

October 6, 2023

VIA ELECTRONIC DELIVERY

Ms. A. Shonta Dunston
Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699

RE: 904 Georgetown Treatment Plant, LLC's Request for Approval of
Affiliate Lease Agreement
Docket No. W-1141, Sub 8

Dear Ms. Dunston:

Please find enclosed a copy of the lease agreement for office space between 904 Georgetown Treatment Plant, LLC, and North Carolina Corp. d/b/a Sandpiper Bay Golf & Country Club for which the Company is seeking approval from the Commission under G.S. § 62-153(b). This Lease Agreement updates the lease agreement that was approved by the Commission in Docket No. W-1141, Sub 4 in 2007. The updated lease agreement will be signed, executed, and filed with the Commission upon Commission approval.

Thank you for your assistance in this matter. If you have any questions, please let me know.

Sincerely,



Brady W. Allen

Enclosures

cc: Parties of Record



**NET LEASE OF BUSINESS PREMISES:
Comprehensive lease of premises for business use**

LEASE AGREEMENT

This lease agreement is entered into on _____, between North Star Carolina Corp. d/b/a Sandpiper Bay Golf & Country Club, a corporation organized under the laws of the State of North Carolina, having its principal place of business at 800 N. Sandpiper Club Drive SW, Sunset Beach, Brunswick County, North Carolina, referred to as "lessor", and 904 Georgetown Treatment Plant, LLC, a corporation organized under the laws of the State of North Carolina, having its principal place of business at 800 N. Sandpiper Club Drive SW, Sunset Beach, Brunswick County, North Carolina, referred to as lessee.

SECTION ONE

DESCRIPTION OF PREMISES

Lessor leases to lessee the premises located at 800 N. Sandpiper Club Drive SW, Sunset Beach, Brunswick County, North Carolina, and described more particularly as follows: 1,000 square footage of office space and restroom. Common areas such as stairways, parking areas, and foyer are included.

SECTION TWO

TERM

The term of this lease agreement is for one (1) year, beginning on the approval of this agreement by the North Carolina Utilities Commission, and the lease shall automatically to renew on a month-to-month basis after the one (1) year contract period.

SECTION THREE

RENT

- A. The total rent under this lease agreement is \$13,200 per year for 1,000 square feet.
- B. Lessee shall pay lessor the above-specified amount in installments of \$1,100.00 each month, beginning on the month following the start of the initial term as set forth in Section Three, with succeeding payments due on the 1st day of each subsequent month during the term of the lease agreement.

SECTION FOUR

USE OF PREMISES

The demised premises are to be used for the purposes of normal business activities. Lessee shall restrict its use to such purposes and shall not use or permit the use of the demised premises for any other purpose without the prior, express, and written consent of lessor, or lessor's authorized agent.

SECTION FIVE

RESTRICTIONS ON USE

- A. Lessee shall not use the demised premises in any manner that will increase risks covered by insurance on the demised premises and result in an increase in the rate of insurance or a cancelling of any insurance policy, even if such use may be in the furtherance of lessee's business purposes.
- B. Lessee shall not keep, use, or sell anything prohibited by any policy of fire insurance covering the demised premises and shall comply with all requirements of the insurers applicable to the demised premises necessary to keep in force the fire and liability insurance.

SECTION SIX

WASTE, NUISANCE, OR UNLAWFUL ACTIVITY

Lessee shall not allow any waste or nuisance on the demised premises or use or allow the demised premises to be used for any unlawful purpose.

SECTION SEVEN

UTILITIES

Lessee shall arrange and pay its share of all utilities furnished to the demised premises for the term of this lease agreement, including, but not limited to, electricity, gas, water, sewer, telephone service, and internet, based on its share of space.

SECTION EIGHT

REPAIRS AND MAINTENANCE

Lessee shall maintain the demised premises and keep them in good condition. Lessor shall maintain and repair windows, doors, skylights, adjacent sidewalks, the building front, interior walls, side and rear exterior walls and the roof.

SECTION NINE

DELIVERY, ACCEPTANCE, AND SURRENDOR OF PREMISES

- A. Lessor represents that the demised premises are in fit condition for use by lessee. Acceptance of the demised premises by lessee shall be construed as recognition that the demised premises are in a good state of repair and in sanitary condition.
- B. Lessee shall surrender the demised premises at the end of the lease term, or any renewal of such term, in the same condition as when lessee took possession, allowing for reasonable use and wear, and damage by acts of God, including fires and storms. Before delivery, lessee shall remove all business signs placed on the demised premises by lessee and, to the extent practicable, restore the portion of the demised premises on which they were placed in the same condition as when received.

SECTION TEN

ENTRY ON PREMISES BY LESSOR

- A. Lessor reserves the right to enter on the demised premises at reasonable times to inspect them, perform required maintenance and repairs, or to make additions, alterations, or modifications to any part of the building in which the demised premises are located, and lessee shall permit lessor to do so.
- B. Lessor may erect scaffolding, fences, and similar structures, post relevant notices, and place moveable equipment in connection with making alterations, additions, or repairs, all without incurring liability to lessee for disturbance of quiet enjoyment of the demised premises, or loss of occupation of the demised premises.

SECTION ELEVEN

SIGNS, AWNINGS, AND MARQUEES INSTALLED BY LESSEE

- A. Lessee shall not construct or place signs, awnings, marquees, or other structures projecting from the exterior of the demised premises without the prior, express, and written consent of lessor.
- B. Lessee shall remove signs, displays, advertisements, or decorations it has placed on the premises that, in the opinion of the lessor, are offensive or otherwise objectionable.

SECTION TWELVE

NONLIABILITY OF LESSOR FOR DAMAGES

Lessor shall not be liable for liability or damage claims for injury to persons or property from any cause relating to the occupancy of the demised premises by lessee, including those arising out of the damages or losses occurring on sidewalks and other areas adjacent to the demised premises during the term of this lease agreement or any extension of such term. Lessee shall indemnify lessor from any and all liability, loss, or other damage claims or obligations resulting from any injuries or losses of this nature.

SECTION THIRTEEN

ASSIGNMENT, SUBLEASE, OR LICENSE

- A. Lessee shall not assign or sublease the demised premises, or any right or privilege connected with the demised premises or allow any other person except agents and employees of lessee to occupy the demised premises or any part of the demised premises without first obtaining the written consent of lessor. A consent by lessor shall not be a consent to a subsequent assignment, sublease, or occupation by other persons.
- B. An unauthorized assignment, sublease, or license to occupy by lessee shall be void and shall terminate this lease agreement at the option of lessor.
- C. The interest of lessee in this lease agreement is not assignable by operation of law without the written consent of lessor.

SECTION FOURTEEN

ATTORNEY FEES

If lessor files an action to enforce any agreement contained in this lease agreement, or for breach of any covenant or condition, lessee shall pay lessor reasonable attorney fees for the services of lessor's attorney in the action, all fees to be fixed by the court.

SECTION FIFTEEN

OPTION TO RENEW

Lessor grants to lessee an option to renew this lease agreement at a month-to-month basis rental with all other terms and conditions of the renewal lease to be the same as those in this lease agreement.

SECTION SIXTEEN

GOVERNING LAW

It is agreed that this lease agreement shall be governed by, construed, and enforced in accordance with the laws of the State of North Carolina.

SECTION SEVENTEEN

MODIFICATION OF AGREEMENT

Any modification of this lease agreement or additional obligation assumed by either party in connection with this agreement shall be binding only if evidenced in a writing signed by each party of an authorized representative of each party.

SECTION EIGHTEEN

PARAGRAPH HEADINGS

The titles to the paragraphs of this lease agreement are solely for the convenience of the parties and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this lease agreement.

In witness, each party to this lease agreement has caused it to be executed at 800 N. Sandpiper Club Drive SW, Sunset Beach, Brunswick County, North Carolina, on the date indicated above.

**NORTH STAR CAROLINA CORP. d/b/a
SANDPIPER BAY GOLF & COUNTRY CLUB**

Printed Name/ Title

904 GEORGETOWN TREATMENT PLANT, LLC

Printed Name/ Title