

STATE OF NORTH CAROLINA
COUNTY OF RUTHERFORD

In the General Court of Justice
Superior Court Division
26cv000857-800
Small Claims Court
26cv001352-800

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release ("Agreement") is entered into as of September 16, 2026 by and between Second Mountain, LLC ("Second Mountain") and the Town of Lake Lure, North Carolina (the "Town"). Second Mountain and the Town are referred to collectively as the "Parties."

The Parties have agreed to resolve all claims contained in the above-captioned lawsuits pending in Rutherford County (File Nos.: 26CV000857-800 and 26CV001352-800) as follows:

1. Second Mountain shall abandon its claim that it is allowed to occupy the Police Boathouse located at 2662 MEMORIAL HWY, Lake Lure, Rutherford County, North Carolina (PIN: 1616938).
2. Second Mountain shall pay the Town past due rent for the lease dated August 29, 2024, for 2654 Memorial Highway, Suite A, Lake Lure, Rutherford County, North Carolina (PIN: 1616937) (the "Suite A Lease"), which amounts to \$3,218.00 within two business days of both parties signing the Agreement. The Town agrees to waive the late fees and interest which accrued under the Suite A Lease for the month of August between August 1 and the date of Second Mountain's attempted

payment on August 17. Second Mountain shall thereafter pay its rent on time, and the Parties shall abide by the terms of the Suite A Lease.

3. The Town agrees to reduce the rent due under the Suite A Lease for September 2026 to \$2,500.00. Second Mountain shall pay the September 2026 rent within two business days after the Town files a voluntary dismissal with prejudice of the Summary Ejectment action.
4. Beginning October 1, 2026, and continuing through April 30, 2027, the monthly rent due under the Suite A Lease shall be \$2,500.00 per month.
5. Beginning May 1, 2027, the monthly rent shall automatically revert to the amount required under the Suite A Lease, and the Parties shall thereafter comply with all terms and conditions of the Suite A Lease.
6. Second Mountain and its customers may use public slips and the public boat ramp adjacent to the Suite A Lease premises owned and operated by the Town as members of the public. Such use shall be non-exclusive and subject to the same rules, restrictions, time limits, and conditions applicable to other authorized public and commercial users.
7. Within one week of the execution of the Agreement, the Town will provide illustrations of the area subject to the Suite A Lease and the area subject to the concession agreement (the "Concession Agreement") referenced in the Suite A Lease and for that lease for Suite B (the "Suite B Lease") of 2654 Memorial Highway.

8. If Second Mountain disagrees with the area that the Town identifies, the parties will negotiate in good faith to seek agreement as to the areas subject to the Suite A Lease and the Concession Agreement.
9. The Town shall begin the procurement process to remove or repair the broken docks and infrastructure connected to the Police Boathouse as soon as practicable.
10. The Town shall use reasonable efforts to facilitate discussions with NCDOT regarding a potential crosswalk in the vicinity of the leased premises and adjacent businesses.

This Agreement constitutes a full and final resolution of all claims, demands, damages, liabilities, causes of action, defenses, costs, expenses, and attorneys' fees of every kind, whether known or unknown, suspected or unsuspected, arising out of or relating to the matters resolved herein.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates written below.

SECOND MOUNTAIN, LLC,
a North Carolina limited liability company

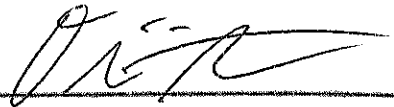
By: 

Name: Paul Brock

Title: Member/Manager

Date: 9/16/26

TOWN OF LAKE LURE,
a North Carolina municipality

By:  _____

Name: Olivia Stewman

Title: Town Manager

Date: 9/10/2020