

COMMERCIAL LEASE AGREEMENT

This lease is made between Grand Canyon Investments Inc., of, 123 Serrato Lane Richmond, TX 77469, herein called Lessor and Fort Bend County, of 301 Jackson Street, Richmond, Texas 77469, a body corporate and politic under the laws of the State of Texas, herein called Lessee. Lessee hereby offers to lease from Lessor the premises located in Richmond, County of Fort Bend, State of Texas, described as 115 Serrato Lane – Warehouse Unit "E", Richmond, Texas 77469 upon the following terms and conditions:

1. TERM and RENT. Lessor demises the above premises for a term of four (4) months, commencing October 1, 2018 through January 31, 2019 for monthly rent in the amount of Fifteen Hundred Dollars (\$1500.00) payable in advance on the first day of each month for that month's rental, during the term of this lease. All rental payments shall be made to Lessor, at the address specified above.

2. USE. Lessee shall use and occupy the premises for storage of building materials for use in Emergency Relief and Recovery Efforts in and around Fort Bend County. The premises shall be used for no other purposes. Lessor represents that the premises may lawfully be used for such purpose. Lessee shall not use the premises for the purpose of storing, manufacturing or selling any explosives, flammable or other inherently dangerous substance, chemical, thing or device.

3. CARE and MAINTENANCE of PREMISES. Lessee acknowledges the premises are in good order and repair, unless otherwise noted herein. Lessee shall, at his own expense and at all times, maintain the premises in good and safe condition, including plate glass, electrical wiring, plumbing, air conditioning installations and any other system or equipment upon the premises and shall surrender the same at termination hereof, in as good condition as received, normal wear and tear excepted.

Lessee shall notify the Lessor of any electrical, plumbing, or HVAC work to be done. Lessee will only be responsible for the repair of electrical, plumbing, structural, or HVAC that is due to negligence or abuse. Lessee is to pay for all electrical and HVAC modifications. Lessee is to maintain and replace all lighting fixtures. Lessee is to pay for the repair of all plumbing stoppages not associated with general septic system and On-Site Septic System failures. Lessor will keep the premises in a good and reasonable state of repair, consistent with the general standards of a building of a similar nature, age and character and that the Lessor will repair defects promptly.

4. ALTERATIONS. Lessee shall not, without first obtaining written consent of the Lessor, make any alterations, additions, or improvements, in, to or about the Premises.

5. ORDINANCES and STATUTES. Lessee shall comply with all statutes, ordinances and requirements of all municipal, State and federal authorities now in force, or which may hereafter be in force, pertaining to the Premises, occasioned by or affecting the use thereof by Lessee.

6. ASSIGNMENT and SUBLETTING. Lessee shall not assign this lease or sublet any portion of the premises without prior written consent of the Lessor, which shall not be unreasonably withheld. Any such assignment or subletting without consent shall be void and, at the option of the Lessor, may terminate this lease.

7. UTILITIES. Lessee shall pay all charges for electricity, telephone and other services and utilities used by Lessee on the Leased Premises during the term of this Lease unless otherwise expressly agreed in writing by Lessor. Lessor will provide

Lessee with separately metered electrical service. Lessor will provide pressurized potable water and septic field sewage service to Lessee without charge for connection of same services. Lessor will maintain both potable water and septic system to acceptable local governmental standards. The cost of water and sewer service will be included in the monthly rent. Lessee acknowledges the facilities are designed for ordinary office/warehouse water/sewer use. As such, water use in excess of 2000 gallons per month may result in an increase in the rent.

All applications and connections for necessary utility services on the demised premises shall be made in the name of Lessee only, and Lessee shall be solely liable for utility charges as they become due, including those for water, sewer, electricity and telephone services. Lessee acknowledges that the leased premises are designed to provide standard office use electrical facilities and standard office lighting. Lessee shall not use any equipment or devices that utilize excessive electrical energy or that may, in Lessor's reasonable opinion, overload the wiring or interfere with electrical services to other tenants.

8. ENTRY and INSPECTION. Lessee shall permit Lessor or Lessor's agents to enter upon the premises at reasonable times and upon reasonable notice, for the purpose of inspecting the same, and will permit Lessor at any time within sixty (60) days prior to the expiration of this lease, to place upon the premises any usual "To Let" or "For Lease" signs and permit persons desiring to lease the same to inspect the premises thereafter.

9. PARKING. During the term of this Lease, Lessee shall have the non-exclusive use in common with Lessor, other Lessees of the premises, their guests and invitees, of the non-reserved common automobile parking areas, driveways, and footways.

10. POSSESSION. If Lessor is unable to deliver possession of the premises at the commencement hereof, Lessor shall not be liable for any damage caused thereby, nor shall this lease be void or voidable, but Lessee shall not be liable for any rent until possession is delivered. Lessee may terminate this lease if possession is not delivered within 30 days of the commencement of the term hereof.

11. INSURANCE. Lessee, at his own expense, shall maintain public liability insurance including bodily injury and property damage insuring Lessee and Lessor with minimum coverage as follows:

Lessee shall provide Lessor with a Certificate of Insurance showing Lessor as additional insured. The Certificate shall provide for a ten-day written notice to Lessor in the event of cancellation or material change of coverage. To the maximum extent permitted by insurance policies which may be owned by Lessor or Lessee, Lessee and Lessor, for the benefit of each other, waive any and all rights of subrogation which might otherwise exist.

If the leased premises or any other part of the building is damaged by fire or other casualty resulting from any act of negligence of Lessee or any of Lessee's agents, employees, or invitees, rent shall not be diminished or abated while such damages are under repair, and the Lessee shall be responsible for the costs of repair not covered by insurance.

12. EMINENT DOMAIN. If the premises or any part thereof or any estate therein, or any other part of the building materially affecting Lessee's use of the premises, shall be taken by eminent domain, this lease shall terminate on the date when title vests pursuant to such taking. The rent, and any additional rent, shall be apportioned as of the termination date, and any rent paid for any period beyond that date shall be repaid to Lessee. Lessee shall not be entitled to any part of the award for such taking or any payment in lieu thereof, but Lessee may file a claim for

any taking of fixtures and improvements owned by Lessee, and for moving expenses.

13. DESTRUCTION OF PREMISES. If the leased premises should be partially damaged by fire or other casualty, and rebuilding or repairs can reasonably be completed within ninety working days from the date of written notification by Lessee to Lessor of the destruction, this Lease shall not terminate, and Lessor shall at its sole risk and expense proceed with reasonable diligence to rebuild or repair the building or other improvements to substantially the same condition in which they existed prior to the damage. If the leased premises are to be rebuilt or repaired and are un-tenantable in whole or in part following the damage, and the damage or destruction was not caused or contributed to by act or negligence of Lessee, its agents, employees, invitees or those for whom Lessee is responsible, the rent payable under this Lease during the period for which the leased premises are un-tenantable shall be adjusted to such an extent as may be fair and reasonable under the circumstances. In the event that Lessor fails to complete the necessary repairs or rebuilding within ninety working days from the date of written notification by Lessee to Lessor of the destruction, Lessee may at its option terminate this Lease by delivering written notice of termination to Lessor, whereupon all rights and obligations under this Lease shall cease to exist. In the event that the damage or destruction was caused or contributed to by act or negligence of Lessee, its agents, employees, invitees or those for whom Lessee is responsible the Lease shall not terminate until ninety working days have elapsed and Lessee's Insurance obligations have been fulfilled.

14. LESSOR'S REMEDIES on DEFAULT. If Lessee defaults in the payment of the rent, or any additional rent, or defaults in the performance of any of the other covenants or conditions hereof, Lessor may give Lessee notice of such default and if Lessee does not cure such default within fourteen (14) days, after giving of such notice (or if such other default is of such nature that it cannot be completely cured within such period, if Lessee does not commence with fourteen (14) days and thereafter proceed with reasonable diligence and in good faith to cure such default), then Lessor may terminate this lease on not less than fourteen (14) days' notice to Lessee. On the date specified in such notice the term of this lease shall terminate, and Lessee shall then quit and surrender the premises to the Lessor, without extinguishing Lessee's liability. If this lease shall have been terminated by Lessor, Lessor may at any time thereafter resume possession of the premises by any lawful means and remove Lessee or other occupants and their effects. No failure to enforce any term shall be deemed a waiver.

15. SECURITY DEPOSIT. Lessee shall deposit with Lessor on the signing of this lease the sum of One Thousand Five Hundred Dollars (\$1,500.00) as security for the performance of Lessee's obligations under this lease, including without limitation the surrender of possession of the premises to Lessor as herein provided. If Lessor applies any part of the deposit to cure any default of Lessee, Lessee shall on demand deposit with Lessor the amount so applied so that Lessor shall have the full deposit on hand at all times during the term of this lease.

After Lessee surrenders the leased premises to Lessor and provides Lessor written notice of Lessee's forwarding address, Lessor will not later than 15 days, refund the security deposit less any amounts applied towards amounts owed by Lessee to Lessor.

16. TAX INCREASE. In the event there is any increase during any year of the term of this lease in the City, County or State real estate taxes over and above the amount of such taxes assessed for the Tax year during which this lease commences, whether because of increased rate or valuation, Lessee agrees to pay a tax adjustment proportional to the space it occupies, out of the space available for lease

in the warehouse complex. In the event that such taxes are assessed for a tax year extending beyond the term of the lease, the obligation of Lessee shall be proportionate to the portion of the lease term included in such year.

17. **ATTORNEY'S FEES.** In case suit shall be brought for recovery of the premises, or for any sum due hereunder, or because of any act which may arise out of the possession of the premises, by either party, the prevailing party shall be entitled to all costs incurred in connection with such action, including reasonable attorney's fees.

18. **WAIVER.** No failure of Lessor to enforce any term hereof shall be deemed to be a waiver.

19. **NOTICES.** Any notice which either party may or is required to give, shall be given by mailing postage prepaid, to Lessee at the premises, to Lessor at the address specified above, or at such other places as may be designated by the parties from time to time.

20. **HEIRS, ASSIGNS, SUCCESSORS.** This lease is binding upon and inures to the benefit of the heirs, assigns and successors in interest to the parties.

21. **OPTION TO RENEW.** Lessee shall have the option to renew the lease for an additional term of three (3) months commencing at the expiration of the initial lease term. All of the terms and conditions of the lease shall apply during the renewal term except that the monthly rent shall be \$1,600.00 per month until a new lease has been negotiated. This option must be exercised by written notice given to Lessor not less than 14 days prior to the expiration of the initial lease term. If notice is not given in the manner provided herein, this option shall expire.

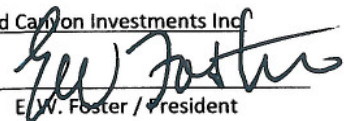
22. **SUBORDINATION.** This lease is and shall be subordinated to all existing and future liens and encumbrances against the property.

23. **RADON GAS DISCLOSURE.** As required by law, Landlord makes the following disclosure: "Radon Gas" is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed state and federal guidelines have been found in North Texas. Additional information regarding radon and radon testing may be obtained from your county health unit.

ENTIRE AGREEMENT. The foregoing constitutes the entire agreement between the parties and may be modified only by a writing signed by both parties. The following exhibits, if any, have been made a part of this lease before the parties' execution hereof:

Signed this 26 day of SEPTEMBER, 2018.

Lessor: Grand Canyon Investments Inc

By: 

E.W. Foster / President

Signed this _____ day of _____, 2018.

Lessee: Fort Bend County, Texas

By: _____
Robert E. Hebert, County Judge

Attest:

Laura Richard, County Clerk