

STATE OF NORTH CAROLINA
COUNTY OF JACKSON

LEASE AND USE AGREEMENT

THIS AGREEMENT, made and entered into this the ___ day of _____, 2015, by and between the COUNTY OF JACKSON, a Body Politic and a Subdivision of the State of North Carolina, (hereinafter referred to as “Lessor”), and AMERICAN LEGION SYLVA POST 104, DISTRICT 25, DIVISION 5, DEPARTMENT OF NORTH CAROLINA (hereinafter referred to as “Lessee”);

WITNESSETH:

WHEREAS, the Lessor holds fee simple title to approximately 1.04 acres of land, located at 915 West Main Street, Sylva, NC and commonly referred to as the “Former Rescue Squad Building” (hereinafter “the Property”) more fully described as that tract of land shown on the survey for Jackson County recorded in Plat Cabinet 20, Slide 137, Jackson County Public Registry; and

WHEREAS, the Lessee desires to Lease a portion of the property, shown on the attached Exhibit “A” as Meeting and Kitchen area (530 SF Net Yellow Areas), including nonexclusive use of the Restrooms identified on Exhibit “A” as Men and Women and located adjacent to the Meeting and Kitchen area, (hereinafter the “Premises”). Exhibit “A” is hereby incorporated into this lease as if fully set forth herein; and

WHEREAS, the Lessee plans to use the space for meetings, storage of belongings and for occasional meals as well as other uses common to an American Legion Post; and

WHEREAS, the Lessor has determined that the Premises, shown on Exhibit “A” will not be needed by the County for the term of the Lease; and

WHEREAS, the execution of this agreement for and on behalf of the Lessor has been considered and approved by the Board of Commissioners for the County of Jackson at a duly called public meeting held on the ___ day of _____, 2015, and by the Governing Body of the Lessee pursuant to their rules and regulations; and

WHEREAS, the parties hereto have mutually agreed to the terms and conditions of this Lease and Use Agreement, as hereinafter set forth:

NOW THEREFORE, in consideration of the covenants and promises set forth herein below, the receipt and sufficiency of which is hereby acknowledged, Lessor does hereby rent, lease and demise unto Lessee for and during the term and under the terms and conditions hereinafter set forth, with all of the rights and privileges thereunto pertaining, that certain parcel

of real property consisting of the Premises, shown on the attached Exhibit "A" as Meeting and Kitchen area (530 SF Net Yellow Areas), including nonexclusive use of the Restrooms identified on Exhibit "A" as Men and Women and located adjacent to the Meeting and Kitchen area, said Premises being a portion of the building commonly referred to as the Former Rescue Squad Building on that tract of land shown on the survey for Jackson County recorded in Plat Cabinet 20, Slide 137, Jackson County Public Registry, to which reference should be had.

THE TERMS AND CONDITIONS OF THIS AGREEMENT ARE AS FOLLOWS:

1. TO HAVE AND TO HOLD the Premises for a term of one (1) year, commencing on the 1st day of November, 2015, and continuing until the 31st day of October, 2016, this instrument is a rental or lease of the premises only, and is not a conveyance or transfer to the Lessee of any ownership interest of the Lessor. Although Lessee may make improvements to the site pursuant to this instrument, this instrument confirms that those improvements belong to the Lessor and are subject to this instrument as a rental or lease of the improvements only, and this instrument is not a conveyance or transfer to the Lessee of any ownership interest of the Lessor in the improvements.
2. In the event that the Lessee, for any reason, shall decide to terminate this lease and use agreement during the term of the lease, this lease shall terminate, and any leasehold improvements made shall become the sole property of the Lessor and there shall be no future or outstanding obligation between the Lessor and the Lessee.
3. The parties hereby agree that the annual lease for said premises shall be one dollar (\$1.00). Any income derived from the use of the premises through the lease of the subject property shall remain with the Lessee for use by the Lessee as it deems appropriate.
4. Lessee shall have the continuous, unobstructed, non exclusive use of any road right of ways, parking facilities, etc., which are available to the public, on or adjacent to the subject property, to provide reasonable access and public parking for the Premises.
5. Lessee acknowledges that the premises are in good order and repair, unless otherwise indicated herein. Lessor shall maintain the building as it is currently configured, including electrical wiring, plumbing and heating installations, and including any other system or equipment upon the Premises.
6. Lessee shall keep the Premises in a clean, neat and orderly manner at all times and shall, without limitation, (i) keep the inside and outside of all glass in the doors and windows of the Premises clean, (ii) maintain the Premises free of insects, rodents, vermin and other pests, (iii) keep the Premises free of dirt, rubbish and other debris, (iv) keep the Premises free of objectionable or offensive odors, and (v) keep all drains inside the Premises clean. Lessee shall arrange for its own cleaning services for the Premises, at Lessee's sole cost and expense. Lessee shall arrange for the regular pickup of all trash and garbage at Lessee's sole cost and expense.

7. Lessee shall not, without first obtaining the written consent of Lessor, make any alterations, additions, modification or improvements, in or about the premises. If said modifications are approved by Lessor, Lessee shall be financially responsible for all costs associated with the modifications and improvements.
8. Lessee shall comply with all statutes, ordinances and requirements of the municipal, state and federal authorities now in force, or which may hereafter be in force, pertaining to the premises, occasioned by or affecting the use thereof by the Lessee.
9. Lessee shall be solely liable for internet and telephone service. Lessor shall provide sewer, water, and electricity.
10. Given reasonable notice to Lessee, Lessor shall have the right to enter and to grant licenses to enter the premises at any time and for such lengths of time as Lessor shall deem reasonable to inspect the premises, and as necessary for the operation and maintenance of the premises. No such entry by Lessor shall in any manner affect Lessee's obligations and covenants under this Lease and no such entry shall of itself without affirmative proof of negligence on the part of Lessor render Lessor liable for any loss of or damage to the property of Lessee.
11. To the extent allowed by North Carolina law, the Lessee agrees to indemnify and hold harmless the Lessor from any and all claims demands, suits or liabilities whatsoever by virtue of its use and occupancy of the Premises.
12. Lessee, at their expense, shall maintain public liability insurance including bodily injury and property damage insuring Lessee and Lessor with minimum coverage of at least \$500,000.00 per occurrence and Lessee shall provide Lessor with a Certificate of Insurance showing Lessor as additional insured. The Certificate shall provide a ten (10) day written notice to Lessor in the event of cancellation or material change of coverage. To the maximum extent permitted by insurance policies which may be owned by the Lessor or Lessee, Lessee and Lessor, for the benefit of each other, waive any and all rights to subrogation which might otherwise exist.

Lessee shall also maintain insurance on all personal property and contents within the leased premises.
13. If the Premises or any part thereof or any estate therein, or any part of the building materially affecting Lessee's use of the Premises, shall be taken by eminent domain, this Lease shall terminate on the date when title vests pursuant to such taking. Lessee shall not be entitled to any part of the award for such taking or any payment in lieu thereof, but Lessee may file a claim for the taking of fixtures and improvements owned by the Lessee, and for moving expenses.

14. In the event of a partial or total destruction of the building in which the Premises are situated, this lease shall be terminated and the Lessor and Lessee may negotiate a new agreement.

15. Any notice or demand which by any provision of this agreement is required or allowed to be given by either party to the other shall be deemed to have been sufficiently given for all purposes when made in writing and sent in the United States mail as certified mail or registered mail, return receipt requested, postage prepaid and addressed: (a) if to the Lessee, to American Legion Sylva Post 104, P.O. Box 104, Sylva, North Carolina, 28779; (b) if to the Lessor, to Jackson County Manager, 401 Grindstaff Cove Road, Suite A207, Sylva, North Carolina, 28779.

16. Lessee shall not assign this Lease or sublet the premises or any part thereof, without the prior written consent of Lessor.

17. This Lease is binding upon and inures to the benefit of the parties, their successors and assigns in interest.

18. This entire agreement, intent and understanding between Lessor and Lessee is contained in the provisions of this Lease and any stipulations, representations, promises or agreements, written or oral, made prior to or contemporaneously with this Lease shall have no legal or equitable effect or consequence unless reduced to writing herein. This Lease shall be governed by and construed pursuant to the laws of the State of North Carolina, with venue in Jackson County.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed in their respective names by their duly authorized officers, on the day and year first above written.

Attest:

Approved:

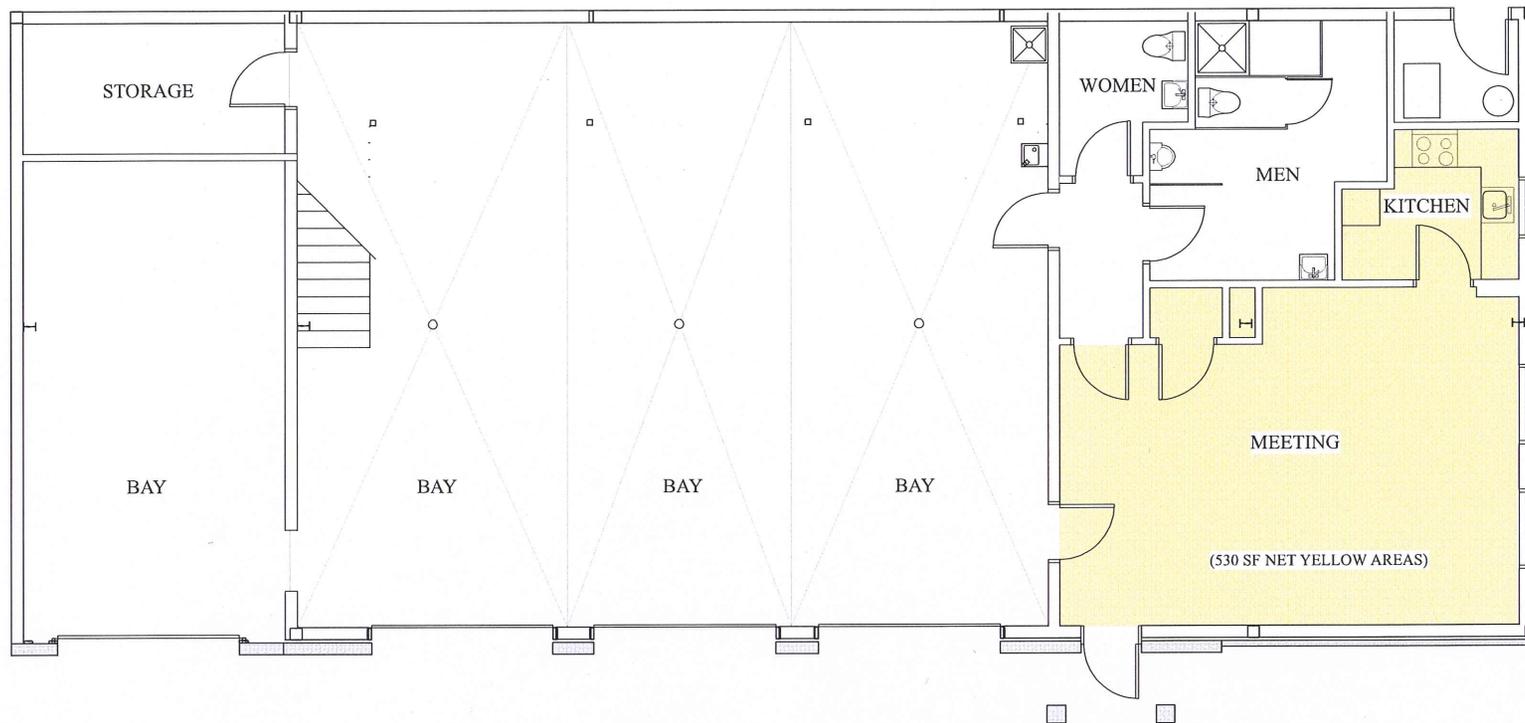
Angela M. Winchester, Clerk to Board

Brian Thomas McMahan, Chairman

**AMERICAN LEGION SYLVA POST 104, DISTRICT 25,
DIVISION 5, DEPARTMENT OF NORTH CAROLINA**

By: _____

EXHIBIT "A"



1 EXISTING FLOOR PLAN (RESCUE SQUAD BUILDING)
Scale: 1/8" = 1'-0"