Premises to be inaccessible or (b) the Premises are partially damaged by fire or other casualty, the Rent shall be proportionally abated to the extent of any actual loss of use of the Premises by Tenant.
- 13.3 Total Destruction. If the Property or the Premises shall be substantially destroyed by fire or other casualty so that it is unhabitable, Landlord and Tenant shall each have the option to terminate this Lease (by so advising the other, in writing) within thirty (30) days after such fire or other casualty has occurred. In such event, the termination shall be effective as of the date upon which either Landlord or Tenant, as the case may be, receives timely written notice from the other terminating this Lease pursuant to the proceeding sentence.
- SECTION 14: EMINENT DOMAIN. If the whole, or any substantial portion, of the Property is taken or condemned for any public use under any law or by right of eminent domain, or by private purchase in lieu thereof, and such taking would prevent or materially interfere with the Permitted Use of the Premises, this Lease shall terminate effective when the physical taking of said Premises occurs. If less than a substantial portion of the Property is so taken or condemned, or if the taking or condemnation is temporary (regardless of the portion of the Property affected), this Lease shall not terminate, but the Rent payable hereunder shall be proportionally abated to the extent of any actual loss of use of the Premises by Tenant. Landlord shall be entitled to any and all payment, income, rent or award, or any interest therein whatsoever, which may be paid or made in connection with such a taking or conveyance, and Tenant shall have no claim against Landlord for the value of any unexpired portion of this Lease. Notwithstanding the foregoing, any compensation specifically awarded to Tenant for loss of business or goodwill, or for its personal property, shall be the property of Tenant.

#### SECTION 15: SURRENDER AND HOLDOVER

On the last day of the Term, or upon any earlier termination of this Lease, or upon any re-entry by Landlord upon the Premises, (a) Tenant shall quit and surrender the Premises to Landlord "broom-clean" and in good order, condition and repair, except for ordinary wear and tear and such damage or destruction as Landlord is required to repair or restore under this Lease, and (b) Tenant shall remove all of Tenant's Property therefrom, except as otherwise expressly provided in this Lease. The obligations imposed under the preceding sentence shall serve as the termination or expiration of this Lease. If any repairs are required to be performed in, to or at the Premises (pursuant to the preceding sentence or any other applicable provision of this Lease) upon the expiration or termination of the Term, Tenant shall cause such repairs to be performed, to Landlord's reasonable satisfaction, within ten (10) business days after the date on which this Lease is terminated or expired. If Tenant fails to timely comply with the preceding sentence, then Landlord shall have the right to cause the repairs to be performed, at Tenant's expense, and all such expenses so incurred by Landlord shall bear interest (at the rate specified in the second sentence of Section 17.3) from the date the expense is incurred until the date paid, in full, by Tenant (inclusive of interest). If Tenant remains in possession after the Expiration Date hereof or after any earlier termination date of this Lease or of Tenant's right to possession: (a) Tenant shall be deemed a tenant-at-will: (b) Tenant shall pay one hundred fifty percent (150%) of the aggregate of the Base Rent and Additional Rent last prevailing hereunder, and also shall pay all actual damages sustained by Landlord, directly by reason of Tenant's remaining in possession after the expiration or termination of this Lease; (c) there shall be no renewal or extension of this Lease by operation of law; and (d) the tenancy-at-will may be terminated upon thirty (30) days' written notice from Landlord. The provisions of this Section 15 shall not constitute a wavier by Landlord of any re-entry rights of Landlord provided hereunder or by law.

# SECTION 16: EVENTS OF DEFAULT

16.1 <u>Bankruptcy of Tenant.</u> It shall be a default by Tenant under this Lease if Tenant makes an assignment for the benefit of creditors, or files a voluntary petition under any state or federal bankruptcy or insolvency



law, or an involuntary petition alleging an act of bankruptcy or insolvency is filed against Tenant under any state or federal bankruptcy or insolvency law that is not dismissed within ninety (90) days, or whenever a petition is filed by or against (to the extent not dismissed within ninety (90) days) Tenant under the reorganization provisions of the United States Bankruptcy Code or under the provisions of any law or like import, or whenever a petition shall be filed by Tenant under the arrangement provisions of the United States Bankruptcy Code or similar law, or whenever a receiver of Tenant, or of, or for, the property of Tenant shall be appointed, or Tenant admits it is insolvent or is not able to pay its debts as they mature.

16.2 <u>Default Provisions.</u> Each of the following shall constitute a default by Tenant under this Lease: (a) if Tenant fails to pay Rent or any other payment when due hereunder; or (b) if Tenant fails, whether by action or inaction, to timely comply with, or satisfy, any or all of the obligations imposed on Tenant under this Lease (other than the obligation to pay Rent) for a period of thirty (30) days after Landlord's delivery to Tenant of written notice of such default under this subsection 16.2(b); provided, however, that if the default cannot, by its nature, be cured within such thirty (30) day period, but Tenant commences and diligently pursues a cure of such default promptly within the initial thirty (30) day cure period, then Landlord shall not exercise its remedies under Section 17 unless such default remains uncured for more than sixty (60) days after Landlord's notice.

#### SECTION 17: RIGHTS AND REMEDIES

- 17.1 <u>Landlord's Cure Rights Upon Default of Tenant.</u> If Tenant defaults in the performance of any of its obligations under this Lease, Landlord, without thereby waiving such default, may (but shall not be obligated to) perform the same for the account, and at the expense of, Tenant upon compliance with any notice requirements and cure periods set forth in Section 16.2.
- 17.2 Landlord's Remedies. In the event of any default by Tenant under this Lease, Landlord, at its option, and after the proper notice and cure period, but without additional notice or demand from Landlord, if any, as provided in Section 21.2 has expired, may, in addition to all other rights and remedies provided in this Lease, or otherwise at law or in equity: (a) terminate this Lease and Tenant's right of possession of the Premises; or (b) terminate Tenant's right of possession of the Premises without terminating this Lease; provided, however, that Landlord shall use its reasonable efforts, whether Landlord elects to proceed under Subsections (a) or (b) above, to relet the Premises, or any part thereof for the account of Tenant, for such rent and term and upon such terms and conditions as are acceptable to Landlord. In the event of termination of this Lease by Landlord pursuant to (a) above, Landlord shall be entitled to recover from Tenant (i) all damages and other sums that Landlord is entitled to recover under any provision of this Lease or at law or in equity, including, but not limited to, all fixed dollar amounts of Base Rent and Additional Rent accrued and unpaid for the period up to and including such termination date; (ii) all fixed dollar amounts of Base Rent and Additional Rent that will accrue for the period up to and including Expiration Date; (iii) all other additional sums payable by Tenant, or for which Tenant is liable, or in respect of which Tenant had agreed to indemnify Landlord, under any of the provisions of this Lease, that may be then owing and unpaid; (iv) all costs and expenses (including, without limitation, court costs and attorneys' reasonable fees) incurred by Landlord in the enforcement of its rights and remedies under this Lease; If Landlord elects to pursue its rights and remedies under Subsection (b), then Landlord shall at any time have the further right and remedy to rescind such election and pursue its rights and remedies under Subsection (a). For purposes of any reletting, Landlord is authorized to decorate, repair, alter and improve the Premises to the extent deemed necessary by Landlord, in its sole, but reasonable, discretion. Tenant agrees that Landlord may file suit to recover any sums due to Landlord hereunder from time to time and that such suit of recovery of any amount due Landlord hereunder shall not be any defense to any subsequent action brought for any amount not therefore reduced to judgment in favor of Landlord. In the event Landlord elects, pursuant to Subsection (b) of this Section 17.2, to terminate Tenant's right of possession only, without terminating this Lease, Landlord may, at Landlord's option, enter into the Premises, remove Tenant's Property, Tenant's signs and other evidences of tenancy, and take and hold possession thereof, as provided in Section 15 hereof; provided, however, that such entry and possession shall not terminate this Lease or release Tenant, in whole or in part, from Tenant's obligation to pay the Base Rent and Additional Rent reserved hereunder for the full Term, or from any other obligation of Tenant under this Lease, Any and all property that may be removed from the Premises by Landlord pursuant to the authority of the Lease or of law, to which Tenant is or may be entitled, may be handled, removed or stored by Landlord at the risk, cost and expense of Tenant, and in no event or circumstance shall Landlord be responsible for the value, preservation or safekeeping thereof. Tenant shall pay to Landlord, upon demand, any and all expenses incurred in such removal and all storage charges against such property so long as the same shall be in Landlord's possession or under Landlord's control. Any such property of Tenant not retaken from storage by Tenant within thirty (30) days after the end of the Term, however terminated, shall be conclusively presumed to have been conveyed by Tenant to Landlord under this Lease as in a bill of sale, without further payment or credit by Landlord to Tenant.
- 17.3 <u>Additional Rights of Landlord.</u> Any and all costs, expenses and disbursements, of any kind or nature, incurred by Landlord or Agent in connection with the enforcement of any and all of the terms and provisions of

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this Lease, including reasonable attorneys' fees (through all appellate proceedings), shall be due and payable (as Additional Rent) upon Landlord's submission of an invoice therefor. All sums advanced by Landlord or Agent on account of Tenant under this Section 17, or pursuant to any other provision of this Lease, and all Base Rent and Additional Rent, if delinquent or not paid by Tenant and received by Landlord when due hereunder, shall bear interest at the rate of five percent (5%) per annum above the "prime" or "reference" or "base" rate of interest publicly announced as such, from time to time, by JPMorgan Chase Bank, from the due date thereof until paid, and such interest shall be and constitute Additional Rent and be due and payable upon Landlord's or Agent's submission of an invoice therefor. The various rights, remedies and elections of Landlord reserved, expressed or contained herein are cumulative and no one of them shall be deemed to be exclusive of the others or of such other rights, remedies, options or elections as are now or may hereafter be conferred upon Landlord by law.

### SECTION 18: MISCELLANEOUS

- 18.1 Merger. All prior understandings and agreements between the parties are merged in this Lease, which alone fully and completely express the agreement of the parties. No agreement shall be effective to modify this Lease, in whole or in part, unless such agreement is in writing, and is signed by all the parties against whom enforcement of said change or modification is sought.
- 18.2 Notices: Any notice required to be given by either party pursuant to this Lease, shall be in writing and shall be deemed to have been properly given, rendered or made only if personally delivered, or if sent by Federal Express or other comparable commercial overnight delivery service, addressed to the other party at the addresses set forth in Section 1 (or to such other address as Landlord or Tenant may designate to each other from time to time by written notice), and shall be deemed to have been given, rendered or made on the day so delivered or on the first business day after having been deposited with the courier service.
- 18.3 Non-Waiver. The failure of either party to insist, in any one or more instances, upon the strict performance of any one or more of the obligations of this Lease, or to exercise any election herein contained, shall not be construed as a waiver or relinquishment for the future of the performance of such one or more obligations of this Lease shall continue and remain in full force and effect with respect to any subsequent breach by Tenant of any obligation of this Lease shall not be deemed a waiver of such breach.
- 18.4 <u>Legal Costs.</u> Any party in breach or default under this Lease (the "Defaulting Party") shall reimburse the other party (the "Nondefaulting Party") upon demand for any legal fees and court (or other administrative proceeding) costs or expenses that the Nondefaulting Party incurs in connection with the breach or default, regardless whether suit is commenced or judgment entered. Such costs shall include legal fees and costs incurred for the negotiation of a settlement, enforcement of rights or otherwise. Furthermore, in event of litigation, the court in such action shall award to the party in whose favor a judgment is entered a reasonable sum as attorneys' fees and costs, which sum shall be paid by the losing party. Tenant shall pay Landlord's attorneys' reasonable fees incurred in connection with Tenant's request for Landlord's consent under provisions of this Lease governing assignment and subletting, or in connection with any other act which Tenant proposes to do and which requires Landlord's consent.
- 18.5 <u>Parties Bound.</u> Except as otherwise expressly provided for in this Lease, this Lease shall be binding upon, and inure to the benefit of, the successors and assignees of the parties hereto. Tenant hereby releases Landlord named herein from any obligations of Landlord for any period subsequent to the conveyance and transfer of Landlord's ownership interest in the Property. In the event of such conveyance and transfer, Landlord's obligations shall thereafter be binding upon each transferee (whether Successor Landlord or otherwise). No obligation of Landlord shall arise under this Lease until the instrument is signed by, and delivered to, both Landlord and Tenant.
- 18.6 <u>Recordation of Lease.</u> Tenant shall not record or file this Lease (or any memorandum hereof) in the public records of any county or state.
- 18.7 <u>Survival of Obligations.</u> Upon the expiration or other termination of this Lease, neither party shall have any further obligation nor liability to the other except as otherwise expressly provided in this Lease and except for such obligations as, by their nature or under the circumstances, can only be, or by the provisions of this Lease, may be performed after such expiration or other termination.
- 18.8 Governing Law; Construction. This Lease shall be governed by and construed in accordance with the laws of the state in which the Property is located. If any provision of this Lease shall be invalid or enforceable, the remainder of this Lease shall not be affected but shall be enforced to the extent permitted by law. The captions, heading and titles in this lease are solely for convenience of reference and shall not affect its interpretation. This Lease shall be construed without regard to any presumption or other rule requiring construction against the party causing this Lease to be drafted. Each covenant, agreement, obligation, or other provision of this Lease to be performed by Tenant,

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shall be construed as a separate and independent covenant of Tenant, not dependent on any other provision of this Lease. All terms and words used in this Lease, regardless of the number of gender in which they are used, shall be deemed to include any other number and any other gender as the context may require. This Lease may be executed in counterpart and, when all counterpart documents are executed, the counterparts shall constitute a single binding instrument.

- 18.9 <u>Time.</u> Time is of the essence of this Lease. If the time for performance hereunder falls on a Saturday, Sunday or a day that is recognized as a holiday in the state in which the Property is located, then such time shall be deemed extended to the next day that is not a Saturday, Sunday or holiday in said state.
- 18.10 <u>Authority of Tenant.</u> If Tenant is a corporation, partnership, association or any other entity, it shall deliver to Landlord, concurrently with the delivery to Landlord of an executed Lease, certified resolutions of Tenant's directors or other governing person or body (i) authorizing execution and delivery of this Lease and the performance by Tenant of its obligations hereunder and (ii) certifying the authority of the party executing the Lease as having been duly authorized to do so.
- 18.11 TRIAL BY JURY. THE LANDLORD AND THE TENANT, TO THE FULLEST EXTENT THAT MAY LAWFULLY DO SO, HEREBY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING BROUGHT BY ANY PARTY TO THIS LEASE WITH RESPECT TO THIS LEASE, THE PREMISES, OR ANY OTHER MATTER RELATED TO THIS LEASE OR THE PREMISES.
- 18.11 Riders. All Riders and Exhibits attached hereto and executed (or initialed) both by Landlord and Tenant shall be deemed to be a part hereof and hereby incorporated herein.

#### SECTION 19: GUARANTY

Guarantor hereby unconditionally and irrevocably (a) guaranties that all sums and amounts coming due under the Lease, including all Base Rent and other amounts deemed or otherwise payable as rent under the Lease, shall be promptly paid in full when due and otherwise guaranties the due and punctual of all such sums and amounts, and (b) guaranties the due and punctual performance of all covenants, duties, obligations and other agreements of Tenant arising under or in connection with the Lease, including those arising under the amendment (the foregoing being collectively referred to as the "Guaranteed Obligations"). Guarantor's liability under this Guaranty is a guaranty of payment and performance of the Guaranteed Obligations and not of collection or collectability. This Guaranty is unconditional and is not contingent upon the occurrence of any event or satisfaction of any condition, and Guarantor's liability under this Guaranty is not conditioned or contingent upon on the genuineness, validity, regularity or enforceability of the Lease.

[Signatures Appear on the Next Page]

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IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease as of the day and year first above written.

Darryl Daniel, Individually