

COMMERCIAL LEASE AGREEMENT

This Lease Agreement is effective upon the 1st day of October, 2017, by and between **Burnet County**, 220 South Pierce Street, Burnet, Texas 78611, State of Texas, hereinafter referred to as "**Lessor**", and **Lone Star Land Partners LLC**, P.O. Box 1268, Marble Falls, State of Texas, hereinafter referred to as "**Lessee**", collectively referred to herein as the "**Parties**";

The Parties hereby agree as follows:

DESCRIPTION OF LEASED PREMISES: The Lessor hereby agrees to lease to Lessee, and the Lessee does hereby leases from the Lessor with full right, title and enjoyment thereto, the following described premises: **2.10 acres of undeveloped land located at 1701 East Polk Street, Burnet, Texas 78611, herein referred to as "Premises"**.

USE OF LEASED PREMISES: The Lessor is leasing Premises to the Lessee and the Lessee is hereby agreeing to lease Premises for the following use and purpose: Temporary Sales Office location for large acreage communities in the Burnet, Texas area.

Any change in the use or purpose to Premises other than what is as described above shall not occur unless prior written consent of Lessor occurs.

TERM OF LEASE: The term of this Lease shall be for a period of one year commencing on the 1st day of October, 2017 and expiring at Midnight on the 30th day of September, 2018. ("Initial Term")

LEASE RENEWAL OPTION: Lessee has the right to renew the term of this Lease for one additional one-year term. Lessee may exercise its renewal option by giving written notice to Lessor not less than 60 days prior to the expiration of the initial term. Should renewal option be exercised, Lessee shall continue to abide by the same rent, covenants, conditions and provisions as provided in this Lease.

RENT AND EXPENSES: The net monthly base rent shall be one thousand dollars (**\$1,000.00**), payable monthly with the first payment due upon the commencement of the Lease and each monthly installment payable thereafter on the first day of each month. Rent for any period during the term hereon, which is for less than one month shall be a pro-rata portion of the monthly rent.

TEMPORARY BUILDING AND PARKING AREA: The Parties acknowledge that Lessee shall place a temporary building on Premises for its use. A temporary building shall be a structure designed to be removed with minimal action and cost. Said building must meet any and all legal permitting requirements and

code regulations set by the city of Burnet at all times. The temporary building will be used as a sales office for the Lessee as described above. A gravel parking area shall also be placed upon Premises to serve the temporary building. Said parking area must also meet all legal permitting requirements and code regulations set by the City of Burnet at all times. The defined area for parking must be approved by the Burnet County Judge prior to its creation. Upon termination of the lease, the temporary building must be removed from the premises within 15 calendar days after expiration of the lease term or be deemed by agreement of the Parties to have been abandoned. Thereafter, ownership of the temporary building shall automatically transfer to Lessor Burnet County for its use and enjoyment. The Parties agree that the parking area will remain after the termination of the lease and owned and controlled by Lessor Burnet County thereafter. The cost for the temporary building and parking area to be placed on Premises shall be at the sole cost of the Lessee.

The Lessee agrees and understands and agrees that all ingress and egress to Premises and the parking area for the temporary building shall be from CR 250 which abuts Premises. Lessee shall obtain approval from the Burnet County Judge as to the exact location along CR 250 where a driveway will be created by the Lessee at the Lessee's expense.

UTILITIES: The temporary building placed upon Premises must have electric, water, and sewer utilities plus trash pick-up services set up with the city of Burnet at the sole expense of the Lessee. The set-up of utilities may include the payment of installation fees and/or the actual installation of conduit, pipe, utility poles, garbage containers or other associated items and/or measures required to fully access the utility services offered by the city of Burnet. Once established, all utilities to the temporary building must be maintained at the sole expense of the Lessee until the expiration of the lease and/or the removal of the temporary building from Premises. Lessor shall be further responsible to obtain all applicable permits associated with setting up the utilities.

INSURANCE

The Lessee will provide and maintain personal liability and property damage insurance as a lessee, at least to the limits of One Million Dollars (\$1,000,000.00), and will designate the Lessor as an "also named insured", and shall provide the Lessor with a copy of such insurance certification or policy prior to the effective date of this Lease.

TAXES

Lessor shall pay, during the term of this Lease, the real estate taxes and special taxes and assessments (collectively, the "taxes") attributable to Premises and accruing during such term. In the event Lessee does not make any tax payment required hereunder, Lessee shall be in default of this Lease.

SECURITY DEPOSIT: No security deposit shall be due and payable in advance upon the signing of this Lease.

LEASEHOLD IMPROVEMENTS: The Lessee agrees that no leasehold improvements, alterations or changes of any nature, (except for the erection of a temporary building and corresponding parking area) shall be made to Premises without first obtaining the consent of the Lessor in writing, which consent shall not be unreasonably withheld, and that thereafter, any and all leasehold improvements made to Premises which become affixed or attached shall remain the property of the Lessor at the expiration or termination of this Lease Agreement. Furthermore, any leasehold improvements shall be made only in accordance with applicable federal, state or local codes, ordinances or regulations, having due regard for the type of construction of the building housing the subject leasehold premises. If Lessee makes any improvements to Premises, Lessee shall pay for the same.

Nothing in the Lease shall be construed to authorize Lessee or any other person acting for the Lessee to encumber the rents of Premises or the interest of the Lessee in Premises or any person under and through whom the Lessee has acquired its interest in Premises with a mechanic's lien or any other type of encumbrance. Under no circumstance shall Lessee be construed to be the agent, employee or representative of Lessor. In the event a lien is placed against Premises through actions of the Lessee, Lessee will promptly pay the same or bond against the same and take steps immediately to have such lien removed. If Lessee fails to have the Lien removed, Lessor shall take steps to remove the lien and Lessee shall pay Lessor for all expenses related to the Lien and removal thereof and shall be in default of this Lease.

OBLIGATIONS OF LESSEE: The Lessee shall be responsible whenever needed for maintenance and general pickup of Premises, so that this is kept in a neat, safe and presentable condition. General maintenance includes, but is not limited to the mowing of the entire Premises. It also includes any and all work required to keep the Temporary Building plus the parking area in good condition. All portions of Premises shall be kept in a good, safe and clean condition at all times and Lessee shall properly and promptly remove all rubbish and hazardous wastes accordingly, seeing that the same are properly disposed of according to all local, state or federal laws, rules regulations or ordinances.

In the event Premises is damaged as a result of any neglect or negligence of Lessee, its employees, agents, business invitees, or any independent contractors serving the Lessee or in any way as a result of Lessee's use and occupancy of the premises, then the Lessee shall be primarily responsible for seeing that the proper claims are placed with the Lessee's insurance company, or the damaging party's insurance company, and shall furthermore be responsible for seeing that Premises are safeguarded with respect to said damage and that all proper

notices with respect to said damage, are made in a timely fashion, including notice to the Lessor, and the party or parties causing said damage.

Lessee shall not knowingly commit nor permit to be committed any act or thing contrary to the rules and regulations prescribed from time to time by any federal, state or local authorities and shall expressly not be allowed to keep or maintain any hazardous waste materials or contaminates on the premises. Lessee shall also be responsible for the cost, if any, which would be incurred to bring her contemplated operation and business activity into compliance with any law or regulation of a federal, state or local authority.

SUBLET/ASSIGNMENT: The Lessee may not transfer or assign this Lease, or any right or interest hereunder or sublet said Premises or any part thereof without first obtaining the prior written consent and approval of the Lessor.

DAMAGE TO LEASED PREMISES: In the event the leased Premises are destroyed or damaged as a result of any fire or other casualty which is not the result of the intentional acts or neglect of Lessee and which precludes or adversely affects the Lessee's occupancy of the leased premises, then in every such cause, the rent herein set forth shall be abated or adjusted according to the extent to which the leased premises have been rendered unfit for use and occupation by the Lessee and until the demised premises have been put in a condition at the expense of the Lessor, at least to the extent of the value and as nearly as possible to the condition of the premises existing immediately prior to such damage. It is understood, however, in the event of total or substantial destruction to the premises that in no event shall the Lessor's obligation to restore, replace or rebuild exceed an amount equal to the sum of the insurance proceeds available for reconstruction with respect to said damage.

DEFAULT AND POSSESSION: In the event that the Lessee shall fail to pay said rent, and expenses as set forth herein, or any part thereof, when the same are due and payable, or shall otherwise be in default of any other terms of said Lease for a period of more than 15 days, after receiving notice of said default, then the parties hereto expressly agree and covenant that the Lessor may declare the Lease terminated.

In the event any legal action has to be instituted to enforce any terms or provisions under this Lease, then the prevailing party in said action shall be entitled to recover a reasonable attorney's fee in addition to all costs of said action.

INDEMNIFICATION: The Lessee hereby covenants and agrees to indemnify, defend and hold the Lessor harmless from any and all claims or liabilities which may arise from any cause whatsoever as a result of Lessee's use and occupancy of the premises, and further shall indemnify the Lessor for any losses which the Lessor may suffer in connection with the Lessee's use and occupancy or care,

custody and control of Premises. The Lessee also hereby covenants and agrees to indemnify and hold harmless the Lessor from any and all claims or liabilities which may arise from any latent defects in the subject premises that the Lessor is not aware of at the signing of the lease or at any time during the lease term.

MISCELLANEOUS TERMS:

- I. Usage By Lessee: Lessee shall comply with all rules, regulations and laws of any governmental authority with respect to use and occupancy. Lessee shall not conduct or permit to be conducted upon the premises any business or permit any act which is contrary to or in violation of any law. In no event shall explosives or extra hazardous materials be taken onto or retained on the premises. Furthermore, Lessee shall not install or use any equipment that will cause undue interference with the peaceable and quiet enjoyment of Premises.
- II. Signs: Lessee shall not place on any sign or advertising matter without on Premises without the prior approval of the Burnet County Judge and erected according to the regulations set by the city of Burnet. Thereafter, Lessee agrees to maintain such sign or advertising matter as first approved by Lessor in good condition and repair. Upon vacating Premises, Lessee agrees to remove all signs and to repair all damages caused or resulting from such removal.
- III. Condition of Premises/Inspection by Lessee: The Lessee has had the opportunity to inspect Premises and acknowledges with its signature on this lease that Premises are in good condition and comply in all respects with the requirements of this Lease. Furthermore, the Lessor makes no representation or warranty with respect to the condition of Premises or its fitness or availability for any particular use, and the Lessor shall not be liable for any latent or patent defect therein. Furthermore, the Lessee represents that Lessee has inspected Premises and is leasing and will take possession of the premises in the "as is" condition as of the date hereof.
- IV. Right of Entry: It is agreed and understood that the Lessor and its agents shall have the complete and unencumbered right of entry to the premises at any time or times for purposes of inspecting or showing the Premises and for the purpose of making any necessary repairs to Premises as may be required. Said right of entry does not include the temporary building on Premises.

Governing Law: This Lease shall be governed by the laws of the State of Texas.

Notices: Payments and notices shall be addressed to the following:

Lessor

Burnet County 220 S. Pierce Street, Burnet, Texas 78611.
Attention: Judge James Oakley

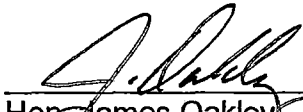
Lessee

Lone Star Land Partners LLC; P.O. Box 1268, Marble Falls, Texas 78654.
Attention: Mr. Davy Roberts, President

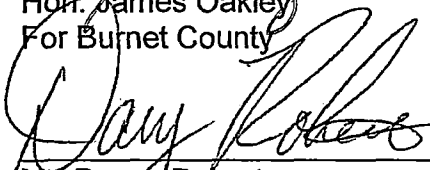
Amendment: No amendment of this Lease shall be effective unless reduced to writing and subscribed by the parties with all the formality of the original.

Binding Effect: This Lease and any amendments thereto shall be binding upon the Lessor and the Lessees and/or their respective successors, heirs, assigns, executors and administrators.

IN WITNESS WHEREOF, the parties hereto set their hands and seal this 26th
day of Sept., 2017.


Hon. James Oakley
For Burnet County

James Oakley
Printed Name


Mr. Davy Roberts
For Lone Star Partners LLC

DAVY ROBERTS
Printed Name

ACKNOWLEDGMENT OF NOTARY PUBLIC

STATE OF TEXAS
Burnet County,

On this ____ day of _____, 2017, before me appeared James Oakley, on behalf of **LESSOR Burnet County** regarding this Lease Agreement who proved to me and in my presence executed foregoing instrument and acknowledged that he executed the same as their free act and deed.

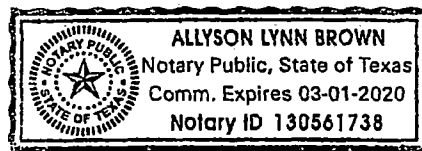
Notary Public
My commission expires: _____

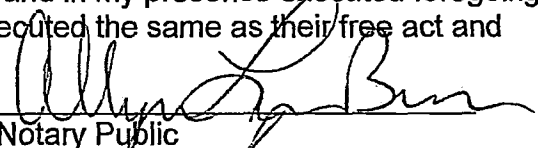
ACKNOWLEDGMENT OF NOTARY PUBLIC

STATE OF TEXAS

Burnet County,

On this 18th day of September, 2017, before me appeared Davey Roberts, on behalf of **LESSEE Lone Star Land Partners LLC.** regarding this Lease Agreement who proved to me and in my presence executed foregoing instrument and acknowledged that he executed the same as their free act and deed.




Notary Public

My commission expires: 03-01-2020