

**LEASE AGREEMENT  
LAKE HAWKINS RV PARK**

THIS LEASE AGREEMENT, dated as of \_\_\_\_\_, 2017 is entered into between Wood County, Texas, (hereinafter referred to as "Lessor"), and \_\_\_\_\_ (hereinafter referred to as "Lessee").

**ARTICLE I**

1.1 Lease of Premises; Title and Condition. (a) In consideration of the rents and covenants herein stipulated to be paid and performed by Lessee and upon the terms and conditions herein specified, Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, all that tract or parcel of land, together with improvements now or hereafter located thereon, more particularly described on Exhibit "A" attached hereto and incorporated herein by reference for all purposes (the "Leased Premises").

(b) The Leased Premises are leased to Lessee in their present condition without representation or warranty by Lessor and subject to the rights of parties in possession, to the rights of any lessees, to the existing state of title, and to all applicable Legal Requirements. Lessee has examined and is familiar with the Leased Premises and has found the same satisfactory for all purposes.

1.2 Use. (a) Lessee shall use the Leased Premises, at all times, as a public park pursuant to TPDW Grant # 2-00276 and the Texas Local Park Grant Programs Manual and General Project Criteria, providing the following services: RV park, swimming beach, tent camping and day use recreational facilities. Lessee shall not use the Leased Premises for any commercial endeavor or business other than as described and allowed in paragraph 1.2.

(b) Lessee may operate a small convenience store selling ice, toiletries, canned goods, fishing supplies and snacks. Lessee shall not sell or distribute alcoholic beverages or prepared food.

(c) Lessee may use the residence on the Leased Premises as a single family residence, day-rental cabin, or hall for gatherings. Lessee shall not sublease the residence as a primary residence. Lessee, or an employee of Lessee, is required to live on the Leased Premises.

(d) Lessee may allow commercial events on the Leased Premises; however, prior to the event, Lessee shall determine the number of people that will attend the event. If more than 150 people are expected at the event, Lessee shall seek approval for the event from Lessor by scheduling an appearance at a Wood County Commissioners' Court meeting at least 60 days before the event. Lessee shall not charge patrons to the park an increased fee during the commercial event.

(e) Lessor and its agents and designees may enter upon and examine the Leased Premises at reasonable times as long as such examination or showing shall not unreasonably interfere with the business operations of Lessee on the Leased Premises.

(f) Any and all employees or contractors of Lessee exist in an employment or contractor relationship with Lessee only, and shall not be treated as, or considered, employees or contractors of Lessor.

1.3 Term. (a) The Leased Premises are leased for a primary term of one (1) year (the "Lease Term"), commencing on the date hereof,

(b) This Lease Agreement automatically renews for four (4) additional terms (the "Renewal Terms") of one (1) year each after the expiration of each Lease Term. The Lease shall automatically renew unless Lessee provides notice to Lessor at least three (3) months before the expiration of the Lease Term or Renewal Term then in effect. Lessor may cancel the automatic renewal of this Lease by providing notice to Lessee at least thirty (30) days before the expiration of the Lease Term or Renewal Term then in effect. It is and shall be a condition of the automatic renewal into a Renewal Term, that at the time of the commencement of the Renewal Term, Lessee shall not be in default hereunder and the Lease shall not have otherwise terminated.

1.4 Rent. (a) Lessee shall pay to Lessor monthly in advance on the first day of each month (with a ten (10) day grace period) in immediately available funds as Basic Rent (so called herein) for the Leased Premises, the sum equal to one-twelfth (1/12) of the awarded bid amount for this Lease, at Lessor's address as set forth herein, or at such other address or to such other person as Lessor from time to time may designate.

(b) All amounts which Lessee is required to pay pursuant to this Lease (other than Basic Rent, amounts payable for additions to and alterations of the Improvements pursuant to paragraph 3.3, amounts payable for restoration of the Improvements pursuant to paragraph 3.2 and amounts payable as liquidated damages pursuant to paragraph 5.1), together with every fine, penalty, interest and cost which may be added for nonpayment or late payment thereof, shall constitute Additional Rent.

(c) If Lessee shall fail to pay any such additional rent or any other sum due hereunder when the same shall become due (after any grace period), Lessor shall have the right to collect a late charge of \$25.00 per day. Further, Lessee shall pay to Lessor interest at the rate of 18% per annum (or the maximum amount which is now prohibited by law, whichever is less) on all overdue sums due hereunder.

(d) Lessee shall perform all its obligations under this Lease at its sole cost and expense, and shall pay all Basic Rent, Additional Rent and any other sum due hereunder when due and payable, without notice or demand.

1.5 True Lease. Lessor and Lessee expressly acknowledge and agree that they intend for this Lease Agreement to be deemed and construed as a true lease and they intend that their relationship be that of landlord and tenant; nothing in the Lease shall ever be construed so as to make this Lease a security instrument, or so as to make Lessor and Lessee partners or joint venturers, or so as to give Lessee any fee ownership in the Leased Premises, or so as to create an employment relationship between Lessor and Lessee. Lessor and Lessee acknowledge and agree that third party lenders may rely on this paragraph when making loans to Lessor secured by the Leased premises and agree that both Lessor and Lessee shall be estopped from asserting that this Lease is anything but a lease in any subsequent court action or any other proceedings.

## **ARTICLE II**

2.1 Net Lease. (a) This Lease is a net lease and, any present or future law to the contrary notwithstanding, shall not terminate except as otherwise expressly provided herein, nor shall Lessee be entitled to any abatement or reduction (except as otherwise expressly provided herein), set-off, counterclaim, defense or deduction with respect to any Basic Rent, Additional Rent or other sums payable hereunder; nor shall the obligations of Lessee hereunder be affected, by reason of: (i) any damage to or destruction of the Leased Premises, or any portion thereof (except as provided herein); (ii) any taking of the Leased Premises or any portion thereof, by condemnation or otherwise (except as provided herein); (iii) any prohibition, limitation, restriction or prevention of Lessee's use, occupancy or enjoyment of the Leased Premises (other than by or through Lessor), or any interference with such use, occupancy or enjoyment by any person other than Lessor; or (iv) any action of any governmental authority (except as otherwise provided for herein). The parties intend that the obligations of Lessee hereunder shall be separate and independent covenants and agreements and shall continue unaffected unless such obligations shall have been modified or terminated pursuant to an express provision of this Lease.

(b) Except as otherwise provided herein, Lessee waives all rights to terminate or surrender this Lease, or to any abatement or deferment of Basic Rent, Additional Rent or other sums payable hereunder.

2.2 Compliance with Law. (a) Lessee shall comply with and cause the Leased Premises to comply with and shall assume all obligations and liabilities with respect to (i) all laws, ordinances and regulations, and other governmental rules, orders and determinations presently in effect or hereafter enacted, made or issued, whether or not presently contemplated (including specifically environmental laws and regulations) (collectively referred to herein as the "Legal Requirements") applicable to the Leased Premises or the ownership, operation, use or possession thereof and (ii) all contracts (including, without limitation, insurance policies, to the extent necessary to prevent cancellation thereof and to insure full payment of any claims made under such policies), agreements, covenants, conditions and restrictions now or hereafter applicable to the Leased Premises or the ownership, operation, use or possession thereof, including but not limited to the Lessor's obligations and liabilities under any tenant leases and all such Legal Requirements,

contracts, agreements, covenants, conditions and restrictions which require structural, unforeseen or extraordinary changes.

2.3 Liens. Lessee will promptly remove and discharge any charge, lien, security interest or encumbrance upon the Leased Premises or any Basic Rent, Additional Rent or other sums payable hereunder which arise out of the possession, use, occupancy, construction, repair or rebuilding of the Leased Premises; or by reason of labor or materials furnished or claimed to have been furnished to lessee or for the leased Premises, but not including (i) the liens and encumbrances already existing, and (ii) any mortgage, charge, lien, security interest or encumbrance created by Lessor with or without the consent of Lessee. Notice is hereby given that Lessor will not be liable for any labor, services or materials furnished or to be furnished to Lessee, or to anyone holding an interest in the Leased Premises or any part thereof through or under Lessee, and that no mechanic's or other liens for any such labor, services or materials shall attach to or affect the interest of Lessor in and to the Leased Premises.

2.4 Indemnification. (a) Lessee shall defend, without limitation, all actions against Lessor, or any agents, insurers, risk management pool, representatives, elected officials, appointees, employees and attorneys of Lessor, and shall pay, protect, indemnify and save harmless said indemnified parties from and against, any and all liabilities, losses, damages, costs, expenses (including reasonable attorneys' fees and expenses), causes of action, suits, claims, demands or judgments of any nature, including any cause of action premised upon negligence, arising from (i) injury to or death of any person, or damage to or loss of property, on the Leased Premises or on adjoining sidewalks, pathways, streets or ways, or connected with the use, condition or occupancy of any thereof, (ii) violation by Lessee of this Lease, and (iii) any act or omission, including a negligent act or omission, of Lessor or Lessee, or agents, contractors, licensees, subleases or invitees.

2.5 Maintenance and Repair. (a) Lessee, at its own expense, will maintain all parts of the Leased Premises in their present condition, except for ordinary wear and tear, and will take all action and will make all structural and nonstructural, foreseen and unforeseen and ordinary and extraordinary changes and repairs which may be required to keep all parts of the Leased Premises in their present conditions, ordinary wear and tear excepted. All such changes and repairs shall be performed by a licensed and bonded individual, at the expense of Lessee, except Lessor will (i) repair the septic system, water delivery pipes and valves below two feet; (ii) remove dead trees and tree damage causes by inclement weather; (iii) groom the beach area one time per year, during the spring months; (iv) maintain appliances inside the residence on the Leased Premises; and (v) maintain the treatment plant. Lessor shall not be required to maintain, repair or rebuild all or any part of the Leased Premises, except as provided in the previous sentence.

(b) Lessee shall provide the equipment and supplies necessary to operate and maintain all parts of the Leased Premises, including, but not limited to, lawn equipment, cleaning supplies, office equipment, credit card devices, computers and telephones.

(c) Lessee shall take the following maintenance actions on a daily basis, or more frequently, as needed: collect trash from camp site receptacles, collect trash on beach, collect trash on the grounds of the Leased Premises and clean the restrooms and bathhouses.

(d) As often as required to keep a well-maintained appearance, Lessee shall mow the grass on the Leased Premises and drag the beach. One time per year, Lessee shall cause a licensed and bonded septic service to perform maintenance on the septic system and septic tanks. Lessee shall provide Lessor with documentation of such yearly maintenance within 30 days after the service is performed. Further, Lessee will repair any and all damage caused by vandalism or reckless behavior on the Leased Premises.

(e) Lessee waives the right to (a) require Lessor to maintain, repair or rebuild all or any part of the Leased Premises or (b) make repairs at the expense of Lessor pursuant to any Legal Requirement, contract, agreement, covenant, condition or restriction set forth in subparagraph 2.2(a)(ii).

2.6 Utilities. Lessee shall contract for all utilities, including, but not limited to water, electricity and gas. Lessee shall pay, without delinquency, all charges for utilities and services provided to the Leased Premises. Any interruption of utilities due to a delinquent account, shall be cause for immediate termination of this Agreement. Lessor shall not be liable for any interruption of utilities. Lessee shall provide Lessor with a copy of the first monthly invoice for all utilities. If Lessee changes the service provider for any utility, Lessee shall provide Lessor with a copy of the first monthly invoice from the new provider.

2.7 Dumpster. Lessee shall store all trash collected in enclosed containers. Lessee is responsible for all costs associated with dumpsters.

2.8 Bond. Lessee shall post a Surety Bond of \$10,000.00 payable to the Wood County Commissioners' Court for surety of collection of Basic Rent, Additional Rent and any other amounts owed by Lessee.

### **ARTICLE III**

3.1 Condemnation and Casualty. (a) General Provisions. The provisions of this Article III shall govern the disposition of any award, compensation or insurance payment (i) if the use, occupancy or title of the Leased Premises or any part thereof is taken, requisitioned or sold in, by or on account of any actual or threatened eminent domain proceeding or other action by any person having the power of eminent domain (a "Condemnation") or (ii) if the Leased Premises or any part thereof are damaged or destroyed by fire, flood or other casualty (a "Casualty") (all awards, compensations, and insurance payments on account of any Condemnation or Casualty are hereinafter collectively called "Compensation"). All Compensation shall be the exclusive property of Lessor.

(b) Substantial Condemnation. If a Condemnation shall affect all or a substantial portion of the Leased Premises and shall render the Leased Premises unsuitable for restoration for continued use and occupancy in the business of Lessee, then Lessee may, at Lessee's option (provided that Lessee is not in default hereunder), within thirty-five (35) days following such occurrence, deliver to Lessor notice of its intention to terminate this Lease together with a certificate of Lessee describing the event giving rise to such Condemnation which has rendered the Leased Premises unsuitable for restoration for continued use and occupancy in Lessee's business. The Lease shall stay in effect and Lessee shall continue to pay rent through the date on which Lessor has been paid in full the Compensation.

(c) Substantial Casualty. If a Casualty shall affect all or a substantial portion of the Leased Premises and the Casualty shall render the Leased Premises unsuitable for restoration for continued use and occupancy in the business of Lessee, then Lessee may, at Lessee's option (provided that Lessee is not in default hereunder), not later than 35 days after such occurrence, deliver to Lessor notice of its intention to terminate this Lease together with a certificate of Lessee describing the event giving rise to such termination and stating that Lessee has determined that such event has rendered the Leased Premises unsuitable for restoration for continued use and occupancy in Lessee's business. The Lease shall stay in effect and Lessee shall continue to pay rent through the date on which Lessor receives the Compensation of and the proceeds of any insurance providing coverage for business interruption or loss of rent.

(d) Less than Substantial Condemnation or Casualty. If, after a Condemnation or Casualty, Lessee does not give notice of its intention to terminate this Lease as provided in paragraphs 3.1(b) or (c), then this Lease shall continue in full effect, and Lessee shall, at its expense, rebuild, replace or repair the Leased Premises in conformity with the requirements of paragraphs 2.5 and 3.3 so as to restore the Leased Premises (in the case of Condemnation, as nearly as practicable) to the condition and fair market value thereof immediately prior to such occurrence. Prior to any such rebuilding, replacement or repair, Lessor and Lessee shall agree on the maximum cost thereof (the "Restoration Cost"). The Restoration Cost shall be paid first out of Lessee's own funds to the extent that the Restoration Cost exceeds the Compensation payable in connection with such occurrence, after which expenditure Lessee shall be entitled to receive the Compensation (less any expenses incurred in obtaining the Compensation), but only against certificates of Lessee delivered to Lessor from time to time as such work of rebuilding, replacement and repair progresses, each such certificate describing the work for which Lessee is requesting payment and the cost incurred by Lessee in connection therewith and stating that Lessee has not theretofore received payment for such work. Any Compensation remaining after final payment has been made for such work and after Lessee has been reimbursed for any portions it contributed to the Restoration Cost shall be retained by Lessor. If the cost of any rebuilding, replacement or repair required to be made by Lessee pursuant to this paragraph 3.1(d) shall exceed the amount of such Compensation, the deficiency shall be paid by Lessee.

3.2 Insurance. (a) Lessee will maintain insurance on the Leased Premises of the following character:

(i) Insurance against loss by fire, flood, lightning and other risks which at the time are included under "extended coverage" endorsements, in amounts sufficient to prevent Lessor or Lessee from becoming a co-insurer of any loss but in any event in amounts not less than 100% of the actual replacement value of the Improvements, exclusive of foundations and excavations.

(ii) General public liability insurance against claims for bodily injury, death or property damage occurring on, in or about the Leased Premises and adjoining streets, pathways and sidewalks, in the minimum amounts of \$1,000,000 for bodily injury or death to any one person, \$1,000,000 for any one accident, and \$1,000,000 for property damage or in such amounts as are then customary for property similar in use to the Leased Premises.

(iii) Worker's compensation insurance to the extent required by the law of the State where the Leased Premises are situated and to the extent necessary to protect Lessor and the Leased Premises against worker's compensation claims.

(iv) Employers liability insurance in the minimum amounts of \$500,000.

(v) Auto liability insurance (if Lessee chooses to use an automobile on the Leased Premises) in the minimum amounts of 100/300/100, with personal injury protection of \$5,000.

(vi) Lessor shall be named as an Additional Insured on the above-referenced policies, with loss payable in favor of Lessor.

(b) Lessee shall deliver to Lessor original or duplicate certificates of insurance, satisfactory to Lessor, evidencing the existence of all insurance which is required to be maintained by Lessee hereunder, such delivery to be made (i) upon the execution and delivery hereof and (ii) at least 10 days prior to the expiration of any such insurance. Lessee shall not obtain or carry separate insurance concurrent in form or contributing in the event of loss with that required by this paragraph 3.2 unless Lessor is an additional insured or named insured therein, with loss payable in favor of Lessor. Lessee shall immediately notify Lessor whenever any such separate insurance is obtained and shall deliver to Lessor the policies or certificates evidencing the same. Any insurance required hereunder may be provided under blanket policies provided that the Leased Premises is specified therein.

3.3 Alterations. Lessee may, at its expense (it being understood that Lessee may not secure any financing for such by the Leased Premises or any interest therein), make additions to and alterations of the Leased Premises, provided that (i) the fair market value of the Leased Premises shall not be lessened thereby, (ii) such work shall be expeditiously

completed in a good and workmanlike manner and in compliance with all applicable Legal Requirements and the requirements of all insurance policies required to be maintained by Lessee hereunder, and (iii) no improvements shall be demolished and no major structural alterations shall be made to the Improvements unless Lessor's prior written consent shall have been obtained. All such additions and alterations shall be and remain part of the Leased Premises and shall be subject to this Lease. Lessee may place upon the Leased Premises any inventory, trade fixtures, machinery or equipment belonging to Lessee or third parties and may remove the same at any time during the term of this Lease. Lessee shall repair any damage to the Leased Premises caused by such removal.

#### **ARTICLE IV**

4.1 Assignment, Subletting and Mortgages. Lessee may not assign, sublet or mortgage its interest hereunder without the prior written consent of Lessor, such consent not to be unreasonably withheld provided the new tenant is of equal or better creditworthiness; and subject to reasonable limitations of the use of the Leased Premises. Lessor, and their assigns, may assign this lease without the prior consent of Lessee. Lessee shall, within 20 days after the execution of any permitted sublease, mortgage or assignment, deliver a copy thereof to Lessor.

4.2 No Vacating of Premises. Lessee may not, at any time during the term of this Lease Agreement, vacate or abandon or otherwise fail to occupy the Leased Premises without the prior written consent of Lessor.

#### **ARTICLE V**

5.1 Conditional Limitations, Default Provisions. (a) Any of the following occurrences or acts shall constitute an Event of Default under this Lease:

(i) if Lessee shall (A) fail to pay any Basic Rent, Additional Rent, utility, or other sum, as and when required to be paid by Lessee hereunder, and such failure shall continue for ten (10) days after its payment is due or (B) fail to observe or perform any other provision hereof and such failure shall continue for fourteen (14) days after notice to Lessee of such failure; or

(ii) if any representation or warranty of Lessee set forth in any notice, certificate, demand or request delivered to Lessor by Lessee shall prove to be incorrect in any material and adverse respect as of the time when the same shall have been made; or

(iii) if Lessee shall file a petition in bankruptcy or for reorganization or for an arrangement pursuant to any federal or state bankruptcy law or any similar federal or state law, or shall be adjudicated a bankrupt or become insolvent or shall make an assignment for the benefit of creditors or shall admit in writing its inability to pay its debts generally as they become due, or if a petition or answer proposing the adjudication of Lessee as a bankrupt or its reorganization pursuant to any federal or state bankruptcy law

or any similar federal or state law shall be filed in any court and Lessee shall consent to or acquiesce in the filing thereof or such petition or answer shall not be discharged or denied within 90 days after the filing thereof; or

(iv) if a receiver, trustee or liquidator of Lessee or of all or substantially all of the assets of Lessee or of the Leased Premises or Lessee's estate therein or in the Leased Premises shall be appointed in any proceeding brought by Lessee, or if any receiver, trustee or liquidator shall be appointed in any proceeding brought against Lessee and shall not be discharged within 90 days after such appointment, or if Lessee shall consent to or acquiesce in such appointment; or

(v) if Lessee shall abandon or fail to occupy the Leased Premises; or

(vi) if there shall be a material adverse change in Lessee's financial condition; or

(vii) if Lessee defaults under any other lease between Lessor and Lessee.

(b) If an Event of Default shall have happened and be continuing, Lessor shall have the right to give Lessee notice of Lessor's termination of the term of this Lease. Upon the giving of such notice, the term of this Lease and the estate hereby granted shall expire and terminate on such date as fully and completely and with the same effect as if such date were the date herein fixed for the expiration of the term of this Lease, and all rights of Lessee hereunder shall expire and terminate, but Lessee shall remain liable as hereinafter provided.

(c) If Lessee shall default in the payment of rent or any other sum due from Lessee to Lessor under the terms of the lease, Lessor shall have a lien upon all fixtures, chattels, and/or other property of any description belonging to Lessee that are placed in or become a part of the Leased Premises as security for rent due and to become due for the remainder of the current lease term and any other sum due from Lessee to Lessor. This lien shall not be in lieu of, or in any way affect the statutory lessor's lien given by law but shall be in addition to that lien, and Lessee grants to Lessor a security interest in all of Lessee's property placed in or on the leased premises for purposes of this contractual lien. This shall not prevent the sale by Lessee of any merchandise in the ordinary course of business free of such lien to Lessor. In the event Lessor exercises the right to terminate the leasehold, reenter, and relet the premises, then Lessor, after giving reasonable notice to Lessee of the intent to take possession and giving an opportunity for a hearing on the matter, may take possession of all of Lessee's property on the premises and sell it at public or private sale after giving Lessee reasonable notice of the time and place of any public sale or of the time after that any private sale is to be made, for cash or credit for such prices and terms as Lessor deems best with or without having the property present at the sale. The proceeds of the sale shall be applied first to the necessary and proper expense of removing, storing, and selling such property, then to the payment of any rent, penalties

and interest due or to become due under this lease, with the balance, if any, to be paid to Lessee.

(d) If an Event of Default shall have happened and be continuing, Lessor shall have the immediate right, whether or not the term of this Lease shall have been terminated pursuant to paragraph 5.1(b), to re-enter and repossess the Leased Premises and the right to remove all persons and property therefrom by summary proceedings, ejectment, any other legal action or in any lawful manner Lessor determines to be necessary or desirable. Lessor shall be under no liability by reason of such re-entry, repossession or removal. No such re-entry, repossession or removal shall be construed as an election by Lessor to terminate the term of this Lease unless a notice of such termination is given to Lessee pursuant to paragraph 5.1(b), or unless such termination is decreed by a Court.

(e) At any time or from time to time after a re-entry, possession or removal pursuant to paragraph 5.1(c), whether or not the term of this Lease shall have been terminated, pursuant to paragraph 5.1(b), Lessor may (but shall be under no obligation to) relet the Leased Premises or any portion thereof for the account of Lessee, in the name of Lessee or Lessor or otherwise, without notice to Lessee, for such term or terms and on such conditions and for such uses as Lessor, in its absolute discretion, may determine. Lessor may collect any rents payable by reason of such reletting. Lessor shall not be liable for any failure to collect any rent due upon any such reletting.

(f) No expiration or termination of the term of this Lease pursuant to paragraph 5.1(b), by operation of law or otherwise, and no re-entry, repossession or removal pursuant to paragraph 5.1(c) or otherwise, and no reletting of the Leased Premises pursuant to paragraph 5.1 (d) and (e) or collection of rents payable under any sublease, or otherwise, shall relieve Lessee of its liabilities and obligations hereunder, all of which shall survive such expiration, termination, re-entry, repossession, removal, reletting or collection of sublease rents.

(g) In the event of any expiration or termination of the term of this Lease or re-entry or repossession of the Leased Premises or removal of persons or property therefrom by reason of the occurrence of an Event of Default, Lessee shall pay to Lessor all Basic Rent, Additional Rent and other sums required to be paid by Lessee, in each case to and including the date of such expiration, termination, re-entry, repossession or removal; and, thereafter, Lessee shall pay to Lessor upon demand, as liquidated damages, the net present value of the remaining Basic Rent for the balance of the Lease Term or Renewal Term then in effect (using a discount rate of 8% per annum).

5.2 Bankruptcy or Insolvency. (a) In the event that Lessee shall become a debtor in a case filed under Chapter 7 of the Bankruptcy Code, this Lease shall be deemed to have been rejected. Immediately thereupon Lessor shall be entitled to possession of the Leased Premises without further obligation to Lessee or Lessee's trustee and this Lease upon the election of Lessor shall terminate, but Lessor's right to be compensated for damages (including, without limitation, liquidated damages pursuant to any provision hereof) or the

exercise of any other remedies in any such proceeding shall survive, whether or not this Lease shall be terminated.

(b) In the event that Lessee shall become a debtor in a case filed under Chapter 11 of the Bankruptcy Code, or in a case filed under Chapter 7 of the Bankruptcy Code which is transferred to Chapter 11, Lessee's trustee or Lessee, as debtor-in-possession, shall be deemed to have rejected this Lease.

5.3 Additional Rights. (a) No right or remedy hereunder shall be exclusive of any other right or remedy, but shall be cumulative and in addition to any other right or remedy hereunder or now or hereafter existing. Failure to insist upon the strict performance of any provision hereof or to exercise any option, right, power or remedy contained herein shall not constitute a waiver or relinquishment thereof for the future. Receipt by Lessor of any Basic Rent, Additional Rent or other sums payable hereunder with knowledge of the breach of any provision hereof shall not constitute waiver of such breach, and no waiver by Lessor of any provision hereof shall be deemed to have been made unless made in writing.

(b) If there is a default under this Lease, the defaulting party shall pay to the other, on demand, all expenses incurred as a result thereof, including reasonable attorneys' fees and expenses (including those incurred in connection with any appellate proceedings).

## ARTICLE VI

6.1 Notices and Other Instruments. All notices, offers, consents and other instruments given pursuant to this Lease shall be in writing and shall be validly given when hand delivered or sent by a courier or express service guaranteeing overnight delivery or sent U.S. certified mail, return receipt requested; (a) if to Lessor, addressed to Lessor at its address set forth below and (b) if to Lessee, addressed to Lessee at its address set forth below. Lessor and Lessee each may from time to time specify, by giving fifteen (15) days notice to each other party, (i) any other address in the United States as its address for purposes of this Lease and (ii) any other person or entity in the United States that is to receive copies of notices, offers, consents and other instruments hereunder. Notices and communications shall be effective and deemed received (i) three calendar days after the date of mailing when sent by U.S. Mail, (ii) the next business day when sent by overnight or express courier (iii) upon actual receipt when hand delivered or sent by other means. The parties addresses for notices are as follows:

Lessor: Bryan Jeanes  
Wood County Judge  
PO Box 938  
Quitman, Texas 75783-0938

Lessee: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## ARTICLE VII

7.1 Surrender. Except for a permitted termination under Paragraph 3.1(b) or 3.1(c), upon the expiration or termination of this Lease, Lessee shall surrender the Leased Premises to Lessor in the condition in which the Leased Premises were originally received from Lessor, except as repaired, rebuilt, restored, altered or added to as permitted or required hereby and except for ordinary wear and tear. Lessee shall remove from the Leased Premises on or prior to such expiration or termination all property situated thereon which is not owned by Lessor including trade fixtures and equipment, and shall repair any damage caused by such removal. Property not so removed shall become the property of Lessor, and Lessor may cause such property to be removed from the Leased Premises and disposed of, but the cost of any such removal and disposition and of repairing any damage caused by such removal shall be borne by Lessee. The provisions of this paragraph shall survive the termination or expiration of this Lease.

7.2 Holding Over. In the event of holding over by Lessee after the expiration or termination of this Lease, the hold over shall be as a tenant at will and all of the terms and provisions of this Lease shall be applicable during that period, except that Lessee shall pay Lessor as rental for the period of such hold over an amount equal to 125% the rent which would have been payable by Lessee had the hold over period been a part of the original term of this Lease. Lessee agrees to vacate and deliver the Leased Premises to Lessor upon Lessee's receipt of notice from Lessor to vacate. The rental payable during the hold over period shall be payable to Lessor on demand. No holding over by Lessee, whether with or without consent of Lessor, shall operate to extend this Lease except as otherwise expressly provided.

7.3 Separability; Binding Effect. Each provision hereof shall be separate and independent and the breach of any provision by Lessor shall not discharge or relieve Lessee from any of its obligations hereunder. Each provision hereof shall be valid and shall be enforceable to the extent not prohibited by law. If any provision hereof or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remaining provisions hereof, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby. All provisions contained in this Lease shall be binding upon, inure to the benefit of, and be enforceable by the successors and assigns of Lessor to the same extent as if each such successor and assign were named as a party hereto. All provisions contained in this Lease shall be binding upon the successors and assigns of Lessee and shall inure to the benefit of and be enforceable by the permitted successors and assigns of Lessee, in each case to the same extent as if each such successor and assign were named as a party hereto. This Lease may not be modified or terminated except as expressly provided herein or except by a writing signed by Lessor and Lessee. Any such modification or termination made otherwise than as expressly permitted by this paragraph shall be void. This Lease shall be governed by and interpreted in accordance with the laws of Texas.

7.5 Headings. The headings of the various paragraphs and exhibits of this Lease have been inserted for reference only and shall not to any extent have the effect of modifying the express terms and provisions of this Lease.

7.6 Counterparts. This Lease may be executed in two or more counterparts and shall be deemed to have become effective when and only when one or more of such counterparts shall have been signed by or on behalf of each of the parties hereto (although it shall not be necessary that any single counterpart be signed by or on behalf of each of the parties hereto, and all such counterparts shall be deemed to constitute but one and the same instrument), and shall have been delivered by each of the parties to each other.

7.7 Waiver of Default or Remedy. Failure of Lessor to declare an event of default immediately upon its occurrence, or delay in taking any action in connection with an event of default, shall not constitute a waiver of the default, but Lessor shall have the right to declare the default at any time and take such action as is lawful or authorized under this Lease. Pursuit of any one or more of the remedies set forth herein shall not preclude pursuit of any one or more of the other remedies provided elsewhere in this Lease or provided by law, nor shall pursuit of any remedy provided constitute forfeiture, or waiver of any rent or damages accruing to Lessor by reason of the violation of any of the terms, provisions or covenants of this Lease. Failure by Lessor to enforce one or more of the remedies provided upon an event of default shall not be deemed or construed to constitute a waiver of the default or of any other violation or breach of any of the terms, provisions and covenants contained in this Lease.

7.8 Entire Agreement and Limitation of Warranties. **IT IS EXPRESSLY AGREED BY LESSEE, AS A MATERIAL CONSIDERATION FOR THE EXECUTION OF THIS LEASE, THAT THIS LEASE, WITH THE SPECIFIC REFERENCES TO WRITTEN EXTRINSIC DOCUMENTS, IS THE ENTIRE AGREEMENT OF THE PARTIES; THAT THERE ARE NO VERBAL REPRESENTATIONS, WARRANTIES, UNDERSTANDINGS, STIPULATIONS, AGREEMENTS OR PROMISES PERTAINING TO THIS LEASE OR THE EXPRESSLY MENTIONED WRITTEN EXTRINSIC DOCUMENTS NOT INCORPORATED IN WRITING IN THIS LEASE. LESSOR AND LESSEE EXPRESSLY AGREE THAT THERE ARE AND SHALL BE NO IMPLIED WARRANTEES OF SUITABILITY, MERCHANTABILITY, HABITABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OF ANY OTHER KIND ARISING OUT OF THIS LEASE AND THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THOSE EXPRESSLY SET FORTH IN THIS LEASE. IT IS LIKEWISE AGREED THAT THIS LEASE MAY NOT BE ALTERED, WAIVED, AMENDED, OR EXTENDED EXCEPT BY AN INSTRUMENT IN WRITING SIGNED BY BOTH LESSOR AND LESSEE.**

IN WITNESS WHEREOF, the Parties hereto have caused this Lease to be executed as of the date first above written.

*[Remainder of page intentionally left blank – signature page follows]*

**LESSOR:**

**Wood County, Texas**

By: \_\_\_\_\_

Name: Bryan Jeanes

Its: County Judge

**LESSEE:**

\_\_\_\_\_

By: \_\_\_\_\_

*[Remainder of page intentionally left blank – acknowledgment page follows]*

STATE OF TEXAS           §

COUNTY OF WOOD       §

THIS INSTRUMENT was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2017 by Bryan Jeanes, the duly elected County Judge of Wood County, Texas, on behalf of the Wood County Commissioners' Court.

---

Notary Public, State of Texas

*[Remainder of page intentionally left blank – acknowledgment page follows]*

STATE OF TEXAS §

COUNTY OF WOOD §

THIS INSTRUMENT was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2017 by \_\_\_\_\_, Lessee.

\_\_\_\_\_  
Notary Public, State of Texas

*[Remainder of page intentionally left blank]*