



GUILFORD COUNTY CONTRACT NO. 90006445

**STATE OF NORTH CAROLINA
GUILFORD COUNTY**

**LEASE AGREEMENT AT:
5209 W. Wendover Avenue
High Point, NC 27265**

THIS LEASE AGREEMENT (the "AGREEMENT") is hereby made, entered into, and effective as of July 1, 2024, by and between **GUILFORD COUNTY**, a body politic and corporate of the State of North Carolina, hereinafter referred to as the "LESSOR," and **DAYMARK RECOVERY SERVICES, INC.**, hereinafter referred to as the "LESSEE," and also collectively referred to as the "Parties."

WITNESSETH:

NOW, THEREFORE, the Parties agree to the following terms and conditions regarding lease of the Premises:

1. **Premises.** According to the provisions set forth herein and for consideration received, the Parties hereby acknowledge that LESSEE shall lease from the LESSOR 4.16+/- acres of real property and improvements located at 5209 W. Wendover Avenue, High Point, NC 27265 (referred to as "Premises"), as shown on Exhibit A, which is attached hereto for reference, situated in Guilford County. Specific details of the extent of space leased are as shown in Exhibit A and may not differ without prior written approval. LESSEE accepts the Premises in the current "as-is" and "where is" condition. LESSEE hereby acknowledges and agrees that LESSOR has made no representations, covenants, or warranties whatsoever to LESSEE with respect to the Premises, the Building, or the Real Estate, the condition of the Premises, the Building, or the Real Estate, or the suitability for use by LESSEE of the Premises, the Building, or the Real Estate in connection with the business operations of LESSEE; and LESSOR has no obligation to LESSEE whatsoever, pursuant to this Lease or otherwise, with respect to the obtaining or maintaining of any governmental approvals, consents, licenses, permits, certificates of occupancy, or other certificates (collectively, the "**Governmental Authorizations**") necessary or desirable in connection with the use and occupancy of the Premises by LESSEE pursuant to this Lease and that any and all such Governmental Authorizations are to be obtained by LESSEE, at LESSEE's sole cost and expense.

2. **Lease Term.** The term (the "Term") of this Agreement shall be fourteen (14) months beginning on July 1, 2024, and ending on August 31, 2025.

3. **Termination.** Notwithstanding anything to the contrary herein, either Party may terminate the Agreement by providing thirty (30) days prior written notice to the other Party for any reason or no reason.

LESSEE acknowledges 1) the LESSOR is renovating a property located at 1411 Lees Chapel Road, Greensboro, NC and 2) the LESSOR intends to relocate the LESSEE's operations upon completion of renovations of said property. Should the LESSOR's renovations be completed during the term of this Agreement, LESSOR shall provide written notification to the LESSEE to relocate operations and LESSEE shall have sixty (60) days from notification to relocate to 1411 Lees Chapel Road, Greensboro, NC and vacate the Premises at 5209 W. Wendover Avenue, High Point, NC 27265. This Agreement shall automatically terminate at the end of the sixty (60) day relocation period.

4. **Expiration of Term.** Upon the expiration of the Term, LESSEE shall peacefully and quietly leave and surrender the Premises to LESSOR in good order and repair, and in the same condition as when delivered to the LESSEE. LESSEE shall retain ownership of and have the right to remove movable equipment and supplies provided by LESSEE, provided the LESSEE repairs any damage to the Premises resulting from such removal. If LESSEE remains in possession of the Premises after the expiration of the Term and/or applicable renewal period with the LESSOR'S consent, but without any Agreement, LESSEE shall be considered a "LESSEE at will" with month-to-month tenancy. All provisions of this Agreement contained herein shall remain in full force through the duration of LESSEE's month-to-month tenancy.

If LESSEE remains in possession of the Premises after the expiration of the Term without the LESSOR'S consent, LESSEE shall be considered a "LESSEE at sufferance" during which the LESSEE'S rental obligation to the LESSOR shall automatically increase to a fair market rate for the Premises, to be determined by the LESSOR'S sole discretion, payable under Section 5.

5. **Rental.** LESSEE agrees to pay LESSOR without demand, deduction or set-off a rental amount of \$1.00 payable to the LESSOR annually. Payments shall be made to:

Guilford County Finance Department
PO Box 3427
Greensboro, NC 27402

Rental payment is to be due within five (5) business days of the Agreement's start date. If LESSOR does not receive the full annual payment within 10 business days after it has become due, LESSEE agrees to pay LESSOR, as additional rent, a late charge equal to 5% of the overdue payment.

In the event of a returned check from LESSEE, there will be a fee of \$25.00, which is to be paid in addition to the rental amount due and any late charge fees which may have accrued.

6. **Use of Premises.** The Premises shall be used exclusively for administration of substance abuse, behavioral health, and mental health treatment programs. The Premises shall not be used for any illegal purpose, nor in any manner to create any nuisance or trespass, nor in any manner to vitiate the insurance or increase the rate of insurance on the Premises. The Agreement shall be terminated immediately if the Premises are no longer used for the purposes set forth herein. LESSOR may at any time or times hereafter adopt new Rules and Regulations. In the event of any inconsistency between the Rules and Regulations and this Lease, the Rules and Regulations shall control. LESSEE, at LESSEE's sole cost and expense, shall comply with and shall cause all LESSEE's Agents to comply with all applicable laws, ordinances, rules, and regulations of governmental and quasi-governmental authorities, including, without limitation, the Americans with Disabilities Act of 1990, as amended by the Americans with Disabilities Act Amendments Act of 2008 (and the regulations promulgated thereunder) ("**Laws**") applicable to the Premises. The foregoing obligation of LESSEE shall not however permit LESSEE to make, without LESSOR's prior written approval, any alterations to the Premises which otherwise would require LESSOR's approval under this Lease, and LESSEE shall comply with all the requirements of this Lease in making any such alterations.
7. **Disclaimer of Warranties/Assumption of Risk.** LESSEE acknowledges its entire responsibility for determining the suitability of the Premises for its purpose and use. In the event the Premises becomes unsuitable for the LESSEE'S purpose and use, LESSEE'S sole remedy is to terminate the Agreement pursuant to the terms contained herein Section 3. LESSOR disclaims warranties, expressed or implied, including but not limited to any warranty of fitness for a particular purpose. LESSOR disclaims any warranties, express or implied, including but not limited to any warranty of fitness for a particular purpose.
8. **Notices.** Except where otherwise stated herein, all notices, correspondence, and payments pursuant to this Agreement shall be in writing and delivered personally or mailed or delivered to the following address for the Parties. Either Party may change such address by written Notice in accordance with this paragraph. Notices delivered personally will be deemed communicated as of actual receipt. Mailed

Notices will be deemed communicated three (3) days after mailing. Notices shall be sent to the following:

Notices to **LESSOR**:
Guilford County
Attn: County Manager
301 W. Market Street
Greensboro, NC 27401

With copies to:

Guilford County
Attn: County Attorney
301 W. Market Street
Greensboro, NC 27401

&

Guilford County
Attn: Director, Facilities and Property Management
220 Seneca Road
Greensboro, NC 27406

Notices to **LESSEE**:
Daymark Recovery Services, Inc.
Attn: President and CEO
284 Executive Park Drive
Concord, NC 28025

9. **Utilities.** LESSEE shall be responsible, at LESSEE's sole expense, to provide all utilities including but not limited to: electric, water, stormwater, sewer, gas, solid waste collection, telephone, internet, access control system, security and/or surveillance system, and any other service not included herein which may be desired for the Premises. LESSEE's obligation shall also include hookup fees, installation fees, and/or any other miscellaneous fees associated with utilities services.
10. **Services by LESSOR.** LESSOR shall only be responsible for capital maintenance and repairs, as deemed necessary by LESSOR's sole discretion. At no time shall LESSOR maintain any property belonging to LESSEE or provided or altered by LESSEE. The LESSOR, in its sole discretion, may elect to provide furniture, fixture, and equipment items to LESSEE for use during the term of the Agreement but is under no obligation to do so. Any furniture, fixture, and equipment items provided by the LESSOR shall be maintained by the LESSEE and shall be replaced by the LESSEE at the LESSEE's sole expense.

LESSEE shall promptly report in writing to LESSOR any defective condition known to it which LESSOR is required to repair. Failure to report such conditions shall make LESSEE responsible to LESSOR for any liability incurred by LESSOR by reasons of such conditions. If LESSOR, in its sole discretion, elects not to repair or address a capital repair need, LESSEE may, at LESSEE's sole expense, make the repair.

11. **LESSEE Responsibilities.** LESSEE accepts the Premises in its "as-is" and "where-is" condition. LESSEE, at LESSEE's sole expense, agrees to keep in good repair the Premises, including repairs rendered necessary by negligence or intentional wrongful acts of LESSEE, its agents, employees, or invitees. LESSEE shall provide, at LESSEE's sole expense, any and all routine services and/or repairs necessary for occupation and utilization of the Premise, including but not limited to: routine building maintenance, preventative maintenance, grounds and landscaping services (including snow removal), routine pest control, janitorial services, any service(s) operationally specific to LESSEE's use of the Premises, bio-hazard waste disposal service, and sharps disposal service. Additionally LESSEE shall be responsible for its employees, contractors, clients, and invitees' safety. LESSOR shall be under no obligation to provide security personnel or related services to the Premises.

LESSOR reserves the right to enter and inspect the Premises throughout the Term of the agreement. LESSOR, in its sole discretion, may identify needs for the LESSEE to repair, at LESSEE's sole expense, as determined by LESSOR's discretion.

At the expiration of the Term, LESSEE agrees to return the Premises to the LESSOR in as good condition and repair as when first received, natural wear and tear, damage by storm, fire, lightning, earthquake or other casualty alone excepted. LESSEE, LESSEE's staff, agents, contractors or subcontractors shall take no action which may void any manufacturer or installers warranty with relation to the Premises. LESSEE shall indemnify and hold LESSOR harmless from any liability, claim, demand or cause of action arising on account of LESSEE's breach of the provisions of this paragraph.

12. **Emergency Repairs.** If, in an emergency, LESSOR determines that it is necessary to make any repairs or replacements otherwise required to be made by LESSEE, LESSOR may enter the Premises, and proceed to make or cause such repairs or replacements to be made and LESSEE shall reimburse LESSOR for its actual expenses. LESSOR shall give LESSEE such notice of such emergency as shall be practicable under the circumstances. Within SEVEN (7) days after LESSOR renders a bill for such repairs or replacements, LESSEE shall reimburse LESSOR for the cost of making such repairs.
13. **Alterations.** LESSEE shall not make any alterations, additions, or improvements to the Premises without LESSOR's prior written consent, which consent shall be granted or denied in LESSOR'S sole discretion. LESSEE shall submit to LESSOR detailed plans and specifications (including layout, architectural, mechanical, and structural drawings) for each proposed alteration and shall not commence any such alteration without first obtaining LESSOR's prior written approval of such plans and specifications, which approval shall be in the sole and absolute discretion of LESSOR. LESSOR reserves the

right to disapprove any plans and specifications in part, to reserve approval of items shown thereon pending its review and approval of other plans and specifications, and to condition its approval upon LESSEE making revisions to the plans and specifications or supplying additional information. Any review or approval by LESSOR of any plans and specifications or any preparation or design of any plans by LESSOR's architect or engineer (or any architect or engineer designated by LESSOR) with respect to any Alterations is solely for LESSOR'S benefit, and without any representation or warranty whatsoever to LESSEE or any other person with respect to the compliance thereof with any Laws, the adequacy, correctness, or efficiency thereof or otherwise.

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 LESSOR, free of any liens or encumbrances.

(a) LESSEE shall furnish to LESSOR duplicate original policies or certificates thereof of workers' compensation (covering all persons to be employed by LESSEE, and LESSEE's contractors and subcontractors in connection with such alteration) and comprehensive public liability (including property damage coverage) insurance in such form, with such companies, for such periods and in such amounts as LESSOR may reasonably approve, naming LESSOR and its agents, any ground lessor, and any mortgagee, as additional insureds. Such policies shall provide for the coverage amounts described in Paragraph 17 hereof and shall be noncancelable without thirty (30) days' prior notice to LESSOR by the insurance company.

(b) Any mechanic's lien filed against the Premises or the Property for work claimed to have been done for, or materials claimed to have been furnished to, LESSEE shall, at LESSEE's sole cost and expense, be discharged of record or bonded within Five (5) Business Days after notice to LESSEE of the filing or imposition thereof and LESSEE shall indemnify and defend LESSOR against and save LESSOR harmless from all losses, costs, damages, expenses, liabilities, suits, penalties, claims, demands, and obligations, including, without limitation, reasonable counsel fees, resulting therefrom. If LESSEE fails to comply with the foregoing provisions, LESSOR shall have the option of discharging or bonding any such lien, charge, order or encumbrance, and LESSEE agrees to reimburse LESSOR (as Additional Rent) for all losses, costs, damages, and expenses resulting therefrom or incurred in connection therewith, together with interest thereon (, promptly upon demand.

(c) LESSEE shall promptly remove any alterations, additions, or improvements constructed in violation of this Paragraph upon LESSOR's written request. LESSOR may require LESSEE to remove any alterations, additions or improvements (whether or not made with LESSOR's consent) at the termination of the Lease and to restore the Premises to its prior condition, all at LESSEE's expense. All alterations, additions and improvements which LESSOR has not required LESSEE to remove shall become LESSOR's property and shall be surrendered to LESSOR upon the termination of this Lease, except that LESSEE may remove any of LESSEE's machinery or equipment which can be removed without material damage to the Premises. LESSEE shall repair, at LESSEE's expense, any damage to the Premises caused by the removal of any such machinery or equipment.

14. **Parking.** LESSEE shall be entitled to use parking spaces, as available in the lot serving the Premises.
15. **Signage.** LESSEE shall place no signs upon the outside walls or roof of the Premises, except with the express written consent of the LESSOR. Any and all signs placed on the Premises by LESSEE shall be maintained in compliance with governmental rules and regulations governing such signs and LESSEE shall be responsible to LESSOR for any damage caused by installation, use or maintenance of said signs, and all damage incident to removal thereof.
16. **Indemnification.** LESSEE shall indemnify and hold harmless LESSOR, and each of LESSOR's officers, agents, employees, and representatives, from and against any claim, demand, liability, or legal proceeding of any kind brought by or on behalf of any third-party (including but not limited to those arising from personal injury, death, or property damage), whether meritorious or not, that arises directly or indirectly from: 1. The use or occupancy of the Property by LESSEE or LESSEE's guests, invitees, employees, or agents; 2. Any act or omission of LESSEE or LESSEE's guests, invitees, employees, or agents; and/or 3. The performance or failure to perform any of LESSEE's duties under this Lease. This obligation to indemnify and hold harmless shall survive the expiration or termination of this Lease and includes, without limitation, attorney's fees and other costs of defense incurred by LESSOR, its officers, agents, employees, and/or representatives.
17. **Insurance.** LESSEE shall procure and maintain insurance at a minimum level:
- A. **Workers Compensation:** LESSEE agrees to maintain coverage to apply to all employees for statutory limits in compliance with the applicable state and federal laws. The policy must include employer's liability with a limit of \$1,000,000 for each accident, \$1,000,000 for each employee, and with a \$1,000,000 aggregate policy limit.
 - B. **Commercial General Liability:** The LESSEE does hereby agree to maintain minimum limits of \$1,000,000 per occurrence, per location, single limit for bodily injury liability and property damage liability, with a \$2,000,000 aggregate limit, per location. This shall include premises and/or operations, independent contractors, products and/or completed operations, broad form property damage and explosion, collapse and underground damage coverage, and a contractual liability endorsement.
 - C. **Business Auto Policy:** LESSEE does hereby agree to maintain limits of \$1,000,000 per accident combined single limit for bodily injury liability and property damage liability. This shall include: owned vehicles, plus hired and non-owned vehicles.

GUILFORD COUNTY shall be named as an additional insured on LESSEE's general liability insurance policy, which shall be primary and not contributory to any other insurance that may be available to the COUNTY. LESSEE will also secure its general liability insurance from an A-rated insurance company acceptable to the COUNTY.

Prior to the execution of this Lease Agreement, LESSEE shall provide Certificates of Insurance for meeting the required insurance provisions. The Certificate of Liability shall

state, "Guilford County is added as an additional insured as evidenced by the endorsement attached to this Certificate." Original insurance policies or certified copies of policies may be required by the COUNTY (LESSOR) at any time. Current, valid insurance policies meeting the requirements stated herein shall be maintained for the duration of the Agreement. Renewed policies shall be sent thirty (30) days prior to any expiration date. Notwithstanding the foregoing, if any such insurance expires without having been renewed by LESSEE, LESSOR shall have the option, in addition to LESSOR's other remedies, to procure such insurance for the account of LESSEE, immediately and without notice to LESSEE, and the cost thereof shall be paid to LESSOR as additional rental.

18. **Right of Entry.** While this Agreement is in effect, both Parties and their authorized agents and employees shall have the right to access the Premises for legitimate purposes. The LESSOR and its representatives and/or agents may enter said premises at any reasonable time for the purpose of inspecting the Premises, performing maintenance activities on the Property, verifying compliance with the Agreement, and advertising the Property for Rent or For Sale.

19. **Quiet Enjoyment.** LESSOR covenants that LESSEE, on paying the rental and performing the covenants, terms, and conditions required of LESSEE herein, shall peaceably and quietly have and hold and enjoy the Premises and the leasehold granted to LESSEE by virtue of this Agreement.

20. **Assignment, Assumption, and Sublet.** LESSEE shall not, without prior written consent of LESSOR, which may be withheld in LESSOR'S sole discretion, assign this Agreement or any interest hereunder, or sublet the Premises or any part thereof, or permit the use of the Premises by any party other than LESSEE.

If LESSEE should undergo a merger, acquisition, bankruptcy or any change in its ownership or name for any reason, LESSEE must notify LESSOR in writing of these changes and provide LESSOR with legal documentation supporting these changes, such as an Assumption Agreement, Bill of Sale, Articles of Incorporation, Articles of Amendment, sales contract, merger documents, etc. Further, LESSEE will submit the name and address of the assuming entity's registered agent for service of process and/or all notices required under this Lease Agreement within five (5) business days of any change in ownership or name

21. **Abandonment.** LESSEE shall not abandon the Premises at any time during the Lease term, If LESSEE shall abandon the Premises or be dispossessed by process of law, any personal property belonging to LESSEE and left on the Premises shall, at the option of LESSOR, be deemed abandoned, and available to LESSOR to use or sell to offset any rent due or any expenses incurred by removing same and restoring the Premises. LESSOR shall have no obligation of safekeeping of LESSEE's personal property, records and/or files, equipment, and/or belongings entrusted to LESSEE, its staff, agents, clients, or contractors.

22. **Events of Default.** To the extent allowed by law, 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 LESSEE: (a) LESSEE abandons or vacates the Premises; (b) LESSEE fails to comply with or abide by and perform any other obligation imposed upon LESSEE under this Lease; (c) LESSEE is adjudicated bankrupt; (d) A permanent receiver is appointed for LESSEE's property and such receiver is not removed within sixty (60) days after written notice from LESSOR to LESSEE to obtain such removal; (e) LESSEE, 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; (f) LESSEE makes an assignment for benefit of creditors; (g) LESSEE's effects are levied upon or attached under process against LESSEE, which is not satisfied or dissolved within thirty(30) days after written notice from LESSOR to LESSEE to obtain satisfaction thereof.
23. **Remedies Upon Default.** Upon the occurrence of Event of Default, LESSOR 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) if the Event of Default involves nonpayment of rent and LESSEE fails to cure such default within five (5) days after receipt of written notice thereof from LESSOR, or if the Event of Default involves a default in performing any of the terms or provisions of this Lease other than the payment of rent and LESSEE fails to cure such default within thirty (30) days after receipt of written notice of default from LESSOR, LESSOR may terminate this Lease by giving written notice to LESSEE and upon such termination shall be entitled to recover from LESSEE damages as may be permitted under applicable law; or (b) if the Event of Default involves any matter other than those set forth in item (a) of this paragraph, LESSOR may terminate this Lease by giving written notice to LESSEE and, upon such termination, shall be entitled to recover from the LESSEE damages in an amount equal to all rent which is due and all rent 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) upon any Event of Default (if LESSEE has failed to cure such default after 30 days written notice), LESSOR may, without terminating this Lease, re-let 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 LESSOR deems proper, with LESSEE being liable to LESSOR for the deficiency, if any, between LESSEE's rent hereunder and the price obtained by LESSOR on reletting, provided however, that LESSOR shall not be considered to be under any duty by reason of this provision to take any action to mitigate damages by reason of LESSEE's default. In the event LESSOR hires an attorney to enforce its rights upon default, LESSEE shall in addition be liable for reasonable attorney's fees and all costs of collection.
24. **Destruction of or Damage to Premises.** If the Premises are destroyed by storm, fire, lightning, earthquake or other casualty not attributable to the fault, negligence or misuse of LESSEE OR LESSEE's agents, this lease shall terminate as of the date of such destruction. If the Premises are damaged but not wholly destroyed by any such casualties not attributable to the fault, negligence or misuse of LESSEE OR LESSEE's agents,

rental shall abate in such proportion as effective use of the Premises has been affected. If LESSOR has not elected to terminate this Lease, LESSOR shall restore Premises to substantially the same condition as before damage as speedily as is practicable as determined by the LESSOR, whereupon full rental shall recommence. Should LESSEE reoccupy a portion of the Premises during the period any restoration work is taking place and prior to the date same is made completely leaseable rent allocable to such portion shall be payable by LESSEE from the date of such occupancy. LESSEE is responsible for insuring its personal property stored on the Premises. LESSOR shall not be responsible for any damage or loss to LESSEE's property or any losses incurred by the LESSEE due to an interruption of business operations.

25. **Condemnation.** If the Property, or such portion thereof as will make the Property unusable for the purposes herein leased, is condemned by any legally constituted public authority, then this Agreement and the term hereby granted, shall terminate when possession thereof is taken by the public authority, and rental shall be accounted for as between LESSOR and LESSEE as of that date. Such termination shall be without prejudice to the rights of either LESSOR or LESSEE to recover compensation and damage caused by condemnation from the condemner. It shall be further understood and agreed that LESSEE shall not have any rights in any award made to the LESSOR by any condemnation authority. LESSOR shall have no obligation to provide the LESSEE another Premises to maintain continuity of operations in the event of condemnation.
26. **Subordination.** At LESSOR'S option, this Agreement shall be subordinate to any deed secure debt or mortgage by LESSOR which now or hereafter may encumber the Property provided that no such subordination shall be effective unless the holder of every such deed to secure debt shall either in deed to secure debt or mortgage or in a separate agreement with LESSEE, agree that in the event of a foreclosure, or conveyance in lieu of foreclosure of LESSOR'S interest in the Property, such holder shall recognize and confirm validity and existence of this Agreement and the rights of LESSEE hereunder, and this Agreement shall continue in full force and LESSEE shall have the right to continue its use and occupancy of the Property in accordance with the provisions of this Agreement as long as LESSEE is not in default of the Agreement beyond applicable notice and cure methods. LESSEE shall execute in a timely manner, as defined by LESSOR, such commercially reasonable instruments as may reasonably be required to evidence the provisions of this paragraph, including but not limited to subordination or attornment agreements or estoppel certificates.
27. **Transfer of LESSOR'S Interest.** In the event of the sale, assignment or transfer by LESSOR of its interest in the Premises or in this Lease (other than a collateral assignment to secure a debt of LESSOR) to a successor in interest who expressly assumes the obligations of LESSOR under this Lease, LESSOR 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, assignment or transfer. LESSOR's assignment of this Lease, or of any or all its rights in this Lease, shall not affect

LESSEE's obligations hereunder, and LESSEE shall attorn and look to the assignee as LESSOR, provided LESSEE has first received written notice of the assignment of LESSOR's interest.

28. **Hazardous Substances.** LESSEE shall hold LESSOR harmless from and indemnify LESSOR against any damage, loss, exposure, response costs, or liability including consultants' fees and attorneys' fees resulting from hazardous substances generated, stored, disposed of or transported to, on or under the Property as a result of LESSEE's use of the Property.

In the event hazardous substances are used by, stored by, or otherwise brought onto the Property by LESSEE, LESSEE covenants that it complies with all requirements of any constituted public authority and all federal, state, and local codes, statutes, rules and regulations, and laws, whether now in force or hereafter adopted relating to LESSEE's use of the Premises, or relating to the storage, use, disposal, processing, distribution, shipping or sales of any hazardous, flammable, toxic or dangerous materials, waste or substance, the presence of which is regulated by a federal, state, or local law, ruling, rule, or regulation (hereafter collectively referred to as "Hazardous Materials"); (2) comply with any reasonable recommendations by the insurance carrier of either LESSOR or LESSEE relating to the use by LESSEE on the Premises of such Hazardous Materials; (3) refrain from unlawfully disposing of or allowing the disposal of any Hazardous Materials upon, within, about or under the Premises; and (4) remove all Hazardous Materials from the Premises, either after their use by LESSEE or upon the expiration or earlier termination of this lease, in compliance with all applicable laws.

For purposes of this Agreement, hazardous substances shall mean any substance the presence of which on the property requires investigation or remediation under any Hazardous Substance Law, as the same may hereafter be amended. Hazardous Substance Law means the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §9601 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. §1801 et seq.; the Clean Water Act, 33 U.S.C. §1251 et seq.; the Clean Air Act, 42 U.S.C. §7401 et seq.; the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. §136 et seq.; the Toxic Substances Control Act, 15 U.S.C. §2601 et seq.; the Emergency Planning and Community Right to Know Act (SARA Title III) 42 U.S.C. §11001 et seq.; and any applicable state law or regulation.

29. **Waiver and Release.** LESSEE hereby waives and releases all claims against LESSOR with respect to all matters for which LESSOR has disclaimed liability pursuant to the provisions of this Agreement. LESSEE shall not be entitled to make, nor shall LESSEE make any claim for money damages (nor shall LESSEE claim any monetary damages) by way of setoff, counterclaim, or defense based upon any claim or assertion by LESSEE that LESSOR has unreasonably withheld or unreasonably delayed its consent or approval with respect to any provision of this Agreement providing for such consent or approval. LESSEE's sole remedy will be an action or proceeding to enforce any such provision, or for specific performance, injunction, or declaratory judgement.

30. **No Lessor Liability.** Neither LESSOR nor any agent or employee of LESSOR shall be liable to LESSEE for and LESSEE waives any claims against LESSOR for: (1) any injury or damage to LESSEE or to any other person; or (ii) any damage to, or loss (by theft or otherwise) of, any property of LESSEE or any other person, irrespective of the cause of such injury, damage, or loss, unless caused by or due to the willful misconduct or gross negligence of LESSOR, its agents, or employees without contributory negligence on the part of LESSEE.
31. **Governing Law and Jurisdiction.** The Parties agree that this Agreement is subject to the jurisdiction and laws of the State of North Carolina. This Agreement shall be governed and interpreted by, and construed in accordance with, the laws of the State of North Carolina in which the Property is located. The venue for any legal proceeding shall be Guilford County, North Carolina.
32. **Severability.** If any provision of this Agreement is held unenforceable, then such provisions shall be modified to reflect the Parties' intent. All remaining provisions of the Agreement shall remain in full force and effect.
33. **Binding Effect.** The provisions of this Agreement shall be binding upon the heirs, executors, administrators, and successors of both the LESSOR and LESSEE in like manner as upon the original Parties, except as otherwise provided by mutual written Agreement.
34. **Recording.** Upon request of either party, the other shall execute and deliver a memorandum of this Agreement suitable for recording and containing such terms hereof as the requesting party shall reasonably require.
35. **Entire Agreement.** This Agreement, including the Exhibits, if any, sets forth the entire Agreement between the Parties. All prior conversations or writings between Parties hereto or their representatives are extinguished. No verbal or oral agreements, promise statements, assertions or representations shall be binding upon LESSOR or LESSEE. This Agreement shall not be modified except by both Parties' execution of an amended Agreement, as the original Agreement was executed. This Agreement contains agreements, promises, and understandings between the LESSOR and LESSEE.
36. **Amendments.** All modifications or alterations to this Lease shall be made by written Lease Amendment which shall be signed by both the LESSEE and LESSOR.
37. **Third Party Beneficiaries.** There are not third-party beneficiaries to this Agreement and no intended beneficiaries other than those identified herein.
38. **Survival.** The provisions hereof, which by their nature are continuing, shall continue to bind the Parties beyond any termination hereof.
39. **Headings/Titles/Wordings.** Inclusion of titles of paragraphs or section headings, capitalization of certain words or phrases and/or boldface typestyle of certain words or phrases in this Agreement are for convenience purposes only and shall not be used to interpret or construe the provision of this Agreement. The terms "Lease", "Contract", and "Agreement" have the same meaning and may be used interchangeably throughout this document.

40. **Independent Contractor.** LESSEE shall operate as an independent contractor, and LESSOR shall not be responsible for any of LESSEE's, its employees or invitees acts or omissions. To the extent permitted under North Carolina law, LESSEE agrees to hold the LESSOR harmless from and against any claims, expenses (including attorney fees), costs or liability for the negligent or intentional acts or omissions of the LESSEE or its employees. LESSEE, its employees, and invitees have no authority to enter into contracts or agreements on behalf of LESSOR. LESSEE declares it has complied with all federal and state laws regarding business permits, certificates, and licenses that may be required to carry out the services to be performed under this Agreement. LESSOR shall not be liable to LESSEE for any expenses paid or incurred by either LESSEE, its employees, or invitees unless otherwise agreed in writing. LESSEE shall assume all risk and bear any loss or injury to property or persons occasioned by neglect or accident while using the Premises; and shall also assume all blame or loss by reason of neglect or violation of any state or federal law or municipal rule, regulation or order, to the extent authorized by law.
41. **Exhibits.** Exhibit A, a drawing that shows the Premises described in Section 1 herein above, is incorporated herein by reference. This drawing is not a formal survey and is only a general representation of boundaries. If there is any discrepancy between Exhibit A and any other provision of this Agreement, such other provision of this Agreement shall govern. Exhibit B, an outline of the Building Rules and Regulations.
42. LESSOR represents and warrants to LESSEE that all action required to authorize LESSOR'S execution, delivery and performance of this Lease has been taken, and that this Lease constitutes LESSOR'S binding and enforceable obligation.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the Parties have caused this Lease Agreement to be executed, all pursuant to authority duly granted, as of the day and year first above written.

GUILFORD COUNTY

ATTEST:

Victor Isler Date
Guilford County Assistant County Manager

Robin B. Keller Date
Guilford County Clerk to Board

Eric Hilton Date
Guilford County Department Director

LESSEE: DAYMARK RECOVERY SERVICES, INC.

WITNESS:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

(CORPORATE SEAL)

EXHIBIT A

5209 W. Wendover Avenue
High Point, NC 27265



Facility Floor Plan:

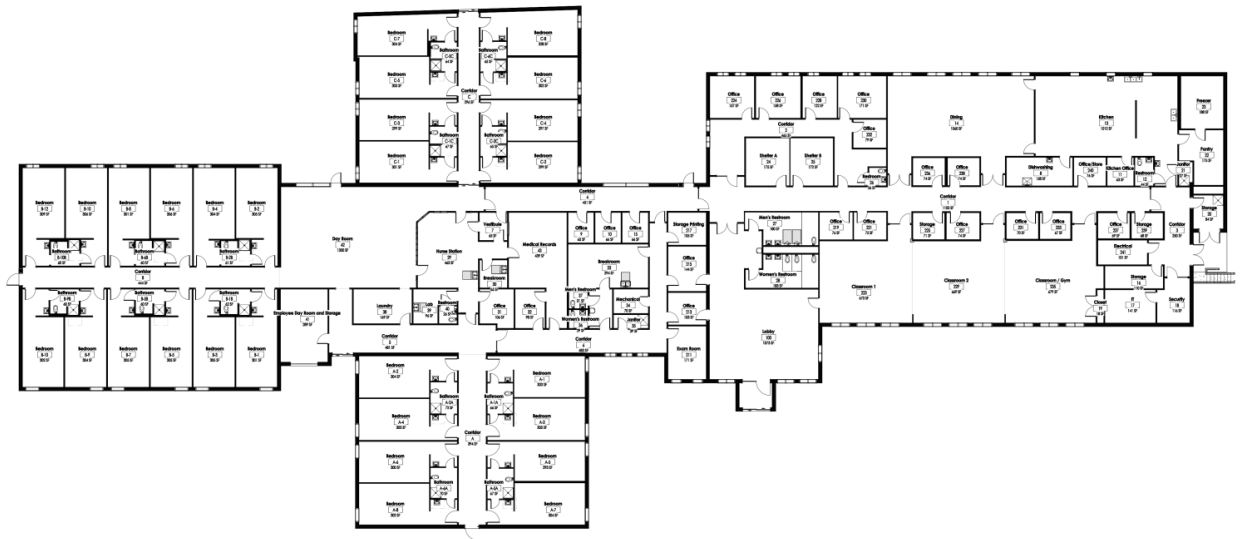


EXHIBIT B

Building Rules and Regulations

1. The entry and passages shall not be obstructed by the LESSEE, nor used by it for any other purpose than for ingress and egress to and from its respective office.
2. No sign, advertisement or notice shall be inscribed, painted or affixed on any part of the outside or inside of the Premises, except doors of offices, without LESSOR written consent, which shall be approved by LESSOR in writing prior to installation.
3. LESSEE shall not solicit or permit others to solicit goods or services to the public on the Premises.
4. Advertisement of services and/or products not provided by the building occupants and/or the LESSOR is prohibited on the property.
5. No additional locks shall be placed on any doors on the Premises nor shall any lock be changed without prior approval from the LESSOR.
6. No LESSEE shall do or permit anything to be done in said Premises, or bring or keep anything therein, which will in any way increase the fire hazard on said Building, or in any other way injure or annoy any other tenant, or conflict with the laws relating to fires, or with the regulations of the Fire Department, or with any insurance policy upon said Building or any part thereof, or conflict with any rules and ordinances of Guilford County.
7. LESSEE will keep its Premises in a good state of preservation and cleanliness not causing unnecessary labor on the janitorial staff due to carelessness and/or disregard for cleanliness.
8. If LESSEE requires a burglar alarm or similar service it must be submitted in written form to the LESSOR for approval prior to installation; LESSOR reserves the right to deny these requests based on the business needs of the Premises.
9. No LESSEE shall use any other method of heating or air conditioning than that provided for the Premises without special agreement. Usage of space heaters and/or fans may be allowed during business hours but are not to be left on overnight and/or when staff is not present. Any documented violation will result in a one-time written warning to the LESSEE from the LESSOR. Subsequent violations will result in a twenty-five dollar (\$25.00) fine per violation to the LESSEE, payable to Guilford County Facilities and Property Management as addressed in Paragraph 8.
10. No animals shall be allowed in or kept on the Premises except those identified and used as service animals.

11. Use of tobacco, cannabis, cannabis products, and other vaping products is prohibited.
12. No bicycles or small motorized vehicles shall be allowed inside the Premises.
13. No loitering is permitted on the Premises.
14. The LESSOR reserves the right to have any intoxicated person or those deemed to be under the influence removed from the building should safety concerns arise or a disturbance occur.

The LESSOR reserves the right to alter and/or add reasonable Rules and Regulations as may become necessary and needed for the safety, security, cleanliness, and care of the Premises. The LESSEE shall observe and is responsible for its staff, clients, invitees, and/or visitors to also observe the Rules and Regulations as stated. Such Rules and Regulations are in addition to the Lease and have the same force as if being a part of the Lease.