

STATE OF NORTH CAROLINA

LEASE AGREEMENT

COUNTY OF HENDERSON

THIS LEASE made and entered into this the first day of _____, by and between the City of Hendersonville, one of the municipalities of the State of North Carolina, (herein referred to as "Landlord") and Fire Starter Media Group, LLC, a South Carolina Limited Liability Company, (hereinafter referred to as "Tenant").

WHEREAS, the Landlord is the owner of that certain improved real property located at 125 5th Ave W and described in that Deed recorded in Deed Book 3225 at page 388, Henderson County registry, hereinafter "Landlord's Property."

NOW, THEREFORE, the Landlord and the Tenant, in consideration of the mutual promises hereinafter contained, hereby mutually agree as follows:

Leased Premises: The Landlord hereby leases to the Tenant two office units (office unit A and office unit B) within buildings located upon the Landlord's Property (hereinafter the "Leased Premises"), in addition to nonexclusive access to shared common space (hereinafter the "Common Space"), pursuant to the terms and conditions contained herein. The Leased Premised and the Common Space are more particularly described on Exhibit A attached hereto and incorporated herein by reference.

Condition of Property: The Landlord has not made any representations with respect to the suitability of the Leased Premises or the Common Space for the intended purpose or otherwise as to the leased property except as expressly set forth herein and no rights, easements, or licenses are acquired by the Tenant by implication or otherwise except as expressly set forth in the provisions of this Lease or in a separate instrument recorded in the office of the Register of Deeds for Henderson County, North Carolina. The taking of possession of the Leased Premises by the Tenant shall be conclusive evidence that the Tenant accepts the same "as is," and that the Leased Premises, Common Space, and other improvements of which the same form a part were in good and sufficient condition at the time possession was taken.

Term of Lease: The initial term of this lease shall be thirty-six (36) months, commencing on _____, 2023, and ending on _____, 2026, both dates inclusive unless sooner terminated as herein provided.

Option to Renew: The Tenant shall have the right to renew the Lease with a total of two (2) renewal periods with each term being twelve (12) months. Annual Rent increases shall be calculated by multiplying the base rent by the annual change in the Consumer Price Index (CPI) published by the Bureau of Labor Statistics by the most recent publication to the option period start date.

Rent: The Tenant shall pay to the Landlord the monthly rent of One Thousand Dollars (\$1,000.00) in lawful money of the United States, payable in advance, on the first day of each month throughout the term of this Lease. The rent shall be payable at the office of the Landlord or at such other place as the Landlord may designate in writing.

Restrictions on Use: The Tenant may use and occupy the Leased Premises for office purposes related to Tenant's business as a marketing, advertising, and product development firm. The Tenant may use the Common Space for office purposes related to Tenant's business as a marketing, advertising, and product development firm, except that Tenant may not exclude Landlord or any of the Landlord's employees, lessees, licensees, or invitees from the Common Space, and the Tenant may not store any property or post advertisements in the Common Space without the Landlord's express written consent.

The Tenant shall not use or occupy, nor permit the Leased Premises, the Common Space or any part thereof, to be used or occupied for any unlawful business, use, or purpose, nor for any business, use, or purpose deemed a nuisance, disreputable or extra-hazardous, nor for any purpose or in any manner which is in violation of any present or future governmental laws or regulations. The Tenant shall indemnify the Landlord against all costs, expenses, liabilities, losses, damages, injunctions, suits, fines, penalties, claims, and demands, including reasonable counsel fees, arising out of any violation of or default in these covenants.

Covenants of Quiet Enjoyment: The Tenant, upon paying the rent as herein provided, and performing all the other terms of this Lease, shall quietly have and enjoy the Leased Premises during the term of this Lease without hindrance or molestation by anyone claiming by or through the Landlord, subject however, to the reservations and conditions of this Lease.

Landlord's Right of Entry: Landlord shall, at all reasonable times, have the right to enter the Leased Premises or any part of it for the purpose of inspection and for use of the Common Space.

Landlord's Rights to Common Space: Landlord shall retain access to the Common Space for all purposes including but not limited to providing access to small business incubator clients in the Common Space.

Repair and Maintenance: The Tenant shall, at its own expense, maintain and make all necessary repairs and replacements to the interior of the Leased Premises, including the interior finishes, floor, windows, doors and plumbing.

The Landlord shall, at its own expense, maintain and make all necessary repairs and replacements to the roof, structural components and exterior of the Leased Premises,

In the event of a necessary repair or replacement which may affect areas to be repaired by both Tenant and Landlord, the parties shall exercise good faith in reaching an agreement as to allocation of the costs of such repair or replacement.

Compliance with Law: The Tenant shall throughout the term of this Lease, at its sole expense, promptly comply with all laws and regulations of all federal, state, and municipal governments and appropriate departments, commissions, boards and officers thereof, and the orders and regulations of the National Board of Fire Underwriters, or any other body now or hereafter exercising similar functions, which may be applicable to the Premises, the fixtures and equipment therein. The Tenant shall comply with the requirements of all policies of liability, fire, and all other types of insurance at any time in force with respect to the building and other improvements on the Premises.

Surrender Upon Termination: The Tenant shall on the expiration or the sooner termination of the Lease term surrender to the Landlord the Leased Premises. Any personal property belonging to the Tenant, if not removed at such termination and if the Landlord shall so elect, shall be deemed abandoned and become the property of the Landlord without any payment or offset therefor.

Tenant's Right to Alter and Improve: No alteration, addition, or improvement to the Leased Premises may be made by the Tenant without the written consent of the Landlord, and the Landlord must approve the location and aesthetic appearance of such additions or improvements. Notwithstanding anything contained herein to the contrary, Landlord's consent to any proposed addition or improvement shall not be unreasonably withheld. Any alteration, addition, or improvement made by the Tenant after such consent shall have been given and any fixtures installed as part thereof, shall be at the sole expense of the Tenant and shall, at the Landlord's option, become the property of the Landlord upon the expiration or other sooner termination of this Lease.

Utilities and Other Services: The Landlord shall provide utilities and services including: electricity, water, fiber internet, and key fob access for Common Space. Landlord shall not be liable in damages or otherwise for any failure or interruption of any utility service or other service furnished under this Lease to Tenant, the Leased Premises, or the Common Space, and no such failure or interruption shall entitle Tenant to rent abatement or to terminate this Lease..

Termination for convenience:

By Tenant: Tenant may terminate this Agreement without cause upon 90 days prior written notice of such termination date to City. All outstanding amounts due for Rent, and any other fees and charges due from Tenant, if any, through the date of termination shall be due and payable to the City on or before the date of termination.

By Landlord: Landlord may terminate this Agreement without cause upon 90 days prior written notice of such termination date to Tenant. All outstanding amounts due for Rent, and any other fees and charges due from Tenant, if any, through the date of termination shall be due and payable to the Landlord on or before the date of termination.

Landlord's Rights: Tenant's Default: If the Leased Premises shall be deserted or vacated at any time after the commencement of the Lease term or if there shall be default in the performance of any other covenant, agreement, condition, rule, or regulation herein contained or hereafter established on the part of the Tenant for more than twenty (20) days after written notice of such default by the Landlord, this Lease (if the Landlord so elects) shall thereupon become null and void, and the Landlord shall have the right to re-enter or repossess the Leased Premises, either by force, summary proceedings, surrender, or otherwise, and dispossess and remove therefrom the Tenant, or other occupants thereof, and their effects, without being liable to any prosecution therefor. Upon the expiration of this Lease pursuant to paragraph, the Tenant shall peacefully surrender the Leased Premises to the Landlord

No such expiration or termination of this Lease, including termination following Tenant's default or termination for convenience shall relieve the Tenant of its liability and obligations under this Lease.

Fire or Other Casualty Losses: No destruction or damage to any building or improvement on the Landlord's Property by fire, windstorm, or any other casualty shall entitle the Tenant to surrender possession of the Premises, to terminate this Lease, to violate any of its provisions, or to cause any rebate or abatement in rent then due or thereafter becoming due under the terms hereof.

Insurance:

A. The Tenant shall keep the Leased Premises insured throughout the term of this Lease against the following:

1. Loss or damage by fire and such other risks as may be included in the broadest form of extended coverage insurance from time to time available in amounts sufficient to prevent the Landlord or the Tenant from becoming a coinsurer within the terms of the applicable policies, and in any event, in an amount not less than 80% of the then full insurable value.

2. War risks in the amount of the then full insurance value, when such insurance is required by the holder of any mortgage or deed of trust to which this Lease is subordinate.

3. Claims for personal injury or property damage, under a policy of general liability insurance, with such limits as may reasonably be requested by the Landlord from time to time, but not less than [REDACTED] in respect of bodily injury, and [REDACTED] for property damage.

The Landlord shall keep the building containing the Leased Premises insured against loss or damage by fire with extended coverage endorsement in an amount sufficient to prevent the Landlord from becoming a coinsurer under the terms of the applicable policies, but in any event, in an amount not less than 80% of the full insurable value as determined from time to time. The term "full insurable value" shall mean actual replacement cost (exclusive of the cost of excavation, foundations, and footings below the basement floor) without deduction for physical depreciation. Such insurance shall be issued by financially responsible insurers duly authorized to do business in this state.

Rights to Assign and Sublease: The Tenant shall not assign, mortgage, or encumber this Lease, nor sublet or permit the Leased Premises or any part thereof to be used by others without the prior written consent of the Landlord in each instance.

Landlord's Exoneration - Exception for Negligence: The Landlord shall not be liable for injury or damage to person or property occurring within the Leased Premises or the Common Space during the term of this Lease, unless caused by or resulting from the active negligence of the Landlord or any of the Landlord's agents, servants, or employees in the operation or maintenance of the Leased Premises, the Common Space or the building containing the same.

Indemnification of Landlord: The Tenant shall indemnify the Landlord against all liabilities, expenses, and losses arising during the term of this Lease and incurred by the Landlord as a result of:

A. failure by the Tenant to perform any covenant required to be performed by the Tenant hereunder;

B. any accident, injury, or damage which shall happen in or about the Premises or appurtenances, or on, or under the adjoining streets, sidewalks, curbs, or vaults, or resulting from the condition, maintenance, or operation of the Premises or of the adjoining streets, sidewalks, curbs, or vaults;

C. failure to comply with any requirements or any governmental authority; and

D. any mechanic's lien, or security agreement, filed against the Landlord's Property or any portion thereof, any equipment therein, or any materials used in the construction or alteration of any building or improvement thereon.

Notices and Certificates: Any notice under this Lease must be in writing and must be sent by _____ to the last address of the party to whom the notice is to be given, as designated by such party in

writing. The Landlord hereby designates its address is 160 6th Ave E, Hendersonville, NC 28792. The Tenant hereby designates its address as _____.

Miscellaneous:

A. This Lease shall be governed by, construed, and enforced in accordance with the laws of the State of North Carolina.

B. In construing this Lease, feminine or neuter pronouns shall be substituted for those masculine in form and vice versa, and plural terms shall be substituted for singular and singular for plural in any place in which the context so requires.

C. The covenants, terms, conditions, provisions, and undertakings in this Lease, or in any renewals thereof, shall extend to and be binding upon the heirs, executors, administrators, successors, and assigns of the respective parties hereto, as if they were in every case named and expressed, and shall be construed as covenants running with the land; and wherever reference is made to either of the parties hereto, it shall be held to include and apply also to the heirs, executors, administrators, successors, and assigns of such party, as if in each and every case so expressed.

D. The parties agree to execute and deliver any instruments in writing necessary to carry out any agreement, term, condition, or assurance in this Lease whenever occasion shall arise and request for such instruments shall be made.

E. The specified remedies to which the Landlord may resort under the terms of this Lease are cumulative and are not intended to be exclusive of any other remedies or means of redress to which the Landlord may be lawfully entitled in case of any breach or threatened breach by the Tenant of any provision or provisions of this Lease.

F. The parties hereto state that they have not created and do not intend to create by this Lease a joint venture or partnership relation between them, it being understood that the provisions of this Lease with regard to the payment by the Tenant and the acceptance by the Landlord of a sum equal to the percentage of gross sales is a reservation of rent.

G. This Lease contains the entire agreement between the parties and cannot be changed or terminated orally.

Counterparts: This Lease may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same Lease.

FIRESTARTER MEDIA GROUP, LLC
Tenant

CITY OF HENDERSONVILLE
Landlord

By: _____ (SEAL)

By: _____ (SEAL)