

**GUILFORD COUNTY CONTRACT NO. 107253-01/15-216
TRIAD ADULT & PEDIATRIC MEDICINE, INC. (LESSEE)**

STATE OF NORTH CAROLINA

Lease of office space located at

COUNTY OF GUILFORD

501 East Green Drive, High Point, NC

LEASE AGREEMENT

THIS LEASE AGREEMENT is hereby made and entered into as of this 1st day of March, 2016, by and between **COUNTY OF GUILFORD**, a body politic and corporate of the State of North Carolina, hereinafter designated as the “LESSOR,” and **TRIAD ADULT & PEDIATRIC MEDICINE, INC.**, hereinafter designated as the “LESSEE,” and also collectively referred to as the Parties.

THAT WHEREAS, according to the provisions set forth herein and for consideration received, the Parties hereby acknowledge that LESSEE shall lease from the LESSOR 10,061 square feet of existing space on the lower level of the building located at 501 East Green Dr., High Point, Guilford County, North Carolina, hereinafter referred to as the “Premises” or “Property,” and as may be shown on **Exhibit B**, which is attached hereto and incorporated herein by reference.

WHEREAS, the Parties hereto have mutually agreed to the terms and conditions of this Lease Agreement, hereinafter set out as follows; and,

NOW, THEREFORE, THE CONDITIONS OF THIS LEASE AGREEMENT ARE AS FOLLOWS:

- 1. Term.** The term of this Lease shall be for an initial five (5) year period from April 1, 2016, thru March 31, 2021. This Lease shall expire on April 1, 2021, the expiration date of the initial term stated above, but it is understood that LESSEE, if not in default, shall have the option for renewing this Lease for up to three (3) additional five (5) year periods, provided that LESSEE notifies LESSOR in writing of LESSEE’s intention to renew at least ninety (90) days prior to expiration of the current Lease term, and upon mutual Agreement of the Parties as set forth in a written Contract Amendment hereto, which is executed by both Parties.
- 2. Payment.** The LESSEE shall pay to the LESSOR the amount of \$6,500.00 per month (\$7.753 per Square Foot) (“Lease Rate”) for the first three (3) years of the five (5) year lease. The LESSEE agrees to pay the LESSOR the amount of \$12,576.25 per month (\$15.00 per Square Foot) for the remaining two (2) years of the five (5) year Lease, with the total Lease amount for the five (5) year term of this Lease being \$535,830.00. **Said payment is to be Due and Paid by the 1st business day of each month. If LESSOR does not receive the full monthly payment within 5 business days after it has become due, the LESSEE agrees to pay LESSOR, as additional rent, a late charge equal to 1.5% of the overdue payment.**

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3. **Renewal.** As stated in paragraph No. 1, this Lease may be extended for up to three (3) additional five (5) year periods, as long as LESSEE is not in default and provided LESSEE gives LESSOR at least ninety (90) days' written notice of the intent to renew. Should this Lease be renewed by Amendment, for each additional five (5) year term, the financial exposure to the LESSEE shall increase by the amount needed to bring the Lease Rate to Fair Market Value, as determined by Guilford County Property Management Staff.

4. **Notices.** Except where otherwise stated herein, all notices, correspondence, and payments pursuant to this Lease 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. The address to which Notices shall be delivered as aforesaid to either Party may be changed by written Notice. Mailed notices will be deemed communicated as of three (3) days after mailing. Notices shall be sent to the following:

Notices to LESSOR:	Attention: Marty K. Lawing Guilford County Manager GUILFORD COUNTY 301 West Market Street, 2 nd Floor Greensboro, N.C. 27401
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with a copy to:	Attention: Robert McNiece Guilford County Facilities Director Guilford County Property Management and Facilities Department 301 West Market Street, 4 th Floor Greensboro, N.C. 27401
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Notices to LESSEE:	Attention: Michelle Lewis Executive Director TRIAD ADULT & PEDIATRIC MEDICINE, INC. 1002 South Eugene Street Greensboro, NC 27406
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5. **Utilities and Services.** LESSOR agrees to furnish to the LESSEE, as a part of the consideration for this Lease, the following adequate services and utilities:

A. Heating, air conditioning, electrical, plumbing, and general maintenance;

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- B.** Janitorial services and cleaning supplies;
 - C.** Maintenance and cleaning of lawns, shrubbery, sidewalks and parking areas, if applicable, and disposal of trash with the exception of Biohazard material, which will be the LESSEE's responsibility;
 - D.** All utilities except telephone, cable TV and computer service;
 - E.** Elevator service, if applicable;
 - F.** Visitors would have use of the visitor's parking for the building;
 - G.** Required fire extinguishers and servicing, pest control, and outside trash disposal including provision for the handling of recyclable items such as aluminum cans, cardboard and paper;
 - H.** All fire or safety inspection fees;
 - I.** All storm water fees; and,
 - J.** Accessibility to persons with disabilities. Where applicable, this shall include access into the premises from the parking areas, into the premises and access to an accessible restroom.
- 6. Indemnification.** The LESSOR, its employees, agents, invitees, or contractors shall be indemnified for any injury or damage to the LESSEE's business or loss of income therefrom, or any damage sustained to the person, property or personal property of the LESSEE, it's employees, agents, invitees or contractors as the result of providing the services listed in Paragraph 5, A-J, or as the result of any breakage, leakage, obstruction or other defects of any utility installation, HVAC system or any components of the Property except to the extent that such damage or loss is caused by the LESSOR's gross negligence or willful misconduct. The LESSOR's providing of the services listed in Paragraph 5, A-J should in no way indemnify the LESSEE from maintaining the Premises in a clean and safe condition, free from trash, obstacles and safety concerns, at all times during the tenancy at LESSEE's expense and obligation.
- 7. Termination.** The LESSEE may cancel the Lease upon ninety (90) days written notice to LESSOR. Should LESSEE terminate this Lease early, advance rental payments paid by LESSEE to LESSOR for the terminated lease period, if any, shall be forfeited by the LESSEE.

The LESSOR may cancel this Lease for any reason upon ninety (90) days written notice to LESSEE. Should LESSOR terminate this Lease early, any advance rental payments which have been paid by LESSEE to LESSOR for the terminated Lease period, if any, shall be refunded to LESSEE by LESSOR within thirty (30) days of date of termination of this Lease Agreement.

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- 8. Enjoyment of Premises.** The LESSOR agrees that, upon LESSEE keeping and performing the covenants and agreements contained here, LESSEE shall at all times during the existence of this Lease peaceably and quietly have, hold, and enjoy the leased premises free from the adverse claims of any person.
- 9. Surrender.** Upon the expiration of or termination of this Lease, LESSEE shall peacefully and quietly leave and surrender the premises in good order and repair to LESSOR, and in the same condition as when delivered to the LESSEE. LESSEE shall retain the ownership of and has the right to remove prior to surrender of the premises all movable equipment, and supplies placed in or on the premises by LESSEE, provided LESSEE repairs any damage to the Property resulting from such removal.
- 10. Care of Premises.** The LESSEE agrees to maintain and keep the Property in reasonable condition at the LESSEE's expense. There shall be no improvements permanent in nature erected within the Leased area without express permission from the LESSOR. LESSEE is expected to implement all best management practices.
- 11. Removable Improvements.** In order for the LESSEE to make minor temporary or removable improvements to the Property at LESSEE's expense, the LESSEE must obtain the prior written approval of the LESSOR, and such minor temporary or removable improvements to the Property may not mar the condition or appearance of the Property. LESSOR agrees to let the LESSEE remove such improvements, provided that LESSEE leaves the Property from which such improvements are removed in good condition. LESSEE is strictly forbidden to add any structural, electrical wiring, plumbing, or heating to any building without the prior written consent of the LESSOR.
- 12. Insurance.** LESSEE shall maintain in full force and effect the insurance required under the Regulatory Agreement and, to the extent not required thereunder, the following insurance, in standard form generally in use in the State of North Carolina, with a responsible insurance company or companies authorized to do business in this State, and furnish true and complete copies of the policies to the LESSOR (COUNTY):

Liability Insurance: Commercial General Liability Insurance covering bodily injury and property damage of one Million Dollars (\$1,000,000) per occurrence, per location, single limit for bodily liability and property damage liability, with a \$2,000,000 aggregate limit, per location. The insurance required by this subparagraph shall (i) name Guilford County as an endorsement.(ii) requiring thirty (30) days written notice from the insurance company to the County prior to the cancellation of the insurance or any changes in coverage, scope, or limits; and,

Workers Compensation Insurance: Workers Compensation insurance sufficient to comply with the applicable laws of the State of North Carolina. The policy must include employers 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.

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13. LESSOR's Duties. Except as expressly stated herein, LESSOR and its agents or employees shall have no other duties to LESSEE under this Agreement or otherwise related to LESSEE's use of the office space.

14. Sublet, Assignment, Assumption. This Lease cannot be sublet, assigned or assumed without LESSOR's written approval.

If LESSEE should undergo 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.

15. Transfer of Property. If the LESSOR should sell or otherwise transfer title to the Property, they shall do so subject to the provisions of this Lease.

16. Binding on Heirs. The provisions of this Lease shall be binding upon the heirs, executors, administrators and successors of both LESSOR and LESSEE in like manner as upon the original Parties, except as otherwise provided by mutual written Agreement.

17. No Third-Party Beneficiaries. There are no third-party beneficiaries to this Agreement and no intended beneficiaries other than those identified herein.

18. Independent Contractor/Indemnification. LESSEE shall operate as an independent contractor for all purposes. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between the LESSOR or any of their agents or employees and LESSEE, or any of their agents or employees. LESSEE is an independent contractor and not an employee, agent, joint venture or partner of the LESSOR. LESSEE agrees to make no representations to the contrary. This Lease is entered into upon the express condition that the LESSEE shall indemnify LESSOR and hold LESSOR harmless from all liabilities, claims, expenses for damages or loss by LESSEE.

19. Right of Entry. While this Agreement is in effect, both Parties and their authorized agents and employees shall have the right to access the leased space 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 or land relating to the

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performance of maintenance activities on the Property and to ensure compliance with the Lease.

- 20. Amendments.** All modifications or alterations to this Lease shall be made by written Amendment to this Lease which shall be signed by both the LESSEE and LESSOR.
- 21. Severability.** If any provision of this Lease should be held unenforceable, then such provision will be modified to reflect the Parties' intention. All remaining provisions of this Lease shall remain in full force and effect.
- 22. Headings/Titles/Wording.** Inclusion of titles of paragraphs or section headings, capitalization of certain words or phrases and/or bold face typestyle of certain words or phrases in this Lease Agreement are for convenience purposes only and shall not be used to interpret or construe the provisions of this Agreement. The terms "Contract" and "Agreement" have the same meaning and may be used interchangeably throughout this document. The terms "Attachment," "Exhibit," and "Addendum" have the same meaning and may be used interchangeably throughout this document.
- 23. Entire Agreement.** This Lease Agreement, including the Exhibits and/or Attachments, sets forth the entire Agreement between the Parties. All prior conversations or writings between the Parties hereto or their representatives are merged within and extinguished. This Lease Agreement shall not be modified except by a writing subscribed to by all the Parties.
- 24. Jurisdiction.** The Parties agree that this Lease Agreement is subject to the jurisdiction and laws of the State of North Carolina. LESSEE will comply with bid restrictions, if any, and applicable laws, including N.C.G.S. §143-129(j) regarding E-Verify. Any controversies arising out of this Contract shall be governed by and construed in accordance with the laws of the State of North Carolina. An Affidavit Regarding E-Verify is attached hereto and incorporated herein as **Exhibit A**.

(The remainder of this page is intentionally left blank.
This Lease Agreement continues on the following page.)

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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.

ATTEST:

GUILFORD COUNTY:

Guilford County Clerk to Board

Marty K. Lawing, Guilford County Manager

(COUNTY SEAL)

ATTEST:

TRIAD ADULT & PEDIATRIC
MEDICINE, INC.:

Corporate Secretary

President

Printed Name: _____

(CORPORATE SEAL)

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

Guilford County Finance Director

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**EXHIBIT A
AFFIDAVIT REGARDING E-VERIFY**

COUNTY OF GUILFORD

I, _____ (the individual attesting below), being duly authorized by and on behalf of **TRIAD ADULT AND PEDIATRIC MEDICINE, INC.** _____ (the entity entering into the Agreement or bidding on the project hereinafter "Employer") after first being duly sworn hereby swears or affirms as follows:

1. Employer understands that E-Verify is the federal E-Verify program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law in accordance with NCGS §64-25(5).
2. Employer understands that Employers Must Use E-Verify. Each employer, after hiring an employee to work in the United States, shall verify the work authorization of the employee through E-Verify in accordance with NCGS§64-26(a).
3. Employer is a person, business entity, or other organization that transacts business in this State and that employs 25 or more employees in this State. Mark "Yes" or "No":
 - a. YES _____; or,
 - b. NO _____
4. Employer's subcontractors comply with E-Verify, and if Employer is the winning bidder on this project Employer will ensure compliance with E-Verify by any subcontractors subsequently hired by Employer.

This _____ day of _____, 2016.

Signature of Affiant
Print or Type Name: _____

State of North Carolina County of Guilford

Signed and sworn to (or affirmed) before me, this the _____

day of _____, 2016.

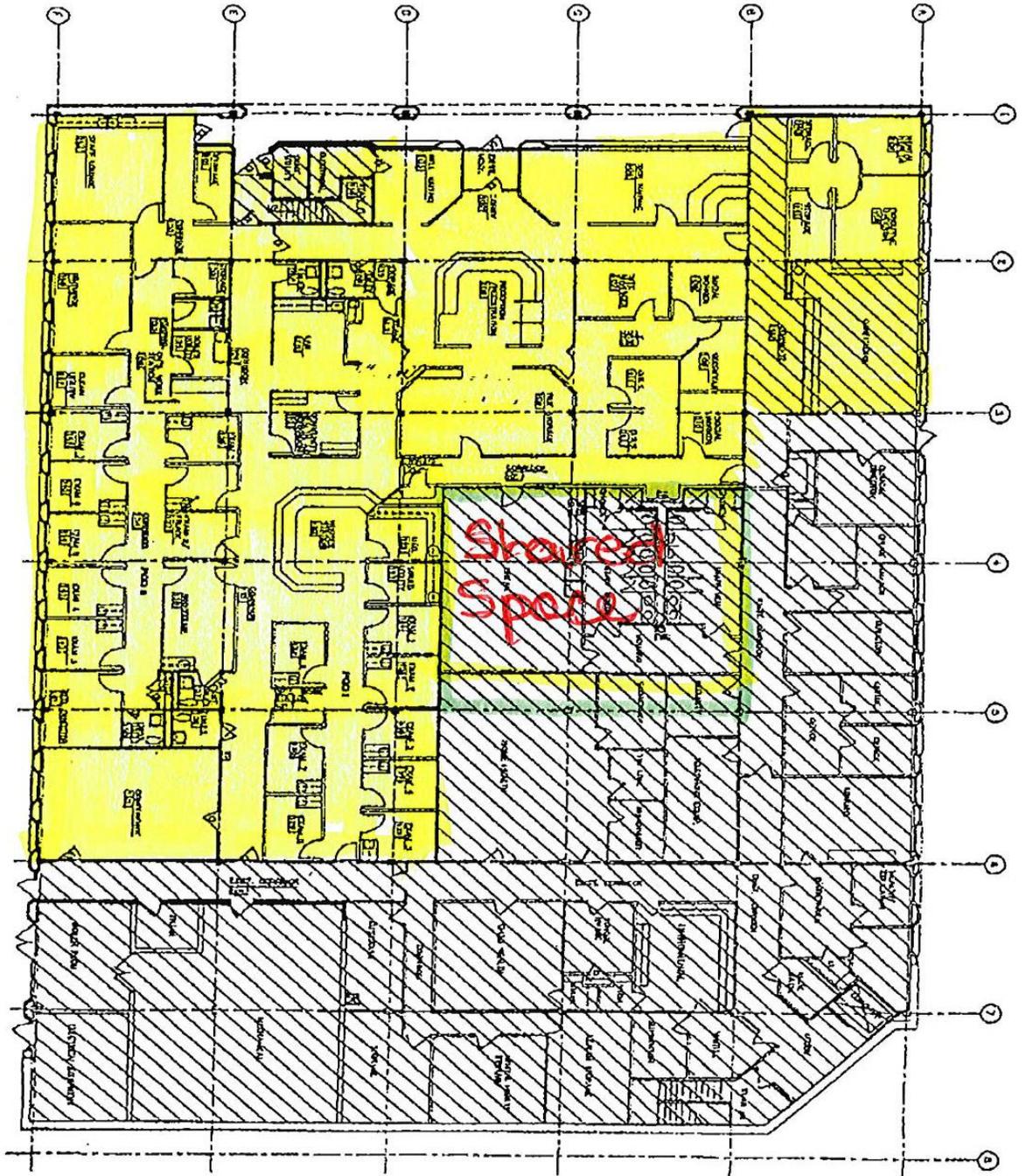
My Commission Expires:

Notary Public

|||
(Affix Official/Notarial Seal)

EXHIBIT B

10,061 Square feet



MAR-19-97 WED 11:18 AM HPRH PURCHASING
03/19/97 WED 10:02 FAX 704 372 8278
P.O. MCULLOCH ENGLAND ARCH. HPRH/KAT.MAGMT.