

**LEASE AGREEMENT**  
**FOR**  
**COMMERCIAL REAL PROPERTY**

**This Lease agreement for Commercial Real Property (the “Lease”) is made and entered into as of the Date hereafter described by and between the Landlord and Tenant hereafter described, and in accordance with the following Terms, Definitions, Clauses and Covenants.**

**ARTICLE I**

**Basic Lease Term**

**Date:** December 13, 2022

**Landlord:** CANNON PRITCHARD

**Mailing Address:** 801 West Noblitt  
Livingston, Texas 77351

JUDSON PRITCHARD

**Mailing Address:** 128 Whipporwill  
Livingston, Texas 77351

JAMES H. MILLER, JR.

**Mailing Address:** 6017 Vickery Blvd  
Dallas, Texas 75206

ROSS S. MILLER

**Mailing Address:** 2422 Somerset  
Midlothian, Texas 76065

CLINT J. MILLER

**Mailing Address:** 7625 W. Highway UU  
Columbia, Missouri 65203

**Tenant:** COUNTY OF POLK, STATE OF TEXAS

**Mailing Address:** 101 West Church St. Suite 300  
Livingston, Texas 77351

**Premises:** Being the real property described upon Exhibit "A" attached hereto and made a part hereof by reference to the same extent as if it had been set forth in this document verbatim.

**Base Rent:** For the period commencing on January 1, 2023 until the Termination Date, the sum of EIGHT HUNDRED DOLLARS (\$800.00) per month.

**Term:** (A) Number of months: Sixty (60)  
(B) Commencement Date: January 1, 2023  
(C) Termination Date: December 31, 2027

**Default Deposit:** None

**Use:** Tenant may use the Premises for only one purpose, which is to operate an automobile parking lot for County purposes.

## ARTICLE II

### Definition

"Rent" means Base Rent plus any other amounts of money due to Landlord by Tenant pursuant to any of the provisions of this Lease, including Additional Rent

"Additional Rent" means that part of the property taxes required to be paid by Tenant pursuant to paragraph E-11, of Article IV, of this Lease

"Landlord" means Landlord and, where appropriate, Landlord's heirs, personal representatives, agents or assigns.

"Tenant" means and, where appropriate, Tenant's employees, customers, invitees, guests or visitors.

"Parking Facility" means the paved parking areas that are a part of the Premises.

## ARTICLE III

### Granting Clause

Upon the terms expressed in this Lease, Landlord leases the Premises to Tenant, and Tenant leases the Premises from Landlord, for the Term.

## ARTICLE IV

### Clauses and Covenants

#### A. Tenant Agrees to-

1. Subject to the provisions contained in paragraph E-2, of this Article IV, lease to Premises for the entire Term, beginning on the Commencement Date and ending on the Termination Date.
2. Accept the Premises in their present condition and "AS IS", with any and all defects, the Premises being currently suitable for Tenant's intended Use. Tenant has inspected the Premises and conducted such tests and inspections, as Tenant deems necessary or desirable.
3. Obey all laws, ordinances, orders, rules and regulations applicable to the use, condition and occupancy of the Premises.
4. Pay monthly, in advance, the Base Rent to Landlord at landlord's Address in accordance with the following:
  - a. Monthly Base Rent: Tenant will pay the base rent for each full month during the term of this lease. Tenant will pay the Base Rent on or before the 1<sup>st</sup> day of each month during the term of this lease. The first monthly base rent is due on or before January 1, 2023. Weekend and holidays do not delay or excuse Tenant's obligation to timely pay of Base Rent.
  - b. Place of Payment: Tenant will pay all Base Rent to Landlord of Landlord's agent at 801 West Noblitt Livingston, Texas 77351, or at such other place as Landlord may designate in writing.
  - c. Method of Payment: Tenant must pay all base rent timely and without demand, deduction or offset. Time is of the essence for the payment of Base Rent (strict compliance with rental due dates is required). Tenant must pay all rent by check, money order, cashier's check or other means acceptable to Landlord. By providing written notice to Tenant, Landlord may require Tenant to pay the amounts due under this Lease by certified funds.
  - d. Late Charges: If Tenant fails to timely pay any base rent Tenant will pay Landlord an initial late charge of \$25.00 plus additional late charges of \$5.00 per day thereafter until all Base Rent is paid in full. If Landlord receives the base rent by the 5<sup>th</sup> day of the month, Landlord will waive the late charges for that month. Any waiver of late charges under this paragraph will not affect or diminish any other right or remedy Landlord may exercise for Tenant's failure to timely pay Base Rent. Notwithstanding anything to the

contrary contained herein, if the late charge is ever deemed to be interest, as a result, Landlord would be deemed to have charges, collected or received interest in excess of the maximum lawful non-usurious rate, then this provisions shall automatically be amended to reduce the late charge to an amount that complies with all applicable laws and regulations, and, if necessary, Landlord will promptly refund to Tenant an amount that will cause Landlord to comply with all applicable laws and regulations. Landlord and Tenant intend that Landlord shall never be entitled to charge, collect or receive interest in excess of the maximum lawful non-usurious rate.

5. Pay, at the Place of Payment set forth in subparagraph 4.B., of Paragraph A., of this Article IV, all other amounts due to Landlord under this Lease , including, without limitation, the Additional Rent.
6. Keep the Premises clean and unobstructed.
7. Repair any damage to the Premises caused by Tenant or any one acting by, through or under Tenant.
8. Move out of and vacate the Premises on termination of this Lease.

**B. Tenant agrees not to-**

1. Use the Premises for any purpose other than as stated under “Use” on the first page of this Lease without the written consent of Landlord first had and obtained, which consent Landlord shall be under no obligation to give
2. Sublet any portion of the Premises.
3. Assign this Lease without Landlord’s written consent, which consent Landlord shall be under no obligation to give.

**C. Landlord Agrees to-**

1. Lease to Tenant the Premises for the entire Term beginning on the Commencement Date and ending on the Termination Date.

**D. Landlord agrees not to-**

1. Interfere with Tenant’s possession of the Premises as long as Tenant is not in default under the terms of this Lease.

**E. Landlord and Tenant agree to the following-**

1. *Alterations Required by Accessibility Laws.* If any alterations, additions or improvements to the Premises are mandated by legal requirements related to accessibility by persons with disabilities (“accessibility alterations”), Tenant is responsible for making them. The

allocation of responsibility for compliance with such legal requirement under this section is a material inducement for the parties to enter into this Lease.

2. *Tenant's Right to Early Termination.* In the event no funds or insufficient funds are appropriated and budgeted by Tenant, or are otherwise unavailable by any means whatsoever in any fiscal period for lease payments due under this Lease, then Tenant will immediately notify Landlord of such occurrence and this Lease shall terminate on the last day of the fiscal period for which appropriations were received, without penalty or expense to the Tenant of any kind whatsoever, except as to the portions of lease payments herein agreed upon for which funds shall have been appropriated and budgeted, or are otherwise available. In the event of such termination, Tenant agrees to peacefully surrender possession of the Premises to Landlord on the date of such Termination. However, in the event of such premature Termination of the Lease by Tenant, Landlord shall be under no obligation to reimburse Tenant for any improvements made by Tenant to the Premises and such improvements shall become the property of Landlord upon the termination of this Lease for any purposes. Landlord will have all legal and equitable rights and remedies to take possession of the Premises upon such Termination.
  
3. *Other Alterations.* Except as set forth in the paragraph E-1 above, Tenant covenants and agrees that Tenant will make no material changes, additions, or improvements to the Premises without the prior written consent of Landlord, which Landlord consent shall be under no obligation to give, but in the event that Landlord does so consent, that consent shall be subject to the following provisions:
  - a. All changes, additions, and improvements in or to the Premises shall immediately upon alteration or installation become the property of the Landlord and shall be surrendered with the Premises as a part thereof at termination of the Lease.
  
  - b. Tenant shall submit to Landlord, for Landlord's written approval, drawings and/or specifications of any work to be done or fixtures to be installed to the Premises prior to any alterations, changes, additions, and improvements in or to the Premises.
  
4. *Mechanic's and Materialman's Liens.* Nothing contained in this Lease shall empower Tenant to do any act, which may cloud or encumber Landlord's title to the Premises. Tenant agrees that Tenant will not permit the lien of any contractor, subcontractor, mechanic, laborer, or materialman to be and remain a lien upon the Premises, or upon the right, title or interest of Tenant created by this Lease, after the indebtedness secured by such lien shall become due. Any such lien shall be discharged by Tenant within ten (10) days after its filing, provided, however, Tenant may contest the correctness or validity of any such lien if within said ten (10) day period Tenant procures and records a lien release bond issued by a corporation authorized to issue surety bonds in Texas in an amount equal to one and one-half times the amount of the claim of lien.
  
5. *Move-Out Condition.* Tenant will surrender the Premises in the same condition as when received, normal wear and tear excepted. "Normal wear and tear" means deterioration that

occurs without negligence, carelessness, accident, or abuse. Tenant will leave the Premises in a clean condition free of all trash, debris, and any personal property or belongings.

6. *Maintenance and Repair of the premises.* Landlord and Tenant agree that in lieu of any implied and/or statutory duties and obligations regarding repair and maintenance of the Premises, the following provisions shall apply:

a. Maintenance by Landlord. Under no circumstances shall Landlord be under any obligation to maintain and/or repair any part of the Premises.

b. Maintenance by Tenant. Tenant covenants and agrees to repair and maintain in good order and condition, at Tenant's sole cost and expense, whether the same be the property of the Tenant or Landlord, all of the Premises. If Tenant should not maintain the Premises, promptly making all needed repairs, Landlord may, it is not required to, make any needed repairs, and Tenant shall promptly pay the cost thereof, which payment shall be secured in the same manner as Rent.

7. *Insurance Obligations.*

a. Tenant's Insurance. Tenant shall, at Tenant's cost and expense, obtain and maintain throughout the term of this Lease commercial general liability insurance against claims for personal injury, death and property damage occurring in or about the Premises. This policy shall (i) name Landlord as an additional insured, and (ii) be primary coverage, so that any insurance coverage obtained by Landlord shall be in excess thereof.

b. Evidence of Insurance. Tenant agrees to deliver certificates of insurance to Landlord for commercial general liability insurance on ACORD for 25; and containing the additional insured endorsement known as "Designated Person or Organization" (commercial general liability form 2026-1185).

c. Landlord's Insurance. Landlord will be under no obligation to obtain or maintain any insurance relating to this Lease or the Premises.

d. Hold Harmless. Except as expressly provided in this Lease to the contrary, Landlord shall not be liable to Tenant or the agents, employees, contractors, customers, or invitees of Tenant for any such damage to person or property caused by any act, omission or neglect of Tenant or agents, servants or employees of the Tenant. Except as expressly provided in this Lease to the contrary, Tenant shall not be liable to Landlord, or the Landlord's agents, heirs, personal representatives or assigns, for any damage to person or property caused by any act, omission or neglect of Landlord or the agents, heirs, personal representatives or assigns of Landlord.

8. *Abatement.* Tenant's covenant to pay rent and Landlord's covenants are independent. Except as otherwise provided, Tenant will not be entitled to abate rent for any reason.

9. *Application of Funds.* Landlord will apply all funds received from Tenant first to any non-rent obligations of Tenant, including late charges, then to rent that is not Base Rent, and then to base Rent, regardless of any notations on a check.
10. *Condemnation/Substantial or Partial Taking.* If the Premises cannot be used for the purposes contemplated by this Lease because of condemnation or purchase in lieu of condemnation, this Lease will terminate.
  - a. If there is a condemnation or purchase in lieu of condemnation and this Lease is not terminated, the Base Rent payable during the unexpired portion of the Term will be adjusted as may be fair and reasonable.
  - b. Tenant will have no claim to the condemnation or purchase in lieu of condemnation relating to the Premises.
11. *Taxes.* Landlord will pay no more than SEVEN HUNDRED SIXTY-FOUR AND 85/100 DOLLARS (\$764.85) of the annual ad valorem property taxes on that part of the Premises owned by Landlord and that constitutes real estate ("Landlord's Stipulated Tax Payment"). In the event the ad valorem taxes for the year 2022, and following years during the term of this Lease exceed the Landlord's stipulated Tax Payment, then, as additional Rent and further consideration for the execution of this Lease, Tenant agrees to pay to Landlord within ten (10) business days from the date Landlord submits evidence thereof to the County Judge of Polk County, Texas, a sum of money equivalent to the difference between the amount of the ad valorem taxes for the year in question and the Landlord's Stipulated Tax Payment.
12. *Default by Landlord/Events.* Defaults by Landlord are failing to comply with any provision of this Lease within thirty (30) days after written notice from Tenant to Landlord.
13. *Default by Landlord/Tenant's Remedies.* Tenant's remedies for Landlord's default are to either sue for damages or terminate this Lease. Any suit by Tenant for damages shall be subject to the limitations of Landlord's liability as stated in the following paragraph.
14. *Limited Liability of Landlord.* Notwithstanding anything contained in this Lease to the contrary, the liability of Landlord under this lease is expressly limited to Landlord's interest in the Premises as it may be now or hereafter encumbered and Tenant agrees to look solely to Landlord's interest in the Premises for recovery of any judgement against Landlord. Landlord shall not have any personal liability for any judgement or deficiency. Under no circumstances whatsoever shall Landlord ever be liable hereunder for consequential damages or special damages. This section shall not limit any right of Tenant to obtain specific performance of Landlord's obligations hereunder.
15. *Default by Tenant/Events.* Defaults by Tenant are (a) failing to pay timely rent and (b) failing to comply within ten business days after written notice with any provision of this Lease other than the defaults set forth in (a) above.

16. *Default by Tenant/Landlord's Remedies.* Landlord's remedies for Tenant's default are to (a) enter and take possession of the Premises, after which Landlord may relet the Premises on behalf of Tenant and receive the Base Rent directly by reason of the reletting, and Tenant agrees to reimburse Landlord for any deficiency in the Base Rent and for any expenditures made in order to relet; (b) enter the Premises and perform Tenant's obligations; and/or (c) terminate this Lease written notice and sue for damages.
17. *Default/Waiver/Mitigation.* It is not a waiver of default if the nondefaulting party fails to declare immediately a default or delays in taking any action. Pursuit of any remedies set forth in this Lease does not preclude pursuit of other remedies in this Lease or provided by law. Landlord and Tenant have a duty to mitigate damages.
18. *Holdover.* It is distinctly understood and agreed by and between Landlord and Tenant that any holding over by Tenant of the Premises after the termination of this Lease for any reason shall operate and be construed as a tenancy from month to month, terminable at the will of Landlord, at a monthly rental of eight hundred dollars (\$800.00) per month.
19. *Attorney's Fees.* If either party retains an attorney to enforce this Lease, the party prevailing in litigation is entitled to recover reasonable attorney's fees and court and other costs.
20. *Venue.* Venue is in Polk County, Texas, the county in which the Premises are located.
21. *Entire Agreement.* This Lease, together with any attached addenda, exhibits and riders, is the entire agreement of parties, and there are no oral representations, warranties, agreements, or promises pertaining to this Lease or to any expressly mentioned addenda, exhibits and riders not incorporated in writing in this Lease.
22. *Amendment of Lease.* Only an instrument in writing signed by Landlord and Tenant may amend this Lease. Neither Landlord nor Tenant shall be obligated to make any amendments to this Lease.
23. *Limitation or Warranties.* THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OR OF ANY OTHER KIND MADE BY LANDLORD TO TENANT ARISING OUT OF THIS LEASE, AND THERE ARE NO WARRANTIES OF LANDLORD THAT EXTEND BEYOND THOSE EXPRESSLY STATED IN THIS LEASE.
24. *Notices.* Any notice required or permitted under this Lease must be in writing, Any notice required by this Lease will be deemed to be delivered (whether actually received or not) three (3) business days (Saturday, Sunday and postal holidays not deemed to be business days) after it is deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this Lease. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein.



25. *Execution of Termination Statement.* Upon Termination of this Lease for any reason, Tenant hereby agrees to execute and acknowledge a document suitable for recording in the Real Property Records of Polk County, Texas acknowledging the Termination of this Lease.


26. *Interpretation and Construction of Lease Terms.* Within this Lease, words of any gender shall be held and construed to include any other gender, and word in the singular number shall be held and construed to include the plural, unless the context otherwise requires. Titles appearing at the beginning of any subdivision hereof are for convenience only, do not constitute any part of such subdivisions, and shall be disregarded in construing the language contained in such subdivision. The use of the words "herein", "hereof", "hereunder" and other similar compounds of the word "here" shall, unless the context dictates otherwise, refer to this entire Lease and not to any particular paragraph or provision. The term "person" and words importing persons as used in this Lease shall include firms, association, partnerships (including limited partnerships), limited liability companies, joint ventures, trusts, corporations and other legal entities, as well as natural persons.

LANDLORD:

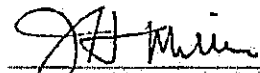
TENANT:


COUNTY OF POLK, STATE OF TEXAS

  
CANNON PRITCHARD

BY   
SYDNEY MURPHY, County Judge, and in  
her representative capacity of the  
Commissioners Court of Polk County, Texas

  
JUDSON PRITCHARD

  
JAMES H. MILLER, JR.

  
ROSS S. MILLER

  
CLINT J. MILLER