

**HOMEOWNER PARTICIPATION AGREEMENT
RESIDENTIAL SOUND INSULATION PROGRAM**

PARTIES

Piedmont Triad Airport Authority ("Authority")
1000-A Ted Johnson Parkway
Greensboro, N.C. 27409

("Homeowners")

RECITALS

Homeowners own the real property located at _____, N.C. (the "Property"), including the residence located on the property. As part of its Residential Sound Insulation Program ("RSIP"), the Authority has agreed to pay for the work (the "Work") to be performed on the Property, as described on the attached Site Specific Specifications, for the purpose of improving the sound insulation of the Homeowners' residence. The Work will be funded in part by a grant from the Federal Aviation Administration (the "FAA"). The Authority has also presented to the Homeowners an Avigation Easement (the "Avigation Easement") to be executed by them and by their mortgage lenders, if any, as a condition for the Authority entering into this Agreement. The Homeowners have carefully reviewed the attached Site Specific Specifications and the Avigation Easement, and they have agreed to the Work that is described on the Specifications. This Agreement describes how the Work will be done and the mutual rights and obligations of the parties in connection with the Work.

AGREEMENTS

The Authority and the Homeowners agree as follows:

1. Performance of the Work.

Within 90 days after the execution of this Agreement, the Authority will hire a licensed general contractor or

contractors ("Contractor") to perform the Work under a contract (the "Construction Contract") between the Authority and the Contractor. The Authority will schedule the Work with the Contractor and will monitor the Work as it proceeds. Upon the completion of the Work, the Authority will inspect the Work to determine if the Work has been completed in conformity with the Construction Contract; and the Authority will pay the full amount owed to the Contractor for the Work as payment becomes due under the Construction Contract. The Authority shall not permit any valid labor or materialman's liens to attach to the Property as a result of the Construction Contract; provided that the Homeowners shall promptly forward to the Authority any claim of lien received by the Homeowners from the Contractor, any of its Subcontractors or material suppliers, or any other person for labor or materials furnished under the Construction Contract. Homeowners agree for the Work to be performed substantially in accordance with the applicable sections of the General Specifications for the RSIP, which the Homeowners may review upon request.

2. Access to the Property.

Homeowners shall provide full access to their Property to the Authority's staff, consultants and engineers to monitor and inspect the Work and to perform any acoustical tests that the Authority may elect to make, and Homeowners shall allow the Work to be inspected by the Authority or by the FAA during the performance of the Work and after completion thereof upon the reasonable request of the Authority or the FAA. Homeowners shall also provide full access to their Property to potential bidders for the Construction Contract for the bidders to prepare their bids and shall provide full access to the selected Contractor for the purpose of performing the Work. Homeowners may restrict such access to the hours between 8:00 AM to 5:00 PM, Monday through Friday exclusive of holidays and will be given at least 48 hours advance notice of when access will be required. Homeowners or their designated representative will be present on the Property to provide the necessary access; and Homeowners acknowledge that it is advisable for them to be present, or to have a representative present, while the

Work is underway. The Authority will use its best efforts to keep the Homeowners advised of the planned construction and to accommodate the Homeowners' schedule. While the construction is underway, Homeowners shall remove from construction areas all furnishings and other belongings that might impede the Work, shall secure any fragile items that could be damaged by the Work, and shall pay or reimburse to the Authority any additional charges of the Contractor that may result from their failure either to clear the construction area or to secure such items. The Contractor shall have the right to make such reasonable use of the Homeowners' utilities as may be needed during construction.

3. Additional Improvements.

If, before or during the performance of the Work, the Authority determines that the Work cannot be completed successfully unless other improvements are made to the Property, the Authority will cause such improvements to be made at the Authority's expense if the cost is \$1,000.00 or less. If the cost of such improvements exceeds \$1,000.00, the Authority will notify the Homeowners of the additional improvements that are needed and the Contractor's estimate of the total cost. The Homeowners will then have 10 days to notify the Authority whether the Homeowners elect for such improvements to be made. If the Homeowners elect to proceed with such improvements, the Homeowners shall cause such improvements to be made within 30 days thereafter, the Authority shall pay up to but not in excess of \$1,000.00 of the cost of such improvements, and the Homeowners will pay the balance. If the Homeowners do not elect to proceed with the improvements, the Authority may elect (a) for the Work to be completed without the additional improvements, if possible, (b) for the additional improvements to be made at the Authority's expense, or (c) to terminate this Agreement, restoring the Property as nearly as possible to its original condition except for any portion of the Work that was previously completed. Except as provided in this Section 3, Homeowners shall not request or agree with the Contractor or any of its subcontractors to make any changes in the scope of the Work for this Contract, as identified on the Site Specific Specifications; and any additional or

supplemental services agreed to by the Homeowners and the Contractor shall be performed under a separate contract between them which shall not be binding upon the Authority or in any manner alter the Authority's responsibilities under this Agreement.

4. Warranties.

In addition to a one year warranty of materials and workmanship to be provided by the Contractor in the Construction Contract, the Authority will provide Homeowners with any manufacturer's warranties for materials incorporated in the Work. Homeowners shall inform the Authority of any defects in the Work but agree (i) that the Authority does not itself warrant, and shall not be liable for, any defects in either materials or workmanship, (ii) that the Homeowners shall be solely responsible for enforcing any warranty claims that they may have against the Contractor or material suppliers, and (iii) that the Authority's liability under this Agreement shall be limited to paying the money owed to the Contractor and the costs of contract administration. Homeowners further agree that, while the purpose of the Work is to reduce interior noise levels in their residence, the Authority does not warrant the level of noise reduction that will be achieved as a result of the Work.

5. Release of Authority.

Homeowners release the Authority, and its employees, consultants and agents, but not the Contractor or any of the Contractor's subcontractors, from any claim for personal injury or property damage resulting from the Work, except to the extent that such injury or property damage results from the negligence or willful fault of the party to be released. The Authority shall not have any liability for loss or damage to the Property itself or to the belongings of either the Homeowners or others at the Property.

6. Environmental Conditions.

Homeowners represent that the Property is in full compliance with all environmental laws, rules and regulations and that no asbestos, lead paint, or other hazardous materials or conditions exist upon the Property that might interfere with the Work. Homeowners acknowledge that the Work may affect air infiltration into their residence from the outside and agree that they will be solely responsible for all ongoing maintenance requirements of gas combustion appliances, for the maintenance of interior moisture and humidity levels and for any problems resulting from the reduction in air infiltration into the residence.

7. Ownership and Maintenance of Work.

All sound insulation materials shall become the property of the Homeowners upon completion of the Work and final acceptance of the Work by the Authority. Homeowners shall be responsible for the maintenance and operation of the items installed, purchased or constructed in connection with the Work, and any necessary replacement of such items, after the expiration of the applicable warranties; and neither the FAA nor the Authority shall have any responsibility for the maintenance and operation of such items.

8. Avigation Easement.

In consideration for the Authority entering into the Construction Contract and the Authority's agreement to pay for the Work, the Homeowners, upon the execution of this Agreement, shall also execute the Avigation Easement, with acknowledgment by a Notary Public, and shall return the signed Avigation Easement to the Authority. The Homeowners shall cooperate with the Authority's efforts to obtain the written consent to, or joinder in, the Avigation Easement by the current holders of any Notes secured by a deed of trust encumbering their real property; but if the Authority's efforts are unsuccessful as to any Note Holder, the Avigation Easement shall remain valid as to the Homeowners and may be recorded by the Authority without the consent or

joinder of such Note Holder. The Authority is hereby authorized to record the executed easement in the Office of the Register of Deeds of Guilford County, North Carolina.

9. Title to Property.

Homeowners represent and warrant to the Authority that they own fee simple title to the Property and that they will not convey any interest in the Property, or suffer any lien to attach to the Property, until the Avigation Easement has been recorded.

10. Entire Agreement.

This Agreement and its attachment constitute the entire agreement between the parties regarding the subject matter hereof and the rights and remedies of the parties. This Agreement may not be amended except by a written instrument signed by both parties.

IN WITNESS WHEREOF, this Agreement has been signed by the Authority and by the Homeowners on this the _____ day of _____, 201_.

Piedmont Triad Airport Authority

Executive Director

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

This the _____ day of _____, 201_.

Finance Officer
Piedmont Triad Airport Authority

_____, Homeowner

_____, Homeowner

[Site Specific Specifications describing the sound insulation improvements to the Property to be attached here.]