

LEASE AGREEMENT

STATE OF TEXAS §

COUNTY OF BROWN §

THIS AGREEMENT OF LEASE, made this 1st day of January, 2025 (the "Effective Date"), by and between the City of Brownwood, Texas, a Municipal Corporation and body politic, of Brown County, Texas, hereinafter called "Lessor", and Brown County, a political subdivision of the State of Texas, hereinafter called "Lessee".

In consideration of the mutual covenants and agreements set forth, and other good and valuable consideration, Lessor does hereby demise and lease to Lessee, and Lessee does hereby lease from Lessor, the building lying and being situated on property being part of the Taylor Smith Survey (A-821) and designated as Tract No. A-146 by the U.S. Army Corps of Engineers, more commonly known as Memorial Park, within the confines of the City of Brownwood, Brown County, Texas, and hereinafter called the "leased premises."

ARTICLE 1. TERM

1.01. The term of this Lease Agreement shall be ten (10) years commencing on the 1st day of January, 2025, and ending on the 31st day of December 2034, unless sooner terminated as (2034) hereinafter provided. Notwithstanding the term hereof, Lessor and Lessee are each granted the right to terminate this Lease, without cause, by giving the other party ninety (90) days' written notice of intention to terminate this Lease.

ARTICLE 2. CONSIDERATION

2.01. As consideration for this Lease and the use of the leased premises, Lessee shall do the following:

- (1) Landscape work, including walkways, for the building;
- (2) Repair and maintenance of the building, as is required to keep it in suitable condition;
- (3) Display items of historical and general interest to the public in the building to memorialize and honor U.S. veterans;
- (4) no later than ten (10) days after the Effective Date of this lease, Lessee shall provide a written list of the offices and/or office holders located in the building, and in the event that the offices change and/or officer holders change, will notify the Lessor, in writing, within thirty (30) days.

It is further agreed and understood that Lessee shall not make any structural changes to the building and any permanent improvements or installations on the grounds of the leased premises without obtaining the prior written approval of the Lessor. All alterations, additions or improvements made by Lessee shall become the property of Lessor at the termination of this Lease Agreement; however, Lessee shall promptly remove, if Lessor so elects, all alterations, additions and improvements, and any other property placed in the premises by Lessee, and Lessee shall repair any damage caused by such removal.

ARTICLE 3. USE OF PREMISES

December 23, 2024
(Exhibit # 11)

3.01. Lessee will use the leased premises only for the following uses, unless Lessor shall give Lessee prior written consent: office space for the County offices listed in response to 2.01(4) above.

ARTICLE 4. MAINTENANCE AND SURRENDER

4.01. Lessee acknowledges that its acceptance of possession of the leased premises constitutes a conclusive admission that it has inspected the leased premises and accepts them "as is."

4.02. Lessee shall throughout the Lease Agreement term maintain the leased premises and keep them free from waste or nuisance, and shall deliver up the premises in a clean and sanitary condition at the termination of this Lease Agreement, in good repair and condition, reasonable wear and tear and damage by fire, tornado, or other casualty excepted. Maintenance of plumbing and lighting shall be the responsibility of the Lessee during the term hereof.

ARTICLE 5. UTILITIES AND GARBAGE REMOVAL

Utility Charges

5.01. Lessee will pay all utility charges for water, electricity, heat, gas, and telephone service used in and about the leased premises during the lease term. Lessee will pay the charges directly to the utility company or municipality furnishing the service before the charges are delinquent.

Garbage Removal

5.02. Lessee will pay for all garbage removal from the leased premises during the lease term.

ARTICLE 6. INDEMNITY

6.01. All property of every kind and whatsoever nature, which may be on said demised premises during the term hereof, shall be at the sole risk of Lessee or those claiming or to claim under Lessee and the Lessor shall not be liable to Lessee, or to any other person whatsoever, for any injury, loss or damage to any person or property in or upon said leased premises, or upon any property contiguous thereto. Lessee hereby covenants and agrees to assume all liability for or on account of any injury, loss or damage above-described, and to save Lessor harmless therefrom. Furthermore, Lessor shall not be liable to Lessee or to Lessee's patrons, employees, licensees, permittees or visitors, for any damage to person or property due to the building on said premises or any appurtenances thereof being improperly constructed, or being or becoming in need of repair, nor for any damages from any defects or want of repair of any part of the building of which the leased premises form apart, but Lessee accepts said premises as wholly suitable for the purposes for which same is leased and accepts the building and each and every appurtenance thereof and waives defects therein, and further agrees to hold Lessor harmless from all claims for any such damage.

6.02. Further, to the extent allowed by law, Lessee agrees to indemnify and hold Lessor harmless against any and all claims, demands, damages, costs and expenses, including reasonable attorney's fees for the defense thereof, arising from the use of the leased premises or from any breach on the part of Lessee of any conditions of this Lease Agreement, or from any act of guests, invitees in or about the leased premises. In case of any action or proceeding brought against Lessor by reason of any such claim under the indemnity provisions of this Lease Agreement, Lessee, upon written notice from Lessor, covenants to defend such action or proceeding by counsel acceptable to Lessor.

ARTICLE 7. LIABILITY INSURANCE

7.01. Lessee, at its own expense, must provide and maintain in force during the lease term liability insurance in the amount of \$1,000,000.00 (one million dollars) per occurrence. Choice of an insurance company is subject to approval by Lessor, who will not unreasonably withhold approval if the company has a Best's Insurance Rating of B++ or a Best's Financial Performance Rating of VIII or better. The policy must name Lessor as an additional insured, waive the insurance company's subrogation rights against Lessor and Lessee, and must be with one or more insurance companies authorized or admitted to transact business in Texas. Lessor will obtain property insurance on the building. Lessee will be responsible for obtaining insurance on all personal property and contents located on the leased premises.

7.02. Lessee must furnish Lessor with certificates of all insurance required by this article. If Lessee does not provide the certificates when Lessor delivers possession to Lessee or if Lessee allows any insurance required under this article to lapse, Lessor may, at its option, take out and pay the premiums on the necessary insurance to comply with Lessee's obligations under this article. Lessor is entitled to immediate reimbursement from Lessee for all amounts spent to procure and maintain the insurance, with interest at the rate of prime plus three (3) percent annually from the date of payment by Lessor until reimbursed.

ARTICLE 8. ASSIGNMENT AND SUBLEASE

8.01. Lessee shall not have the right, unless it has the prior written consent of Lessor, such consent to be within the total and absolute discretion of Lessor, to assign this Lease Agreement, and any interest therein, or to sublet the leased premises, or any part thereof, or any right or privilege pertinent thereto.

8.02. Lessor is expressly given the right to assign any or all of its interest in this Lease Agreement.

ARTICLE 9. DEFAULT

9.01. In case of default of any covenants herein or upon default in performance of the consideration for this Lease hereinafter set out, Lessor may forfeit this lease if any such default continues for thirty (30) days after notice thereof in writing to Lessee of Lessor's intention to declare the lease forfeited.

IN WITNESS WHEREOF, the undersigned Lessor and Lessee hereto have executed this agreement as of the day and year first above written.

LESSOR:

CITY OF BROWNWOOD, TEXAS

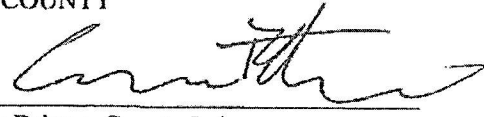
By: 

Stephen Haynes, Mayor

LESSEE:

BROWN COUNTY

By: _____

A handwritten signature in black ink, appearing to read 'Shane Britton', written over a horizontal line.

Shane Britton, County Judge