

3. **Quiet Enjoyment.** The County covenants that the Town will, during the Lease Term, peaceably and quietly have and hold and enjoy the Property without suit, trouble or hindrance from the County, except as expressly required or permitted by this Lease. The County will not interfere with Town's quiet use and enjoyment of the Property during the Lease Term. The County will, at Town's request and the County's cost, join and cooperate fully in any legal action in which Town asserts its right to such possession and enjoyment, or which involves the imposition of any taxes or other governmental charges on or in connection with the Property. In addition, the Town may at its own expense join in any legal action affecting its possession and enjoyment of the Property and shall be joined (to the extent legally possible, and at Town's expense) in any action affecting its liabilities under this Lease.

4. **Consideration for Lease.** In consideration for its acquisition of rights to use the Property during the Lease Term, the Town undertakes the obligations imposed on it under this Lease, including the Town's share of construction costs for the Arts Facility and those other obligations imposed by paragraph 5.

5. **Town Obligations.** During the Lease Term, the Town will:

- (a) maintain the Property, including taking care of landscaping and other grounds maintenance; and
- (b) continue to maintain insurance on the Property and the Town's activities with respect to the Property, substantially in the manner as is now in effect.

6. **County Rights.** Notwithstanding provisions of paragraph 3, during the Lease Term, the Town will allow access to the Property to the County and its representatives, agents and contractors, in order to allow the County to carry out due diligence analysis with respect to the Property and to begin preliminary work in preparation for construction on the Property. The County and such representatives, agents and contractors shall have full access to the Property without additional notice to the Town, but the County must provide that its activities (and those of its agents) do not disrupt the Town's normal operation of the Property or a public park. The County may undertake such actions as surveying, flagging of lines and contours, taking samples for geotechnical, environmental and similar analysis and removal of loose impediments, but may not (without the Town's advance written permission) undertake any earth moving operations on the Property.

7. **Cooperation.** The Town and the County will cooperate fully together in filing any proof of loss or taking any other action under this Lease. In no event will the Town or County voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim with respect to the Property without the other's written consent.

8. **Advances; Performance of Obligations.** If the Town fails to pay any amount required to be paid by it under this Lease, or fails to take any other action required of it under this Lease, the County may (but is under no obligation to) pay such amounts or perform such other obligations. The Town agrees to reimburse the County for any such payments or for its costs incurred in connection with performing such other obligations, together with interest thereon at the annual rate of 5.00%.

9. **Further Assurances; Corrective Instruments.** The County and the Town agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as either may reasonably request to correct any inadequate or incorrect description of the Property hereby leased, or intended so to be, or for otherwise carrying out the intention of this Lease.

10. **Compliance with Requirements.** During the Lease Term, the County and the Town will observe and comply promptly with all current and future orders of all courts having jurisdiction over the Property or any portion thereof (or be diligently and in good faith contesting such orders), and all current and future requirements of all insurance companies writing policies covering the Property or any portion thereof.

11. **Indemnification.** To the extent permitted by law, the Town will and hereby agrees to indemnify and save the County harmless against and from all claims, by or on behalf of any person, firm or other legal entity, arising from the operation or management of the Property during the Lease Term, including any arising from (a) any condition of the Property or (b) any negligent act of Town or of any of its agents, contractors or employees.

12. **Defaults; Remedies on Default.** For the purposes of this Lease, the term “**Event of Default**” means either party’s breaching or failing to perform or observe any term, condition or covenant of this Lease on its part to be observed or performed for a period of 45 days after written notice specifying such failure and requesting that it be remedied has been given to the Town by the County, unless the County agrees in writing to an extension of such time prior to its expiration.

Upon the occurrence and during the continuation of any Event of Default, then the County may at its option take one or any combination of the following remedial steps:

Take whatever other action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Town under this Lease.

No remedy herein conferred upon or reserved to the County is intended to be exclusive, and every such remedy is cumulative and in addition to every other remedy now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, and any such

right and power may be exercised from time to time and as often as may be deemed expedient.

13. **Waivers.** If any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach under this Lease.

14. **Notices.**

(a) Any communication required or permitted by this Agreement must be in writing except as expressly provided otherwise in this Agreement.

(b) Any communication under this Agreement will be sufficiently given and deemed given when delivered by hand, by confirmed facsimile transmission or by Federal Express or similar express delivery service, or on the date shown on a certified mail delivery receipt, when addressed as follows:

(i) If to the Town: Manager, Town of Holly Springs
Re: Notice Under Lease for Holly Springs Library
Post Office Box 8
Holly Springs, NC 27540-0008

(ii) If to the County: County Manager, Wake County
Re: Notice Under Lease for Holly Springs Library
Post Office Box 550
Raleigh, NC 27602

(c) Any addressee may designate additional or different addresses for communications by notice given under this Section to the other parties.

15. **Miscellaneous Provisions.**

Binding Effect; Assignments. No party may sell or assign any interest in or obligation under this Lease without the prior express written consent of the other party. Subject to the specific provisions of this Lease, this Lease will be binding upon and inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Changes. This Lease constitutes the entire agreement between the parties with respect to its general subject matter. This Lease may not be changed except in writing signed by all the parties.

Severability. If any provision of this Lease, other than the requirement for the County to provide quiet enjoyment, is determined to be unenforceable, that will not affect any other provision of this Lease.

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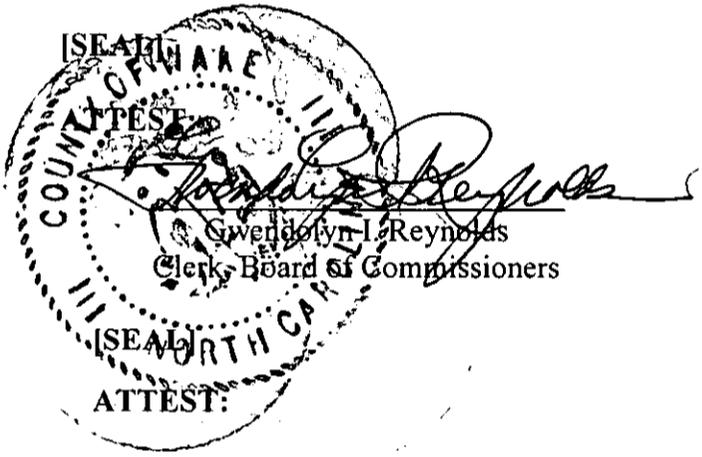
Counterparts. This Lease may be executed in several counterparts, including separate counterparts. Each will be an original, but all of them together constitute the same instrument.

Governing Law. The parties intend that this Lease will be governed by the law of the State of North Carolina.

No Third-Party Beneficiaries. There are no entities which are, or which are intended as, third-party beneficiaries of this Lease.

[The remainder of this page has been left blank intentionally.]

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed in their corporate names by their duly authorized officers, all as of the date first above written.



Gwendolyn L. Reynolds
Clerk, Board of Commissioners

WAKE COUNTY,
NORTH CAROLINA

By: Tony C. Gurley
Tony C. Gurley
Chairman, Board of Commissioners

TOWN OF HOLLY SPRINGS,
NORTH CAROLINA

By: Richard G. Sears
Richard G. Sears
Mayor

Joni Powell
Joni Powell
Town Clerk

This instrument has been preaudited in the manner required by The Local Government Budget and Fiscal Control Act.

Drew Holland
Drew Holland
Finance Officer
Town of Holly Springs, North Carolina

Melinda Canady
Melinda Canady
Finance Director
Wake County, North Carolina



**STATE OF NORTH CAROLINA;
WAKE COUNTY**

I, a Notary Public of such County and State, certify that Gwendolyn I. Reynolds personally came before me this day and acknowledged that they she is the Clerk of the Board of Commissioners of Wake County, North Carolina, and that by authority duly given and as the act of such County, the foregoing instrument was signed in the County's name by such Chairman, sealed with its corporate seal and attested by such Clerk.

WITNESS my hand and official stamp or seal, this 12th day of Jan., 2006.

My commission expires: 3/5/10

Charles W. Lee
Notary Public

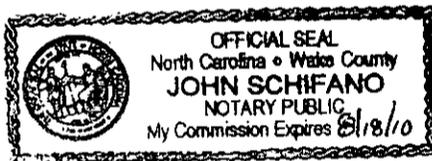
**STATE OF NORTH CAROLINA;
WAKE COUNTY**

I, a Notary Public of such County and State, certify that Richard G. Sears and Joni Powell personally came before me this day and acknowledged that they are the Town ~~Manager~~ and Clerk, respectively, of the Town of Holly Springs, North Carolina, and that by authority duly given and as the act of such Town, the foregoing instrument was signed in the Town's name by such Town ~~Manager~~, sealed with its corporate seal and attested by such Clerk. MAYOR

WITNESS my hand and official stamp or seal, this 13 day of Jan, 2006.

My commission expires: 8-18-2010

John Schifano
Notary Public





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Yellow probate sheet is a vital part of your recorded document.
Please retain with original document and submit for rerecording.



Wake County Register of Deeds
Laura M. Riddick
Register of Deeds

North Carolina - Wake County

The foregoing certificate ___ of _____

_____ Notary(ies) Public is (are) certified to be correct. This instrument
and this certificate are duly registered at the date and time and in the book and
page shown on the first page hereof.

Laura M. Riddick, Register of Deeds

By: _____
Assistant/Deputy Register of Deeds

This Customer Group
_____ # of Time Stamps Needed
2

This Document
_____ New Time Stamp
8 # of Pages