

STATE OF NORTH CAROLINA

COUNTY OF ORANGE

SUB-LEASE AGREEMENT

THIS SUB-LEASE AGREEMENT ("Agreement") is made this ____ day of _____, 2021, by and between the Town of Carrboro, a North Carolina municipal corporation, formed and existing under the laws of North Carolina ("Sub-Lessor"), and Cat's Cradle, a North Carolina _____, formed and operated under the laws of the State of North Carolina.

RECITALS:

Sub-Lessor leases from Main Street Properties of Chapel Hill, LLC, (the "Lessor") a parcel of land (the "Land") known as the "Butler" property in Carrboro, North Carolina (having parcel number 9778968060), and further described on Exhibit "A," attached hereto and made a part hereof (hereinafter the "Premises"). Sub-Lessee desires to sub-lease the Premises from the Sub-Lessor and Lessor is willing to sub-lease the Premises to Sub-Lessee in accordance with this Agreement.

WITNESSETH

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

1. Sub-Lessor hereby sub-leases the Premises identified on Exhibit A to Sub-Lessee for guest parking between the hours of 6 p.m. though 6 a.m. each day during a term commencing on January 1, 2022 and ending on December 31, 2023 (the final day of the term of Sub-Lessor's lease of the Land from Lessor), except that either party may terminate this Agreement without further liability to the other upon providing written notice of such intent to terminate at least sixty (60) days prior to the date on which such termination is to be effective.
2. Beginning on July 1, 2021, Sub-Lessor may also use the Premises for special events outside the hours specified in paragraph 1 above if (a) Sub-Lessee makes a written request for such use of the Premises at least 14 calendar days before Sub-Lessee wishes to use the Land, and (b) Sub-Lessor's manager approves the use of the Land prior to the date of the special event.
3. Rent during the term shall be \$1 per month. Sub-Lessor shall not be required to make any improvements to the Premises prior to or during the term of this Agreement, and Sub-Lessee shall maintain the Premises in the same condition as received (and all expenses of maintaining the Premises as such and for Sub-Lessee's use shall be the responsibility of Sub-Lessee), and upon the expiration or earlier termination hereof, Sub-Lessee shall return the Premises in the same condition as received, ordinary wear and tear and damage by casualty or condemnation

excepted. Sub-Lessee shall be responsible for the conduct of guests using the Premises, and their property, during the hours and events during which Sub-Lessee uses the Premises.

4. Sub-Lessee acknowledges and agrees that the Premises is in the North Carolina Brownfields Program, and Sub-Lessee agrees not to undertake any land disturbing activities without first securing the approval of Sub-Lessor. Sub-Lessee agrees to comply with all applicable laws, rules and regulations governing the Premises and the use thereof.

5. Sub-Lessee shall at all times during the Term carry commercial general liability insurance (or shall self-insure) covering Sub-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. Sub-Lessee shall forward to Sub-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 Sub-Lessor. The certificate of insurance shall identify Sub-Lessor and Lessor as "additional insureds".

6. Except for damage or injury due to Sub-Lessor's negligence or wrongful conduct, Sub-Lessee hereby releases Sub-Lessor and holds Sub-Lessor harmless from any liability for damage to Sub-Lessee's property or injury to Sub-Lessee's licensees, agents, contractors, invitees, employees or any other person using the Premises with the express or implied permission of Sub-Lessee.

7. 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:

Sub-Lessee:

Sub-Lessor: Town of Carrboro
Economic Development Department
301 W. Main Street
Carrboro, NC 27510

8. If any provision of this Agreement 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.

8. Sub-Lessor covenants that upon paying the rent and performing the covenants to be performed by Sub-Lessee, Sub-Lessee shall peaceably and quietly have, hold and enjoy the Premises for the Term, including any renewal or extension periods. Sub-Lessee shall at all times

comply with all applicable laws, regulations or other directive or decisions of any lawful authority, and with the reasonable rules and regulations that may be issued by Lessor or Sub-Lessor from time to time.

9. In consideration of the signing of this Agreement, 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, gender, age, handicap, or sexual orientation with reference to this subject matter of this contract, no matter how remote.

10. Sub-Lessor shall be responsible for all landscape and other maintenance of the Premises during the Term.

11. This Agreement 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, the parties have caused the due execution of this lease on the date and year first above written.

SUB-LESSOR: TOWN OF CARRBORO

BY: _____
David Andrews
Town Manager

LESSEE: CAT'S CRADLE

BY: _____