

In March 2000, the County of Ashe entered into an agreement to lease a portion of the old Ashe Central High School building to the Ashe County Partnership for Children for one dollar annually with a lease term of ninety-nine years.

On or about that time, the Ashe County Partnership for Children borrowed funds from the USDA to finance improvements to the building and began leasing office space in the building to interested organizations. The borrowing was secured by a security interest in the Ashe County Partnership for Children's leasehold interest.

The Ashe County Partnership for Children indicated at a meeting with county management on February 13 that they no longer wish to operate the leasing segment of their operation and would like to cancel their lease with the county and turn the building back over to the county on April 1, 2017. The Ashe County Partnership for Children would also ask the county to either payoff their outstanding loan to the USDA in the amount of \$223,130.16 or assume the loan and begin making annual payments to the USDA of \$38,440.00 beginning April 4, 2017. The interest rate on the loan is 4.5%.

Estimated expenses to operate the facility are \$102,000.00, excluding the debt service payment.

The county currently leases, directly and indirectly, \$128,076.70 of office space from the Partnership for Children.

The Partnership for Children ask to be allowed to remain in the facility rent free for a period of up to 12 months.

NORTH CAROLINA  
ASHE COUNTY

FILED in ASHE County, NC  
on Jan 22 2003 at 10:48:38 AM  
by: SHIRLEY B. WALLACE  
REGISTER OF DEEDS  
BOOK 287 PAGE 1798-1802

AGREEMENT

*By: Deaett R. Laten, Deputy*

This agreement is made and entered into this 1st day of March 2000, by and between the COUNTY of ASHE, hereinafter called "LESSORS"; and ASHE COUNTY PARTNERSHIP FOR CHILDREN, hereinafter called "LESSEE".

WITNESSETH:

That Whereas, the ASHE COUNTY PARTNERSHIP for CHILDREN, INC. is a nonprofit corporation established primarily for the advancement of children's interests in Ashe County and;

That Whereas the COUNTY of ASHE is the owner of the building known as the "Ashe Central School, and;

That Whereas, the COUNTY of ASHE and the ASHE COUNTY PARTNERSHIP for CHILDREN, INC. desire to enter into a cooperative agreement that they feel will better advance the delivery of services for children and their families, the COUNTY of ASHE hereby leases the Ashe Central School building excluding the gymnasium, locker rooms and weight room to the ASHE COUNTY PARTNERSHIP for CHILDREN and therefore the parties enter into this cooperative agreement on the following terms:

1. That in consideration of the monetary sum of One and no/100 (\$1.00) Dollar annually and the further consideration that the ASHE COUNTY PARTNERSHIP for CHILDREN is undertaking to improve the delivery of services to children and their families, COUNTY of ASHE hereby leases the building known as the "Ashe Central School Site to the ASHE COUNTY PARTNERSHIP for CHILDREN.
2. This Lease shall begin on March 2000, and shall continue for a ninety-nine (99) year period through 30 June 2099.
3. The COUNTY of ASHE will be responsible for all utility costs, provide maintenance and custodial services for the building and grounds through June 2002. The ASHE COUNTY PARTNERSHIP for CHILDREN will be responsible for creating a cost allocation plan and based on occupancy square footage to determine utility and custodial costs for each agency. Each agency occupying space in the building will be responsible for costs allocated to their agency.

\*\*\*See attachment "A" and "B".

4. The ASHE PARTNERSHIP for CHILDREN, INC. will maintain insurance on the building and be responsible for all renovation costs needed to occupy the building as well as provide continued maintenance and repair to the building.
5. The Lessee assumes all risk of loss or injury to property or to other persons coming upon the leased premises. The Lessee covenants and agrees to indemnify and hold harmless the Lessors for and from any and all claims, demands, suits, judgements, costs, or expenses on account of such loss or injury.
6. The Lessee shall have the right to assign or sublet the demised premises, or any part thereof.
7. The provisions of this Lease shall be binding upon the parties thereto, and also upon their personal representatives, heirs, and assigns.

The Lessors and Lessee agree, and by their respective signatures indicate, that this written agreement constitutes their full agreement, and that no oral modifications or variations will be enforceable against either party.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seal the day and year above written:

**NORTH CAROLINA - ASHE COUNTY**  
The foregoing certificate (s) of  
Grady Lonon,

a Notary Public of  
Ashe County, NC  
is (are) certified to be correct. Duly registered this  
date and hour as shown on the first page hereof.

**SHIRLEY B. WALLACE**  
Register of Deeds

By Shirley B. Wallace  
Assistant / Deputy

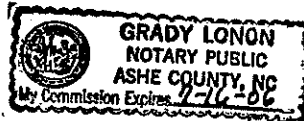
John W. Marsh  
John Marsh, Chair  
Ashe County Commissioners

Chris Robinson  
Chris Robinson, Chair  
Ashe Partnership For Children

Carol Coulter  
Carol Coulter, Executive Director  
Ashe Partnership For Children

I, Grady Lonon, a Notary Public for Ashe County, North Carolina certify that John Marsh, Chris Robinson and Carol Coulter personally appeared before me today, the 22nd day of January, 2003 and acknowledged the execution of the foregoing instrument. Witness my hand seal this date.

Grady Lonon



NORTH CAROLINA  
ASHE COUNTY

BK 287 PG 1800

**ADDENDUM AND AMENDMENT TO LEASE AGREEMENT**

That the parties hereto, "LESSOR" *COUNTY OF ASHE*, and "LESSEE" *ASHE COUNTY PARTNERSHIP FOR CHILDREN*, hereby agree to modify and amend that certain lease for the property and building known as the ASHE CENTRAL SCHOOL, entered into under date of March 1, 2000, to include the following provisions:

1. That the LESSOR consents to allow the LESSEE to mortgage their leasehold interest in the subject property to (USDA) for the purpose of obtaining funds to make improvements and repairs to the subject property.
2. That in the event the LESSEE should default on the mortgage to (USDA) that agency shall have the right to foreclose and sell the leasehold interest subject to the LESSOR'S right to redeem (payoff) said mortgage and retake possession of the property or in the alternative to assume the (USDA) mortgage by catching up all delinquent payments and continuing payments pursuant to the original mortgage agreement.
3. In the event the LESSOR should choose not to either redeem the mortgage or assume the obligations of the mortgage the LESSEE shall have the right to assign it's leasehold interest to a SUB LESSEE, subject to the approval of (USDA) in which case the assignee will continue occupancy of the premises subject to terms of the original lease.
4. That in the event the LESSOR should choose to terminate the lease pursuant to the provisions of the lease, ninety days advance notice of that intention to terminate shall be given to (USDA) and termination shall not prejudice the agency's security interest in the property.
5. In the event the LESSEE should default on it's obligations under the original lease, the agency (USDA), upon notice of delinquency, shall have the right to satisfy any unpaid rent or other charges accrued before or during the time said agency has possession of or title of the leasehold, and any such default on the part of the LESSEE shall not prejudice the agency's right of foreclosure of the leasehold interest. The agency may continue the payment of rent or other charges pending foreclosure or negotiations with the LESSOR or other potential assignees of the lease and mortgage.
6. In the event there should be any condemnation of the subject property, there shall be an equitable allocation of the proceeds from the condemnation among the LESSOR, LESSEE, and the lender (USDA).
7. The term of the lease will be adjusted-if necessary- to insure that the term will be at least 150% of the term of the mortgage; unless the loan is guaranteed by a public authority, Indian tribe or Indian Housing Authority, in which case the unexpired term of

the lease shall be at least two years longer than the mortgage term but in no event may the unexpired term of the lease be less than a total of (25) twenty-five years.

8. These additional provisions shall supercede the terms of the original lease as to any provisions contained herein that maybe inconsistent with the original lease. Any provisions that are not inconsistent as contained in the original lease will remain in full force and effect.

Attest:

  
Clerk

  
Larry Rhodes, Chair  
Ashe County Commissioners



  
Chris Robinson, Chair  
Ashe County Partnership for Children

  
Carol Coulter, Executive Director  
Ashe County Partnership for Children

Amendment to the Lease  
between the  
County of Ashe  
and the  
Partnership for Children, Inc.


BK 287 PG 1802

1. The County of Ashe agrees to retain control of the Cooperative Play Center (formerly known as the school Library) and the Community Center (Formerly known as the school Cafeteria) for the next twenty five years, March 5, 2001 through March 5, 2026.
2. The County of Ashe agrees to enter into a cooperative agreement with the Operations Committee of Family Central for the delivery of services in the Cooperative Play Center and the Community Center. The County of Ashe retains the right to direct the management and programming of the Cooperative Play Center and Community Center. These Centers will be available to all residents of Ashe County.
3. The County of Ashe considers the Operations Committee of Family Central as an Independent Contractor and thus the Operations Committee assumes all liabilities.


Attest

  
Clerk



  
Larry Rhodes, Chair  
Ashe County Commissioners

  
Chris Robinson, Chair  
Ashe County Partnership for Children

  
Carol Coulter, Executive Director  
Ashe County Partnership for Children