

THE STATE OF TEXAS §  
  §  
COUNTY OF HIDALGO §

**LEASE AGREEMENT  
C-06-212-09-18**

THIS LEASE AGREEMENT is made effective as of the 18 day of September, 2006, by and between Hidalgo County, Texas (hereinafter referred to as "Lessor", and **ARISE Las Milpas, Inc., a Texas non-profit corporation**, successor referred to in this Lease as Lessee.

**ARTICLE 1. DEMISE OF LEASED PREMISES**

For and in consideration of the rents, covenants, and promises herein contained to be kept, performed, and observed by Lessee, Lessor does hereby lease and demise to Lessee, and Lessee does hereby rent and accept from Lessor, that certain tract of land located in Hidalgo County, Texas, together with all improvements located thereon, such land and improvements being more particularly described on Exhibit "A", which is attached hereto and made a part hereof for all purposes (hereinafter referred to as the "Leased Premises").

**ARTICLE 2. LEASE TERM**

**Fixed Commencement and Termination Date**

2.01. This Lease shall be for a term of five (5) years, (hereinafter referred to as the "Lease Term"), commencing on September 18, 2006, and ending on September 17, 2011; subject, however, to earlier termination as hereinafter provided. Lessor shall have the right and option to renew and extend the term of this Lease for five (5) additional years term. If Lessor desires to renew and extend the term of this Lease for such renewal period, Lessor must give Lessee written notice of such renewal at least sixty (60) days prior to the termination of the initial lease term. Any renewal or extension of this Lease shall be on the terms and conditions as provided herein.

**Holding Over**

2.02. If Lessee shall hold over after the expiration of the Lease Term, or any renewal or extension, such tenancy shall be from month to month on all the terms, covenants, and conditions of this Lease.

**Right of Termination**

2.03. This Lease may be terminated by either party hereto upon sixty (60) days written notice to the other. Notice of termination shall be delivered to the parties pursuant to Article 16.01 herein

### **ARTICLE 3. RENT**

Lessee agrees to and shall pay Lessor as rent for the Leased Premises, the sum of One Dollar (\$1.00) per year payable in advance.

### **ARTICLE 4. TAXES**

Lessee shall pay and discharge all taxes, general and special assessments, and other charges of every description which during the term of this Lease may be levied on or assessed against the Leased Premises and all improvements and other property thereon, whether belonging to Lessor or to Lessee. Lessee shall pay all such taxes, charges, and assessments, if any, to the public officer charged with the collection thereof not less than fifteen (15) days before the same shall become delinquent, and Lessee agrees to indemnify and save Lessor harmless from all such taxes, charges, and assessments.

### **ARTICLE 5. UTILITIES**

Lessee shall pay or cause to be paid all charges for water, heat, gas, electricity, sewers, and any and all other utilities used on the Leased Premises.

### **ARTICLE 6. USE OF PREMISES**

The sole permitted use of the Leased Premises by Lessee shall be for the location and operation of a park and recreational purposes including but not limited to literacy development for persons located in Hidalgo County, Texas.

### **ARTICLE 7. RENOVATION OF LEASED PREMISES**

#### **Improvements by Lessee**

7.01. Any and all plans for any improvements of the Leased Premises shall be submitted to the Lessor for approval.

#### **Lessor's Ownership of Improvements and Fixtures**

7.02. It is expressly understood and agreed that, during the term of this Lease any all buildings, improvements, fixtures, of whatsoever nature at any time constructed or placed on any part of the Leased Premises if not removed by Lessee on or before the date of termination of the Lease shall be the property of Lessor.

#### **Ownership of Improvements and Fixtures Upon Expiration or Termination**

7.03. Lessee covenants and agrees that at the expiration of this Lease or upon its earlier termination as provided herein, if Lessee has not removed any buildings, improvements or fixtures constructed or placed on the Leased Premises prior to the expiration or termination of this Lease, Lessee shall peacefully deliver possession of the Leased Premises and all improvements,

including any buildings, improvements and fixtures which the Lessee may have brought, placed or constructed upon the Leased Premises to the Lessor.

## **ARTICLE 8. ENCUMBRANCE OF LEASEHOLD ESTATE**

Lessee shall not encumber the leasehold interest.

## **ARTICLE 9. REPAIRS**

### **Lessee's Duty to Repair**

Except as otherwise provided herein, Lessee, at Lessee's own cost, hereby agrees to keep and maintain, or cause to be kept and maintained, all buildings and improvements located on the Leased Premises in a good state of appearance and repair, reasonable wear and tear excepted.

## **ARTICLE 10. CONDEMNATION OR CASUALTY**

In the event all or any part of the Leased Premises shall be damaged by fire, casualty or other causes, or in the even all or any part of the Leased Premises is taken in any condemnation proceedings, Lessee shall have the right to cancel this Lease, if in the judgement of Lessee such casualty or condemnation proceeding has made the Leased Premises unsatisfactory for use by the Lessee.

## **ARTICLE 11. INSURANCE**

11.01. Lessee agrees to keep in force, at its sole cost, comprehensive general liability insurance applicable to the Leased Premises. Said insurance shall contain minimum limits equal to Lessor's liability as set forth in the Texas Tort Claims Act, Section 101.001, et seq., Tex. Civ. Proc. And Rem. Code Ann., as same may from time to time during the term hereof be amended. Such policy(s) shall include Lessor and Lessee as named insured. Such policy(s) of insurance shall be issued by insurance company(s) acceptable to Lessor, shall provide for written notice to Lessor by the insurance underwriter not less than ten (10) days in advance of the date of any cancellation, and Lessor promptly shall be furnished a duplicate original of such policy.

### **Indemnification**

11.02. Lessee shall indemnify and hold Lessor harmless from and against all claims, actions and demands of any nature whatsoever arising from personal injury or death to any person or from losses of or damages to any property, which claims, actions and demands allegedly result from any act or omission of Lessee, or of any of its agents, employees, licensees or invitees or occasioned by the failure of Lessee to maintain the Leased Premises in safe condition, or from any act or omission relating to the use and/or storage of any equipment, materials, supplies or other things of any nature whatsoever related to or in connection with the use and operation of the Leased Premises, and/or the performance of this Lease; and Lessee shall reimburse Lessor all expenses or costs incurred by Lessor in connection with any investigation, handling, settlement, defense and/or enforcement of any rights concerning the Leased Premises and/or the performance of this Lease and/or any and all such claims, actions

and demands, and shall pay any and all judgments, awards, and/or settlements resulting therefrom, except only any such claim, action or demand which allegedly was caused solely by the negligence of Lessor.

## **ARTICLE 12. ASSIGNMENT AND SUBLEASE**

### **Assignment and Subletting by Lessee**

12.01. Lessee shall have the right, upon obtaining the prior written consent of Lessor, to assign this Lease, and any interest therein, and to sublet in writing all of Lessee's obligations under this Lease.

### **Assignment by Lessor**

12.02. Lessor is expressly given the right to assign any or all of its interest under the terms of this Lease.

## **ARTICLE 13. DEFAULT AND REMEDIES**

### **Termination on Default**

13.01 Should Lessee default in the performance of any covenant, condition, or agreement in this Lease, and such default is not corrected within thirty (30) days after receipt of written notice from Lessor to Lessee, Lessor may declare this Lease, and all rights and interest created by it, to be terminated. Upon Lessor electing to terminate, this Lease shall cease and come to an end as if that were the day originally fixed herein for the expiration of the term hereof.

### **Other Remedies**

13.02. Any termination of this Lease as herein provided shall not relieve Lessee from any claim for damages then or theretofore accruing against Lessee hereunder, and any such termination shall not prevent Lessor from enforcing such claim for damages by any remedy provided for by law, or from recovering damages from Lessee for any default thereunder. No waiver by Lessee of a breach of any of the covenants, conditions, or restrictions of this Lease shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other covenant, condition, or restriction herein contained.

## **ARTICLE 14. WARRANTIES**

### **Lessor's Warranty of Title**

14.01. Lessor hereby represents and warrants that it is the owner in fee simple absolute of the Leased Premises subject to covenants, conditions, restrictions, easements, and other matter of record.

### **Lessor's Warranty of Quiet Enjoyment**

14.02. Lessor covenants and agrees that Lessee on paying the rent and other charges

herein provided for and observing and keeping the covenants, conditions, and terms of this Lease on Lessee's part to be kept or performed, shall lawfully and quietly hold, occupy, and enjoy the Leased Premises during the term of this Lease without hindrance or molestation of Lessor or any person claiming under Lessor except such portion of the Leased Premises, if any, as shall be taken under the power of eminent domain.

## **ARTICLE 15. GENERAL PROTECTIVE PROVISIONS**

### **Right of Entry and Inspection**

15.01. Lessee shall permit Lessor or Lessor's agents, representatives, or employees to enter on the Leased Premises for the purpose of inspection, to determine whether Lessee is in compliance with the terms of this Lease and for the purposes of maintaining, repairing or altering the Leased Premises.

### **No Partnership**

15.02. The relationship between Lessor and Lessee at all times shall remain solely that of landlord and tenant and not be deemed a partnership or joint venture.

### **Force Majeure**

15.03. It is expressly understood and agreed that the performance of any other covenant, agreement, obligation, or undertaking herein contained is delayed by reason of war, civil commotion, act of God, governmental restrictions, regulations or interferences, fire or other casualty, or any circumstances beyond the control of the party obligated or permitted under the terms hereof to do or perform the same, regardless of whether any such circumstances is similar to any of those enumerated or not, each such party shall be excused from doing or performing the same during such period of delay.

### **No Waiver**

15.04. No waiver by Lessor of any default or breach of any covenant, condition, or stipulation herein contained shall be treated as a waiver of any subsequent default or breach of the same or any other covenant, condition, stipulation hereof.

## **ARTICLE 16. MISCELLANEOUS**

### **Notices**

16.01. All notices provided to be given under this Agreement shall be given by certified mail or registered mail, return receipt requested, addressed to the property party. The date of mailing of any notice under this Agreement shall be deemed to be the date of such notice and shall be effective from such date. The addresses of the parties to this Agreement are as follows:

**LESSOR:**

**County of Hidalgo  
Attn: County Judge  
100 E. Cano St.  
Edinburg, Texas 78539**

**LESSEE:**

**ARISE Las Milpas  
Attn: Lupita Negrete  
125 E. Denny Drive  
Pharr, Texas 78577**

**Parties Bound**

16.02. This Agreement shall be binding upon and inure to the benefits of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns where permitted by this Agreement.

**Texas Law to Apply**

16.03. This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Hidalgo County, Texas.

**Legal Construction**

16.04. In case any one or more of the provision contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

**Prior Agreements Superseded**

16.05. This Agreement constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral agreements between the parties respecting the within subject matter.

**Amendments**

16.06. No amendment, modification, or alteration of the terms hereof shall be binding unless the same be in writing, dated subsequent to the date hereof and duly executed by the parties hereto.

**Rights and Remedies Cumulative**

16.07. The rights and remedies provided by this Lease Agreement are cumulative and the use of any right or remedy by either party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have law, statue, ordinance, or otherwise.

**Attorney's Fees**

16.08. In the event Lessor or Lessee breaches any of the terms of this Agreement whereby the party not in default employs attorneys to protect or enforce its rights hereunder any prevails, then the defaulting party agrees to pay the other party reasonable attorney's fees so incurred by such other property.

**Time of Essence**

16.09. Time is of the essence of this Agreement.

THIS LEASE has been executed by the parties on the date and year first above written.

**LESSOR:**  
**COUNTY OF HIDALGO, TEXAS**

**LESSEE:**  
**ARISE Las Milpas Inc.**

By: \_\_\_\_\_  
**Ramon Garcia, County Judge**

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

**ATTEST:**

**APPROVED AS TO FORM:**  
**ATLAS & HALL, LLP**

By: \_\_\_\_\_  
**Eddy Trevino, County Clerk**

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