

S☆H draft of November 28

Prepared by and return after recording to:

Ashley L. Anderson
Sanford Holshouser LLP
209 Lloyd St., Suite 350
Carrboro, NC 27510

STATE OF)
NORTH CAROLINA) **LEASE**
)
JACKSON COUNTY)

THIS LEASE is dated as of _____, 2018 and is entered into by and between **JACKSON COUNTY, NORTH CAROLINA**, as lessor (the "County"), and **THE TRUSTEES OF SOUTHWESTERN COMMUNITY COLLEGE**, as lessee (the "Community College").

WITNESSETH:

The County and the Community College have previously agreed to cooperate in a plan (the "Project") to construct, equip, finance, and operate a "Workforce Training Facility for Health Occupations in Western North Carolina" (the "Facility"). The United States Department of Commerce's Economic Development Administration ("EDA") has approved a joint application, submitted by the County and the Community College, for a \$2,015,395 EDA grant investment toward the costs of the Facility. EDA's investment is

evidenced by the Grant Agreement, as defined in Article XIII. The Grant Agreement imposes a lien on the Facility and its site to secure the performance of the County and the Community College under the Grant Agreement.

The County will enter into an installment financing contract (the "Financing Contract") with a lender to be determined in the future (the "Lender") to provide additional financing for the Project. The County will grant a deed of trust (the "Deed of Trust") to secure the County's repayment obligations under the Financing Contract. An intercreditor agreement (the "Intercreditor Agreement") will set out the relationship between EDA and the Lender.

The County proposes to lease the Facility and its associated real property, as described on Exhibit A (the "Site"), to the Community College, so that the Community College can operate the Facility. The Community College has determined to accept this lease.

The County is the record owner of the Site.

NOW THEREFORE, for and in consideration of the mutual promises contained in this Lease, the parties agree as follows:

ARTICLE I

REPRESENTATIONS, COVENANTS AND WARRANTIES

The County and the Community College each makes the following statements of fact, with the understanding and intent that the other party will rely on these statements in choosing to enter into this Lease:

(a) Neither the execution and delivery of this Lease, nor the fulfillment of or compliance with its terms and conditions, nor the consummation of the transactions contemplated by this Lease, results in a breach of the terms, conditions and provisions of any agreement or instrument to which either is now a party or by which either is bound, or constitutes a default under any of the foregoing. The Lease is a valid and binding obligation of the respective party.

(b) To the knowledge of each party, there is no litigation or other court or administrative proceeding pending or threatened against that party (or against any other person) affecting that party's rights to execute or deliver this Lease or to comply with its

obligations under this Lease. Neither the party's execution and delivery of this Lease, nor its compliance with its obligations under this Lease, requires the approval of any regulatory body or any other entity the approval of which has not been obtained.

ARTICLE II

DEMISE; PRIORITY OF OTHER AGREEMENTS

2.1. Demise. The County hereby leases the Leased Property to the Community College, and the Community College hereby leases the Leased Property from the County, in accordance with the provisions of this Lease, to have and to hold for the Lease Term.

2.2. Priority of Deed of Trust and Grant Agreement. Notwithstanding anything in this Lease to the contrary, the Community College's rights to possession of the Leased Property and all its other rights under this Lease are subordinate to the rights of the respective beneficiaries under the Deed of Trust and the Grant Agreement. Any judicial sale of, or foreclosure on, the Leased Property pursuant to the Deed of Trust or the Grant Agreement terminates all the Community College's rights under this Lease.

ARTICLE III

LEASE TERM

3.1. Commencement. The Lease Term commences on the date of the initial execution and delivery of this Lease.

3.2. Termination. The Lease Term terminates upon the earliest of the following:

(a) Judicial sale of or foreclosure on the Leased Property under the Deed of Trust or the Grant Agreement;

(b) The occurrence of an Event of Default under this Lease and subsequent termination by the County pursuant to Section 11.2; or

(c) The date that is 30 days after the final payment that may be due under the Financing Contract, but no later than December 31, 2040, except that the Lease Term ends immediately upon (i) the termination of the Financing Contract if the Financing Contract is

terminated following an event of default by the County under the Financing Contract or (ii) foreclosure under the Grant Agreement.

Termination of the Lease Term terminates all the County's obligations under this Lease, and terminates the Community College's rights of possession under this Lease; but all other provisions of this Lease, including the receipt and disbursement of funds, shall continue until the Financing Contract is discharged as may be provided therein.

ARTICLE IV

QUIET ENJOYMENT; RECONVEYANCE

4.1. Quiet Enjoyment. The County covenants that the Community College will during the Lease Term peaceably and quietly have and hold and enjoy the Leased Property without suit, trouble or hindrance from the County, except as expressly required or permitted by this Lease. The County will not interfere with the Community College's quiet use and enjoyment of the Leased Property during the Lease Term. The County will, at the Community College's request and the County's cost, join and cooperate fully in any legal action in which the Community College 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 Leased Property. In addition, the Community College may at its own expense join in any legal action affecting its possession and enjoyment of the Leased Property and will be joined (to the extent legally possible, and at the Community College's expense) in any action affecting its liabilities under this Lease.

The provisions of this Article are subject to rights to inspect the Leased Property granted to parties as may be provided in the Financing Contract.

4.2. Conveyance at End of Term. The County covenants that it will convey the Leased Property to the Community College within 30 days after the date of the County's final payment on the Financing Contract, subject to the priority of the Deed of Trust and the Grant Agreement as described in Section 3.2. The County will make this conveyance pursuant to a deed in form and substance reasonably acceptable to each party, and free and clear of all encumbrances other than (a) any encumbrances existing at the time of the original conveyance of the Leased Property from the Community College to the County, (b) any encumbrances that arise by operation of law without regard to action or inaction by the Community College or the County (such as regulatory encumbrances or encumbrances related to condemnation by another governmental entity), (c) encumbrances

created by the Community College's action, or (d) encumbrances to which the Community College consents or has consented.

ARTICLE V

CONSIDERATION FOR LEASE

5.1. Community College's Use of Facility. In partial consideration for its acquisition of rights to use the Leased Property during the Lease Term, the Community College agrees to use the Leased Property in the conduct of its educational functions to the full extent practicable for the Community College and as may be required under the Grant Agreement.

5.2. Community College's Payments. In partial consideration for its acquisition of rights to use the Leased Property during the Lease Term and its right to acquire the Leased Property, the Community College hereby agrees to pay to the County total rent for the Lease Term in the amount of Ten Dollars, payable in advance on the Closing Date, receipt of which the County hereby acknowledges.

ARTICLE VI

COMMUNITY COLLEGE'S OBLIGATIONS

6.1. Community College's Obligations. The Community College agrees to operate the Facility in such a way as to preserve it as collateral for the financing and to comply with legal restrictions.

6.2. Utilities. The Community College will pay all charges for utility services furnished to or used on or in connection with the Leased Property and the Facility.

6.3. Care and Use. The Community College will care for the Leased Property in a careful and proper manner. The Community College must keep the Leased Property in good condition, repair, appearance and working order for the purposes intended.

6.4. Compliance with Requirements. The Community College will promptly and faithfully comply with all requirements of governmental authorities relating to the use or condition of the Leased Property (or be diligently and in good contesting the

requirements), if the violation of the requirement would adversely affect the use, value or condition of the Leased Property. This compliance is required of the Community College whether or not any requirement necessitates structural changes or improvements or interferes with the Community College's use or enjoyment of the Leased Property.

6.5. Use and Operation of the Facility. The Community College will use and operate the Facility for its intended public purposes. The Community College will in no event use the Leased Property, or any portion, nor allow it to be used, (a) for any unlawful purpose, (b) in violation of any certificate of occupancy or other permit or certificate, or (c) in violation of any law, ordinance or regulation.

6.6. Taxes and Other Governmental Charges. If the Leased Property (or any portion) is, for any reason, deemed subject to taxation, assessments or charges lawfully made by any government, the Community College will, during the Lease Term, pay the amount of all those taxes, assessments and governmental charges.

6.7. Community College's Insurance.

(a) Property Damage Insurance – From and after substantial completion of each principal portion of the Facility, the Community College shall, at its own expense, acquire, carry, and maintain broad-form extended coverage property damage insurance with respect to the Facility in an amount equal to the estimated replacement cost.

(b) General Liability Insurance – To the extent permitted by law, the Community College agrees that it will, at its own expense, acquire, carry, and maintain comprehensive general liability insurance in an amount not less than \$2,000,000 for personal injury or death and \$2,000,000 for property damage.

(c) Personal Property Insurance – The Community College acknowledges that it is solely responsible for insuring the personal property owned by the Community College that at any time or from time to time may be located at the Leased Property.

(d) Other Insurance – The Community Colleges agrees that it will maintain any other insurance as may be required by the Financing Contract.

(e) Notwithstanding the foregoing, the County retains its rights to direct the use of any proceeds paid out by any type of insurance policy as a result of a claim. All payments of insurance proceeds are to be made to the County.

6.8. Transfer of Rights. In order to allow the Community College to carry out its obligations, the County transfers its rights regarding maintenance, repairs and modifications of and to the Leased Property.

6.9. County's Cooperation. (a) The County will cooperate fully with the Community College in filing any proof of loss or taking any other action under this Lease. Except as and to the extent provided in subsection (b), in no event will the County or the Community College voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim with respect to the Leased Property without the other's written consent.

(b) In the case of a proceeding as to which amounts are to be paid out by the County or the Community College, either party may settle or consent to settlement without the other's consent if the amount of the settlement (i) is less than \$50,000 or (ii) is to be paid entirely by insurance providers or other third parties.

6.10. Advances; Performance of Obligations. If the Community College 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 Community College 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 4.00%.

ARTICLE VII

DISCLAIMER OF WARRANTIES; OTHER COVENANTS

7.1. Disclaimer of Warranties. **THE COUNTY MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR FITNESS FOR A PARTICULAR USE OF THE LEASED PROPERTY OR ANY PART THEREOF OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE LEASED PROPERTY OR ANY PART THEREOF.** In no event will the County be liable for any direct or indirect, incidental, special or consequential damage in connection with or arising out of this Lease or the existence, furnishing, functioning or use by any of them of any item, product or service provided for herein.

7.2. Further Assurances; Corrective Instruments. (a) The Community College and the County 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 may reasonably be required for correcting any inadequate or incorrect description of the Leased Property hereby leased, or intended so to be, or for otherwise carrying out the intention of this Lease.

(b) In particular, the Community College agrees to execute all documents the County may reasonably request to evidence that the Community College's rights under this Lease are subordinate as described in Section 3.2.

7.3. Covenant against Financing Contract and Grant Agreement Defaults. The Community College covenants not to take or omit to take any action the taking or omission of which would cause the County to be in default, technical or otherwise, under the Grant Agreement or the Financing Contract. In particular, the Community College covenants not to make any use of the Facility that would cause the County's obligations to make payments under the Financing Contract to be "private activity bonds" within the meaning of the Code, such as entering into any leases of any part of the Leased Property or entering into any contracts for the use, management or operation of any part of the Leased Property without the County's consent. If the Community College takes or omits to take any such action, then, to the extent permitted by law, the Community College will proceed with all due diligence to take such actions as may be necessary to cure such default.

7.4. Compliance with Requirements. The Community College and the County must observe and comply promptly with all current and future orders of all courts having jurisdiction over the Leased 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 Leased Property or any portion thereof.

7.5. Permits and Other Authorizations. The Community College covenants and represents to the County that the Community College has obtained all permits, consents, approvals or authorizations of all governmental entities and regulatory bodies required as a condition to the Community College's entering into this Lease. The Community College further covenants and warrants that prior to the use of the Facility for educational purposes, the Community College will obtain, and will thereafter maintain through the duration of this Lease, all further permits, consents, approval or authorizations of all governmental entities and regulatory bodies necessary to operate the Facility.

ARTICLE VIII

TITLE TO LEASED PROPERTY

Except for personal property purchased by the Community College at its own expense, title to the Leased Property and any and all additions and modifications to or replacements of any portion of the Leased Property will be held in the County's name, subject only to Permitted Encumbrances, until foreclosed upon or conveyed as may be provided in the Financing Contract, Deed of Trust, or the Grant Agreement, notwithstanding (a) the occurrence of one or more events of default as may be defined in the Financing Contract; (b) the occurrence of any event of damage, destruction, condemnation or construction or title defect; or (c) the County's violation of any provision of this Lease.

The Community College has no right, title or interest in the Leased Property or any additions and modifications to or replacements of any portion of the Leased Property, except as expressly set forth in this Lease, or the deed by which the Community College conveyed title to the Leased Property to the County.

ARTICLE IX

SUBLEASING, ASSIGNMENT, AND INDEMNIFICATION

9.1. Community College's Subleasing and Assignment. (a) Except as provided in subsection (b), the Community College may not sublease the Leased Property, in whole or in part, enter into other agreements for the use of any part of the Leased Property or assign any of its rights or obligations under this Lease, without the County's prior written consent.

(b) The Community College may enter into agreements for the use of portions of the Leased Property with state and local (but not federal) government entities, and may allow for the occasional use of portions of the Leased Property by federal or non-government entities, in each case without the necessity of obtaining the County's prior consent. The Community College must certify to the County, by September 15 of each year, that the total use of the Leased Property by entities other than the Community College did not exceed 8% of the total use of the Leased Property. The Community College shall

provide the County with such additional information as the County may request to document compliance with the County's covenants as may be required under the Financing Contract related to the use of the property and the continuing general exemption from federal income tax of the County's payments of interest as may be provided for in the Financing Contract.

(c) The Community College's obligations under Section 8.3 take priority over the Community College's rights under this Section 9.1. The Community College's allowing use of the Leased Property pursuant to this Section 9.1 will not constitute a violation of the Community College's obligations under Section 5.1 or otherwise to use the Leased Property for public education purposes.

9.2. Indemnification. To the extent permitted by law, the Community College will indemnify and save the County harmless against and from all claims, by or on behalf of any person, firm, corporation or other legal entity, arising from the operation or management of the Leased Property during the Lease Term, including any arising from: (a) any condition of the Leased Property; or (b) any negligent act of the Community College or of any of its agents, contractors or employees or any violation of law by the Community College or breach of any covenant or warranty by the Community College under this Lease. The Community College will, upon notice from the County, defend or pay the cost of defending the County in any action or proceeding brought in connection with any claims arising out of circumstances described in (a) or (b) above.

ARTICLE X

EVENTS OF DEFAULT

10.1. Events of Default. The following will be "Events of Default" under this Lease and the term "Default" shall mean, whenever it is used in this Lease, any one or more of the following events:

(a) The Community College's failure to observe and perform any covenant, condition or agreement on its part to be observed or performed for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to the Community College by the County, unless the County agrees in writing to an extension of such time prior to its expiration.

(b) The dissolution or liquidation of the Community College or the voluntary initiation by the Community College of any proceeding under any federal or State law relating to bankruptcy, insolvency, arrangement, reorganization, readjustment of debt or any other form of debtor relief, or the initiation against the Community College of any such proceeding which remains undismissed for sixty days, or the entry by the Community College into an agreement of composition with creditors or the Community College's failure generally to pay its debts as they become due.

10.2. Remedies on Default. Whenever any Event of Default is continuing, the County may take one or any combination of the following remedial steps:

(a) Cure the default and seek reimbursement from the Community College for all expenses incurred in curing the default;

(b) Have reasonable access to and inspect, examine and make copies of the Community College's books and records and accounts during the Community College's regular business hours, if reasonably necessary in the County's opinion; or

(c) Take whatever 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 Community College under this Lease; or

(d) If the County determines that the foregoing remedies are inadequate or inappropriate to cure the Event of Default or otherwise protect the County's interests, the County may terminate this Lease, evict the Community College from the Leased Property or any portion thereof and re-lease the Leased Property or any portion thereof.

10.3. No Remedy Exclusive. No remedy conferred upon or reserved to the County in this Lease is intended to be exclusive, and every such remedy will be cumulative and will be in addition to every other remedy given under this Lease and every remedy now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default will 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. In order to entitle the County to exercise any remedy reserved in this Article X, it will not be necessary to give any notice, other than such notice as may be required in this Article X.

10.4. Waivers. If either party should breach any agreement contained in this Lease and thereafter the other party waives the breach, such waiver is limited to the

particular breach so waived and does not waive any other breach under this Lease. A waiver of an event of default as may be defined in the Financing Contract constitutes a waiver of any corresponding Event of Default under this Lease; provided that no such waiver extends to or affects any subsequent or other Event of Default under this Lease or otherwise impairs any right consequent thereon.

10.5. Agreement To Pay Attorneys' Fees and Expenses. If the Community College defaults under any Lease provision and the County employs attorneys or incurs other expenses for the collection of any payments due under this Lease, or the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party contained in this Lease, the Community College agrees that, to the extent permitted by law, it will pay on demand therefor to the County the fees of such attorneys and such other expenses so incurred by the non-defaulting party, to the extent that such attorneys' fees and expenses may be determined to be reasonable by a court of competent jurisdiction.

If the County defaults under any provision of the Lease, the Grant Agreement, or the Financing Contract and the Community College employs attorneys or incurs other expenses for the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party contained in this Lease, the County agrees that, to the extent permitted by law, it will pay on demand therefor to the Community College the fees of such attorneys and such other expenses so incurred by the non-defaulting party, to the extent that such attorneys' fees and expenses may be determined to be reasonable by a court of competent jurisdiction.

10.6. Waiver of Appraisal, Valuation, Stay, Extension, and Redemption Laws. The Community College and the County agree, to the extent permitted by law, that upon a termination of the Lease Term by reason of an Event of Default, neither the Community College nor the County nor any one claiming through or under either of them will set up, claim or seek to take advantage of any appraisal, valuation, stay, extension or redemption laws now or hereafter in force in order to prevent or hinder the enforcement of the Financing Contract or of any remedy provided under this Lease or as may be provided in the Financing Contract; and the Community College and the County, for themselves and all who may at any time claim through or under either of them, each hereby waives, to the full extent that it may lawfully do so, the benefit of such laws.

ARTICLE XI

MISCELLANEOUS

11.1. Notices. Any communication provided for in this Lease must be in writing. Any communication under this Lease will be deemed given when delivered by hand or on the date shown as the delivery date on a United States Postal Service certified mail receipt, or a delivery receipt from a national commercial package delivery service, if addressed as follows:

(a) If intended for the County, addressed to it at the following address: Jackson County, Attention: County Manager, Re: Southwestern Community College Health Sciences Building, 401 Grindstaff Cove Road, Suite A-207, Sylva, NC 28779.

(b) If intended for the Community College, to President, Southwestern Community College Attention: Southwestern Community College Health Sciences Building Re: Jackson County Lease, 447 College Drive, Sylva, NC 28779.

(c) If intended for the Lender, addressed to it at any address as may be provided in the Financing Contract.

11.2. Binding Effect. This Lease will inure to the benefit of and be binding upon the Community College and the County, and their respective successors and assigns, subject, however, to the limitations contained in Article IX.

11.3. Amendments, Changes and Modifications. This Lease may not be amended without the written consent of both parties.

11.4. Net Lease. This Lease will be deemed and construed to be a "net lease," and the Community College will pay absolutely net during the Lease Term all other payments required under this Lease, free of any deductions, and without abatement or set-off.

11.5. Holidays. If the date for making any payment or the last day for performance of any act or the exercising of any right, as provided in this Lease, shall not be a Business Day, such payment must be made or act performed or right exercised on the next preceding day that is a Business Day. For this Lease, a "Business Day" is any day on which banks in North Carolina are not by law authorized or required to remain closed.

11.6. Severability. If any provision of this Lease, other than the requirement of the County to provide quiet enjoyment of the Leased Property, is held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

11.7. Execution in Counterparts. This Lease may be simultaneously executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument.

11.8. Applicable Law. The parties intend that North Carolina law will govern this Lease and all matters of its interpretation.

11.9. Community College and County Representatives. Whenever under the provisions hereof the approval of the Community College or the County is required to take some action at the request of the other, unless otherwise provided, such approval or such request must be given (a) for the County by the County Representative, and (b) for the Community College by its President or anyone designated in writing by the President or the County Manager to perform any act (or any specified act) under this Lease, and in any such case the Community College and the County will be authorized to act on any such approval or request.

11.10. Third-Party Beneficiaries. The Lender and the EDA under the Financing Contract are intended as third-party beneficiaries of this Lease. Any of these beneficiaries may independently assert the rights of the County or the Community College under this Lease. There are no other parties intended as third-party beneficiaries under this Lease.

11.11. Memorandum of Lease; Recording. At the request of either party, the County and the Community College will at any time execute a memorandum of this Lease legally sufficient to comply with the relevant provisions of the North Carolina General Statutes. Either party may provide for this Lease or a memorandum to be recorded in the real estate records of Jackson County.

ARTICLE XII

DEFINITIONS; RULES OF CONSTRUCTION

All capitalized terms used in this Lease have the meanings specified below, unless the context clearly requires otherwise:

"Event of Default" means one or more events of default as may be defined in the Financing Contract.

“Financing Contract” means the installment financing contract or similar agreement the County will enter into with the Lender to provide financing for the Project.

“Grant Agreement” means the Financial Assistance Award from the EDA dated September 4, 2018 that sets out the relationship between the County and the EDA and provides for the grant investment.

"Lease" means this Lease, as it may be duly amended.

"Lease Term" means the term of this Lease as determined pursuant to Article III.

"Lease Year" means, initially, the period from the Closing Date through June 30, 2019, and thereafter, means each twelve-month period commencing on July 1 and ending on the next June 30.

“Leased Property” means the Site and all improvements on the Site, including the Facility.

All references to articles or sections are references to articles or sections of this Lease, unless the context clearly indicates otherwise.

[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.

[SEAL]
ATTEST:

**JACKSON COUNTY,
NORTH CAROLINA**

Angela M. Winchester
Clerk, Board of Commissioners

By: _____
Brian Thomas McMahan
Chairman, Board of Commissioners

[SEAL]
ATTEST:

**THE TRUSTEES OF
SOUTHWESTERN COMMUNITY
COLLEGE**

[Name]
Secretary

By: _____
Terry Bell
Chairman

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

Darlene Fox
Finance Officer
Jackson County, North Carolina

[Lease dated as of _____, 2018]

STATE OF NORTH CAROLINA; JACKSON COUNTY

I, _____, a Notary Public of said State and County, do hereby certify that Brian Thomas McMahan and Angela M. Winchester personally came before me this day and acknowledged that they are the Chairman of the Board of Commissioners and the Clerk to the Board of Commissioners, respectively, of Jackson 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 seal this _____ day of _____, 2018.

Notary Public

My commission expires: _____

STATE OF NORTH CAROLINA; JACKSON COUNTY

I, _____, a Notary Public of said State and County, do hereby certify that _____, with whom I am personally acquainted, who, being by me duly sworn, says that he is the Secretary of the Trustees of Southwestern Community College and that _____ is the Chairman of that Board, the Board described in and which executed the foregoing instrument; that he knows the common seal of said Board; that the seal affixed to the foregoing instrument is said common seal, and the name of the Board was subscribed thereto by the said Chairman, and that said Chairman and Secretary subscribed their names thereto, and said common seal was affixed, all by order of the Board and that the said instrument is the act and deed of said Board.

Witness my hand and official seal this _____ day of _____, 2018.

Notary Public

My commission expires: _____

EXHIBIT A – Site Description

BEING AND COMPREHENDING all of that tract containing .885 acres shown on a survey entitled Southwestern Community College, prepared by R Joel Johnson of Joel Johnson Land Surveying, Inc., dated February 16, 2018, and recorded in Plat Book 22, Slide 890 in the Office of the Register of Deeds, Jackson County, North Carolina and being a portion of the lands described in and conveyed by the Quitclaim Deed from the State of North Carolina and the County of Jackson to Southwestern Community College recorded in Book 1834, Page 769 Jackson County Public Registry and a portion of the lands described in and conveyed by the Deed from the County of Jackson to the Trustees of Southwestern Technical Institute recorded in Book 336, Page 97 Jackson County Public Registry.

This conveyance is made Together With a 30' Easement to NCDOT Success Avenue for purposes of ingress, egress and regress and shown as Proposed 30' Easement on the above-referenced recorded survey. This conveyance is further made Together With and Subject to all easements and right of ways of record, existing on the ground or as shown on the above-referenced recorded survey.