

**KEEPER’S GALLEY EVENT CENTER LEASE AGREEMENT – PENDING**

**THIS EVENT CENTER LEASE AGREEMENT**, including any and all addenda attached hereto (“Lease”), is by and between the Owner of the subject property through (“Landlord”), Resort Realty of the Outer Banks, Inc., hereinafter “Agent” whose address is PO Box 129, Nags Head, NC 27959 and \_\_\_\_\_ (“Tenant”) whose address is \_\_\_\_\_.

**1. PREMISES**

Landlord leases unto Tenant, and Tenant hereby leases and takes upon the terms and conditions which hereinafter appear, the Keeper’s Galley Event Center, including any improvements located thereon (hereinafter called the “Premises”) which has an address of: Keeper’s Galley Event Center, 101 E. Dove Street, Nags Head, NC 27959.

The Premises includes some tables and chairs.

In addition, Tenant shall be entitled to erect an outdoor tent in the common area beside the Event Center at a location designated by the Agent’s site representative, mentioned below, where the tent is from an approved event rental company. There will be an additional fee of \$1,000.00 to be paid, as specified in Section 3.

**2. TERM**

The Term of this Lease Agreement shall be for \_\_\_\_\_ Lease Days. Each Lease Day will be a six hour time frame from \_\_\_\_\_AM/PM and will expire at \_\_\_\_\_AM/PM. The dates of the Lease Day(s) shall be the \_\_\_\_\_.

Approved event hours may not go past 11:00PM, however, Tenant may purchase the time from 11:00PM until 12:00 Midnight for an additional \$350.00 to be paid at the time the second payment is due under this Lease Agreement. No more than 5 hours prior to the start of the Lease Day, Tenant, through their caterer or event planner may request access to the event center. Agent will provide a site representative to open the Event Center. Tenant shall be responsible to notify Agent as to the time they wish the Event Center to be opened for their use for purposes of allowing caterers or other site setups. Tenant understands and agrees that the Agent’s site representative must be obeyed at all times.

**3. RENTS**

(a) Tenant agrees to pay Agent, in advance, rent in the amount of \$\_\_\_\_\_. In addition, Tenant shall pay an additional \$640.00 cleaning fee to be paid at time of second payment of the rent. One-half of the rental amount shall be due and payable at the time of the execution of this Lease Agreement. Acceptable forms of payment should be submitted in U.S. Funds and include personal check, online e-check payment (e-checks will not be accepted within 60 days of arrival), cashier’s check, debit card, or approved credit cards. All credit card transactions are subject to a processing fee in the amount of \$44.95 plus tax (subject to change). The balance of the rent, plus the cleaning fee and any security deposit and all other sums due hereunder, shall be due and payable no later than one hundred eighty (180) days prior to the first date of the term set forth above. A \$25.00 handling fee will be charged on all returned checks. If Tenant fails to return the signed Lease Agreement, and one-half of the rental payment that are required

under this Lease, within three (3) days from the date Tenant communicated to Agent to reserve the Premises, then the reservation will be automatically cancelled without notice.

(b) Should Tenant desire to cancel this Lease Agreement and if notification of such desire to cancel is received by Agent, in writing, at least one hundred eighty (180) days prior to the date of the initial Lease Day, then the advanced rent payment shall be retained by Landlord as liquidated damages, any other payments received by Landlord shall be returned to Tenant and both parties shall be relieved of any further obligation hereunder. If Tenant cancels less than ninety (90) days prior to the initial Lease Day, Tenant shall be responsible for paying the entire rental fee to Landlord as liquidated damages.

#### **4. SECURITY DEPOSIT**

Upon the execution of this Lease, Tenant shall deposit \$2,000.00 as a security deposit which shall be held by Landlord as security for the full and faithful performance by Tenant of each and every term, covenant and condition of this Lease. The security deposit does not represent payment of and Tenant shall not presume application of same as payment of any rental due under this Lease. Landlord shall have no obligation to segregate or otherwise account for the security deposit except as provided in this paragraph 4. Should Tenant fail to perform any of the terms of this Lease, then Landlord may, at its option, appropriate and apply the security deposit, or so much thereof as may be necessary, to compensate toward the payment of the rents, charges or other sums due from Tenant and towards any loss, damage or expense sustained by Landlord resulting from such default on the part of the Tenant. In the event Tenant performs all of Tenant's other obligations under this Lease, the security deposit shall be returned to Tenant within sixty (60) days after the date of the expiration or sooner termination of the term of this Lease and the surrender of the Premises by Tenant in compliance with the provision of this Lease.

#### **5. RULES AND REGULATIONS**

The rules and regulations, if any, attached hereto ("Rules and Regulations") are made a part of this Lease. Tenant agrees to comply with any Rules and Regulations of Landlord in connection with the Premises which are in effect at the time of the execution of the Lease or which may be from time to time promulgated by Landlord in its reasonable discretion, provided such Rules and Regulations are in writing and are not in conflict with the terms and conditions of the Lease.

#### **6. PERMITTED USES.**

(a) The permitted use of the Premises shall be: \_\_\_\_\_ ("Permitted Use"). The Premises shall be used and wholly occupied by Tenant solely for the purposes of conducting the Permitted Use, and the Premises shall not be used for any other purposes unless Tenant obtains Landlord's prior written approval of any change in use. Landlord makes no representation or warranty regarding the suitability of the Premises for or the legality (under zoning or other applicable ordinances) of the Permitted Use for the Premises, provided however, that Landlord does represent that it has no contractual obligations with other parties which will materially interfere with or prohibit the Permitted Use of Tenant the Premises. Tenant shall not cause or permit any waste to occur in the Premises and shall not overload the floor, or any mechanical, electrical, plumbing or utility systems serving the premises. Tenant shall keep the Premises, and every part thereof, in a clean and wholesome condition, free from any objectionable noises, loud music, objectionable odors or nuisances.

(b) The maximum occupancy of the event center is \_\_\_\_\_.

(c) If Tenant proposes to allow the serving of any form of liquor at the event, then Tenant shall be solely responsible to obtain all necessary permits and approvals as may be required for the serving of alcohol. A copy of all permits and all liquor liability insurance which may be required for the event must be provided to Landlord, prior to Tenant being allowed to occupy the Premises. All alcoholic service must be by a licensed and insured caterer. No self service serving of alcohol is permitted. Any violation is an automatic cause of termination of this Lease.

(d) Due to insurance and safety concerns, even though under certain cultures and religions hold the traditions of lifting the bride and groom upon a chair and passing the chair(s) among the guests, Keeper's Galley prohibits this particular activity.

(e) Tenant agrees to defend, indemnify and save harmless Landlord and Agent, their officers, employees and agents from and against all claims, suits, damages, costs and expenses arising from liability or loss for injury or death to persons or damages to property caused by any act or omission by the Tenant, their officers, agents, invitees, guests, contractors, suppliers, vendors or any other persons authorized by the Tenant to use the leased Premises or any portion thereof or as a result of any of Tenant's activities or use of the facilities.

#### **7. PARKING.**

The maximum number of automobile parking spaces at the event center is 40 automobiles. If Tenant needs additional parking, Tenant, through their event planner, must make arrangements for shuttle services to the Event Center. Towing will be strictly enforced.

#### **8. INSURANCE.**

Tenant agrees to secure event insurance for the permitted use. If Tenant proposes to serve alcohol during the permitted use, the insurance must include a liquor liability rider. The insurance shall name Gandt Development, LLC and Resort Realty of the Outer Banks, Inc. as additional insureds. If a copy of the Certificate of Liability Insurance Policy is not received by Agent at least ninety (90) days prior to the initial Lease Day, then Agent shall have the right to terminate this Lease for failure of Tenant to comply with its terms.

#### **9. CONDITION OF PREMISES.**

Tenant agrees to return the Premises to Landlord at the expiration or prior termination of this Lease, in as good condition and repair as on the Lease Commencement Date, natural wear and tear, damage by storm, fire, lightning, earthquake or other casualty alone excepted. Tenant, through their caterer or other event planner, shall be solely responsible for the setup and breakdown of tables, chairs and equipment prior to and after the event. Tenant shall indemnify and hold Landlord harmless from any liability, claim, demand or cause of action arising on account of Tenant's breach of the provisions of this paragraph 9.

#### **10. DESTRUCTION OF OR DAMAGE TO PREMISES.**

(a) If any portion of the Premises are totally destroyed by storm, fire, lightning, earthquake or other casualty, Landlord shall have the right to terminate this Lease on written notice to Tenant within thirty (30) days after such destruction and this Lease shall terminate as of the date of such destruction and rental shall be accounted for as between Landlord and Tenant as of that date.

(b) In the event of the termination of this Lease under any of the provisions of this paragraph, both Landlord and Tenant shall be released from any liability or obligation under this Lease arising after the date of termination, except as otherwise provided for in this Lease.

#### **11. CONDEMNATION.**

(a) If the entire Premises shall be appropriated or taken under the power of eminent domain by any governmental or quasi-governmental authority or under threat of and in lieu of condemnation (hereinafter, "taken" or "taking"), this Lease shall terminate as of the date of such taking, and Landlord and Tenant shall have no further liability or obligation arising under this Lease after such date, except as otherwise provided for in this Lease.

(b) Landlord and Tenant, immediately after learning of any taking, shall give notice thereof to each other.

(c) If this Lease is not terminated on account of a taking as provided herein above, then Tenant shall continue to occupy that portion of the Premises not taken. Tenant waives any statutory rights of termination that may arise because of any partial taking of the Premises.

#### **12. ASSIGNMENT AND SUBLETTING.**

Tenant shall not assign this Lease or any interest hereunder or sublet the Premises or any part thereof, or permit the use of the Premises by any party other than the Tenant, without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Consent to any assignment or sublease shall not impair this provision and all later assignments or subleases shall be made likewise only on the prior written consent of Landlord. No sublease or assignment by Tenant shall relieve Tenant of any liability hereunder.

#### **13. EVENTS OF DEFAULT.**

The happening of any one or more of the following events (hereinafter any one of which may be referred to as an "Event of Default") during the term of this Lease, or any renewal or extension thereof, shall constitute a breach of this Lease on the part of the Tenant: (a) Tenant fails to pay when due the rental or any other monetary obligation as provided for herein; or (b) Tenant fails to comply with or abide by and perform any non-monetary obligation imposed upon Tenant under this Lease.

#### **14. REMEDIES UPON DEFAULT.**

Upon the occurrence of Event of Default, Landlord may pursue any one or more of the following remedies separately or concurrently, without prejudice to any other remedy herein provided or provided by law:

(a) Landlord may terminate this Lease by giving written notice to Tenant and upon such termination shall be entitled to recover from Tenant damages as may be permitted under applicable law; or (b) Landlord may terminate this Lease by giving written notice to Tenant and, upon such termination, shall be entitled to recover from the Tenant damages in an amount equal to all rental which is due and all rental which would otherwise have become due throughout the remaining term of this Lease. No termination of this Lease prior to the normal ending thereof, by lapse of time or otherwise, shall affect Landlord's right to collect rent for the period prior to termination thereof.

## **15. HOLDING OVER.**

If Tenant remains in possession of the Premises after the expiration of the term hereof, or if forced to leave by the site representative due to violation of this Lease, Tenant shall be a tenant at sufferance and there shall be no renewal of this Lease by operation of law. In such event, the hourly rental payable under paragraph 3 above shall for each hour, or fraction thereof during which Tenant so remains in possession of the Premises, be quadruple the hourly rental otherwise payable under paragraph 3 above.

## **16. ENVIRONMENTAL LAWS.**

(a) Tenant covenants that with respect to any Hazardous materials (as defined below) it will comply with any and all federal, state or local laws, ordinances, rules, decrees, orders, regulations or court decisions relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions on, under or about the Premises or soil and ground water conditions, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resource Conservation and Recovery Act, the Hazardous Materials Transportation Act, any other legal requirement concerning hazardous or toxic substances, and any amendments to the foregoing (collectively, all such matters being "Hazardous Materials Requirements"). Tenant shall remove all Hazardous Materials from the Premises, either after their use by Tenant or upon the expiration or earlier termination of this Lease, in compliance with all Hazardous Materials Requirements.

(b) For purposes of this Lease, "Hazardous Materials" means any chemical, compound, material, substance or other matter that: (i) is defined as a hazardous substance, hazardous material or waste, or toxic substance pursuant to any Hazardous Materials Requirements, (ii) is regulated, controlled or governed by any Hazardous Materials Requirements, (iii) is petroleum or a petroleum product, or (iv) is asbestos, formaldehyde, a radioactive material, drug, bacteria, virus, or other injurious or potentially injurious material (by itself or in combination with other materials).

(c) The warranties and indemnities in this paragraph shall survive the termination of this Lease.

## **17. NOTICES.**

All notices required or permitted under this Lease shall be in writing and shall be personally delivered or sent by e-mail or by other overnight service.

**18. CROSS-DEFAULT.** If Tenant is also entering into Vacation Rental Agreement(s) for the six (6) homes of the Haven on the Banks, an event of default of any Vacation Rental Agreement(s) for any of the Haven on the Banks vacation rental homes shall be deemed to be an Event of Default under this Lease Agreement and an Event of Default under this Lease Agreement shall constitute an Event of Default under the Vacation Rental Agreement(s) for the Haven on the Banks vacation rental homes. Upon any such Event of Default, then Landlord shall have the right to exercise their rights upon default as set forth within each such Lease Agreement.

## **19. GENERAL TERMS.**

(a) "Landlord" as used in this Lease shall include Gandt Development, LLC, its members, managers, representative, assigns and successors in title to the Premises. "Agent" as used in this Lease shall mean the party designated as same in paragraph 3, its heirs, representatives, assigns and successors. "Tenant" shall include the undersigned and its heirs, representatives, assigns and successors, and if this Lease shall

be validly assigned or sublet, shall include also Tenant's assignees or sublessees as to the Premises covered by such assignment or sublease. "Landlord", "Tenant", and "Agent" include male and female, singular and plural, corporation, partnership or individual, as may fit this particular parties.

(b) No failure of Landlord to exercise any power given Landlord hereunder or to insist upon strict compliance by Tenant of its obligations hereunder and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Landlord's right to demand exact compliance with the terms hereof. All rights, powers and privileges conferred hereunder upon parties hereto shall be cumulative and not restrictive of those given by law.

**(c) Time is of the essence in this Lease.**

(d) This Lease may be executed in one or more counterparts, which taken together, shall constitute one and the same original document. Copies of original signature pages of this Lease may be exchanged via facsimile or e-mail, and any such copies shall constitute originals. This Lease constitutes the sole and entire agreement among the parties hereto and no modification of this Lease shall be binding unless in writing and signed by all parties hereto. The invalidity of one or more provisions of this Lease shall not affect the validity of any other provisions hereof and this Lease shall be construed and enforced as if such invalid provisions were not included.

(e) Each signatory to this Lease represents and warrants that he or she has full authority to sign this Lease and such instruments as may be necessary to effectuate any transaction contemplated by this Lease on behalf of the party for whom he or she signs and that his or her signature binds such party. The parties acknowledge and agree that: (i) the initials lines at the bottom of each page of this Lease are merely evidence of their having reviewed the terms of each page, and (ii) the complete execution of such initials lines shall not be a condition of the effectiveness of this Lease.

(f) If legal proceedings are instituted to enforce any provision of this Lease, Tenant agrees to pay Landlord's fees, costs and expenses, including all reasonable attorneys' fees incurred by Landlord.

THIS DOCUMENT IS A LEGAL DOCUMENT. EXECUTION OF THIS DOCUMENT HAS LEGAL CONSEQUENCES THAT COULD BE ENFORCEABLE IN A COURT OF LAW. LANDLORD MAKES NO REPRESENTATIONS CONCERNING THE LEGAL SUFFICIENCY, LEGAL EFFECT OR TAX CONSEQUENCES OF THIS DOCUMENT OR THE TRANSACTION TO WHICH IT RELATES AND RECOMMENDS THAT YOU CONSULT YOUR ATTORNEY.

IN WITNESS WHEREOF, the parties hereto have hereunto caused this Lease to be duly executed.

**LANDLORD:**

RESORT REALTY OF THE OUTER BANKS, INC.