CITY OF MONROE
DOWNTOWN ADVISORY BOARD MEETING
300 W. CROWELL STREET
MONROE, NORTH CAROLINA 28112
Wednesday, January 24, 2024 - 8:30 AM
AGENDA

1. Call to Order
2. Roll Call
3. Approval/Acceptance of Minutes (Action Required)
4. Food Truck Ordinance Discussion (Action Required)
5. Economic Development Incentive Grants for Presson Art Gallery (Action Required)
6. Pronto Incentive Grant for Hayne Street Gastrolounge and Smorgansbord (Action Required)
7. Adjourn Meeting (Action Required)

ATTENTION ADVISORY BOARD MEMBERS: Please contact Matt Black at 704-292-1705, Ext. 6040 to confirm your attendance. Thank you.

Regularly scheduled meetings are on the fourth Tuesday of February, April, June, August and October.

AS A COURTESY, PLEASE TURN OFF ALL MOBILE DEVICES WHILE MEETING IS IN PROGRESS.

City of Monroe
Downtown Monroe Advisory Board Special Meeting
300 W Crowell Street, Monroe, NC 28112
City Hall Conference Room
9:00 a.m.

Tuesday, January 2, 2024
Meeting Minutes

DAB Members: Chair: Joyce Rentschler, Kay Klaren, Jason Walle, Marie Starnes, Heather Reagor

Staff Present: Matthew Black, Downtown Director; Richard Long, City Attorney; Terry Sholar, Senior Staff Attorney; Mark Watson, City Manager; Lisa Stiwinter, Planning and Development Director; Doug Britt, Senior Planner

Visitors Present: Tim Ratliff, Lisa Boix, Peter Karlan, Sheila Crunkleton

Member(s) Absent: Caroline Brown

The Downtown Monroe Advisory Board met on January 2, 2024 at 9:00 a.m.

Item 1: Call to order
Joyce Rentschler called the Tuesday, **January 2, 2024** Downtown Advisory Board Special Meeting to order at 9:00 am.

Item 2: Roll Call
Roll was conducted with a sign- sheet of the members that were present.

Item 3: Approval/Acceptance of Minutes (Action Required)
Joyce Rentschler submitted the Minutes of the Downtown Monroe Advisory Board Meetings of **August 22, 2023** and **September 21, 2023** requested a motion to approve minutes.

Motion: Heather Reagor made a motion to accept the **August 22, 2023** and **September 21, 2023** Downtown Advisory Board meeting minutes as submitted.

Second: Jason Walle

Action: The motion to accept the **August 22, 2023** and **September 21, 2023** Downtown Advisory Board meeting minutes as submitted passed unanimously.

Item 4: Downtown Community Walk (Action Required)
Joyce Rentschler introduced this item.

BelaNature has submitted a sponsorship application for the Downtown Community Walk.

The Downtown Community Walk is an event put on by downtown Monroe business owners to bring people into Downtown Monroe and help build public awareness of non-profits located in Monroe and general Union County area. Every business in downtown which participates in the event is paired with a non-profit and jointly helps bring foot traffic for that specific day. There will be at least 15 downtown businesses willing to participate in this event and will be open during the event.

The event is scheduled for the February 17, 2023 from 12pm to 4 pm.

In order to form a sponsorship plan, which encompasses a fair policy, the Downtown Office has appropriated funding towards these endeavors. The appropriation can fund up to one event each quarter and one application per event each fiscal year, not the exceed $500. This is the second application submitted for the Q3 of FY24.

Action: The motion to approve the Community Walk Sponsorship grant as submitted, passed unanimously.

Item 5: Food Truck Pilot Program (Action Required)
Joyce Rentschler introduced this item.

The Downtown Advisory Board was requested to discuss the previous Food Truck Pilot Program in the Central Business District, which was adopted by City Council Nov. 9, 2021. There was discussion from the board members on how these possible changes came about and what exactly is expected of the board in order to make a recommendation to City Council. At the start of the discussion Lisa Stiwinter, Planning and Development Director, gave a brief power point presentation of how the food truck pilot program came about and the implementation process that occurred to make it happen.

Some of the suggested changes to the Food Truck Pilot Program include allowing a food truck on Saturdays between 7 am and 11 am, while adopting the previous pilot program as an ordinance. Another concern that came up is the guarantee that a downtown business, who applied for a food truck permit, will be guaranteed a parking spot in front of their business.

It was overall agreed upon that food trucks should not be within 100 feet of an existing downtown restaurant and that overall the food truck pilot program has been a successful, implemented program.

The Downtown Advisory Board was uncertain about the request made to bring this item forward as there seemed to be a lot of unanswered questions and feedback from existing business in downtown. Mark Watson, City Manager, requested Matthew Black, Downtown Director, to hold a meeting with Downtown business owners to get more feedback, then call another Downtown Advisory Board meeting to make a formal recommendation to City Council.

Item was tabled to a future Downtown Advisory Board meeting.

Item 6: Pronto Grant Application for Smorgansbord (Action Required)
Joyce Rentschler introduced this item.

The Downtown Advisory Board was requested to consider a recommendation of the Downtown economic development incentive to City Council for Smorgansbord,109 S. Hayne Street. Smorgansbord has signed a 5-year lease for 109 S. Hayne Street and is looking to open a new business in Downtown Monroe. The new business project costs total $180,000 and is located within Downtown Monroe's Central Business District.

Based on stipulations of the Economic development incentive grants City Council is requested to consider the following:

1. The PRONTO grant shall match (50/50) up to $5 per sq. ft. of the assessed sq. footage of 2000 or the max grant match of $10,000.00. Grant funds for the PRONTO is payable over a calendar quarter based on rent paid that quarter.

City would not advance grant funds until proof of rent has been completed each quarter. Once the applicant has submitted required documents as proposed; funds will be made available. Sufficient funding is available in the budget for these grants.

The Downtown Advisory Board had a few questions for the application such as the opening date and which specific bay the business would be located. Project opening is in February and is located right beside the Morgan-Windsor Alley on Hayne Street.

Motion: Marie Starnes made a motion to accept the Pronto Grant Application for Smorgansbord.

Second: Kay Klaren

Action: The motion to accept the Pronto Grant for Smorgansbord as submitted passed unanimously.

Item 7: Pronto Grant Application for Smorgansbord (Action Required)
Joyce Rentschler introduced this item.

The Downtown Advisory Board was requested to consider a recommendation of the Downtown economic development incentive to City Council for Hayne Street Gastrolounge at109 S. Hayne Street.
Hayne Street Gastrolounge has signed a 5-year lease for 109 S. Hayne Street and is looking to open a new business in Downtown Monroe. The new business project costs total $355,000 and is located within Downtown Monroe's Central Business District.

Based on stipulations of the Economic development incentive grants City Council is requested to consider the following:

1. The PRONTO grant shall match (50/50) up to $5 per sq. ft. of the assessed sq. footage of 2000 or the max grant match of $10,000.00. Grant funds for the PRONTO is payable over a calendar quarter based on rent paid that quarter.

City would not advance grant funds until proof of rent has been completed each quarter. Once the applicant has submitted required documents as proposed; funds will be made available. Sufficient funding is available in the budget for these grants.

Motion: Jason Walle made a motion to accept the Pronto Grant Application for Hayne Street Gastrolounge.

Second: Heather Reagor

Action: The motion to accept the Pronto Grant for Hayne Street Gastrolounge as submitted passed unanimously.

Item 8: Downtown Community Walk (Action Required)

Joyce Rentschler introduced this item.

Councilmember James Kerr has submitted a Façade Incentive Grant Application for 104 S. Main Street. In the application, the following items were outlined as part of the project:

I. Install 3 windows and a door along Main Street
II. Install 4 windows on the south side
III. Install 2 windows and a door along the Stewart street side

This project is eligible for matching grant funds up to the qualifying $8,000.00, reimbursable upon compliance with grant requirements, guidelines, conditions and City permitting requirements.

Motion: Jason Walle made a motion to accept the Façade Incentive Grant application for 104 S. Main Street.

Second: Heather Reagor

Action: The motion to accept the Façade Incentive Grant for 104 S. Main Street passed unanimously.

Item 9: Adjourn (Action Required)

Joyce Rentschler introduced this item.

Motion: Heather Reagor
Second: Kay Klaren

The meeting adjourned at 9:42 a.m.

STAFF REPORT

TO:	Downtown Advisory Board
VIA:	Mark Watson, City Manager
DATE:	January 2, 2024
FROM:	Matthew Black, Downtown Director
PREPARED BY:	Matthew Black, Downtown Director
SUBJECT:	Discussion of the Food Truck Pilot Program

SUMMARY STATEMENT

Call for a discussion regarding any proposed revisions to the Food Truck Pilot Program in the Central Business District (CBD).

REVIEW

The Downtown Advisory Board is requested to discuss the current Food Truck Pilot Program in the Central Business District, which was adopted by City Council Nov. 9, 2021. Any suggested changes to the Food Truck Pilot Program will be presented to the City Manager and City Council at a later date. Attached are the documents related to the Food Truck Pilot Program including the Nov 9, 2021 staff report to City Council and the Ordinance and Resolution presented to City Council.

RECOMMENDATION

Staff is requesting the Downtown Advisory board make a recommendation on the existing food truck ordinance, to the City Manager and City Council.

Attachment(s):
Resolution-2021-87
Nov. 9, 2021 City Council Staff Report
Food Truck Application

City of Monroe
Where Heartland Meets High Tech

STAFF REPORT

TO:	City Council
VIA:	Brian Borne, Interim City Manager
DATE:	November 9, 2021
FROM:	Lisa Stiwinter, Director of Planning and Development
SUBJECT:	Pilot Program for Food Trucks in Central Business District (CBD)

SUMMARY STATEMENT

City Council is requested to consider a Pilot Program to allow food trucks to locate on private property, City-owned parking lots and within public right-of-ways in the Central Business District (CBD) for a one (1) year period.

REVIEW

In July 2021, City Council voted to adopt a Food Truck Pilot Program. The purpose of the Pilot Program was to establish standards to allow food trucks on private property, City-Owned parking lots and public right-of-ways in the Central Business District (CBD) of downtown Monroe for a ninety (90) day period. The intent of a Pilot Program was to provide the City an opportunity to evaluate the pros and cons of the program and receive feedback from the public.

Over the past ninety (90) days, the City has received approximately fifteen (15) food truck applications from three different applicants. The majority of the food truck applications were requests to locate on private property with a few requests to locate in the public right-of-way. To date, the Planning and Development Department has not received any complaints and concerns regarding the food trucks operating in downtown Monroe.

The Planning and Development Department reached out to Home Brew, Southern Range and Courthouse Self-Pour (the three food truck applicants) to receive their feedback regarding the Pilot Program. Listed below is the feedback that has been received:

- Food truck rules should not be the same for private property and public property.

- Requiring a permit for every food truck on private property is unsupportive of downtown business and overall growth of a City.
- Understands the rules for food trucks on public property.
- Food trucks not always planned. At times, property owner receives a call from food trucks requesting to locate on property due to a cancellation. Property owner has had to turn down the food truck because they did not get approval through the City.
- Food trucks have to cancel at last minute sometimes and the property owner has already spent time and money on the permit.
- Why can't food trucks operate on Tuesday or Wednesday in downtown Monroe?
- Pilot Program negatively affected private property owner's ability to locate food trucks on property.
- Believe that private property should be exempt from the permit process.

The General Services Committee received the public feedback at their October meeting and voted to recommend the following modifications to the program:

1. Revise the permit process for private property to allow an annual registration with a cost of $100 instead of individual food truck permits.
2. Revise the allowed days of the week to include seven (7) days from Monday to Sunday.

RECOMMENDATION

City Council is requested to consider and adopt Resolution R-2021-87 approving the Pilot Program for Food Trucks in Central Business District (CBD) for a one (1) year period.

Attachments:
Attachment A: Resolution R-2021-87

TEMPORARY USE PERMIT APPLICATION
FOOD TRUCKS IN DOWNTOWN MONROE

City of Monroe Planning & Development

Applicant Information			
Location	☐ **Private Property**	☐ **City-Owned Parking Lot**	☐ **Public Right-of-Way**

Temporary Use Permit: Private Property

Applicant's Name: ______________________________ Dates of Use: ________________

Applicant's Mailing Address: ____

Applicant's Email: ________________________________ Telephone: _______________

Food Truck Name: ____

Owner's Name: _______________________________ Tax Parcel #: ______ - _________ - _________

Owner's Mailing Address: ____

Owner's Email: ___________________________________ Telephone: _______________

Temporary Use Permit: City-Owned Parking Lot or Public Right-of-Way

Applicant's Name: ______________________________ Dates of Use: ________________

Applicant's Mailing Address: ____

Applicant's Email: ________________________________ Telephone: _______________

Food Truck Name: ____

Food Truck Location Description: ____

Downtown Host Business Name: ___________________________ Telephone: _______________

Downtown Host Business Address: ____

IF THE PROPOSED LOCATION IS IN A CITY-OWNED PARKING LOT OR WITHIN THE PUBLIC RIGHT-OF-WAY, YOU WILL BE REQUIRED TO SUBMIT A CERTIFICATE OF INSURANCE WITH THIS APPLICATION. SEE 3RD PAGE FOR CERTIFICATE OF INSURANCE REQUIREMENTS. FOR QUESTIONS, PLEASE CALL 704-282-4597. FOOD TRUCKS OPERATING IN CITY-OWNED PARKING LOTS AS WELL AS THE PUBLIC RIGHT-OF-WAY MUST BE REGISTERED WITH THE CITY'S DOWNTOWN DEPARTMENT. REGISTRATION CAN BE COMPLETED AT 704-292-1705.

The following items must be attached with the application and fee for any food truck operating in Downtown:

☐ A copy of any permits required by the Union County Department of Environmental Health for food vendors or verified permits from other counties.

☐ Site plan detailing food truck location.

☐ Written permission from property owner ***or*** Downtown host business invitation.

The following supplemental items must be attached with the application and fee for food trucks operating in City-owned parking lots as well as in the public right-of-way:

☐ A copy of the Certificate of Insurance which meets the minimum required limits listed on page three.

☐ Registration by the City of Monroe Downtown Department (704–292–1705).

I hereby certify that the information provided hereon is, to the best of my knowledge, correct and complete. I understand that providing false or incomplete information or violating Resolution R-2021-56, "Food Truck Pilot Program", may be grounds for revocation of the permit.

Operating on private property:

______________________________	______________________________
Applicant's Signature and Date	Property Owner Signature and Date

Operating in City-owned parking lot or public right-of-way:

______________________________	______________________________
Applicant's Signature and Date	Host Business Signature and Date

Certificate of Insurance Requirements:

Applicant shall maintain insurance policies at all times with minimum limits as follows:

COVERAGE	MINIMUM LIMITS
Workers' Compensation	Statutory Limits
Employers' Liability	$500,000
General Liability	$1,000,000 per occurrence/$2,000,000 aggregate
Automobile Liability	$1,000,000
Professional Liability (E & O)	$1,000,000 per occurrence/$2,000,000 aggregate

Applicant shall provide the City with a Certificate of Insurance for review prior to the issuance of any contract or Purchase Order. This should be an ACORD form. All Certificates of Insurance will require thirty (30) days written notice by the insurer or applicant's agent in the event of cancellation, reduction or other modifications of coverage. In addition to the notice requirement above, Applicant shall provide the City with immediate written notice of cancellation, reduction, or other modification of coverage of insurance. Upon failure of the Applicant to provide such notice, Applicant assumes sole responsibility for all loses incurred by the City for which insurance would have provided coverage. The insurance certificate shall be for the initial contract period of one (1) year and shall be renewed by the applicant for each subsequent renewal period of the contract.

The City shall be named as an additional insured and it is required that coverage be placed with "A" rated insurance companies acceptable to the City. Statement should read "City of Monroe is to be added as an additional insured as evidenced by an endorsement attached to this certificate."

RESOLUTION APPROVING FOOD TRUCK PILOT PROGRAM FOR CENTRAL BUSINESS DISTRICT (CBD) IN DOWNTOWN MONROE FOR ONE (1) YEAR PERIOD

R-2021-87

WHEREAS, City Council has observed the rapid growth in interest in the "Food Truck" Phenomenon; and

WHEREAS, Food Trucks are defined as a licensed, motorized vehicle or mobile food unit licensed by the NC State Division of Motor Vehicles, designed and equipped to serve food and beverages; and

WHEREAS, Food trucks are currently prohibited in the Central Business District (CBD) of Downtown Monroe except during permitted special events; and

WHEREAS, members of the general public have requested this vibrant and rapidly growing food service be allowed in the Central Business District (CBD) in the City of Monroe; and

WHEREAS, the City has not yet had the opportunity to fully assess the benefits and burdens of this new business model; and

WHEREAS, the most effective manner to fully analyze the concept of allowing Food Trucks in the Central Business District is to allow food trucks into the Central Business District of Downtown Monroe on a temporary basis for a one (1) year period; and

WHEREAS, City staff has developed a Pilot Program to establish standards to allow food trucks on private property, City-Owned parking lots and public right-of-way in the Central Business District (CBD) of downtown Monroe. The Food Truck Pilot Program shall be effective for one (1) year and comply with the program standards; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Monroe recommend adoption of the Resolution Approving Food Truck Pilot Program that shall become effective upon adoption:

A. Food Trucks on Private Property. Food trucks on private property are permitted on lots in the Central Business District (CBD) and are subject to the following:

   1. Must obtain a food truck registration, be located on private property and obtain written permission from the property owner. Food truck registrations is required on an annual basis by July 1st of each year at a cost of $100. Complete the food truck registration form by contacting the City of Monroe Planning and Development Department.

2. To locate on a property in in the Central Business District (CBD), the property must have a primary use. An example of a primary use would be a building with an active use or an improved stand-alone parking lot. An unimproved grass or dirt lot is not a primary use.

B. Food Trucks in City-Owned Parking Lots. Food trucks within the Central Business District (CBD) can locate in the following City-Owned parking lots: Intersection of Franklin Street and Main Street, Intersection of Main Street and W. Talleyrand Ave, Intersection of Hayne Street and Windsor Street or Intersection of N. Church Street and E. Franklin Street.

1. Requires a host business with a physical location be a part of the temporary use permit submitted to the City requesting the food truck services. The host business shall be located within the Central Business District (CBD) and meet the following:
    i. Permitted and has a valid certificate of occupancy.
    ii. Is actively operating.
2. Food trucks shall not impede, endanger or interfere with pedestrian or vehicular traffic.
3. The vendor must possess a valid insurance policy through an insurance carrier authorized or eligible to do business in the State of North Carolina for any damage to the public right-of-way and for any damages for which the City might incur the liability because of property damage or personal injury arising out of the use of the public right-of-way. The minimum liability limit to the policy shall be one million dollars ($1,000,000.00). The City of Monroe shall be listed as an additional insured as its interests may appear on all Certificate of Insurance.
4. The City reserves the right to require any permit holder to cease part or all of its operation, or remove the food truck from the permitted parking space in order to allow for construction, maintenance or repair of any street, curb, gutter, sidewalk, storm drain inlet and any other similar municipal utility.
5. The food truck operator must comply with all other applicable local, state and federal regulations. Any food truck operator in a manner inconsistent with these regulations is illegal.
6. The City may suspend the permit to maintain the health, safety, and welfare of the public. The City may suspend the food truck permit when the street is closed for a special event.
7. If at any time evidence of the improper disposal of liquid waste or grease is discovered, the temporary use permit will be rendered null and void and the food truck business will be required to cease operation immediately.

C. **Food Trucks in Public Right-of-Way.** Food trucks in the public right-of-way can locate on any street within the Central Business District (CBD).

1. No food truck vendor may utilize the right-of-way to serve customers without obtaining a temporary use permit from the Planning and Development Department.
2. No single food truck operator shall occupy more than one food truck at one given time in the Central Business District (CBD).
3. Requires a host business with a physical location be a part of the temporary use permit submitted to the City requesting the food truck services. The host business shall be located within the Central Business District (CBD) and meet the following:
   - **i.** Permitted and has a valid certificate of occupancy.
   - **ii.** Is actively operating.
4. The vendor must possess a valid insurance policy through an insurance carrier authorized or eligible to do business in the State of North Carolina for any damage to the public right-of-way and for any damages for which the City might incur the liability because of property damage or personal injury arising out of the use of the public right-of-way. The minimum liability limit to the policy shall be one million dollars ($1,000,000.00). The City of Monroe shall be listed as an additional insured as its interests may appear on all Certificate of Insurance.

D. Standards for all Food Trucks.

1. No single food truck operator shall occupy more than one food truck at one given time in the Central Business District (CBD).
2. Food trucks are limited to no more than four (4) food trucks in the Central Business District (CBD) at one given time to include the City-owned parking lots and within the public right-of-way.
3. Hours of operation are limited to the hours between 5 pm and 2 am from Monday to Sunday.
4. Temporary Use Permits for food trucks located in the Central Business District (CBD) shall be valid for a maximum of seven (7) days (Monday through Sunday) a week. A food truck vendor shall not book a seven (7) day period consecutively in order to provide customers with a variety of cuisine.
5. Allowed at special events and on active construction sites with an approved temporary use permit that are exempt from Section (D) (3) and (4).
6. Not allowed one hundred (100) feet from the main entrance of any restaurant or outdoor dining area.

7. All food trucks must be situated to allow at least five (5) feet of unobstructed space for pedestrians on sidewalks, pedestrian paths and other locations intended primarily for pedestrian travel. If any applicable law, including American with Disability Act regulations, shall require a greater distance, the greater distance shall apply.
8. The food truck must be located at least five (5) feet from any utility box, utility vault, handicapped ramp, or emergency call box. Not allowed within fifteen (15) feet from any fire hydrant.
9. The minimum distance requirements are measured in a straight line from the closest point of the proposed food truck location to the closest point of the buffered object, or in the case of a restaurant, measured from the closest point of the restaurant's main entrance.
10. Food truck vendors are responsible for the proper disposal of waste and trash associated with the operation. Vendors shall remove all waste and trash from their location at the end of each day or as needed to maintain the health and safety to the public. City receptacles may not be utilized for this purpose. The vendor shall keep all areas within ten (10) feet of the truck clean of grease, trash, paper, cups or cans associated with the vending operation. No liquid waste or grease is to be disposed into the tree pits, storm drains or onto the sidewalks, streets or other public place. Under no circumstances shall grease be released into or disposed of in the City's sanitary sewer system.
11. There shall be no audio amplifier or similar device to attract the attention of the public.
12. No food truck shall be parked in a location that prohibits or restricts access to a private property. A minimum of five (5) feet spacing is required from any driveway, measured from the driveway apron.
13. Advertising consisting of business name, logo and items available for sale may be displayed onto the food truck. No other form of advertising is permitted.
14. If Union County Environmental Health revokes the permit for the food truck, the City's temporary use permit shall be revoked as well.
15. The food truck operator shall not utilize tables, chairs, free-standing signage or audio amplification in conjunction with the food truck. All equipment shall be contained within or on the food truck.
16. The vendor shall hold the City, its officers, councilors and employees harmless and indemnify them for any loss, liability, damage, costs, and expenses arising from its operations.

Adopted this 9th day of November, 2021

____

Bridgette Robinson, City Clerk

Attest:

____

Bobby G. Kilgore, Mayor

City of Monroe
Where Heartland Meets High Tech

STAFF REPORT

TO: Downtown Advisory Board

DATE: January 24, 2024

FROM: Matthew Black, Downtown Director

SUBJECT: Downtown Economic Development Incentive Grants for Presson Art Gallery

SUMMARY STATEMENT

The Downtown Advisory Board is requested to consider recommendation of the Downtown economic development incentives to City Council for Presson Art Gallery.

REVIEW

Scott Purdy owns the building at 113 S. Main Street and looking to open a new business in Downtown Monroe. The new business project totals 2990 sq. ft. and is located within Downtown Monroe's Central Business District.

Based on stipulations of the Economic development incentive grants the Downtown Advisory Board must consider the following:

1. Grant funds for the PRONTO is to not exceed $8,970.00 (50/50 matching) payable over three years, at each anniversary date.
2. Grant funds for the Meet Me Downtown, marketing grant, is not to exceed $5,000.00 (50/50 matching), upon proof of executed invoices each quarter of the first year.
3. City will not advance grant funds until proof of occupancy or marketing payment has been completed each quarter. Once the applicant has submitted required documents as proposed; funds will be made available.

RECOMMENDATION

Upon Staff recommendation, the grant applicant should be approved for recommendation to City Council up to $3 per sq. ft. (matching 50/50) of the assessed sq. footage of 8,970 or the max grant match of $8,970.00 and no more than $5,000.00 (matching 50/50) in marketing subsidy;

totaling $13,970.00. Funding is subject to compliance with the Program and subject to a general fund appropriation.

City of Monroe
Where Heartland Meets High Tech

Downtown Monroe

Downtown Pronto Grant

Application

CITY OF MONROE NORTH CAROLINA

Business Name: Presson Art Gallery
Property Owner: James Scott Purdy **Deed Book:** 08414 **Page:** 0024

Address of Proposed Downtown Business: 113/115 Main Street, Monroe, NC 28112
Applicant's Mailing Address: 1619 Waxhaw Indian Trail Road, South
City: Waxhaw State: NC Zip 28178
Applicant's Phone: 704-998-7191 **Email:** scott.purdy@cadrillion.com
Select Business Retail **Square Feet:** 2,990 **Amount Requested** $ 8,970

Approximate cost to open the business:	$________	**Number of new Jobs:** 3
Personal Investment	$________(Equity)	**Expected daily traffic:** 3
Bank or other financial commitment	$________	**Other:**
Building Rehabilitation	$________	

Monthly Rent/Lease $______________ Additional Space provided if

Expansion______________________ Sq. Ft.

Proposed Opening Date of the Business ____________

Description of the Business

____

____

____

____

Please attach the following items in order for City of Monroe to make an appropriate decision on an application: Letter of intent to lease or purchase or a signed lease/purchase contract contingent on receipt of incentives, Business Plan, Financials Statement and/or pro-forma, Marketing Plan, Cost estimates for upfit/equipping the space, Business/personal history.

Signatures: Business Owner: James Scott Purdy Date 6/9/22

Property Owner: James Scott Purdy Date__________

City of Monroe—Downtown Monroe
113 West Morgan Street Monroe, North Carolina 28112

Max Matching 5,000 20 Pal

Downtown Monroe Meet Me Downtown Application

City of Monroe

Business Name: Presson Art Gallery

Owner's Name: James Scott Purdy

Mailing Address: 1619 Waxhaw Indian Trail Road South Waxhaw, NC 28173

Physical Address: 113/115 Main St, Monroe, NC 28112

Date: 6/9/22

Phone: 704-998-7191

Logo of must be include

Paid out @ Request

Show invoices

Select from the following (retail / restaurant / other beyond retail-restaurant) other beyonc

If Other list here: Art Gallery

AMOUNT REQUESTED: $

Approximate cost to open business:	$
Personal Investment (equity):	$
Bank or other financial commitment:	$
Building Rehabilitation:	$

Number of new jobs:	3
Expected daily traffic:	
Days and hours operation:	
If less than 30hrs/ week, please explain why	

Monthly Rent/Lease $

Additional Space provided if Expansion ______ Sq. Ft.

Business Owners Background:

(May be included on additional sheet if necessary)

OTHER: In a paragraph or less explain why you feel this grant is important to the continuing efforts of revitalizing downtown Monroe and what role you play in that process.

The Presson Art Gallery will contribute to Monroe's revitalization effort in 2 very important ways. First by providing a destination event which will attract both the novice artist and patrons from varying ethnicities to visit downtown Monroe. There is also an educational opportunity that will foster and encourage younger and older generations to develop their own talent as a vocation or just create art for the enjoyment.

Who is your target market?

This is a 50/50 matching grant. All applicants must attach a copy of your business plan and/or marketing plan and budget for the year. A Business Plan Template is available to assist with the creation of a business plan.

The City of Monroe will determine if the business plan and/or marketing plan is sufficient. If the plan submitted is not sufficient, the City may offer $500 (separate from the marketing/advertising assistance sought) as matching funds towards the completion of a suitable marketing plan. A list of marketing providers located in Downtown Monroe can be provided; any marketing firm can be utilized.

Business Owner: ______ Date: 6.9.22

Property Owner: ______ Date: 6.9.22

PROJECT DESCRIPTION

The two-story 4,000 SF Presson Building will be rehabilitated to accommodate three residential apartments on the upper level with exterior balconies fronting onto Correll Street. A fine arts gallery with supporting offices will be located on the ground level. These uses will require structural modifications to the perimeter wall footings and also to interior support piers and lentels. Entrances and exits have been strategically located to meet code regulations.

Exterior improvements include a new roof system, window and storefront modifications, repairs of existing exterior stonework, tuck pointing of existing failed mortar joints.

For a more detailed description, see the following Summary of Work & architectural drawings.

<u>Summary of Work</u>
Repairs and alterations to an existing two-story type IIIB structure originally constructed circa 1941 with exterior mass walls constructed of built in-place composite stone masonry, concrete and brick masonry with conventional joist and rafter framing and boards for roof sheathing and subfloor for the second floor.

The first story assembly and business occupancy space will be repaired and altered with new construction with tenant up-fit requirements for an art gallery and offices. Existing walls are patched and repaired with new finishes. New ADA restrooms with new toilets and laboratories are to be provided. New fire sprinkler system will also be installed per building code.

Existing second floor construction will be completed with gypsum board ceilings installed to complete the horizontal fire separation requirement.

The first and second floor residential occupancy is to be completed as shown to obtain a certificate of occupancy and subsequently occupied as soon as construction is completed.

Façade repairs include cleaning of existing exterior stonework, tuck pointing of existing failed mortar joints including repair of structural cracking in exterior walls, patching and repair of interior surfaces of exterior walls due to water intrusion, repair and patching of reinforced concrete headers for doors and headers and sills for window openings as preparation for new construction and alterations. Alterations include new openings in the mass walls, infilling selected openings in mass walls and installation of pressure treated wood blocking for new doors and windows, modifications to floor and roof framing to accommodate new egress stair construction and interior alterations to mass walls for installation of insulation and finishes.

The work includes selective demolition requirements including removal of existing first floor granular fill, subframing and wood subflooring, removal and salvage of existing equipment, removal and re-use of existing wood joists and rafters, removal of existing wall areas for new wall openings and infilling selected existing openings. A new reinforced concrete slab with thickened slab edges is required along with altering existing concrete column footings, new concrete foundations for new interior and exterior steel columns, new steel columns and beams, miscellaneous wood and steel framing and steel fabrications, repairs and alterations to existing stone and concrete/masonry wall construction and new exterior cold form steel wall framing.

New construction includes new concrete slab, new floor and roof framing in selected areas for new openings and infill of existing openings, construction of new rated and non-rated walls and partitions, floor, wall and ceiling finishes, suspended gypsum board ceilings and mechanical and electrical systems, sun shading devices, protective cover at entry, construction of exterior second floor balconies and an enclosed stair landing/entry area cover.

SONSHINE CONSTRUCTION, INC.

Customer Estimate Sheet

Project: Rock Building
Proposal #: 44629-11
Date: 03/09/2022
Square Footage: 5980
Price Total: $1,093,781.67
Price per Square Foot: $182.91

Description	Qty	Unit	Total	Subcontractor	Cost per Sqft	% of Total	
Retail HVAC	1	allow	$35,028.00	TCS	$5.86	3.20%	
Division 16 Electrical							$122,359.86 11.19%
Electrical Wiring	1	lot	$115,807.86	Just Electric	$19.37	10.59%	
Furnish Apartment Lighting	3	allow	$3,402.00	Just Electric	$0.57	0.31%	
sh Cooridor/Stairway/Bathroom Lighting Fixtures	1	allow	$3,150.00	Just Electric	$0.53	0.29%	

TOTAL ESTIMATE AMOUNT $1,093,781.67 $182.91 per sq ft

Qualifications

1. S1-02 Shows new roof rafters @ back half of building. We are omitting this from the scope as this pricing allows keeping the existing elevator tower as is
2. S1-02 Shows accomodations for new skylight. We are omitting this from this scope pricing as we see this as unnecessary added expense
3. New EPDM roof included in this scope.
4. Plans call for existing Hardwood flooring to be taken up and reused. This scope includes leaving as is and infilling where needed. No refinishing included in this scope
5. First Floor to be delivered w/ drywall ceilings, drywall demising wall, restrooms & concrete floor
6. All Stairway cooridors & Storage closets not associated w/ apartments to be framed & drywall
7. Upstairs to be delivered with cooridor/stairway walls framed & drywall, resiliant channel on ceiling but no drywall
8. New Windows included
9. Apartments included in this quote. Identified in red.

SONSHINE CONSTRUCTION, INC.

Customer Estimate Sheet

Project: Rock Building	Date: 03/09/2022	Price Total: $1,093,781.67
Proposal #: 44629-11	Square Footage: 5980	Price per Square Foot: $182.91

10	Inside of 1st Fl oorexterior walls to be scraped of old paint & new paint applied
11	Cooridor walls/ Starway/Restroom walls to recieve 4" rubber base
12	All Walls to be painted
13	Precast stone Parapet coping is omitted from this quote. Steel coping included instead
14	HVAC included for both retail area & apartments
15	Small Heaters included in pricing to keep sprinkler pipes from freezing. Temporary
16	Plumbing price includes (2) complete restroom w/ standard fixtures, Hi/Low Water Cooler only.
17	Plans call for wood railing on balconies. This has been replaced with aluminum
18	Awnings included over (3) balconies & rear new door. Plans show dbl awnings over the (3) porches. I have omitted the 2nd one.
19	4" Water tap fee not in this scope. Approx added cost is $31,000+ not including repair to the tap area
20	Plans call for drop ceilings in portions of the upstairs apartments. I have changed this to drywall ceilings @ same height throughout.
21	Plans call for ALL walls & ceilings to get mineral wool insulation. I have changed this to mineral wool insualtion in the 2nd floor exterior walls & apartment demisinig walls only. Batt insulation everywhere else.
22	Apartment Kitchen & Bathrooms to recieve ceramic tile floors

NC License #
21631

Preliminary

Does not include: Up-fit of Ground Floor, Site Work, plan revision to apartments

SONSHINE CONSTRUCTION, INC.

Customer Estimate Sheet

Project: Rock Building
Proposal #: 44629-11

Date: 03/09/2022
Square Footage: 5980

Price Total: $1,093,781.67
Price per Square Foot: $182.91

Division 1 General Conditions							$35,605.08
Description	Qty	Unit	Total	Subcontractor	Cost per Sqft	% of Total	3.26%
Contingency	1	lot	$6,300.00	SSC	$1.05	0.58%	
A&E Revisions	0	allow	$0.00		-	-	
Permits	1	allow	$8,190.00	Union	$1.37	0.75%	
Temp. Utilities (Toilets & Power)	1	lot	$378.00	SSC	$0.06	0.03%	
Porta-Jon	4	mo	$655.20	SSC	$0.11	0.06%	
Equipment Fuel	1	lot	$756.00	SSC	$0.13	0.07%	
Interim cleaning	5980	sf	$2,637.18	SSC	$0.44	0.24%	
Final cleaning	5,980	sf	$1,883.70	SSC	$0.32	0.17%	
Plan reproductions	1	lot	$378.00	SSC	$0.06	0.03%	
Trash removal (dumpsters)	7	allow	$4,851.00	Northstate Waste	$0.81	0.44%	
Furnish scissor lift interior	2	wks	$1,134.00	Neff	$0.19	0.10%	
Furnish Lull	3	wk	$5,292.00	Neff	$0.88	0.48%	
Furnish Mini-Ex	2	wk	$2,268.00	Neff	$0.38	0.21%	
Equipment delivery	2	lot	$882.00	Neff	$0.15	0.08%	

Division 2 Sitework							$0.00
Description	Qty	Unit	Total	Subcontractor	Cost per Sqft	% of Total	0.00%

Division 3 Concrete							$60,020.92
Description	Qty	Unit	Total	Subcontractor	Cost per Sqft	% of Total	5.49%
Existing Flooring/Beams @ 1st floor future slab	2870	sf	$7,232.40	SSC	$1.21	0.66%	
F&I Gravel Subgrade	2870	sf	$12,656.70	SSC	$2.12	1.16%	
F&I Exterior Rear Slab @ Rear Stair	60	sf	$1,134.00	SSC	$0.19	0.10%	
F&I Concrete @ Stair Landings	80	sf	$1,512.00	SSC	$0.25	0.14%	
Footing Prep	23	yds	$3,622.50	SSC	$0.61	0.33%	
Furnish Slab Concrete	36	yds	$7,030.80	SSC	$1.18	0.64%	

SONSHINE CONSTRUCTION, INC.

Customer Estimate Sheet

Project: Rock Building | Date: 03/09/2022 | Price Total: $1,093,781.67

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F&I TS 12"x2"x5/16" Header Plates	16	lf	$3,024.00	Watson	$0.51	0.28%	
F&I New TS 4x4x1/4"	3	ea	$472.50	Watson	$0.08	0.04%	
Modify existing Bearing Beam @ new stair	1	lot	$1,071.00	Watson	$0.18	0.10%	
' x 1/2" Bent plate @ New Rear opening Column	2	ea	$1,638.00	Watson	$0.27	0.15%	
1/2" x 5/16" bent plate @2nd floor rear openings	2	ea	$6,300.00	Watson	$1.05	0.58%	

Division 6 Wood & Plastics Description	Qty	Unit	Total	Subcontractor	Cost per Sqft	% of Total	$114,876.09 10.50%
Demo Existing Storefront Enclosure	1	lot	$1,890.00	SSC	$0.32	0.17%	
New Demising Wall Framing Labor	70	lf	$3,087.00	SSC	$0.52	0.28%	
Blocking Labor @ all existing column line joist	200	lf	$5,040.00	SSC	$0.84	0.46%	
Furnish Demising Wall Framing Material	70	lf	$1,587.60	SSC	$0.27	0.15%	
Furnish 1-3/4" x 7.5" LVL Blocking Material	200	lf	$1,638.00	SSC	$0.27	0.15%	
Framing Labor for new RTU cutout areas	3	ea/allow	$6,804.00	SSC	$1.14	0.62%	
Furnish Misc Material @ RTU cutout areas	3	ea/allow	$945.00	SSC	$0.16	0.09%	
Install New 10" Floor Joists	30	ea	$1,323.00	SSC	$0.22	0.12%	
New 6" Ceiling Joists @ all new 10" Floor Joists	30	ea	$1,134.00	SSC	$0.19	0.10%	
Furnish 2x10x12' Joists	30	ea	$945.00	SSC	$0.16	0.09%	
Install H10A & A2.5 Rafter Clips	125	ea	$945.00	SSC	$0.16	0.09%	
Furnish 2x6x12 Floor Joists	30	ea	$869.40	SSC	$0.15	0.08%	
Modify existing framing for stair cutouts-labor	2	ea	$3,780.00	SSC	$0.63	0.35%	
F&I 2x10/2x6 Framing Material @ Stair cutouts	20	ea	$1,335.60	SSC	$0.22	0.12%	
F&I HUC210 Clips @ Stair Framing Joists	48	ea	$393.12	SSC	$0.07	0.04%	
Furnish 3/4" T&G Subfloor @ Filled in floor area	8	shts	$655.20	SSC	$0.11	0.06%	
Install New Subfloor Framing	8	shts	$756.00	SSC	$0.13	0.07%	
Install Vertical 2x4x14" blocks @ all Joists	360	ea	$3,175.20	SSC	$0.53	0.29%	
Furnish Vertical 2x4x14" blocks @ all Joists	360	ea	$1,134.00	SSC	$0.19	0.10%	
Framing Labor @ Rear Stair Enclosure	70	sf	$3,087.00	SSC	$0.52	0.28%	
Furnish Framing @ Rear Stair Enclosure	70	sf	$2,646.00	SSC	$0.44	0.24%	

Customer Estimate Sheet

Project: Rock Building | Date: 03/09/2022 | Price Total: $1,093,781.67

Proposal #: 44629-11 | Square Footage: 5980 | Price per Square Foot: $182.91

Division 8 Doors & Windows							$86,795.10
Description	Qty	Unit	Total	Subcontractor	Cost per Sqft	% of Total	7.94%
Install New Windows	10	ea	$1,575.00		$0.26	0.14%	
Furnish New Windows	10	ea/allow	$6,300.00		$1.05	0.58%	
Install HM Framed Doors	4	ea	$630.00	SSC	$0.11	0.06%	
Furnish Exterior Storage Door hardware	1	ea	$113.40	Burgess	$0.02	0.01%	
nish Exterior 6/0x6/8 Exterior Metal Door/Frame	1	ea	$630.00	Burgess	$0.11	0.06%	
Furnish Interior HC Doors	3	ea	$661.50	Burgess	$0.11	0.06%	
Furnish Interior HM Frames	3	ea	$567.00	Burgess	$0.09	0.05%	
Furnish Interior Door Hardware	3	ea	$623.70	Burgess	$0.10	0.06%	
F&I Front Storefront Window	468	sf	$32,432.40	G&M	$5.42	2.97%	
F&I Rear Stair Enclosure Storefront Window	27	sf	$1,871.10	Burgess	$0.31	0.17%	
F&I Storefront Door D100C & D002	1	lot	$5,292.00	G&M	$0.88	0.48%	
h 20 min Apartment Entry Door- Smooth 3/0x7/0	3	ea	$1,323.00	84	$0.22	0.12%	
ırnish Apartment Entry Door Locksets/Deadbolts	3	ea	$378.00	84	$0.06	0.03%	
Furnish Interior Apartment Bifold Doors	7	ea	$1,543.50	84	$0.26	0.14%	
Furnish Interior Apartment Double Doors	3	ea	$1,606.50	84	$0.27	0.15%	
Furnish Interior Apartment 2 Panel Doors	7	ea	$2,425.50	84	$0.41	0.22%	
ish Balcony Doors 6/0x8/0 w/ 1/6x8/0 sidelights	3	ea	$20,790.00	84	$3.48	1.90%	
Furnish Interior Door Hardware	10	ea	$630.00	84	$0.11	0.06%	
Furnish Balcony Door Hardware	3	ea	$472.50	84	$0.08	0.04%	
Install Balcony Doors	3	ea	$945.00	SSC	$0.16	0.09%	
Install Interior Doors	20	ea	$3,150.00	SSC	$0.53	0.29%	

Division 9 Finishes							$141,299.92
Description	Qty	Unit	Total	Subcontractor	Cost per Sqft	% of Total	12.92%
Install 2nd Floor Wall Drywall	130	shts	$7,956.00	SSC	$1.33	0.73%	
Install Wall Drywall-1st floor	120	shts	$7,344.00	SSC	$1.23	0.67%	

City of Monroe
Where Heartland Meets High Tech

STAFF REPORT

TO:	City Council
VIA:	Mark Watson, City Manager
DATE:	January 24, 2024
FROM:	Matthew Black, Downtown Director
PREPARED BY:	Matthew Black, Downtown Director
SUBJECT:	Economic Development Incentive Grant for Hayne Street Gastrolounge

SUMMARY STATEMENT

Downtown Advisory Board is requested to consider additional Pronto Grant funding for Anfield Investments LLC for Hayne Street Gastrolounge and Smorgansbord.

REVIEW

Hayne Street Gastrolounge and Smorgansboard are two, new businesses coming to the Central Business District and have signed 5-year lease for 109 S. Hayne Street and is looking to open a new business in Downtown Monroe. The new business project costs total $355,000 and 180,000 respectively and is located within Downtown Monroe's Central Business District. The owners of the new businesses are suggesting that while it represents 2 businesses there are 3 leases signed at the property location. This is a unique instance that has some gray area for interpretation for the Downtown Advisory Board

Based on stipulations of the Economic development incentive grants the Downtown Advisory Board is requested to consider the following:

1. The PRONTO grant shall match (50/50) up to $5 per sq. ft. of the assessed sq. footage of 2000 or the max grant match of $10,000.00. Grant funds for the PRONTO is payable over a calendar quarter based on rent paid that quarter.

City will not advance grant funds until proof of rent has been completed each quarter. Once the applicant has submitted required documents as proposed; funds will be made available. Sufficient funding is available in the budget for these grants.

RECOMMENDATION

Attachment(s):
Application

City of Monroe
Where Heartland Meets High Tech

Downtown Monroe
Downtown Pronto Grant
Application

CITY OF MONROE NORTH CAROLINA

Business Name: MONROE SPORTS BAR LLC
Property Owner: 195 NORTH TRADE LLC **Deed Book:** ________ **Page:**____

Address of Proposed Downtown Business: 109 N HAYNE ST UNIT 122
Applicant's Mailing Address: 130 LIBRARY LANE
City: MATTHEWS State: NC Zip 28105
Applicant's Phone: 704 806 8455 **Email:** jpkanfield@outlook.com

Select Business Retail **Square Feet:** _____ **Amount Requested** $10,000

Approximate cost to open the business:	$180,000	**Number of new Jobs:** 5-10
Personal Investment	$180,000 (Equity)	**Expected daily traffic:** >50
Bank or other financial commitment	$ 0	**Other:**
Building Rehabilitation	$ 0	

Monthly Rent/Lease $ 2,625 Additional Space provided if

Expansion__________________________Sq. Ft.

Proposed Opening Date of the Business JAN 2024

Description of the Business
ICE CREAM SHOP, DELI SHOP

Please attach the following items in order for City of Monroe to make an appropriate decision on an application: Letter of intent to lease or purchase or a signed lease/purchase contract contingent on receipt of incentives, Business Plan, Financials Statement and/or pro-forma, Marketing Plan, Cost estimates for upfit/equipping the space, Business/personal history.

Signatures: Business Owner: [signature] Date 11-20-2023

Property Owner: [signature] Date 11-20-2023

City of Monroe—Downtown Monroe
113 West Morgan Street Monroe, North Carolina 28112

REALTORS® Commercial Alliance

REALTOR® North Carolina Association of REALTORS®

COMMERCIAL LEASE AGREEMENT
(Single Tenant Facility)

(Note: This form is not intended to be used as a Sublease and SHOULD NOT be used in Sublease circumstances)

THIS COMMERCIAL LEASE AGREEMENT, including any and all addenda attached hereto ("Lease"), is by and between 195 NORTH TRADE LLC,
a(n) NORTH CAROLINA LLC ("Landlord"),
(individual *or* State of formation and type of entity)
whose address is 130 LIBRARY LANE MATTHEWS NC 28105, and
MONROE SPORTS BAR LLC AND/OR ITS ASSIGNS,
a(n) NORTH CAROLINA LLC ("Tenant").
(individual *or* State of formation and type of entity)
whose address is 2631 LIVERY STABLE DRIVE MATTHEWS NC 28105

☐ If this box is checked, the obligations of Tenant under this Lease are secured by the guaranty of ______________ (name(s) of guarantor(s)) attached hereto and incorporated herein by reference.
(Note: Any guaranty should be prepared by an attorney at law.)

For and in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

PREMISES

1. Landlord leases unto Tenant, and Tenant hereby leases and takes upon the terms and conditions which hereinafter appear, the following described property, including any improvements located thereon (hereinafter called the "Premises"), to wit:

(Address): 109 N. HAYNE ST UNIT 122 MONROE NC 28112

☐ All ☐ A portion of the property in Deed Reference: Book ______, Page No. ______, ______ County; consisting of approximately ______ acres.

Plat Reference: Lot(s) ______, Block or Section ______, as shown on Plat Book or Slide ______ at Page(s) ______, ______ County, consisting of ______ acres.

☐ If this box is checked, Premises shall mean that property described on **Exhibit A** attached hereto and incorporated herewith by reference.

(For information purposes only, the tax parcel number of the Premises is: 0923 2062 06)

TERM

2. The term of this Lease shall commence on APRIL 1, 2023 ("Lease Commencement Date"), and shall end at 11:59 p.m. (based upon the time at the locale of the Premises) on MARCH 31, 2028, unless sooner terminated as herein provided. The first Lease Year Anniversary shall be the date twelve (12) calendar months after the first day of the first full month immediately following the Lease Commencement Date and successive Lease Year Anniversaries shall be the date twelve (12) calendar months from the previous Lease Year Anniversary.

☑ If this box is checked, Tenant shall have the option of renewing this Lease, upon written notice given to Landlord at least 90 days prior to the end of the then expiring term of this Lease, for 1 additional term(s) of 5 years each.

☐ **Option to Lease-** If this box is checked, Tenant, upon the payment of the sum of $ __________________ (which sum is not rental or security deposit hereunder, but is consideration for this Option to Lease and is non-refundable under any circumstances) shall have a period of __________ days prior to the Lease Commencement Date ("Option Period") in which to inspect the Premises and make inquiry regarding such sign regulations, zoning regulations, utility availability, private restrictions or permits or other regulatory requirements as Tenant may deem appropriate to satisfy itself as to the use of the Premises for Tenant's intended purposes. Tenant shall conduct all such on-site inspections, examinations, inquiries and other review of the Premises in a good and workmanlike manner, shall repair any damage to the Premises caused by Tenant's entry and on-site inspections and shall conduct same in a manner that does not unreasonably interfere with Landlord's or any tenant's use and enjoyment of the Premises. In that respect, Tenant shall make reasonable efforts to undertake on-site inspections outside of the hours any tenant's business is open to the public and shall give prior notice to the tenant at the Premises of any entry onto the Premises for the purpose of conducting inspections. Upon Landlord's request, Tenant shall provide to Landlord evidence of general liability insurance. Tenant shall also have a right to review and inspect all contracts or other agreements affecting or related directly to the Premises and shall be entitled to review such books and records of Landlord that relate directly to the operation and maintenance of the Premises, provided, however, that Tenant shall not disclose any information regarding the Premises (or any tenant therein) unless required by law and the same shall be regarded as confidential, to any person, except to its attorneys, accountants, lenders and other professional advisors, in which case Tenant shall obtain their agreement to maintain such confidentiality. Tenant assumes all responsibility for the acts of itself, its agents or representatives in exercising its rights under this Option to Lease and agrees to indemnify and hold Seller harmless from any damages resulting therefrom. This indemnification obligation of Tenant shall survive the termination of this Option to Lease or this Lease. Tenant shall, at Tenant's expense, promptly repair any damage to the Premises caused by Tenant's entry and on-site inspections. **IF TENANT CHOOSES NOT TO LEASE THE PREMISES, FOR ANY REASON OR NO REASON, AND PROVIDES WRITTEN NOTICE TO LANDLORD THEREOF PRIOR TO THE EXPIRATION OF THE OPTION PERIOD, THEN THIS LEASE SHALL TERMINATE AND NEITHER PARTY SHALL HAVE ANY FURTHER OBLIGATIONS HEREUNDER AND LANDLORD SHALL RETURN TO TENANT ANY RENTAL OR SECURITY DEPOSIT PAID TO LANDLORD HEREUNDER.** Tenant shall be deemed to have exercised its Option to Lease and to be bound under the terms of this Lease if (i) Tenant shall occupy the Premises prior to the expiration of the Option Period, whereupon the date of occupancy shall be deemed the Lease Commencement Date, or (ii) Tenant shall not provide written notice to Landlord of its termination of this Lease prior to the expiration of the Option Period.

RENTAL

3. Beginning on APRIL 1, 2023 ("Rent Commencement Date"), Tenant agrees to pay Landlord (or its Agent as directed by Landlord), without notice, demand, deduction or set off, an annual rental of $ 31,500, payable in equal monthly installments of $ 2,625, in advance on the first day of each calendar month during the term hereof. Upon execution of this Lease, Tenant shall pay to Landlord the first monthly installment of rent due hereunder. Rental for any period during the term hereof which is less than one month shall be the pro-rated portion of the monthly installment of rental due, based upon a 30 day month.

☑ If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every 1 Lease Year Anniversary by 3 % over the amount then payable hereunder. In the event renewal of this Lease is provided for in paragraph 2 hereof and effectively exercised by Tenant, the rental adjustments provided herein shall apply to the term of the Lease so renewed, or

☐ If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every ________ Lease Year Anniversary by the greater of: (i) ______________________ percent (________ %) over the amount then payable hereunder, or, (ii) the percentage increase (but not any decrease) in the numerical index of the "Consumer Price Index for All Urban Consumers" (1982-84 = 100) published by the Bureau of Labor Statistics of the United States Department of Labor ("CPI") for the immediately preceding twelve (12) month period over the amount then payable hereunder.

☐ If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every ________ Lease Year Anniversary by $ __________________ over the amount then payable hereunder. In the event renewal of this Lease is provided for in paragraph 2 hereof and effectively exercised by Tenant, the rental adjustments provided herein shall apply to the term of the Lease so renewed,

☑ If this box is checked, Tenant shall pay all rental to Landlord's Agent at the following address:
ALL PAYMENTS MADE VIA WIRE TRANSFER / ACH TRANSFER

Tenant Initials JPK ________ Landlord Initials ________ ________

LATE CHARGES

4. If Landlord fails to receive full rental payment within 5 days after it becomes due, Tenant shall pay Landlord, as additional rental, a late charge equal to 5 percent ______ (%) of the overdue amount or $ ______ whichever is greater, plus any actual bank fees incurred for dishonored payments. The parties agree that such a late charge represents a fair and reasonable estimate of the cost Landlord will incur by reason of such late payment.

SECURITY DEPOSIT

5. Upon the execution of this Lease, Tenant shall deposit with Landlord the sum of $ N/A as a security deposit which shall be held by Landlord as security for the full and faithful performance by Tenant of each and every term, covenant and condition of this Lease. The security deposit does not represent payment of and Tenant shall not presume application of same as payment of the last monthly installment of rental due under this Lease. Landlord shall have no obligation to segregate or otherwise account for the security deposit except as provided in this paragraph 5. If any of the rental or other charges or sums payable by Tenant shall be over-due and unpaid or should payments be made by Landlord on behalf of Tenant, or should Tenant fail to perform any of the terms of this Lease, then Landlord may, at its option, appropriate and apply the security deposit, or so much thereof as may be necessary, to compensate toward the payment of the rents, charges or other sums due from Tenant, or towards any loss, damage or expense sustained by Landlord resulting from such default on the part of the Tenant; and in such event Tenant upon demand shall restore the security deposit to the amount set forth above in this paragraph 5. In the event Tenant furnishes Landlord with proof that all utility bills and other bills of Tenant related to the Premises have been paid through the date of Lease termination, and performs all of Tenant's other obligations under this Lease, the security deposit shall be returned to Tenant within sixty (60) days after the date of the expiration or sooner termination of the term of this Lease and the surrender of the Premises by Tenant in compliance with the provisions of this Lease.

☐ If this box is checked, Agent shall hold the security deposit in trust and shall be entitled to the interest, if any, thereon.

UTILITY BILLS/SERVICE CONTRACTS

6. Landlord and Tenant agree that utility bills and service contracts ("Service Obligations") for the Premises shall be paid by the party indicated below as to each Service Obligation. In each instance, the party undertaking responsibility for payment of a Service Obligation covenants that they will pay the applicable bills prior to delinquency. The responsibility to pay for a Service Obligation shall include all metering, hook-up fees or other miscellaneous charges associated with establishing, installing and maintaining such utility or contract in said party's name. Within thirty (30) days of the Lease Commencement Date, Tenant shall provide Landlord with a copy of any requested Tenant Service Obligation information.

Service Obligation	Landlord	Tenant	Not Applicable
Sewer/Septic	☑	☐	☐
Water	☑	☐	☐
Electric	☐	☑	☐
Gas	☐	☐	☑
Telephone	☐	☑	☐
HVAC (maintenance/service contract)	☐	☑	☐
Elevator (including phone line)	☐	☐	☑
Security System	☐	☑	☐
Fiber Optic	☐	☑	☐
Janitor/Cleaning	☐	☑	☐
Trash/Dumpster	☐	☑	☐
Landscaping/Maintenance	☐	☐	☑
Sprinkler System (including phone line)	☐	☑	☐
Pest Control	☐	☑	☐
INTERNET	☐	☑	☐
HOA FEES	☐	☑	☐
	☐	☐	☐
	☐	☐	☐
	☐	☐	☐
	☐	☐	☐
	☐	☐	☐

Landlord shall not be liable for injury to Tenant's business or loss of income therefrom or for damage that may be sustained by the person, merchandise or personal property of Tenant, its employees, agents, invitees or contractors or any other person in or about the Premises, caused by or resulting from fire, steam, electricity, gas, water or rain, which may leak or flow from or into any part of the Premises, or from the breakage, leakage, obstruction or other defects of any utility installations, air conditioning system or other components of the Premises, except to the extent that such damage or loss is caused by Landlord's gross negligence or willful misconduct. Landlord represents and warrants that the heating, ventilation and air conditioning system(s) and utility installations existing as of the Lease Commencement Date shall be in good order and repair. Subject to the provisions of this paragraph 6, Landlord shall not be liable in damages or otherwise for any discontinuance, failure or interruption of service to the Premises of utilities or the heating, ventilation and air conditioning system(s) and Tenant shall have no right to terminate this Lease or withhold rental because of the same.

RULES AND REGULATIONS

7. The rules and regulations, if any, attached hereto ("Rules and Regulations") are made a part of this Lease. Tenant agrees to comply with any Rules and Regulations of Landlord in connection with the Premises which are in effect at the time of the execution of the Lease or which may be from time to time promulgated by Landlord in its reasonable discretion, provided such Rules and Regulations are in writing and are not in conflict with the terms and conditions of the Lease.

PERMITTED USES

8. The permitted use of the Premises shall be: RESTAURANT, ICE CREAM SHOP ("Permitted Use"). The Premises shall be used and wholly occupied by Tenant solely for the purposes of conducting the Permitted Use, and the Premises shall not be used for any other purposes unless Tenant obtains Landlord's prior written approval of any change in use. Landlord makes no representation or warranty regarding the suitability of the Premises for or the legality (under zoning or other applicable ordinances) of the Permitted Use for the Premises, provided however, that Landlord does represent that it has no contractual obligations with other parties which will materially interfere with or prohibit the Permitted Use of Tenant at the Premises. At Tenant's sole expense, Tenant shall procure, maintain and make available for Landlord's inspection from time to time any governmental license(s) or permit(s) required for the proper and lawful conduct of Tenant's business in the Premises. Tenant shall not cause or permit any waste to occur in the Premises and shall not overload the floor, or any mechanical, electrical, plumbing or utility systems serving the Premises. Tenant shall keep the Premises, and every part thereof, in a clean and wholesome condition, free from any objectionable noises, loud music, objectionable odors or nuisances.

TAXES AND INSURANCE

9. Landlord shall pay all taxes (including but not limited to, ad valorem taxes, special assessments and any other governmental charges) on the Premises and shall procure and pay for such commercial general liability, broad form fire and extended and special perils insurance with respect to the Premises as Landlord in its reasonable discretion may deem appropriate. Tenant shall reimburse Landlord for all taxes and insurance as provided herein within fifteen (15) days after receipt of notice from Landlord as to the amount due. Tenant shall be solely responsible for insuring Tenant's personal and business property and for paying any taxes or governmental assessments levied thereon. Tenant shall reimburse Landlord for taxes and insurance during the term of this Lease, and any extension or renewal thereof. **If boxes are checked below, the manner of reimbursement shall be as indicated:**

Taxes

☐ The amount by which all taxes (including but not limited to, ad valorem taxes, special assessments and any other governmental charges) on the Premises for each tax year exceed all taxes on the Premises for the tax year ____________ ; or

☑ All taxes (including but not limited to, ad valorem taxes, special assessments and any other governmental charges) on the Premises for each tax year.

If the final Lease Year of the term fails to coincide with the tax year, then any excess for the tax year during which the term ends shall be reduced by the pro rata part of such tax year beyond the Lease term. If such taxes for the year in which the Lease terminates are not ascertainable before payment of the last month's rental, then the amount of such taxes assessed against the Premises for the previous tax year shall be used as a basis for determining the pro rata share, if any, to be paid by Tenant for that portion of the last Lease Year.

☑ If this box is checked, Tenant shall reimburse Landlord for taxes by paying to Landlord, beginning on the Rent Commencement Date and on the first day of each calendar month during the term hereof, an amount equal to one-twelfth (1/12) of the then current tax payments for the Premises. Upon receipt of bills, statements or other evidence of taxes due, Landlord shall pay or cause to be paid the taxes. If at any time the reimbursement payments by Tenant hereunder do not equal the amount of taxes paid by Landlord, Tenant shall upon demand pay to Landlord an amount equal to the deficiency or Landlord shall refund to Tenant any overpayment (as applicable) as documented by

Landlord. Landlord shall have no obligation to segregate or otherwise account for the tax reimbursements paid hereunder except as provided in this paragraph 9.

Insurance

☐ the excess cost of commercial general liability, broad form fire and extended and special perils insurance with respect to the Premises over the cost of the first year of the Lease term for each subsequent year during the term of this Lease; or

☐ the cost of all commercial general liability, broad form fire and extended and special perils insurance with respect to the Premises.

☐ If this box is checked, Tenant shall reimburse Landlord for insurance by paying to Landlord, beginning on the Rent Commencement Date and on the first day of each calendar month during the term hereof, an amount equal to one-twelfth (1/12) of the then current insurance premiums for the Premises. Upon receipt of bills, statements or other evidence of insurance premiums due, Landlord shall pay or cause to be paid the insurance premiums. If at any time the reimbursement payments by Tenant hereunder do not equal the amount of insurance premiums paid by Landlord, Tenant shall upon demand pay to Landlord an amount equal to the deficiency or Landlord shall refund to Tenant any overpayment (as applicable) as documented by Landlord. Landlord shall have no obligation to segregate or otherwise account for the insurance premium reimbursements paid hereunder except as provided in this paragraph 9.

(Note: The following box should only be checked if there are no boxes checked above in this paragraph 9.)

☐ If this box is checked, Tenant shall have no responsibility to reimburse Landlord for taxes or insurance.

Provided however, notwithstanding any provision of the foregoing, that in the event Tenant's use of the Premises results in an increase in the rate of insurance on the Premises, Tenant shall pay to Landlord, upon demand and as additional rental, the amount of any such increase.

INSURANCE; WAIVER; INDEMNITY

10. (a) During the term of this Lease, Tenant shall maintain commercial general liability insurance coverage (occurrence coverage) with broad form contractual liability coverage and with coverage limits of not less than $1,000,000 combined single limit, per occurrence, specifically including liquor liability insurance covering consumption of alcoholic beverages by customers of Tenant should Tenant choose to sell alcoholic beverages. Such policy shall insure Tenant's performance of the indemnity provisions of this Lease, but the amount of such insurance shall not limit Tenant's liability nor relieve Tenant of any obligation hereunder. All policies of insurance provided for herein shall name as "additional insureds" Landlord, Landlord's Agent, all mortgagees of Landlord and such other individuals or entities as Landlord may from time to time designate upon written notice to Tenant. Tenant shall provide to Landlord, at least thirty (30) days prior to expiration, certificates of insurance to evidence any renewal or additional insurance procured by Tenant. Tenant shall provide evidence of all insurance required under this Lease to Landlord prior to the Lease Commencement Date.

(b) Landlord (for itself and its insurer) waives any rights, including rights of subrogation, and Tenant (for itself and its insurer) waives any rights, including rights of subrogation, each may have against the other for compensation of any loss or damage occasioned to Landlord or Tenant arising from any risk generally covered by the "all risks" insurance required to be carried by Landlord and Tenant. The foregoing waivers of subrogation shall be operative only so long as available in the State of North Carolina. The foregoing waivers shall be effective whether or not the parties maintain the insurance required to be carried pursuant to this Lease.

(c) Except as otherwise provided in paragraph 10(b), Tenant indemnifies Landlord for damages proximately caused by the negligence or wrongful conduct of Tenant and Tenant's employees, agents, invitees or contractors. Except as otherwise provided in paragraph 10(b), Landlord indemnifies Tenant for damages proximately caused by the negligence or wrongful conduct of Landlord and Landlord's employees, agents, invitees or contractors. The indemnity provisions in this paragraph 10 cover personal injury and property damage and shall bind the employees, agents, invitees or contractors of Landlord and Tenant (as the case may be). The indemnity obligations in this paragraph 10 shall survive the expiration or earlier termination of this Lease.

Tenant Initials JFK _______ Landlord Initials _______ _______

STANDARD FORM 592-T
Revised 7/2017
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Generic Lease

REPAIRS BY LANDLORD

11. Landlord agrees to keep in good repair the roof, foundation, structural supports and exterior walls of the buildings located on the Premises (exclusive of all glass and exclusive of all exterior doors) and, except as may be specifically allocated to Tenant in paragraph 12 herein, Landlord agrees to be responsible for capital repairs and replacements on the Premises; provided that Landlord shall not be responsible for repairs or capital repairs or replacements rendered necessary by the negligence or intentional wrongful acts of Tenant, its employees, agents, invitees or contractors. Tenant shall promptly report in writing to Landlord any defective condition known to it which Landlord is required to repair or replace and failure to report such conditions shall make Tenant responsible to Landlord for any liability incurred by Landlord by reason of such conditions.

(Note: Should Landlord and Tenant need to further detail the allocation of responsibility hereunder, the Special Stipulations box at the end of the Lease should be checked and such allocation should be specified on an Exhibit B.)

REPAIRS BY TENANT

12. (a) Tenant accepts the Premises in their present condition and as suited for the Permitted Use and Tenant's intended purposes. Tenant, throughout the initial term of this Lease, and any extension or renewal thereof, at its expense, shall maintain in good order and repair the Premises, (except those repairs expressly required to be made by Landlord hereunder), specifically including but not limited to any building and other improvements located thereon, all light bulb and ballast replacements, plumbing fixtures and systems repairs within the Premises and water heater repairs. Tenant further agrees to care for the grounds around the building, including the mowing of grass, care of shrubs and general landscaping. Tenant shall use only licensed contractors for repairs where such license is required. Landlord shall have the right to approve the contractor as to any repairs in excess of $ 10,000 .

☐ If this box is checked, Tenant, at its expense, shall maintain the heating, ventilation and air conditioning system(s) in good order and repair, including but not limited to replacement of parts, compressors, air handling units and heating units. Provided that Tenant shall have obtained Landlord's prior written approval of the contractor and the repair or replacement expenses for heating, ventilation and air conditioning equipment, Tenant shall not be liable for more than $ ________ (per occurrence) or $ ________ (annually), and Landlord shall reimburse Tenant for the amount in excess of the stated amount upon the written request of Tenant.

☐ If this box is checked, Landlord, at its expense, shall maintain the heating, ventilation and air conditioning system(s) in good order and repair, including but not limited to replacement of parts, compressors, air handling units and heating units. Provided that, Tenant shall reimburse Landlord an amount up to $ ________ (per occurrence) or $ ________ (annually), and Landlord shall be responsible for the amount in excess of the stated amount. Tenant shall reimburse Landlord for the amount of Tenant's obligation hereunder upon the written request of Landlord.

(b) Tenant agrees to return the Premises to Landlord at the expiration or prior termination of this Lease, in as good condition and repair as on the Lease Commencement Date, natural wear and tear, damage by storm, fire, lightning, earthquake or other casualty alone excepted. Tenant, Tenant's employees, agents, invitees or contractors shall take no action which may void any manufacturers or installers warranty with relation to the Premises. Tenant shall indemnify and hold Landlord harmless from any liability, claim, demand or cause of action arising on account of Tenant's breach of the provisions of this paragraph 12.

ALTERATIONS

13. Tenant shall not make any alterations, additions, or improvements to the Premises without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Tenant shall promptly remove any alterations, additions, or improvements constructed in violation of this paragraph 13 upon Landlord's written request. All approved alterations, additions, and improvements will be accomplished in a good and workmanlike manner, in conformity with all applicable laws and regulations, and by a contractor approved by Landlord, free of any liens or encumbrances. Landlord may require Tenant to remove any alterations, additions or improvements (whether or not made with Landlord's consent) at the termination of the Lease and to restore the Premises to its prior condition, all at Tenant's expense. All alterations, additions and improvements which Landlord has not required Tenant to remove shall become Landlord's property and shall be surrendered to Landlord upon the termination of this Lease, except that Tenant may remove any of Tenant's machinery, equipment or trade fixtures which can be removed without material damage to the Premises. Tenant shall repair, at Tenant's expense, any damage to the Premises caused by the removal of any such machinery, equipment or trade fixtures.

DESTRUCTION OF OR DAMAGE TO PREMISES

14. (a) If the Premises are totally destroyed by storm, fire, lightning, earthquake or other casualty, Landlord shall have the right to terminate this Lease on written notice to Tenant within thirty (30) days after such destruction and this Lease shall terminate as of the date of such destruction and rental shall be accounted for as between Landlord and Tenant as of that date.

(b) If the Premises are damaged but not wholly destroyed by any such casualties or if the Landlord does not elect to terminate the Lease under paragraph 14(a) above, Landlord shall commence (or shall cause to be commenced) reconstruction of the Premises within one hundred twenty (120) days after such occurrence and prosecute the same diligently to completion, not to exceed two hundred seventy (270) days from the date upon which Landlord receives applicable permits and insurance proceeds. In the event Landlord shall fail to substantially complete reconstruction of the Premises within said two hundred seventy (270) day period, Tenant's sole remedy shall be to terminate this Lease.

(c) In the event of any casualty at the Premises during the last one (1) year of the Lease Term, Landlord and Tenant each shall have the option to terminate this Lease on written notice to the other of exercise thereof within sixty (60) days after such occurrence.

(d) In the event of reconstruction of the Premises, Tenant shall continue the operation of its business in the Premises during any such period to the extent reasonably practicable from the standpoint of prudent business management, and the obligation of Tenant to pay annual rental and any other sums due under this Lease shall remain in full force and effect during the period of reconstruction. The annual rental and other sums due under this Lease shall be abated proportionately with the degree to which Tenant's use of the Premises is impaired, commencing from the date of destruction and continuing during the period of such reconstruction. Tenant shall not be entitled to any compensation or damages from Landlord for loss of use of the whole or any part of the Premises, Tenant's personal property, or any inconvenience or annoyance occasioned by such damage, reconstruction or replacement.

(e) In the event of the termination of this Lease under any of the provisions of this paragraph 14, both Landlord and Tenant shall be released from any liability or obligation under this Lease arising after the date of termination, except as otherwise provided for in this Lease.

GOVERNMENTAL ORDERS

15. Tenant, at its own expense, agrees to comply with: (a) any law, statute, ordinance, regulation, rule, requirement, order, court decision or procedural requirement of any governmental or quasi-governmental authority having jurisdiction over the Premises; (b) the rules and regulations of any applicable governmental insurance authority or any similar body, relative to the Premises and Tenant's activities therein; (c) provisions of or rules enacted pursuant to any private use restrictions, as the same may be amended from time to time and (d) the Americans with Disabilities Act (42 U.S.C.S. §12101, et seq.) and the regulations and accessibility guidelines enacted pursuant thereto, as the same may be amended from time to time. Landlord and Tenant agree, however, that if in order to comply with such requirements the cost to Tenant shall exceed a sum equal to one (1) year's rent, then Tenant may terminate this Lease by giving written notice of termination to Landlord in accordance with the terms of this Lease, which termination shall become effective sixty (60) days after receipt of such notice and which notice shall eliminate the necessity of compliance with such requirements, unless, within thirty (30) days of receiving such notice, Landlord agrees in writing to be responsible for such compliance, at its own expense, and commences compliance activity, in which case Tenant's notice given hereunder shall not terminate this Lease.

CONDEMNATION

16. (a) If the entire Premises shall be appropriated or taken under the power of eminent domain by any governmental or quasi-governmental authority or under threat of and in lieu of condemnation (hereinafter, "taken" or "taking"), this Lease shall terminate as of the date of such taking, and Landlord and Tenant shall have no further liability or obligation arising under this Lease after such date, except as otherwise provided for in this Lease.

(b) If more than twenty-five percent (25%) of the floor area of any building of the Premises is taken, or if by reason of any taking, regardless of the amount so taken, the remainder of the Premises is not one undivided space or is rendered unusable for the Permitted Use, either Landlord or Tenant shall have the right to terminate this Lease as of the date Tenant is required to vacate the portion of the Premises taken, upon giving notice of such election within thirty (30) days after receipt by Tenant from Landlord of written notice that said Premises have been or will be so taken. In the event of such termination, both Landlord and Tenant shall be released from any liability or obligation under this Lease arising after the date of termination, except as otherwise provided for in this Lease.

(c) Landlord and Tenant, immediately after learning of any taking, shall give notice thereof to each other.

(d) If this Lease is not terminated on account of a taking as provided herein above, then Tenant shall continue to occupy that portion of the Premises not taken and the parties shall proceed as follows: (i) at Landlord's cost and expense and as soon as reasonably possible, Landlord shall restore (or shall cause to be restored) the Premises remaining to a complete unit of like quality and character as existed prior to such appropriation or taking, and (ii) the annual rent provided for in paragraph 3 and other sums due under the Lease shall be reduced on an equitable basis, taking into account the relative values of the portion taken as compared to the portion remaining. Tenant waives any statutory rights of termination that may arise because of any partial taking of the Premises.

(e) Landlord shall be entitled to the entire condemnation award for any taking of the Premises or any part thereof. Tenant's right to receive any amounts separately awarded to Tenant directly from the condemning authority for the taking of its merchandise, personal property, relocation expenses and/or interests in other than the real property taken shall not be affected in any manner by the provisions of this paragraph 16, provided Tenant's award does not reduce or affect Landlord's award and provided further, Tenant shall have no claim for the loss of its leasehold estate.

ASSIGNMENT AND SUBLETTING
17. Tenant shall not assign this Lease or any interest hereunder or sublet the Premises or any part thereof, or permit the use of the Premises by any party other than the Tenant, without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Consent to any assignment or sublease shall not impair this provision and all later assignments or subleases shall be made likewise only on the prior written consent of Landlord. No sublease or assignment by Tenant shall relieve Tenant of any liability hereunder.

EVENTS OF DEFAULT
18. The happening of any one or more of the following events (hereinafter any one of which may be referred to as an "Event of Default") during the term of this Lease, or any renewal or extension thereof, shall constitute a breach of this Lease on the part of the Tenant: (a) Tenant fails to pay when due the rental or any other monetary obligation as provided for herein; (b) Tenant abandons or vacates the Premises; (c) Tenant fails to comply with or abide by and perform any non-monetary obligation imposed upon Tenant under this Lease within thirty (30) days after written notice of such breach; (d) Tenant is adjudicated bankrupt; (e) A permanent receiver is appointed for Tenant's property and such receiver is not removed within sixty (60) days after written notice from Landlord to Tenant to obtain such removal; (f) Tenant, either voluntarily or involuntarily, takes advantage of any debt or relief proceedings under any present or future law, whereby the rent or any part thereof is, or is proposed to be, reduced or payment thereof deferred and such proceeding is not dismissed within sixty (60) days of the filing thereof; (g) Tenant makes an assignment for benefit of creditors; or (h) Tenant's effects are levied upon or attached under process against Tenant, which is not satisfied or dissolved within thirty (30) days after written notice from Landlord to Tenant to obtain satisfaction thereof.

REMEDIES UPON DEFAULT
19. Upon the occurrence of Event of Default, Landlord may pursue any one or more of the following remedies separately or concurrently, without prejudice to any other remedy herein provided or provided by law: (a) Landlord may terminate this Lease by giving written notice to Tenant and upon such termination shall be entitled to recover from Tenant damages as may be permitted under applicable law; or (b) Landlord may terminate this Lease by giving written notice to Tenant and, upon such termination, shall be entitled to recover from the Tenant damages in an amount equal to all rental which is due and all rental which would otherwise have become due throughout the remaining term of this Lease, or any renewal or extension thereof (as if this Lease had not been terminated); or (c) Landlord, as Tenant's agent, without terminating this Lease, may enter upon and rent the Premises, in whole or in part, at the best price obtainable by reasonable effort, without advertisement and by private negotiations and for any term Landlord deems proper, with Tenant being liable to Landlord for the deficiency, if any, between Tenant's rent hereunder and the price obtained by Landlord on reletting, provided however, that Landlord shall not be considered to be under any duty by reason of this provision to take any action to mitigate damages by reason of Tenant's default and expressly shall have no duty to mitigate Tenant's damages. No termination of this Lease prior to the normal ending thereof, by lapse of time or otherwise, shall affect Landlord's right to collect rent for the period prior to termination thereof. Tenant acknowledges and understands that Landlord's acceptance of partial rental will not waive Tenant's breach of this Lease or limit Landlord's rights against Tenant hereunder or Landlord's right to evict Tenant through a summary ejectment proceeding, whether filed before or after Landlord's acceptance of any such partial rental.

EXTERIOR SIGNS
20. Tenant shall place no signs upon the outside walls, doors or roof of the Premises, except with the express written consent of the Landlord in Landlord's sole discretion. Any consent given by Landlord shall expressly not be a representation of or warranty of any legal entitlement to signage at the Premises. Any and all signs placed on the Premises by Tenant shall be maintained in compliance with governmental rules and regulations governing such signs and Tenant shall be responsible to Landlord for any damage caused by installation, use or maintenance of said signs, and all damage incident to removal thereof.

LANDLORD'S ENTRY OF PREMISES
21. Landlord may advertise the Premises "For Rent" or "For Sale" 90 days before the termination of this Lease. Landlord may enter the Premises upon prior notice at reasonable hours to exhibit same to prospective purchasers or tenants, to make repairs required of Landlord under the terms hereof, for reasonable business purposes and otherwise as may be agreed by Landlord and Tenant. Landlord may enter the Premises at any time without prior notice, in the event of an emergency or to make emergency repairs

to the Premises. Upon request of Landlord, Tenant shall provide Landlord with a functioning key to the Premises and shall replace such key if the locks to the Premises are changed.

QUIET ENJOYMENT
22. So long as Tenant observes and performs the covenants and agreements contained herein, it shall at all times during the Lease term peacefully and quietly have and enjoy possession of the Premises, subject to the terms hereof.

HOLDING OVER
23. If Tenant remains in possession of the Premises after expiration of the term hereof, Tenant shall be a tenant at sufferance and there shall be no renewal of this Lease by operation of law. In such event, commencing on the date following the date of expiration of the term, the monthly rental payable under Paragraph 3 above shall for each month, or fraction thereof during which Tenant so remains in possession of the Premises, be **twice** the monthly rental otherwise payable under Paragraph 3 above.

ENVIRONMENTAL LAWS
24. (a) Tenant covenants that with respect to any Hazardous Materials (as defined below) it will comply with any and all federal, state or local laws, ordinances, rules, decrees, orders, regulations or court decisions relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions on, under or about the Premises or soil and ground water conditions, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resource Conservation and Recovery Act, the Hazardous Materials Transportation Act, any other legal requirement concerning hazardous or toxic substances, and any amendments to the foregoing (collectively, all such matters being "Hazardous Materials Requirements"). Tenant shall remove from the Premises, all Hazardous Materials that were placed on the Premises by Tenant or Tenant's employees, agents, invitees or contractors, either after their use by Tenant or upon the expiration or earlier termination of this Lease, in compliance with all Hazardous Materials Requirements.

(b) Tenant shall be responsible for obtaining all necessary permits in connection with its use, storage and disposal of Hazardous Materials, and shall develop and maintain, and where necessary file with the appropriate authorities, all reports, receipts, manifest, filings, lists and invoices covering those Hazardous Materials and Tenant shall provide Landlord with copies of all such items upon request. Tenant shall provide within five (5) days after receipt thereof, copies of all notices, orders, claims or other correspondence from any federal, state or local government or agency alleging any violation of any Hazardous Materials Requirements by Tenant, or related in any manner to Hazardous Materials. In addition, Tenant shall provide Landlord with copies of all responses to such correspondence at the time of the response.

(c) Tenant hereby indemnifies and holds harmless Landlord, its successors and assigns from and against any and all losses, liabilities, damages, injuries, penalties, fines, costs, expenses and claims of any and every kind whatsoever (including attorney's fees and costs) paid, incurred or suffered by, or asserted against Landlord as a result of any claim, demand or judicial or administrative action by any person or entity (including governmental or private entities) for, with respect to, or as a direct or indirect result of, the presence on or under or the escape, seepage, leakage, spillage, discharge, emission or release from the Premises of any Hazardous Materials caused by Tenant or Tenant's employees, agents, invitees or contractors. This indemnity shall also apply to any release of Hazardous Materials caused by a fire or other casualty to the Premises if such Hazardous Materials were stored on the Premises by Tenant, its agents, employees, invitees or successors in interest.

(d) For purposes of this Lease, "Hazardous Materials" means any chemical, compound, material, substance or other matter that: (i) is defined as a hazardous substance, hazardous material or waste, or toxic substance pursuant to any Hazardous Materials Requirements, (ii) is regulated, controlled or governed by any Hazardous Materials Requirements, (iii) is petroleum or a petroleum product, or (iv) is asbestos, formaldehyde, a radioactive material, drug, bacteria, virus, or other injurious or potentially injurious material (by itself or in combination with other materials).

(e) The warranties and indemnities contained in this paragraph 24 shall survive the termination of this Lease.

SUBORDINATION; ATTORNMENT; ESTOPPEL
25. (a) This Lease and all of Tenant's rights hereunder are and shall be subject and subordinate to all currently existing and future mortgages affecting the Premises. Within ten (10) days after the receipt of a written request from Landlord or any Landlord mortgagee, Tenant shall confirm such subordination by executing and delivering Landlord and Landlord's mortgagee a recordable subordination agreement and such other documents as may be reasonably requested, in form and content satisfactory to Landlord and Landlord's mortgagee. Provided, however, as a condition to Tenant's obligation to execute and deliver any such subordination agreement, the applicable mortgagee must agree that mortgagee shall not unilaterally, materially alter this Lease and this Lease shall

not be divested by foreclosure or other default proceedings thereunder so long as Tenant shall not be in default under the terms of this Lease beyond any applicable cure period set forth herein. Tenant acknowledges that any Landlord mortgagee has the right to subordinate at any time its interest in this Lease and the leasehold estate to that of Tenant, without Tenant's consent.

(b) If Landlord sells, transfers, or conveys its interest in the Premises or this Lease, or if the same is foreclosed judicially or nonjudicially, or otherwise acquired, by a Landlord mortgagee, upon the request of Landlord or Landlord's successor, Tenant shall attorn to said successor, provided said successor accepts the Premises subject to this Lease. Tenant shall, upon the request of Landlord or Landlord's successor, execute an attornment agreement confirming the same, in form and substance acceptable to Landlord or Landlord's successor and Landlord shall thereupon be released and discharged from all its covenants and obligations under this Lease, except those obligations that have accrued prior to such sale, transfer or conveyance; and Tenant agrees to look solely to the successor in interest of Landlord for the performance of those covenants accruing after such sale, transfer or conveyance. Such agreement shall provide, among other things, that said successor shall not be bound by (a) any prepayment of more than one (1) month's rental (except the Security Deposit) or (b) any material amendment of this Lease made after the later of the Lease Commencement Date or the date that such successor's lien or interest first arose, unless said successor shall have consented to such amendment.

(c) Within ten (10) days after request from Landlord, Tenant shall execute and deliver to Landlord an estoppel certificate (to be prepared by Landlord and delivered to Tenant) with appropriate facts then in existence concerning the status of this Lease and Tenant's occupancy, and with any exceptions thereto noted in writing by Tenant. Tenant's failure to execute and deliver the Estoppel Certificate within said ten (10) day period shall be deemed to make conclusive and binding upon Tenant in favor of Landlord and any potential mortgagee or transferee the statements contained in such estoppel certificate without exception.

ABANDONMENT

26. Tenant shall not abandon the Premises at any time during the Lease term. If Tenant shall abandon the Premises or be dispossessed by process of law, any personal property belonging to Tenant and left on the Premises, at the option of Landlord, shall be deemed abandoned, and available to Landlord to use or sell to offset any rent due or any expenses incurred by removing same and restoring the Premises.

NOTICES

27. All notices required or permitted under this Lease shall be in writing and shall be personally delivered or sent by U.S. certified mail, return receipt requested, postage prepaid. Notices to Tenant shall be delivered or sent to the address shown at the beginning of this Lease, except that upon Tenant taking possession of the Premises, then the Premises shall be Tenant's address for such purposes. Notices to Landlord shall be delivered or sent to the address shown at the beginning of this Lease and notices to Agent, if any, shall be delivered or sent to the address set forth in Paragraph 3 hereof. All notices shall be effective upon delivery. Any party may change its notice address upon written notice to the other parties, given as provided herein.

BROKERS

28. Except as expressly provided herein, Tenant and Landlord agree to indemnify and hold each other harmless from any and all claims of brokers, consultants or real estate agents by, through or under the indemnifying party for fees or commissions arising out of the lease of the Property to Tenant. Tenant and Landlord represent and warrant to each other that: (i) except as to the brokers designated below ("Brokers"), they have not employed nor engaged any brokers, consultants or real estate agents to be involved in this transaction and (ii) that the compensation of the Brokers is established by and shall be governed by separate agreements entered into as amongst the Brokers, the Tenant and/or the Landlord.

N/A ("Listing Agency"),

__________ ("Listing Agent" - License # __________)

Acting as: ☐ Landlord's Agent; ☐ Dual Agent

and __________ ("Leasing Agency"),

__________ ("Leasing Agent" - License # __________)

Acting as: ☐ Tenant's Agent; ☐ Landlord's (Sub)Agent; ☐ Dual Agent

GENERAL TERMS

29. (a) "Landlord" as used in this Lease shall include the undersigned, its heirs, representatives, assigns and successors in title to the Premises. "Agent" as used in this Lease shall mean the party designated as same in Paragraph 3, its heirs, representatives, assigns and successors. "Tenant" shall include the undersigned and its heirs, representatives, assigns and successors, and if this Lease shall be validly assigned or sublet, shall include also Tenant's assignees or sublessees as to the Premises covered by such assignment or sublease. "Landlord", "Tenant", and "Agent" include male and female, singular and plural, corporation, partnership or individual, as may fit the particular parties.

(b) No failure of Landlord to exercise any power given Landlord hereunder or to insist upon strict compliance by Tenant of its obligations hereunder and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Landlord's right to demand exact compliance with the terms hereof. All rights, powers and privileges conferred hereunder upon parties hereto shall be cumulative and not restrictive of those given by law.

(c) **Time is of the essence in this Lease.**

(d) This Lease may be executed in one or more counterparts, which taken together, shall constitute one and the same original document. Copies of original signature pages of this Lease may be exchanged via facsimile or e-mail, and any such copies shall constitute originals. This Lease constitutes the sole and entire agreement among the parties hereto and no modification of this Lease shall be binding unless in writing and signed by all parties hereto. The invalidity of one or more provisions of this Lease shall not affect the validity of any other provisions hereof and this Lease shall be construed and enforced as if such invalid provisions were not included.

(e) Each signatory to this Lease represents and warrants that he or she has full authority to sign this Lease and such instruments as may be necessary to effectuate any transaction contemplated by this Lease on behalf of the party for whom he or she signs and that his or her signature binds such party. The parties acknowledge and agree that: (i) the initials lines at the bottom of each page of this Lease are merely evidence of their having reviewed the terms of each page, and (ii) the complete execution of such initials lines shall not be a condition of the effectiveness of this Lease.

(f) Upon request by either Landlord or Tenant, the parties hereto shall execute a short form lease (memorandum of lease) in recordable form, setting forth such provisions hereof (other than the amount of annual rental and other sums due) as either party may wish to incorporate. The cost of recording such memorandum of lease shall be borne by the party requesting execution of same.

(g) If legal proceedings are instituted to enforce any provision of this Lease, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorneys fees and court costs incurred in connection with the proceeding.

SPECIAL STIPULATIONS

☐ If this box is checked, additional terms of this Lease are set forth on **Exhibit B** attached hereto and incorporated herein by reference. **(Note: Under North Carolina law, real estate agents are not permitted to draft lease provisions.)**

TENANT IS RESPONSIBLE FOR ALL UPFIT COSTS.

Tenant Initials JPK ______ Landlord Initials ______ ______

THIS DOCUMENT IS A LEGAL DOCUMENT. EXECUTION OF THIS DOCUMENT HAS LEGAL CONSEQUENCES THAT COULD BE ENFORCEABLE IN A COURT OF LAW. THE NORTH CAROLINA ASSOCIATION OF REALTORS® MAKES NO REPRESENTATIONS CONCERNING THE LEGAL SUFFICIENCY, LEGAL EFFECT OR TAX CONSEQUENCES OF THIS DOCUMENT OR THE TRANSACTION TO WHICH IT RELATES AND RECOMMENDS THAT YOU CONSULT YOUR ATTORNEY.

IN WITNESS WHEREOF, the parties hereto have hereunto caused this Lease to be duly executed.

LANDLORD:

Individual

____

Date: ____________________________

____

Date: ____________________________

Business Entity

195 NORTH TRADE, LLC
(Name of Firm)

By: [signature]

Title: MEMBER MANAGER

Date: 01-07-2023

TENANT:

Individual

____

Date: ____________________________

____

Date: ____________________________

Business Entity

MONROE SPORTS BAR LLC
(Name of Firm)

By: [signature]

Title: MANAGING MEMBER

Date: 01-07-2023

STANDARD FORM 592-T
Revised 7/2017

Generic Lease

REALTORS® CommercialAlliance

REALTOR® North Carolina Association of REALTORS®

COMMERCIAL LEASE AGREEMENT
(Single Tenant Facility)

(Note: This form is not intended to be used as a Sublease and SHOULD NOT be used in Sublease circumstances)

THIS COMMERCIAL LEASE AGREEMENT, including any and all addenda attached hereto ("Lease"), is by and between ANFIELD INVESTMENTS LLC,
a(n) NORTH CAROLINA LLC ("Landlord"),
(individual *or* State of formation and type of entity)
whose address is 2631 LIVERY STABLE DR. MATTHEWS NC 28105, and
MONROE SPORTS BAR LLC DBA HAYNE STREET GASTROLOUNGE,
a(n) NORTH CAROLINA LLC ("Tenant").
(individual *or* State of formation and type of entity)
whose address is 2631 LIVERY STABLE DR. MATTHEWS NC 28105

☐ If this box is checked, the obligations of Tenant under this Lease are secured by the guaranty of ______ (name(s) of guarantor(s)) attached hereto and incorporated herein by reference.

(Note: Any guaranty should be prepared by an attorney at law.)

For and in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

PREMISES

1. Landlord leases unto Tenant, and Tenant hereby leases and takes upon the terms and conditions which hereinafter appear, the following described property, including any improvements located thereon (hereinafter called the "Premises"), to wit:

(Address): 109 N HAYNE STREET UNIT 100 MONROE NC 28112

☐ All ☐ A portion of the property in Deed Reference: Book ______, Page No. ______, ______ County; consisting of approximately ______ acres.

Plat Reference: Lot(s) ______, Block or Section ______, as shown on Plat Book or Slide ______ at Page(s) ______, ______ County, consisting of ______ acres.

☐ If this box is checked, Premises shall mean that property described on **Exhibit A** attached hereto and incorporated herewith by reference.

(For information purposes only, the tax parcel number of the Premises is: 09-232-062-01)

TERM

2. The term of this Lease shall commence on DECEMBER 1, 2023 ("Lease Commencement Date"), and shall end at 11:59 p.m. (based upon the time at the locale of the Premises) on DECEMBER 31, 2033, unless sooner terminated as herein provided. The first Lease Year Anniversary shall be the date twelve (12) calendar months after the first day of the first full month immediately following the Lease Commencement Date and successive Lease Year Anniversaries shall be the date twelve (12) calendar months from the previous Lease Year Anniversary.

☑ If this box is checked, Tenant shall have the option of renewing this Lease, upon written notice given to Landlord at least 90 days prior to the end of the then expiring term of this Lease, for 1 additional term(s) of 5 years each.

Tenant Initials ______ ______ Landlord Initials JPK ______

☐ **Option to Lease-** If this box is checked, Tenant, upon the payment of the sum of $__________________ (which sum is not rental or security deposit hereunder, but is consideration for this Option to Lease and is non-refundable under any circumstances) shall have a period of ___________ days prior to the Lease Commencement Date ("Option Period") in which to inspect the Premises and make inquiry regarding such sign regulations, zoning regulations, utility availability, private restrictions or permits or other regulatory requirements as Tenant may deem appropriate to satisfy itself as to the use of the Premises for Tenant's intended purposes. Tenant shall conduct all such on-site inspections, examinations, inquiries and other review of the Premises in a good and workmanlike manner, shall repair any damage to the Premises caused by Tenant's entry and on-site inspections and shall conduct same in a manner that does not unreasonably interfere with Landlord's or any tenant's use and enjoyment of the Premises. In that respect, Tenant shall make reasonable efforts to undertake on-site inspections outside of the hours any tenant's business is open to the public and shall give prior notice to the tenant at the Premises of any entry onto the Premises for the purpose of conducting inspections. Upon Landlord's request, Tenant shall provide to Landlord evidence of general liability insurance. Tenant shall also have a right to review and inspect all contracts or other agreements affecting or related directly to the Premises and shall be entitled to review such books and records of Landlord that relate directly to the operation and maintenance of the Premises, provided, however, that Tenant shall not disclose any information regarding the Premises (or any tenant therein) unless required by law and the same shall be regarded as confidential, to any person, except to its attorneys, accountants, lenders and other professional advisors, in which case Tenant shall obtain their agreement to maintain such confidentiality. Tenant assumes all responsibility for the acts of itself, its agents or representatives in exercising its rights under this Option to Lease and agrees to indemnify and hold Seller harmless from any damages resulting therefrom. This indemnification obligation of Tenant shall survive the termination of this Option to Lease or this Lease. Tenant shall, at Tenant's expense, promptly repair any damage to the Premises caused by Tenant's entry and on-site inspections. **IF TENANT CHOOSES NOT TO LEASE THE PREMISES, FOR ANY REASON OR NO REASON, AND PROVIDES WRITTEN NOTICE TO LANDLORD THEREOF PRIOR TO THE EXPIRATION OF THE OPTION PERIOD, THEN THIS LEASE SHALL TERMINATE AND NEITHER PARTY SHALL HAVE ANY FURTHER OBLIGATIONS HEREUNDER AND LANDLORD SHALL RETURN TO TENANT ANY RENTAL OR SECURITY DEPOSIT PAID TO LANDLORD HEREUNDER.** Tenant shall be deemed to have exercised its Option to Lease and to be bound under the terms of this Lease if (i) Tenant shall occupy the Premises prior to the expiration of the Option Period, whereupon the date of occupancy shall be deemed the Lease Commencement Date, or (ii) Tenant shall not provide written notice to Landlord of its termination of this Lease prior to the expiration of the Option Period.

RENTAL

3. Beginning on DECEMBER 1, 2023 ("Rent Commencement Date"), Tenant agrees to pay Landlord (or its Agent as directed by Landlord), without notice, demand, deduction or set off, an annual rental of $ 90,000 , payable in equal monthly installments of $ 7,500 , in advance on the first day of each calendar month during the term hereof. Upon execution of this Lease, Tenant shall pay to Landlord the first monthly installment of rent due hereunder. Rental for any period during the term hereof which is less than one month shall be the pro-rated portion of the monthly installment of rental due, based upon a 30 day month.

☑ If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every 1 Lease Year Anniversary by 3 % over the amount then payable hereunder. In the event renewal of this Lease is provided for in paragraph 2 hereof and effectively exercised by Tenant, the rental adjustments provided herein shall apply to the term of the Lease so renewed, or

☐ If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every ________ Lease Year Anniversary by the greater of: (i) ____ percent (_________ %) over the amount then payable hereunder, or, (ii) the percentage increase (but not any decrease) in the numerical index of the "Consumer Price Index for All Urban Consumers" (1982-84 = 100) published by the Bureau of Labor Statistics of the United States Department of Labor ("CPI") for the immediately preceding twelve (12) month period over the amount then payable hereunder.

☐ If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every ________ Lease Year Anniversary by $ ___________________ over the amount then payable hereunder. In the event renewal of this Lease is provided for in paragraph 2 hereof and effectively exercised by Tenant, the rental adjustments provided herein shall apply to the term of the Lease so renewed,

☐ If this box is checked, Tenant shall pay all rental to Landlord's Agent at the following address:

____

____

____

LATE CHARGES

4. If Landlord fails to receive full rental payment within ____5____ days after it becomes due, Tenant shall pay Landlord, as additional rental, a late charge equal to ____5____ percent ________ (%) of the overdue amount or $ ________ whichever is greater, plus any actual bank fees incurred for dishonored payments. The parties agree that such a late charge represents a fair and reasonable estimate of the cost Landlord will incur by reason of such late payment.

SECURITY DEPOSIT

5. Upon the execution of this Lease, Tenant shall deposit with Landlord the sum of $ ________ as a security deposit which shall be held by Landlord as security for the full and faithful performance by Tenant of each and every term, covenant and condition of this Lease. The security deposit does not represent payment of and Tenant shall not presume application of same as payment of the last monthly installment of rental due under this Lease. Landlord shall have no obligation to segregate or otherwise account for the security deposit except as provided in this paragraph 5. If any of the rental or other charges or sums payable by Tenant shall be over-due and unpaid or should payments be made by Landlord on behalf of Tenant, or should Tenant fail to perform any of the terms of this Lease, then Landlord may, at its option, appropriate and apply the security deposit, or so much thereof as may be necessary, to compensate toward the payment of the rents, charges or other sums due from Tenant, or towards any loss, damage or expense sustained by Landlord resulting from such default on the part of the Tenant; and in such event Tenant upon demand shall restore the security deposit to the amount set forth above in this paragraph 5. In the event Tenant furnishes Landlord with proof that all utility bills and other bills of Tenant related to the Premises have been paid through the date of Lease termination, and performs all of Tenant's other obligations under this Lease, the security deposit shall be returned to Tenant within sixty (60) days after the date of the expiration or sooner termination of the term of this Lease and the surrender of the Premises by Tenant in compliance with the provisions of this Lease.

☐ If this box is checked, Agent shall hold the security deposit in trust and shall be entitled to the interest, if any, thereon.

UTILITY BILLS/SERVICE CONTRACTS

6. Landlord and Tenant agree that utility bills and service contracts ("Service Obligations") for the Premises shall be paid by the party indicated below as to each Service Obligation. In each instance, the party undertaking responsibility for payment of a Service Obligation covenants that they will pay the applicable bills prior to delinquency. The responsibility to pay for a Service Obligation shall include all metering, hook-up fees or other miscellaneous charges associated with establishing, installing and maintaining such utility or contract in said party's name. Within thirty (30) days of the Lease Commencement Date, Tenant shall provide Landlord with a copy of any requested Tenant Service Obligation information.

Service Obligation	Landlord	Tenant	Not Applicable
Sewer/Septic	☑	☐	☐
Water	☑	☐	☐
Electric	☐	☑	☐
Gas	☐	☑	☐
Telephone	☐	☑	☐
HVAC (maintenance/service contract)	☐	☑	☐
Elevator (including phone line)	☐	☑	☐
Security System	☐	☑	☐
Fiber Optic	☐	☑	☐
Janitor/Cleaning	☐	☑	☐
Trash/Dumpster	☐	☑	☐
Landscaping/Maintenance	☐	☑	☐
Sprinkler System (including phone line)	☐	☑	☐
Pest Control	☐	☑	☐
INTERNET	☐	☑	☐
HOA ASSESSMENTS	☐	☑	☐
	☐	☐	☐
	☐	☐	☐
	☐	☐	☐
	☐	☐	☐
	☐	☐	☐

Tenant Initials ________ ________ Landlord Initials JPK ________

Landlord shall not be liable for injury to Tenant's business or loss of income therefrom or for damage that may be sustained by the person, merchandise or personal property of Tenant, its employees, agents, invitees or contractors or any other person in or about the Premises, caused by or resulting from fire, steam, electricity, gas, water or rain, which may leak or flow from or into any part of the Premises, or from the breakage, leakage, obstruction or other defects of any utility installations, air conditioning system or other components of the Premises, except to the extent that such damage or loss is caused by Landlord's gross negligence or willful misconduct. Landlord represents and warrants that the heating, ventilation and air conditioning system(s) and utility installations existing as of the Lease Commencement Date shall be in good order and repair. Subject to the provisions of this paragraph 6, Landlord shall not be liable in damages or otherwise for any discontinuance, failure or interruption of service to the Premises of utilities or the heating, ventilation and air conditioning system(s) and Tenant shall have no right to terminate this Lease or withhold rental because of the same.

RULES AND REGULATIONS

7. The rules and regulations, if any, attached hereto ("Rules and Regulations") are made a part of this Lease. Tenant agrees to comply with any Rules and Regulations of Landlord in connection with the Premises which are in effect at the time of the execution of the Lease or which may be from time to time promulgated by Landlord in its reasonable discretion, provided such Rules and Regulations are in writing and are not in conflict with the terms and conditions of the Lease.

PERMITTED USES

8. The permitted use of the Premises shall be: RESTAURANT AND BAR, EVENT SPACE ("Permitted Use"). The Premises shall be used and wholly occupied by Tenant solely for the purposes of conducting the Permitted Use, and the Premises shall not be used for any other purposes unless Tenant obtains Landlord's prior written approval of any change in use. Landlord makes no representation or warranty regarding the suitability of the Premises for or the legality (under zoning or other applicable ordinances) of the Permitted Use for the Premises, provided however, that Landlord does represent that it has no contractual obligations with other parties which will materially interfere with or prohibit the Permitted Use of Tenant at the Premises. At Tenant's sole expense, Tenant shall procure, maintain and make available for Landlord's inspection from time to time any governmental license(s) or permit(s) required for the proper and lawful conduct of Tenant's business in the Premises. Tenant shall not cause or permit any waste to occur in the Premises and shall not overload the floor, or any mechanical, electrical, plumbing or utility systems serving the Premises. Tenant shall keep the Premises, and every part thereof, in a clean and wholesome condition, free from any objectionable noises, loud music, objectionable odors or nuisances.

TAXES AND INSURANCE

9. Landlord shall pay all taxes (including but not limited to, ad valorem taxes, special assessments and any other governmental charges) on the Premises and shall procure and pay for such commercial general liability, broad form fire and extended and special perils insurance with respect to the Premises as Landlord in its reasonable discretion may deem appropriate. Tenant shall reimburse Landlord for all taxes and insurance as provided herein within fifteen (15) days after receipt of notice from Landlord as to the amount due. Tenant shall be solely responsible for insuring Tenant's personal and business property and for paying any taxes or governmental assessments levied thereon. Tenant shall reimburse Landlord for taxes and insurance during the term of this Lease, and any extension or renewal thereof. **If boxes are checked below, the manner of reimbursement shall be as indicated:**

Taxes

☐ The amount by which all taxes (including but not limited to, ad valorem taxes, special assessments and any other governmental charges) on the Premises for each tax year exceed all taxes on the Premises for the tax year ____________ ; or

☐ All taxes (including but not limited to, ad valorem taxes, special assessments and any other governmental charges) on the Premises for each tax year.

If the final Lease Year of the term fails to coincide with the tax year, then any excess for the tax year during which the term ends shall be reduced by the pro rata part of such tax year beyond the Lease term. If such taxes for the year in which the Lease terminates are not ascertainable before payment of the last month's rental, then the amount of such taxes assessed against the Premises for the previous tax year shall be used as a basis for determining the pro rata share, if any, to be paid by Tenant for that portion of the last Lease Year.

☑ If this box is checked, Tenant shall reimburse Landlord for taxes by paying to Landlord, beginning on the Rent Commencement Date and on the first day of each calendar month during the term hereof, an amount equal to one-twelfth (1/12) of the then current tax payments for the Premises. Upon receipt of bills, statements or other evidence of taxes due, Landlord shall pay or cause to be paid the taxes. If at any time the reimbursement payments by Tenant hereunder do not equal the amount of taxes paid by Landlord, Tenant shall upon demand pay to Landlord an amount equal to the deficiency or Landlord shall refund to Tenant any overpayment (as applicable) as documented by

Landlord. Landlord shall have no obligation to segregate or otherwise account for the tax reimbursements paid hereunder except as provided in this paragraph 9.

Insurance

☐ the excess cost of commercial general liability, broad form fire and extended and special perils insurance with respect to the Premises over the cost of the first year of the Lease term for each subsequent year during the term of this Lease; or

☐ the cost of all commercial general liability, broad form fire and extended and special perils insurance with respect to the Premises.

☑ If this box is checked, Tenant shall reimburse Landlord for insurance by paying to Landlord, beginning on the Rent Commencement Date and on the first day of each calendar month during the term hereof, an amount equal to one-twelfth (1/12) of the then current insurance premiums for the Premises. Upon receipt of bills, statements or other evidence of insurance premiums due, Landlord shall pay or cause to be paid the insurance premiums. If at any time the reimbursement payments by Tenant hereunder do not equal the amount of insurance premiums paid by Landlord, Tenant shall upon demand pay to Landlord an amount equal to the deficiency or Landlord shall refund to Tenant any overpayment (as applicable) as documented by Landlord. Landlord shall have no obligation to segregate or otherwise account for the insurance premium reimbursements paid hereunder except as provided in this paragraph 9.

(Note: The following box should only be checked if there are no boxes checked above in this paragraph 9.)
☐ If this box is checked, Tenant shall have no responsibility to reimburse Landlord for taxes or insurance.

Provided however, notwithstanding any provision of the foregoing, that in the event Tenant's use of the Premises results in an increase in the rate of insurance on the Premises, Tenant shall pay to Landlord, upon demand and as additional rental, the amount of any such increase.

INSURANCE; WAIVER; INDEMNITY

10. (a) During the term of this Lease, Tenant shall maintain commercial general liability insurance coverage (occurrence coverage) with broad form contractual liability coverage and with coverage limits of not less than $1,000,000 combined single limit, per occurrence, specifically including liquor liability insurance covering consumption of alcoholic beverages by customers of Tenant should Tenant choose to sell alcoholic beverages. Such policy shall insure Tenant's performance of the indemnity provisions of this Lease, but the amount of such insurance shall not limit Tenant's liability nor relieve Tenant of any obligation hereunder. All policies of insurance provided for herein shall name as "additional insureds" Landlord, Landlord's Agent, all mortgagees of Landlord and such other individuals or entities as Landlord may from time to time designate upon written notice to Tenant. Tenant shall provide to Landlord, at least thirty (30) days prior to expiration, certificates of insurance to evidence any renewal or additional insurance procured by Tenant. Tenant shall provide evidence of all insurance required under this Lease to Landlord prior to the Lease Commencement Date.

(b) Landlord (for itself and its insurer) waives any rights, including rights of subrogation, and Tenant (for itself and its insurer) waives any rights, including rights of subrogation, each may have against the other for compensation of any loss or damage occasioned to Landlord or Tenant arising from any risk generally covered by the "all risks" insurance required to be carried by Landlord and Tenant. The foregoing waivers of subrogation shall be operative only so long as available in the State of North Carolina. The foregoing waivers shall be effective whether or not the parties maintain the insurance required to be carried pursuant to this Lease.

(c) Except as otherwise provided in paragraph 10(b), Tenant indemnifies Landlord for damages proximately caused by the negligence or wrongful conduct of Tenant and Tenant's employees, agents, invitees or contractors. Except as otherwise provided in paragraph 10(b), Landlord indemnifies Tenant for damages proximately caused by the negligence or wrongful conduct of Landlord and Landlord's employees, agents, invitees or contractors. The indemnity provisions in this paragraph 10 cover personal injury and property damage and shall bind the employees, agents, invitees or contractors of Landlord and Tenant (as the case may be). The indemnity obligations in this paragraph 10 shall survive the expiration or earlier termination of this Lease.

Tenant Initials ________ ________ Landlord Initials JPK ________

REPAIRS BY LANDLORD

11. Landlord agrees to keep in good repair the roof, foundation, structural supports and exterior walls of the buildings located on the Premises (exclusive of all glass and exclusive of all exterior doors) and, except as may be specifically allocated to Tenant in paragraph 12 herein, Landlord agrees to be responsible for capital repairs and replacements on the Premises; provided that Landlord shall not be responsible for repairs or capital repairs or replacements rendered necessary by the negligence or intentional wrongful acts of Tenant, its employees, agents, invitees or contractors. Tenant shall promptly report in writing to Landlord any defective condition known to it which Landlord is required to repair or replace and failure to report such conditions shall make Tenant responsible to Landlord for any liability incurred by Landlord by reason of such conditions.

(Note: Should Landlord and Tenant need to further detail the allocation of responsibility hereunder, the Special Stipulations box at the end of the Lease should be checked and such allocation should be specified on an Exhibit B.)

REPAIRS BY TENANT

12. (a) Tenant accepts the Premises in their present condition and as suited for the Permitted Use and Tenant's intended purposes. Tenant, throughout the initial term of this Lease, and any extension or renewal thereof, at its expense, shall maintain in good order and repair the Premises, (except those repairs expressly required to be made by Landlord hereunder), specifically including but not limited to any building and other improvements located thereon, all light bulb and ballast replacements, plumbing fixtures and systems repairs within the Premises and water heater repairs. Tenant further agrees to care for the grounds around the building, including the mowing of grass, care of shrubs and general landscaping. Tenant shall use only licensed contractors for repairs where such license is required. Landlord shall have the right to approve the contractor as to any repairs in excess of $ ________________ .

☑ If this box is checked, Tenant, at its expense, shall maintain the heating, ventilation and air conditioning system(s) in good order and repair, including but not limited to replacement of parts, compressors, air handling units and heating units. Provided that Tenant shall have obtained Landlord's prior written approval of the contractor and the repair or replacement expenses for heating, ventilation and air conditioning equipment, Tenant shall not be liable for more than $ ____________________ (per occurrence) or $ ____________________ (annually), and Landlord shall reimburse Tenant for the amount in excess of the stated amount upon the written request of Tenant.

☐ If this box is checked, Landlord, at its expense, shall maintain the heating, ventilation and air conditioning system(s) in good order and repair, including but not limited to replacement of parts, compressors, air handling units and heating units. Provided that, Tenant shall reimburse Landlord an amount up to $ ____________________ (per occurrence) or $ ____________________ (annually), and Landlord shall be responsible for the amount in excess of the stated amount. Tenant shall reimburse Landlord for the amount of Tenant's obligation hereunder upon the written request of Landlord.

(b) Tenant agrees to return the Premises to Landlord at the expiration or prior termination of this Lease, in as good condition and repair as on the Lease Commencement Date, natural wear and tear, damage by storm, fire, lightning, earthquake or other casualty alone excepted. Tenant, Tenant's employees, agents, invitees or contractors shall take no action which may void any manufacturers or installers warranty with relation to the Premises. Tenant shall indemnify and hold Landlord harmless from any liability, claim, demand or cause of action arising on account of Tenant's breach of the provisions of this paragraph 12.

ALTERATIONS

13. Tenant shall not make any alterations, additions, or improvements to the Premises without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Tenant shall promptly remove any alterations, additions, or improvements constructed in violation of this paragraph 13 upon Landlord's written request. All approved alterations, additions, and improvements will be accomplished in a good and workmanlike manner, in conformity with all applicable laws and regulations, and by a contractor approved by Landlord, free of any liens or encumbrances. Landlord may require Tenant to remove any alterations, additions or improvements (whether or not made with Landlord's consent) at the termination of the Lease and to restore the Premises to its prior condition, all at Tenant's expense. All alterations, additions and improvements which Landlord has not required Tenant to remove shall become Landlord's property and shall be surrendered to Landlord upon the termination of this Lease, except that Tenant may remove any of Tenant's machinery, equipment or trade fixtures which can be removed without material damage to the Premises. Tenant shall repair, at Tenant's expense, any damage to the Premises caused by the removal of any such machinery, equipment or trade fixtures.

DESTRUCTION OF OR DAMAGE TO PREMISES

14. (a) If the Premises are totally destroyed by storm, fire, lightning, earthquake or other casualty, Landlord shall have the right to terminate this Lease on written notice to Tenant within thirty (30) days after such destruction and this Lease shall terminate as of the date of such destruction and rental shall be accounted for as between Landlord and Tenant as of that date.

Tenant Initials ________ Landlord Initials JPK ________

(b) If the Premises are damaged but not wholly destroyed by any such casualties or if the Landlord does not elect to terminate the Lease under paragraph 14(a) above, Landlord shall commence (or shall cause to be commenced) reconstruction of the Premises within one hundred twenty (120) days after such occurrence and prosecute the same diligently to completion, not to exceed two hundred seventy (270) days from the date upon which Landlord receives applicable permits and insurance proceeds. In the event Landlord shall fail to substantially complete reconstruction of the Premises within said two hundred seventy (270) day period, Tenant's sole remedy shall be to terminate this Lease.

(c) In the event of any casualty at the Premises during the last one (1) year of the Lease Term, Landlord and Tenant each shall have the option to terminate this Lease on written notice to the other of exercise thereof within sixty (60) days after such occurrence.

(d) In the event of reconstruction of the Premises, Tenant shall continue the operation of its business in the Premises during any such period to the extent reasonably practicable from the standpoint of prudent business management, and the obligation of Tenant to pay annual rental and any other sums due under this Lease shall remain in full force and effect during the period of reconstruction. The annual rental and other sums due under this Lease shall be abated proportionately with the degree to which Tenant's use of the Premises is impaired, commencing from the date of destruction and continuing during the period of such reconstruction. Tenant shall not be entitled to any compensation or damages from Landlord for loss of use of the whole or any part of the Premises, Tenant's personal property, or any inconvenience or annoyance occasioned by such damage, reconstruction or replacement.

(e) In the event of the termination of this Lease under any of the provisions of this paragraph 14, both Landlord and Tenant shall be released from any liability or obligation under this Lease arising after the date of termination, except as otherwise provided for in this Lease.

GOVERNMENTAL ORDERS

15. Tenant, at its own expense, agrees to comply with: (a) any law, statute, ordinance, regulation, rule, requirement, order, court decision or procedural requirement of any governmental or quasi-governmental authority having jurisdiction over the Premises; (b) the rules and regulations of any applicable governmental insurance authority or any similar body, relative to the Premises and Tenant's activities therein; (c) provisions of or rules enacted pursuant to any private use restrictions, as the same may be amended from time to time and (d) the Americans with Disabilities Act (42 U.S.C.S. §12101, et seq.) and the regulations and accessibility guidelines enacted pursuant thereto, as the same may be amended from time to time. Landlord and Tenant agree, however, that if in order to comply with such requirements the cost to Tenant shall exceed a sum equal to one (1) year's rent, then Tenant may terminate this Lease by giving written notice of termination to Landlord in accordance with the terms of this Lease, which termination shall become effective sixty (60) days after receipt of such notice and which notice shall eliminate the necessity of compliance with such requirements, unless, within thirty (30) days of receiving such notice, Landlord agrees in writing to be responsible for such compliance, at its own expense, and commences compliance activity, in which case Tenant's notice given hereunder shall not terminate this Lease.

CONDEMNATION

16. (a) If the entire Premises shall be appropriated or taken under the power of eminent domain by any governmental or quasi-governmental authority or under threat of and in lieu of condemnation (hereinafter, "taken" or "taking"), this Lease shall terminate as of the date of such taking, and Landlord and Tenant shall have no further liability or obligation arising under this Lease after such date, except as otherwise provided for in this Lease.

(b) If more than twenty-five percent (25%) of the floor area of any building of the Premises is taken, or if by reason of any taking, regardless of the amount so taken, the remainder of the Premises is not one undivided space or is rendered unusable for the Permitted Use, either Landlord or Tenant shall have the right to terminate this Lease as of the date Tenant is required to vacate the portion of the Premises taken, upon giving notice of such election within thirty (30) days after receipt by Tenant from Landlord of written notice that said Premises have been or will be so taken. In the event of such termination, both Landlord and Tenant shall be released from any liability or obligation under this Lease arising after the date of termination, except as otherwise provided for in this Lease.

(c) Landlord and Tenant, immediately after learning of any taking, shall give notice thereof to each other.

(d) If this Lease is not terminated on account of a taking as provided herein above, then Tenant shall continue to occupy that portion of the Premises not taken and the parties shall proceed as follows: (i) at Landlord's cost and expense and as soon as reasonably possible, Landlord shall restore (or shall cause to be restored) the Premises remaining to a complete unit of like quality and character as existed prior to such appropriation or taking, and (ii) the annual rent provided for in paragraph 3 and other sums due under the Lease shall be reduced on an equitable basis, taking into account the relative values of the portion taken as compared to the portion remaining. Tenant waives any statutory rights of termination that may arise because of any partial taking of the Premises.

Tenant Initials ____________ Landlord Initials JPK ______

(e) Landlord shall be entitled to the entire condemnation award for any taking of the Premises or any part thereof. Tenant's right to receive any amounts separately awarded to Tenant directly from the condemning authority for the taking of its merchandise, personal property, relocation expenses and/or interests in other than the real property taken shall not be affected in any manner by the provisions of this paragraph 16, provided Tenant's award does not reduce or affect Landlord's award and provided further, Tenant shall have no claim for the loss of its leasehold estate.

ASSIGNMENT AND SUBLETTING

17. Tenant shall not assign this Lease or any interest hereunder or sublet the Premises or any part thereof, or permit the use of the Premises by any party other than the Tenant, without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Consent to any assignment or sublease shall not impair this provision and all later assignments or subleases shall be made likewise only on the prior written consent of Landlord. No sublease or assignment by Tenant shall relieve Tenant of any liability hereunder.

EVENTS OF DEFAULT

18. The happening of any one or more of the following events (hereinafter any one of which may be referred to as an "Event of Default") during the term of this Lease, or any renewal or extension thereof, shall constitute a breach of this Lease on the part of the Tenant: (a) Tenant fails to pay when due the rental or any other monetary obligation as provided for herein; (b) Tenant abandons or vacates the Premises; (c) Tenant fails to comply with or abide by and perform any non-monetary obligation imposed upon Tenant under this Lease within thirty (30) days after written notice of such breach; (d) Tenant is adjudicated bankrupt; (e) A permanent receiver is appointed for Tenant's property and such receiver is not removed within sixty (60) days after written notice from Landlord to Tenant to obtain such removal; (f) Tenant, either voluntarily or involuntarily, takes advantage of any debt or relief proceedings under any present or future law, whereby the rent or any part thereof is, or is proposed to be, reduced or payment thereof deferred and such proceeding is not dismissed within sixty (60) days of the filing thereof; (g) Tenant makes an assignment for benefit of creditors; or (h) Tenant's effects are levied upon or attached under process against Tenant, which is not satisfied or dissolved within thirty (30) days after written notice from Landlord to Tenant to obtain satisfaction thereof.

REMEDIES UPON DEFAULT

19. Upon the occurrence of Event of Default, Landlord may pursue any one or more of the following remedies separately or concurrently, without prejudice to any other remedy herein provided or provided by law: (a) Landlord may terminate this Lease by giving written notice to Tenant and upon such termination shall be entitled to recover from Tenant damages as may be permitted under applicable law; or (b) Landlord may terminate this Lease by giving written notice to Tenant and, upon such termination, shall be entitled to recover from the Tenant damages in an amount equal to all rental which is due and all rental which would otherwise have become due throughout the remaining term of this Lease, or any renewal or extension thereof (as if this Lease had not been terminated); or (c) Landlord, as Tenant's agent, without terminating this Lease, may enter upon and rent the Premises, in whole or in part, at the best price obtainable by reasonable effort, without advertisement and by private negotiations and for any term Landlord deems proper, with Tenant being liable to Landlord for the deficiency, if any, between Tenant's rent hereunder and the price obtained by Landlord on reletting, provided however, that Landlord shall not be considered to be under any duty by reason of this provision to take any action to mitigate damages by reason of Tenant's default and expressly shall have no duty to mitigate Tenant's damages. No termination of this Lease prior to the normal ending thereof, by lapse of time or otherwise, shall affect Landlord's right to collect rent for the period prior to termination thereof. Tenant acknowledges and understands that Landlord's acceptance of partial rental will not waive Tenant's breach of this Lease or limit Landlord's rights against Tenant hereunder or Landlord's right to evict Tenant through a summary ejectment proceeding, whether filed before or after Landlord's acceptance of any such partial rental.

EXTERIOR SIGNS

20. Tenant shall place no signs upon the outside walls, doors or roof of the Premises, except with the express written consent of the Landlord in Landlord's sole discretion. Any consent given by Landlord shall expressly not be a representation of or warranty of any legal entitlement to signage at the Premises. Any and all signs placed on the Premises by Tenant shall be maintained in compliance with governmental rules and regulations governing such signs and Tenant shall be responsible to Landlord for any damage caused by installation, use or maintenance of said signs, and all damage incident to removal thereof.

LANDLORD'S ENTRY OF PREMISES

21. Landlord may advertise the Premises "For Rent" or "For Sale" ____90____ days before the termination of this Lease. Landlord may enter the Premises upon prior notice at reasonable hours to exhibit same to prospective purchasers or tenants, to make repairs required of Landlord under the terms hereof, for reasonable business purposes and otherwise as may be agreed by Landlord and Tenant. Landlord may enter the Premises at any time without prior notice, in the event of an emergency or to make emergency repairs

to the Premises. Upon request of Landlord, Tenant shall provide Landlord with a functioning key to the Premises and shall replace such key if the locks to the Premises are changed.

QUIET ENJOYMENT

22. So long as Tenant observes and performs the covenants and agreements contained herein, it shall at all times during the Lease term peacefully and quietly have and enjoy possession of the Premises, subject to the terms hereof.

HOLDING OVER

23. If Tenant remains in possession of the Premises after expiration of the term hereof, Tenant shall be a tenant at sufferance and there shall be no renewal of this Lease by operation of law. In such event, commencing on the date following the date of expiration of the term, the monthly rental payable under Paragraph 3 above shall for each month, or fraction thereof during which Tenant so remains in possession of the Premises, be **twice** the monthly rental otherwise payable under Paragraph 3 above.

ENVIRONMENTAL LAWS

24. (a) Tenant covenants that with respect to any Hazardous Materials (as defined below) it will comply with any and all federal, state or local laws, ordinances, rules, decrees, orders, regulations or court decisions relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions on, under or about the Premises or soil and ground water conditions, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resource Conservation and Recovery Act, the Hazardous Materials Transportation Act, any other legal requirement concerning hazardous or toxic substances, and any amendments to the foregoing (collectively, all such matters being "Hazardous Materials Requirements"). Tenant shall remove from the Premises, all Hazardous Materials that were placed on the Premises by Tenant or Tenant's employees, agents, invitees or contractors, either after their use by Tenant or upon the expiration or earlier termination of this Lease, in compliance with all Hazardous Materials Requirements.

(b) Tenant shall be responsible for obtaining all necessary permits in connection with its use, storage and disposal of Hazardous Materials, and shall develop and maintain, and where necessary file with the appropriate authorities, all reports, receipts, manifest, filings, lists and invoices covering those Hazardous Materials and Tenant shall provide Landlord with copies of all such items upon request. Tenant shall provide within five (5) days after receipt thereof, copies of all notices, orders, claims or other correspondence from any federal, state or local government or agency alleging any violation of any Hazardous Materials Requirements by Tenant, or related in any manner to Hazardous Materials. In addition, Tenant shall provide Landlord with copies of all responses to such correspondence at the time of the response.

(c) Tenant hereby indemnifies and holds harmless Landlord, its successors and assigns from and against any and all losses, liabilities, damages, injuries, penalties, fines, costs, expenses and claims of any and every kind whatsoever (including attorney's fees and costs) paid, incurred or suffered by, or asserted against Landlord as a result of any claim, demand or judicial or administrative action by any person or entity (including governmental or private entities) for, with respect to, or as a direct or indirect result of, the presence on or under or the escape, seepage, leakage, spillage, discharge, emission or release from the Premises of any Hazardous Materials caused by Tenant or Tenant's employees, agents, invitees or contractors. This indemnity shall also apply to any release of Hazardous Materials caused by a fire or other casualty to the Premises if such Hazardous Materials were stored on the Premises by Tenant, its agents, employees, invitees or successors in interest.

(d) For purposes of this Lease, "Hazardous Materials" means any chemical, compound, material, substance or other matter that: (i) is defined as a hazardous substance, hazardous material or waste, or toxic substance pursuant to any Hazardous Materials Requirements, (ii) is regulated, controlled or governed by any Hazardous Materials Requirements, (iii) is petroleum or a petroleum product, or (iv) is asbestos, formaldehyde, a radioactive material, drug, bacteria, virus, or other injurious or potentially injurious material (by itself or in combination with other materials).

(e) The warranties and indemnities contained in this paragraph 24 shall survive the termination of this Lease.

SUBORDINATION; ATTORNMENT; ESTOPPEL

25. (a) This Lease and all of Tenant's rights hereunder are and shall be subject and subordinate to all currently existing and future mortgages affecting the Premises. Within ten (10) days after the receipt of a written request from Landlord or any Landlord mortgagee, Tenant shall confirm such subordination by executing and delivering Landlord and Landlord's mortgagee a recordable subordination agreement and such other documents as may be reasonably requested, in form and content satisfactory to Landlord and Landlord's mortgagee. Provided, however, as a condition to Tenant's obligation to execute and deliver any such subordination agreement, the applicable mortgagee must agree that mortgagee shall not unilaterally, materially alter this Lease and this Lease shall

not be divested by foreclosure or other default proceedings thereunder so long as Tenant shall not be in default under the terms of this Lease beyond any applicable cure period set forth herein. Tenant acknowledges that any Landlord mortgagee has the right to subordinate at any time its interest in this Lease and the leasehold estate to that of Tenant, without Tenant's consent.

(b) If Landlord sells, transfers, or conveys its interest in the Premises or this Lease, or if the same is foreclosed judicially or nonjudicially, or otherwise acquired, by a Landlord mortgagee, upon the request of Landlord or Landlord's successor, Tenant shall attorn to said successor, provided said successor accepts the Premises subject to this Lease. Tenant shall, upon the request of Landlord or Landlord's successor, execute an attornment agreement confirming the same, in form and substance acceptable to Landlord or Landlord's successor and Landlord shall thereupon be released and discharged from all its covenants and obligations under this Lease, except those obligations that have accrued prior to such sale, transfer or conveyance; and Tenant agrees to look solely to the successor in interest of Landlord for the performance of those covenants accruing after such sale, transfer or conveyance. Such agreement shall provide, among other things, that said successor shall not be bound by (a) any prepayment of more than one (1) month's rental (except the Security Deposit) or (b) any material amendment of this Lease made after the later of the Lease Commencement Date or the date that such successor's lien or interest first arose, unless said successor shall have consented to such amendment.

(c) Within ten (10) days after request from Landlord, Tenant shall execute and deliver to Landlord an estoppel certificate (to be prepared by Landlord and delivered to Tenant) with appropriate facts then in existence concerning the status of this Lease and Tenant's occupancy, and with any exceptions thereto noted in writing by Tenant. Tenant's failure to execute and deliver the Estoppel Certificate within said ten (10) day period shall be deemed to make conclusive and binding upon Tenant in favor of Landlord and any potential mortgagee or transferee the statements contained in such estoppel certificate without exception.

ABANDONMENT

26. Tenant shall not abandon the Premises at any time during the Lease term. If Tenant shall abandon the Premises or be dispossessed by process of law, any personal property belonging to Tenant and left on the Premises, at the option of Landlord, shall be deemed abandoned, and available to Landlord to use or sell to offset any rent due or any expenses incurred by removing same and restoring the Premises.

NOTICES

27. All notices required or permitted under this Lease shall be in writing and shall be personally delivered or sent by U.S. certified mail, return receipt requested, postage prepaid. Notices to Tenant shall be delivered or sent to the address shown at the beginning of this Lease, except that upon Tenant taking possession of the Premises, then the Premises shall be Tenant's address for such purposes. Notices to Landlord shall be delivered or sent to the address shown at the beginning of this Lease and notices to Agent, if any, shall be delivered or sent to the address set forth in Paragraph 3 hereof. All notices shall be effective upon delivery. Any party may change its notice address upon written notice to the other parties, given as provided herein.

BROKERS

28. Except as expressly provided herein, Tenant and Landlord agree to indemnify and hold each other harmless from any and all claims of brokers, consultants or real estate agents by, through or under the indemnifying party for fees or commissions arising out of the lease of the Property to Tenant. Tenant and Landlord represent and warrant to each other that: (i) except as to the brokers designated below ("Brokers"), they have not employed nor engaged any brokers, consultants or real estate agents to be involved in this transaction and (ii) that the compensation of the Brokers is established by and shall be governed by separate agreements entered into as amongst the Brokers, the Tenant and/or the Landlord.

N/A ("Listing Agency"),
______ ("Listing Agent" - License # ______)
Acting as: ☐ Landlord's Agent; ☐ Dual Agent
and ______ ("Leasing Agency"),
______ ("Leasing Agent" - License # ______)
Acting as: ☐ Tenant's Agent; ☐ Landlord's (Sub)Agent; ☐ Dual Agent

GENERAL TERMS

29. (a) "Landlord" as used in this Lease shall include the undersigned, its heirs, representatives, assigns and successors in title to the Premises. "Agent" as used in this Lease shall mean the party designated as same in Paragraph 3, its heirs, representatives, assigns and successors. "Tenant" shall include the undersigned and its heirs, representatives, assigns and successors, and if this Lease shall be validly assigned or sublet, shall include also Tenant's assignees or sublessees as to the Premises covered by such assignment or sublease. "Landlord", "Tenant", and "Agent" include male and female, singular and plural, corporation, partnership or individual, as may fit the particular parties.

Tenant Initials ______ ______ Landlord Initials JPK ______

(b) No failure of Landlord to exercise any power given Landlord hereunder or to insist upon strict compliance by Tenant of its obligations hereunder and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Landlord's right to demand exact compliance with the terms hereof. All rights, powers and privileges conferred hereunder upon parties hereto shall be cumulative and not restrictive of those given by law.

(c) **Time is of the essence in this Lease.**

(d) This Lease may be executed in one or more counterparts, which taken together, shall constitute one and the same original document. Copies of original signature pages of this Lease may be exchanged via facsimile or e-mail, and any such copies shall constitute originals. This Lease constitutes the sole and entire agreement among the parties hereto and no modification of this Lease shall be binding unless in writing and signed by all parties hereto. The invalidity of one or more provisions of this Lease shall not affect the validity of any other provisions hereof and this Lease shall be construed and enforced as if such invalid provisions were not included.

(e) Each signatory to this Lease represents and warrants that he or she has full authority to sign this Lease and such instruments as may be necessary to effectuate any transaction contemplated by this Lease on behalf of the party for whom he or she signs and that his or her signature binds such party. The parties acknowledge and agree that: (i) the initials lines at the bottom of each page of this Lease are merely evidence of their having reviewed the terms of each page, and (ii) the complete execution of such initials lines shall not be a condition of the effectiveness of this Lease.

(f) Upon request by either Landlord or Tenant, the parties hereto shall execute a short form lease (memorandum of lease) in recordable form, setting forth such provisions hereof (other than the amount of annual rental and other sums due) as either party may wish to incorporate. The cost of recording such memorandum of lease shall be borne by the party requesting execution of same.

(g) If legal proceedings are instituted to enforce any provision of this Lease, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorneys fees and court costs incurred in connection with the proceeding.

SPECIAL STIPULATIONS

☐ If this box is checked, additional terms of this Lease are set forth on **Exhibit B** attached hereto and incorporated herein by reference. **(Note: Under North Carolina law, real estate agents are not permitted to draft lease provisions.)**

Tenant Initials ______ ______ Landlord Initials JPK ______

THIS DOCUMENT IS A LEGAL DOCUMENT. EXECUTION OF THIS DOCUMENT HAS LEGAL CONSEQUENCES THAT COULD BE ENFORCEABLE IN A COURT OF LAW. THE NORTH CAROLINA ASSOCIATION OF REALTORS® MAKES NO REPRESENTATIONS CONCERNING THE LEGAL SUFFICIENCY, LEGAL EFFECT OR TAX CONSEQUENCES OF THIS DOCUMENT OR THE TRANSACTION TO WHICH IT RELATES AND RECOMMENDS THAT YOU CONSULT YOUR ATTORNEY.

IN WITNESS WHEREOF, the parties hereto have hereunto caused this Lease to be duly executed.

LANDLORD:

Individual

____

Date: ______________________________

____

Date: ______________________________

Business Entity

ANFIELD INVESTMENTS LLC
(Name of Firm)

By: ______________________________

Title: MANAGING MEMBER

Date: 11-6-2023

TENANT:

Individual

____

Date: ______________________________

____

Date: ______________________________

Business Entity

MONROE SPORTS BAR LLC
(Name of Firm)

By: ______________________________

Title: DIRECTOR OF OPERATIONS

Date: 11-6-2023

Downtown Monroe

Downtown Pronto Grant

Application

City of Monroe
Where Heartland Meets High Tech

CITY OF MONROE NORTH CAROLINA

Business Name: MONROE SPORTS BAR LLC
Property Owner: JOHN KELLY **Deed Book:** ________ **Page:** ____

Address of Proposed Downtown Business: 109 N HAYNE ST UNIT 114
Applicant's Mailing Address: 2631 LIVERY STABLE DR.
City: MATTHEWS State: NC Zip 28105
Applicant's Phone: 704 806 8455 **Email:** jpkanfield@outlook.com
Select Business Retail **Square Feet:** 3,875 **Amount Requested** $ 10,000

Approximate cost to open the business:	$ 350,000	**Number of new Jobs:** 10
Personal Investment	$ 350,000 (Equity)	**Expected daily traffic:** > 100
Bank or other financial commitment	$ 0	**Other:**
Building Rehabilitation	$ 0	

Monthly Rent/Lease $ 5,800 Additional Space provided if

Expansion ~~3,875~~ Sq. Ft.

Proposed Opening Date of the Business JAN 2024

Description of the Business
RESTAURANT AND BAR AND EVENT SPACE
FOR WEDDINGS, BIRTHDAYS ETC.

Please attach the following items in order for City of Monroe to make an appropriate decision on an application: Letter of intent to lease or purchase or a signed lease/purchase contract contingent on receipt of incentives, Business Plan, Financials Statement and/or pro-forma, Marketing Plan, Cost estimates for upfit/equipping the space, Business/personal history.

Signatures: Business Owner: [signature] Date 11-20-2023

Property Owner: [signature] Date 11-20-2023

City of Monroe—Downtown Monroe
113 West Morgan Street Monroe, North Carolina 28112