

**NORTH CAROLINA
ORANGE COUNTY**

PARKING SPACES LEASE AGREEMENT

THIS LEASE AGREEMENT (“Lease”) is made this ____ day of _____ 2026, by and between **Upstream Laurel Avenue, LLC**, a North Carolina limited liability company (“**Lessor**”), and the **Town of Carrboro**, a North Carolina municipal corporation, formed and existing under the laws of North Carolina (“**Lessee**”).

RECITALS:

Lessor is the owner of a parcel of land (the “Land”) located at 105 Laurel Avenue in Carrboro, North Carolina (Orange County PIN 9778761138) (hereinafter the “Premises”), upon which Lessor has sixteen (16) marked automobile parking spaces. Lessee desires to lease from Lessor pursuant to the terms set forth herein sixteen (16) parking spaces, and the right of ingress, egress and regress for the parking spaces upon Lessor’s Premises. Lessor is willing to lease the designated parking spaces and the right of ingress, egress and regress upon the Premises, to Lessee.

WITNESSETH:

NOW, THEREFORE, for good and valuable consideration further described herein, the receipt of which are hereby acknowledged, the Lessor and the Lessee agree to the following:

1. Lessor hereby leases sixteen (16) parking spaces (and the right of ingress, egress and regress upon the Premises; collectively the leased parking spaces and the right of ingress, egress, and regress shall be referred to herein as the “Parking Area”) to Lessee to be used as public parking for a term commencing on April 1, 2026 (“Commencement Date”) and ending on January 31, 2029 (the “Term”) except that either party may terminate this Lease without further liability to the other upon providing written notice of such intent to terminate at least ninety (90) days prior to the date on which such termination is to be effective.

2. Lessor agrees to make the Parking Area available to Lessee, its servants, agents, employees, guests and members of the general public from 5:00am to 3:00am every day. No overnight parking shall be permitted in the Parking Area. Lessee will honor any existing leases or uses of the Parking Area by the Lessor, so long as the existing leases in no way impacts the Lessee’s ability to use the Parking Area pursuant to the terms of this Lease.

3. Lessee will monitor the Parking Area and shall enforce the time limitations established by this Lease for use thereof, including, in Lessee’s discretion, towing vehicles which remain in the Parking Area after 3:00 a.m.

4. The Term of this Lease shall be automatically renewed and extended on a month-to-month term following expiration of the initial lease Term stated in paragraph 1 above unless

either party provides the other with written notice of intent to not renew at least ninety (90) days prior to the expiration of the then current lease Term.

5. Rent during the Term shall be equivalent to the property taxes due each year, payable annually in one installment as shown on an invoice for that calendar year to be generated by Lessor and delivered to the Lessee at the address contained herein or emailed by Lessor to the Lessee's email address stated herein. The rent payment shall be prorated accordingly if the lease term incorporates less than a full year. Lessee shall use the Parking Area to provide general public parking for customers of downtown Carrboro businesses. Lessee shall not be required to make any improvements to the Premises prior to or after the commencement of the lease. Lessee shall maintain the Parking Area in the condition in which it was received and necessary to provide a safe and adequate parking facility. Upon the expiration or earlier termination hereof, Lessee shall return the Parking Area in the same condition as received, ordinary wear and tear and damage by casualty or condemnation excepted. Additionally, Lessee agrees to reimburse Lessor for any and all property taxes due for the 2025 and 2026 tax year.

6. Lessee shall be responsible for all costs of improvements it deems necessary or appropriate to make the condition of the Parking Area of the Premises suitable for the parking lot use. Lessee shall also, at its sole cost and expense, provide signage on the Premises to identify the parking lot area which is the subject of this lease. Plans for all such improvements shall be approved by Lessor in advance of the work, such approval not to be unreasonably withheld, conditioned or delayed. Lessee agrees that during the Term of this Lease, Lessee will, at its own expense, keep and maintain the parking lot on the Premises in good condition.

Lessee agrees that it shall not, except with the prior written consent of Lessor, make any permanent structural alterations or additions to the lease area on the Premises. Lessor shall not unreasonably withhold, condition or delay said consent. If improvements are made, Lessee agrees that when completed, such improvements shall be free and clear of all claims for liens by mechanics or materialmen for and on account of labor and material, and Lessee indemnifies Lessor from and against any such costs, expenses and liabilities including, but not limited to, any and all liabilities from mechanic's, laborer's, or materialmen's liens.

Upon the expiration or termination of the term of this Lease, Lessee shall quit and surrender to Lessor the Premises and any permanent improvements. Any temporary structures installed during the Term of this Lease shall be removed by Lessee on or before the expiration or termination date of this Lease.

7. Lessee shall at all times during the Term carry commercial general liability insurance (or shall self-insure) covering Lessee's activities on the Premises insuring against liability for personal injury, bodily injury, including death and property damage for a minimum of \$1,000,000.00 per occurrence. Lessee shall forward to Lessor a certificate evidencing such insurance (or self-insurance) and such insurance shall not be cancelled or materially changed in the scope or amount of coverage unless fifteen (15) days' advance written notice has been given to Lessor.

8. Except for damage or injury due to Lessor's negligence or wrongful conduct, Lessee hereby releases Lessor from any liability for damage to Lessee's property or injury to Lessee's agents, contractors, servants or employees.

9. Any notice required by this Lease shall be sent by certified mail, return receipt requested, with sufficient postage attached or by a nationally recognized overnight courier to the following addresses:

Lessor: Upstream Laurel Avenue, LLC
609 Lake Hogan Farm Rd.
Chapel Hill, NC 27516

Lessee: Town of Carrboro
ATTN: Economic Development Director
301 W. Main Street
Carrboro, NC 27510

10. If any Lease provision is invalid or unenforceable to any extent, then that provision shall become void and the remainder of this Lease shall continue in effect and be enforceable to the fullest extent permitted by law.

11. Lessor covenants that upon paying the rent and performing the covenants to be performed by Lessee, Lessee shall peaceably and quietly have, hold and enjoy the Parking Area during the designated times for the Term, including any renewal or extension periods. Lessee acknowledged, however, that Lessor may continue to enter and make use of the Premises including the Parking Area at all times except those stated in paragraph 2 above.

12. Each holding over after the expiration of the Term hereof, with the consent of Lessor, shall be construed to be a tenancy from month-to-month with rental payable at a rate of one-twelfth (1/12th) of the yearly rental in advance and shall be on the terms and conditions herein specified so far as applicable.

13. In consideration of the signing of this Lease, the parties hereto for themselves, their agents, officials, employees and servants agree not to discriminate in any manner on the basis of race, color, creed, national origin, age, handicap, sexual orientation, gender, gender identity or gender expression, with reference to this subject matter of this Lease, no matter how remote.

14. Lessee shall be responsible for all existing landscape and other maintenance of the Parking Area during the Term.

15. Upon the expiration or termination of this Lease or any extension thereof, Lessee shall promptly surrender possession of and vacate the Leased Premises and deliver possession thereof to Lessors.

16. Lessor and Lessee agree that all provisions hereof shall bind and inure to the benefit of all parties hereto, their respective heirs, legal representatives, assigns, and successor or successors.

17. This Lease shall be governed by the laws of the State of North Carolina, without regard for choice of law rules. Venue for any action associated with this Lease shall be in the Superior Court of Orange County, North Carolina.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Lease to be executed by duly authorized individuals or officers (as the case may be) and their seal, if any, to be hereunto affixed, and the Lessee's Town Council authorization having been duly given, as of the day and year first above written.

LESSOR: Upstream Laurel Avenue, LLC

By: _____

Print: _____

Title: _____

LESSEE: Town of Carrboro

By: _____
Patrice Toney, Town Manager

ATTEST:

Lamar Joyner, Town Clerk

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Finance Director