

**NORTH CAROLINA
CARTERET COUNTY**

LEASE

The LESSOR, Watersedge Holdings, LLC, does hereby Lease to the LESSEE(S), being collectively each and every titleholder indicated on the current North Carolina Certificate of Title associated with the manufactured home occupying the space of land subject to this Lease. The Lease of the designated space shall be subject to the terms and conditions contained herein.

1. NAME OF LESSEE(S)

NAME: _____ SS or Tax ID # _____
REQUIRED

NAME: _____ SS or Tax ID # _____
REQUIRED

Permanent Address: _____

TELEPHONE

Home: _____ Cell: _____ Work: _____

Beach: _____ E-Mail: _____

2. EMERGENCY CONTACT

Name: _____ Relation: _____ Telephone: _____

3. LEASED SPACE

Street Address: _____

4. DESCRIPTION OF MOBILE HOME OF LESSEE

Manufacturer: _____ Serial Number _____

Year of Manufacture: _____ Size _____ **COPY OF TITLE IS NECESSARY FOR LEASE TO BE VALID**

5. RENT

The annual rent for the calendar year **2024** for the above space is **\$2,000.00**. Bills for the calendar year shall be sent on December 1 and are due and **payable by December 30** of the year preceding the calendar year of the Lease term. Payment must be paid in full in one payment. Any payment from the LESSEE not postmarked on or before December 30 shall be considered late and is subject to a **\$250.00 late fee**. Any payment not postmarked on or before December 30, 2023 shall be considered not timely made and may be rejected and the Lease not renewed. It is the responsibility of the LESSEE to insure that the payment is received by the LESSOR as stated herein. Payments shall be made to Watersedge Holdings LLC, and addressed to Watersedge Holdings, LLC, c/o Maurer, 300 Shoreline Drive, New Bern, NC 28562-9522. Checks returned by the bank will incur a forty dollar (\$40.00) fee. LESSEES leasing pursuant to the transfer of a Lease whose transfer does not occur on or before January 1 of the calendar year of the Lease term must make arrangements with the person from whom they are transferring the Lease for any prorations of the rental amount.

6. OUTSTANDING OBLIGATIONS

Any financial obligations of LESSEE to the LESSOR that have not been previously paid may be added to the renewal Lease billing and shall become a part of the rental payment for the calendar year being billed. Payments for the entire Lease and any outstanding obligations not postmarked on or before December 31 shall be considered as not timely made and may be rejected and the least not renewed.

7. TERMS OF LEASE

The Lease shall be for the calendar year, i.e., commencing on January 1 and expiring on midnight on December 31 of the subject year. Payment of the rent for the next calendar year in accordance with the terms and conditions stated herein shall be a renewal. Should LESSOR wish to non-renew this Lease, LESSOR shall send notice of that fact, in lieu of an annual billing, on or about December 1 of the expiring lease term. Neither LESSOR nor LESSEE is obligated to renew this Lease. Should LESSEE not renew or transfer the Lease, the LESSEE shall make arrangements to have the mobile home located in the space removed prior to the expiration of the Lease term.

8. QUIET ENJOYMENT

LESSOR covenants that it has the right to enter into this Lease and renewal thereof. LESSOR further covenants that LESSEE shall peaceably and quietly have the rights granted in this Lease Agreement.

9. ASSIGNMENT, SUBLEASING, RENTING

The LESSEE shall not assign this Lease nor sublet the Leased premises. This prohibition includes rentals by the owner, Airbnb, VRBO, or similar social media sites. Any rental in violation of this paragraph shall void and cancel the Lease and allow the LESSOR to pursue any and all legal remedies available to it.

10. REPLACEMENT: LESSOR'S APPROVAL REQUIRED

The LESSEE shall not replace the aforesaid mobile home with another mobile home except upon first obtaining the written approval of such home by the LESSOR. Replacement units shall not exceed the size of the existing home or 670 square feet, whichever is greater, so that there is no net gain in the footprint of the home, unless PRIOR approval for additional previous coverage is approved by the LESSOR. In addition, the LESSOR reserves the right to approve the following: (1) Location of the mobile home on the Leased premises and (2) Design, location, and/or erection of all patios, additions to the mobile home, fences, clotheslines and other improvements that the LESSEE desires to place on the Leased premises. The LESSOR, in its discretion, may prohibit the construction of any of the above-mentioned improvements if it, in its sole discretion, deems them undesirable. Any household re-connecting to an existing septic tank must apply for permission from Carteret County Health Department. There is an application (Application for Existing systems/Authorization to connect/change of use) and fee. The application, together with any required fee, shall be submitted to the Carteret County Health Department, located at 3820 Bridges Street, Suite A, Morehead City, NC 28557.

11. USE

The use of the premises shall be limited to residential purposes. The LESSEE shall not permit any unlawful, noxious or offensive activity to be carried on upon the Leased premises, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. It shall be the duty of LESSEE to prohibit all excessive noises on the Leased premises, which might interfere with the enjoyment of other property by other LESSEES. It shall also be the duty of the LESSEE to require that all persons lawfully on the Leased premises comply with the provisions of this paragraph and any and all other rules and regulations governing conduct within Watersedge Mobile Home Park.

12. PETS

Emerald Isle Leash Law is in effect within Watersedge Mobile Home Park. Any pet outside the mobile home itself has to be on a leash or other appropriate control mechanism. Owners and guests are required to clean up after their pets.

13. KEEP NEAT AND CLEAN

It shall be the duty of the LESSEE to keep the Leased premises and property neat and clean. Upon termination of this Lease, LESSEE shall leave the Leased premises in the same condition as it was in at the time this agreement was signed, except as otherwise provided herein. Should LESSEE fail to maintain the premises, LESSOR will notify LESSEE of deficiencies in writing and designate a date for remediation. The notice may be mailed to the permanent address listed on the application or such other address as the LESSEE may have designated to the LESSOR in writing. Failure to comply shall authorize the LESSOR permission to enter upon the Leased property and perform such maintenance as is necessary to correct deficiencies (lawn trimming, broken tie downs, building deterioration, neglected necessary maintenance, etc.). LESSOR will then bill LESSEE for those charges, with payment being due within thirty (30) days of billing. At the option of LESSOR, any unpaid billed amounts may be added to the rental payment due for the following calendar year. Repeated failure to maintain the property may result in a nonrenewal of the Lease, in the sole discretion of the LESSOR.

14. UTILITIES AND SERVICE

LESSOR agrees to furnish a water tap and a septic tank tap at the Leased premises for use by LESSEE. LESSEE shall make all necessary connections for electrical, water and sewer use to the mobile home situated upon the Leased premises. LESSEE shall be solely responsible for repairing any leaks or other defects in the water line from the water cut-off valve to the mobile home situated upon the Leased premises or for any repairs due to LESSEE's negligence. Likewise, the LESSEE shall be responsible for all repairs to the sewer line leading from the LESSEE'S mobile home up to the septic tank serving the Leased premises. In the event LESSEE fails to make any such necessary repairs with a reasonable time, LESSOR may undertake to have the same repaired and shall be reimbursed by LESSEES for all costs incurred within thirty (30) days after the mailing or delivery of

a bill for such services from LESSOR to LESSEE. LESSEE shall be responsible for taking all necessary action to drain the water line and properly insulate the same to prevent leaks that may be caused by freezing.

14.a. Water and Irrigation

LESSEE is responsible to turn off water to the mobile home and all other water connections (hoses, outdoor spigots, fish-cleaning tables, etc.) at the green-top junction box when leaving the mobile home for more than twenty-four hours. No irrigation systems with any portion of the installation underground may be installed. Existing underground irrigation systems must be disconnected. Above-ground watering systems are permitted. All irrigation systems must be turned off from November 1 until March 1. Back-flow preventers must be installed on all pier water faucet hose connections.

15. INDEMNIFICATIONS

The LESSEE shall indemnify and hold harmless LESSOR from and against any and all losses, costs, claims, damages or expenses of any kind, including attorney fees and court costs, incurred by LESSOR and arising out of any personal injury, property damage or other matter of any kind arising out of LESSEE'S use or occupancy of the premises.

16. REMOVAL UPON TERMINATION OF LEASE

Upon termination of this Lease, LESSEE agrees to remove the mobile home and to clear the Leased premises upon expiration of the Lease term, or any holdover period. However, such time shall be deemed part of the Lease base and before the property of LESSOR. LESSEE shall remove all trash, rubbish and other debris and properly restore the Leased premises to the condition in which it existed at the commencement of the Lease term. Any items permanently affixed that cannot be reasonably removed and do not interfere with subsequent use of the base may remain. No trees, pads, patios or other improvements, which are attached to the ground, may be removed by LESSEE; and such items shall become the property of LESSOR.

17. DAMAGE

LESSEE agrees to be responsible for and immediately pay for any damage to the Leased lot, utilities or other services, roadways or other improvements located within the mobile home park caused by LESSEE, his/her family, guests or invitees, including servicemen or repairmen in the mobile home park at the request, direction or with the permission of the LESSEE.

18. WATERFRONT HOMES

LESSOR is responsible for the seawall and backfill up to 10 feet behind the seawall or edge of the first structure, whichever is less. Any secondary walls are the responsibility of the LESSEE. LESSEE may not build or place any structure within 10 feet of the seawall. LESSEE must plant and maintain grass between the mobile home and the seawall in order to prevent erosion.

19. SECURITY INTEREST

To secure the obligation by LESSEE to LESSOR, as recited herein, LESSEE hereby grants to LESSOR a security interest in the mobile home described herein and all personal property, improvements or fixtures located therein or placed upon the Leased premises. In the event LESSEE remains in default on the payment of any sums due the LESSOR under the terms of this Lease, for a period of thirty (30) days, it is understood and agreed that the LESSOR shall have the right to remove the mobile home from the Leased premises and to sell or otherwise dispose of said mobile home from the Leased premises in any commercially reasonable manner as authorized by the UNIFORM COMMERCIAL CODE for the purpose of satisfying the outstanding obligation of the LESSEE to the LESSOR. It is further understood and agreed that the LESSOR shall not be liable for any damages resulting to the mobile home or its contents as the result of moving the same from the Leased premises. LESSEE specifically agrees that in the event LESSOR moves the mobile home, no bailment shall be created thereby.

20. UNDERPINNING OF MOBILE HOMES

Any mobile home occupying the Leased premises must be underpinned with thirty (30) days of the mobile home's installation at LESSEE'S costs. All underpinning must be subject to the approval of LESSOR.

21. SECURING OF MOBILE HOMES

Any mobile home presently occupying or placed upon the Leased premises by LESSEE, his/her agent or other persons acting under his/her directions shall be tied down in such fashion that complies with all applicable laws, rules and regulations.

22. SIGNS

No signs of a commercial nature shall be posted at any location in the park, including those on a LESSEE'S premises that advertise the owner's business.

23. INSURANCE

All mobile homes must be insured at the sole cost and expense of the LESSEE and for the mutual benefit of the LESSOR and shall provide by endorsement that any loss shall be payable to the LESSEE or LESSOR as their respective interest may appear so that if damage to sewer lines, electrical lines or water lines occur, the tenant's insurance policy will cover the loss.

24. ATTORNEY FEES AND EXPENSES

The LESSEE shall pay attorney's fees, court costs and any other expenses reasonably incurred by LESSOR in the enforcement of the terms of this Lease, including, without limitation, the eviction of the LESSEE upon the termination of this Lease.

25. RIGHT OF THE LESSOR TO INSPECT

The LESSOR may at reasonable hours enter upon the Leased premises for the purpose of making inspections, performing maintenance or repairing utility lines that serve Watersedge Mobile Home Park.

26. ARCHITECTURAL CONTROL AND INSPECTION

LESSEES must comply with current Architectural Committee rules. No site preparation, initial construction, erection or installation of any improvements including, but not limited to, outbuildings, fences, walls, stepping stones and any other structures, shall be undertaken upon the premises unless: (1) a Request for Additional Pervious Coverage form has been submitted to the LESSOR or its agent or to the Pervious Allocation Committee, if applicable, (2) the plan specifications showing the nature, kind, shape, height, materials and location of the proposed improvements have been submitted to the LESSOR or its agent or the Architectural Committee and (3) the request for additional pervious coverage and changes have been expressly approved by all appropriate authorities in writing. Any modification to the existing improvements on the Leased premises shall be subject to the same terms and conditions listed above. The LESSOR may require the submission of additional items as it, in its sole discretion, may deem appropriate. (Attachments: Request for Additional Pervious Coverage and Architectural Change Application documents. Documents may also be downloaded from the Watersedge website: <https://wemhpc.com>).

After a complete package has been submitted to LESSOR, LESSOR shall approve, disapprove or modify the request within ninety (90) days. Failure of LESSOR to so act shall be deemed as an approval. If LESSOR assigns the duties described herein to a committee, a LESSEE whose proposal is denied or modified may appeal that decision to the Board of Directors of LESSOR. Such appeal shall be made within ten (10) days of the notification to LESSEE.

LESSOR shall have the right to conduct such inspections as deemed appropriate in order to insure compliance with the provisions contained herein.

LESSEE will be responsible for acquiring any and all necessary permits and shall provide the same to LESSOR as a part of the package submitted. Permits shall be posted conspicuously until such time as a final inspection has been completed. Any consequences incurred as result of a failure to obtain proper and appropriate permits shall be responsibility of LESSEE. Failure to obtain approval from the Pervious Allocation or Architectural Committees, if applicable, PRIOR to the start of work will be subject to a one hundred dollar (\$100) fine. Unpaid fines will be added to the annual Lease fee.

27. RULES

The LESSOR may, from time to time, publish reasonable rules and regulations governing Watersedge Mobile Home Park to assure the good order of this subdivision and the enjoyment of it by all of its residents. The LESSEE agrees to abide by all such rules and regulations. Any rule shall be effective immediately upon its publication unless another date is established by LESSOR.

28. MOBILE HOME TITLES

The LESSEE of each Leased mobile home space will submit to the LESSOR a copy of the title of his/her mobile home, which will supply information the management must have for its records. Failure to comply will be

considered a breach of this Agreement.

29. WAIVER

Any failure to enforce any provision of this Lease by the LESSOR shall not be deemed a waiver of the right to enforce such provision in the future.

30. SALE OF MOBILE HOME WHILE ON LEASED PREMISES

If any mobile home is sold while on the Leased premises, it must be moved off the Leased premises at the time of sale unless the LESSOR approves the assignment of this Lease to the purchaser or executes a new Lease to said purchaser. **Purchaser must file an Application for Lease, pay a transfer fee and receive approval PRIOR to sale.** Otherwise, any transfer or Lease or sublease of said premises, whether in writing or oral, shall also be deemed a violation of this paragraph. LESSOR has no duty to approve any sublease, assignment, sale or attempted assignment; neither is it obligated to execute any new Lease to the LESSEE or any other party. If any mobile home located in Watersedge Mobile Home Park is sold and if the LESSOR permits the purchaser of such mobile home to Lease a space in Watersedge Mobile Home Park, the purchaser of such mobile home shall be required to pay the LESSOR a transfer fee in the sum of TWO THOUSAND DOLLARS (\$2000.00).

Seller must inform purchaser of any pending repairs required by Watersedge Holdings, LLC and the status of any pending or approved requests the seller has submitted to the Pervious Allocation or Architectural Committee.

31. MOTORIZED VEHICLES

Any motorized vehicle may be operated only by a duly licensed operator. Vehicles may be operated only on the paved streets and shall not be driven in yards.

32. CARE IN DIGGING

Since all utility lines are underground, care must be taken to avoid damage to any of them. From time to time, Carteret-Craven Electric Cooperative installs new electric cable in the Park to replace cable that is deteriorated. If any utility line is damaged by any LESSEE or by any person lawfully on the lot Leased to the LESSEE, the cost of repair of such line shall be paid by the LESSEE immediately upon receipt of a statement of the cost of such repair.

33. EASEMENT/REPAIRS

An easement for the installation of utility lines is reserved for the purpose of enabling the LESSOR or the LESSOR'S agents to install where necessary such utility lines as the LESSOR deems necessary or appropriate to provide services to the various spaces and mobile homes located thereon. When a utility or septic system requires repair or replacement due to a problem deemed to be related to the Park, the LESSOR will pay said cost. When a repair or replacement becomes necessary as a normal part of use, it is the LESSEE's responsibility to pay all costs.

34. DEFAULT

If LESSEE shall be in default of the obligations requiring LESSOR approval to replace a mobile home, the LESSOR may, without notice, declare that this Lease is terminated and take possession of the premise without prejudice to any other remedy of the LESSOR under this Lease.

If the LESSEE shall be in default of any other obligation contained in this Lease and shall remain in default for a period of thirty (30) days from the date the LESSOR mailed notice of such default, the LESSOR may without further notice declare the Lease terminated and take possession of the premises. The notice may be mailed to the permanent address listed on the application or such other address as the LESSEE may have designated to the LESSOR in writing.

35. BINDING EFFECT

All the terms, covenants, and conditions of this Lease agreement shall be binding upon and inure to the benefit of the heirs, administrators, executors and assigns of the parties hereto.

36. SEVERABILITY

In the event that any term or condition of this Lease or the application thereof to any circumstance or situation shall be invalid or unenforceable in whole or in part, the remaining terms and conditions herein, and the application of them to any other circumstance or situation shall not be affected thereby. The remaining terms and conditions and applications shall be valid and enforceable to the full extent permitted by law.

37. STOCK (Membership Interest) SALE

All LESSEES who wish to sell stock (their membership interest) other than by transfer to an immediate family member (i.e., parent, child or sibling of the owner or co-owner) or to a purchaser of their mobile home can only sell to someone who owns a home in the park. The stock (membership interest) may only be sold/transferred to an individual whose name appears on the title or another owner within the park.

38. SOCIAL SECURITY NUMBER

LESSEES must provide a Social Security or Tax Identification Number to Watersedge Holdings, LLC. In the event the LLC declares a dividend for any year, shareholders that do not have a SS/Tax ID number on file will not receive the dividend until such time the numbers are provided.

39. OTHER CONDITIONS

None. The singular number used herein shall equally include the plural. The masculine, feminine and neuter genders as used herein equally include the others.

Any portion of this Lease deemed non-enforceable shall not deem the remaining portions unenforceable.

LEASE
Signature page

The LESSOR, **Watersedge Holdings, LLC**, does hereby Lease to the LESSEE as herein designated a space of land subject to the terms and conditions stated in this Agreement, to wit:

1. NAME OF LESSEE (S)

NAME: _____.

NAME: _____.

THIS IS THE ENTIRE AGREEMENT BETWEEN THE LESSOR AND THE LESSEE AND THERE ARE NO REPRESENTATIONS BY EITHER PARTY TO THE OTHER NOT CONTAINED HEREIN. THIS LEASE MAY NOT BE AMENDED EXCEPT IN WRITING AND SIGNED BY THE LESSOR AND LESSEE. THIS IS A BINDING CONTRACT.

I HAVE READ THE ABOVE LEASE, UNDERSTAND IT, AND ACCEPT THE TERM AND CONDITIONS HEREIN.

SIGNATURE DATE

SIGNATURE DATE

IN TESTIMONY WHEREOF, the LESSOR and the LESSEE have executed this Lease.

WATERSEGE HOLDINGS, LLC, LESSOR

BY _____
Authorized Agent

DATE _____