

STATE OF TEXAS §
§
COUNTY OF HIDALGO §

**LEASE AGREEMENT BETWEEN
RAYBEC HERENCIA, LLC
AND
HIDALGO COUNTY**

This Lease is made and entered into by and between **Raybec Herencia, LLC.**, herein referred to as the "LESSOR" and Hidalgo County acting by and through its Head Start Program, herein referred to as the "LESSEE" in the Lease.

In consideration of the mutual covenants and agreements set forth in this Lease, and other good and valuable consideration, LESSOR demises and leases to LESSEE, and LESSEE leases from LESSOR, that certain building described as the Head Start building lying and being situated **at 100 La Herencia Dr. Mercedes, TX 78570** and more particularity described in Exhibit "A", attached hereto. The premises leased hereunder are referred to in this Lease as "the premises" known by lessee as "**La Herencia Head Start**", or "the Leased Premises."

ARTICLE 1. TERMS AND RENT

Term of Lease

1.01 The Leased Premises shall be used for the purpose of Head Start classrooms and for Head Start parent's meetings subject to the special terms (if any) which may be listed below. The Leased Premises are deemed for the purposes of this Agreement to constitute all 100% percent of such building in which the Leased Premises are located.

1.02 Except as otherwise provided herein, the initial term of this lease shall be for twelve (12) months commencing on **June 1, 2017** ("commencement date") and ending on **May 31, 2018**, ("termination date") unless sooner terminated as provided in this Lease, or unless renewed and extended in accordance with Paragraph 1.03, hereof.

Renewal or Termination

1.03 Provided LESSEE has not defaulted in any of the terms, conditions or provisions thereof, LESSEE shall be given the right of renewal and extend the term of the lease hereof, commencing on the first day of **June, 2018**, for a like term or terms as may be subsequently agreed to upon by both parties.

LESSEE shall have the right to terminate the Lease Agreement with or without cause with sixty (60) days written notice to the LESSOR.

1.04 LESSEE shall comply with the Texas Department of Human Services Inspection in regards to the number of children that can safely occupy the building at any one time.

Base Rent

1.05 LESSEE agrees to pay LESSOR the maximum rent amount of **\$ 3,600**, in twelve **(12)** equal monthly payments of **\$300.00** per month payable on the 1st day of each month. Payment shall be mailed to, **7855 Gross Point Rd # F Skokie, IL 60077**.

1.06 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 disruption by 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.

LESSEE shall accept possession of Leased Premises and equipment (if any) in their present condition and location.

ARTICLE 2. TAXES

Taxes

2.01 LESSOR shall pay all real property taxes assessments until this Lease either expires or terminates as provided herein.

2.02 LESSOR shall pay all personal property taxes and assessments on such Leased Premises as presently owned by LESSOR.

ARTICLE 3. MAINTENANCE ON PREMISES

3.01 LESSOR agrees to maintain the Leased Premises in a condition suitable for use for which this lease is intended.

3.02 LESSOR will keep all and singular the said building, including all of LESSOR'S improvements, fixtures, appurtenances, equipment and machinery in such repair as the same were at the commencement of the term. All repairs shall be at LESSOR'S expense and shall remain the property of the LESSOR at the termination of the lease.

3.03 LESSEE shall provide housekeeping services for said premises, limited to sweeping, mopping and emptying trash cans, at most, every two (2) working days, and waxing floors not more often than every two (2) weeks.

3.04 In the event that the Leased Premises are destroyed by flood or other casualty, the parties agree that this lease will be terminated and shall not be in force and effect during that period of time while the Leased Premises cannot be used for the purposes intended by Agreement.

3.05 It is agreed that all improvements made to or furnished by the LESSEE on the Leased Premises shall not become part of the realty and shall belong to LESSEE upon expiration of the lease and may be removed upon termination of the Lease or any extension hereof; provided, further, that all removal of such chattels will not damage the building upon which they are situated.

3.06 LESSEE shall maintain the land during this lease and will provide all major repairs at its own expense.

ARTICLE 4. UTILITIES

Utility Charges

4.01 LESSEE shall pay the charges for the water, sewer, garbage, trash pick-up services, telephone, gas and electricity furnished to the Lease Premises during the term of this lease.

ARTICLE 5. INSURANCE AND INDEMNITY

Property Insurance

5.01 LESSOR shall insure the building and equipment covered by this lease against fire, accident, or natural disaster. In the event the building(s), or equipment or any part thereof shall, during said term or any renewal hereof, be destroyed by fire, accident, or natural disaster the same shall be thereby rendered unfit for use and habitation, then and in such case, the rent heretofore reserved, or a just and proportionate part thereof, according to the nature and extent of the injury sustained, shall be suspended or abated until said Lease Premises shall have been put in proper condition for use and habitation, by LESSEE or this lease Agreement shall thereby be terminated and ended at the election of LESSEE or its legal representatives.

5.02 To the extent allowable under law, LESSEE agrees to hold LESSOR harmless for any liability for any accident or other legal cause of action based upon any tort which occurs on the Lease Premises, caused solely by LESSEE, its agent or employees.

5.03 LESSEE agrees that, during the term of this lease, it shall have in effect a liability insurance policy to protect LESSOR from any third party claims that may arise as a result of injuries caused to any person upon the premises herein described. The limits of this policy shall be not less than \$100,000.00 per person and \$300,000.00 per occurrence.

ARTICLE 6. MISCELLANEOUS

6.01 This Agreement shall be binding upon and insure to the benefit of the parties hereto and their respective successors, but LESSEE shall not assign any part of the premises.

6.02 LESSEE will not cause to be carried upon the premises any trade or business, which increases the rate of insurance premiums on the Leased Premises, building(s) or contents.

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

6.04 Commitment of Current Revenues Only. In the event that, during any term hereof, the County does not appropriate sufficient funds to meet the obligations of such party under this Agreement, then the LESSEE may terminate this Agreement upon sixty (60) days written notice to the other party. Both parties agree, however to use their best efforts to secure funds necessary for the continued performance of this Agreement. The parties intend these provisions to be a continuing right to terminate this Agreement at the expiration of each budget period of the parties.

WAIVER OF BREACH

A waiver by either LESSOR or LESSEE of a breach of this Lease by the other party shall not constitute a continuing waiver or waiver of any subsequent breach of the Lease.

ARTICLE 7. MISCELLANEOUS

Notices and Addresses

7.01 All notices required under this Lease will be deemed delivered when deposited in certified or registered mail, addressed to the proper party, at the following addresses:

LESSEE:

Hidalgo County Head Start Program
Attn: Teresa Flores, Executive Director
P.O. Box 0117
Edinburg, TX. 78540-0117

LESSOR:

Raybec Herencia, LLC
Attn: Ron Berman
78555 Gross Point # F
Skokie, IL 60077

Either party may change the address to which notices are to be sent in by giving the other party notice of the new address in the manner provided in this section.

Legal Construction

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

Prior Agreement

This Agreement constitutes the sole and only Agreement of the parties to the Agreement and supersedes any prior understandings or written or oral Agreements between the parties respecting the subject matter of this Agreement.

Amendment

No amendment, modification, or alteration of the terms of this Agreement shall be binding unless it is in writing, dated subsequent to the date of this Agreement, and duly executed by the parties to this Agreement.

Rights and Remedies Cumulative

The rights and remedies provided by this Lease Agreement are cumulative, and the use of any one right or remedy by either party shall not preclude or waive that party's right to use any or all other remedies. The rights and remedies provided in this Lease are in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

Attorney's Fees and Costs

If, as a result of a breach of this Agreement by either party, the other party employs an attorney or attorneys to enforce its rights under this Lease, then the breaching or defaulting party agrees to pay the other party the reasonable attorney's fees and cost incurred to enforce the Lease, as awarded by a court of competent jurisdiction.

Force Majeure

Neither LESSOR nor LESSEE shall be required to perform any term, conditions, or covenant in this Lease so long as such performance is delayed or prevented by force majeure, which shall mean acts of God, strikes, lockouts, material or labor restrictions by any governmental authority, civil riot, floods, and other cause not reasonably within the control of LESSOR or LESSEE and which by the exercise of due diligence LESSOR or LESSEE is unable, wholly or in part, to prevent or overcome.

Estoppel Information

LESSEE shall, at the request of LESSOR, provide any and all information with respect to this Lease to any person designated by LESSOR.

Time of Essence

Time is of the essence of this Agreement.

THE UNDERSIGNED LESSOR and LESSEE execute this Lease on the day of **May 30, 2017**.

LESSEE:

BY: Ramon Garcia
Ramon Garcia, County Judge

BY: Teresa Flores
Teresa Flores, Executive Director

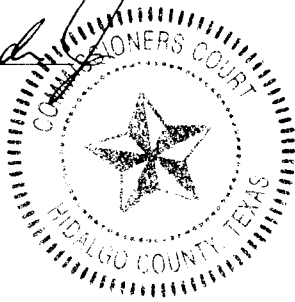
LESSOR:

BY: _____
For her/his _____

5/30/17 *mf*

ATTEST:

BY: Arturo Guajardo, Jr.
Arturo Guajardo, Jr.
Hidalgo County Clerk



APPROVED AS TO FORM:

Oxford & Gonzalez

BY: [Signature]
Ricardo Gonzalez

APPROVED AS TO FORM:

Atlas, Hall & Rodriguez, LLP

BY: [Signature]
Stephen Crain

Date Approved by Policy Council: 05-17-2017

Date Approved by County Commissioners: 05-30-2017

EXHIBIT "A"

Property being described all of lot 1, La Herencia Apartments, subdivision an addition to the City of Mercedes, Hidalgo County, Texas. According to the plat thereof recorded in Volume 1, page 2. Designated as Head Start Classrooms, administrative space, including the parking areas and outside playground for recreational activities.