

## COMMERCIAL LEASE AGREEMENT

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged and confessed, the Landlord named below leases to the Tenant named below, and Tenant leases from Landlord, the Premises described below pursuant to the terms of this Commercial Lease Agreement (this "Lease") entered into effective as of the Effective Date specified below.

### A. Basic terms of the Lease:

1. Effective Date: October 1, 2019
2. Landlord: CITY OF SCHERTZ, TEXAS
3. Landlord Contact Information: 1400 Schertz Parkway  
Schertz, Texas 78154  
Attention: City Manager  
Phone: (210) 619-1020  
Facsimile: (210) 619-1029  
Email: [Mbrown@schertz.com](mailto:Mbrown@schertz.com)
4. Tenant: The CHAMBER (Schertz-Cibolo-Selma Area)
5. Tenant Contact Information: 1730 Schertz Parkway  
Schertz, Texas 78154  
Attention: President/Chair of the Board  
Phone: (210) 619-1950  
Facsimile: (210) 619-1959  
Email: [president@thechamber.info](mailto:president@thechamber.info)
6. Premises: The Kramer House located at 1730 Schertz Parkway, and more particularly described on Exhibit A.
7. Base Rent: Six Hundred Fifty Dollars and No/100 (\$650.00) per month payable in quarterly installments for the Kramer House.
8. Commencement Date: October 1, 2019
9. Termination Date: September 30, 2024, as may be extended pursuant to Section H (26) of this Lease or by written agreement of the Landlord and Tenant.
10. Security Deposit: \$0.00
11. Use: Business headquarters and Visitors' Center

12. Insurance: Amount of liability insurance to be maintained by  
**Tenant:** Death/bodily injury: One Million and  
No/100 Dollars (\$1,000,000.00)

**Property:** Two Hundred Fifty Thousand and  
No/100 Dollars (\$250,000.00)

**B. Definitions:**

1. "Rent" means Base Rent plus any other amounts of money due Landlord by Tenant under the terms of the lease.
2. "Essential Services" means utility connections reasonably necessary for occupancy of the Premises for the Use.

**C. Tenant agrees to:**

1. Lease the Premises for the entire term of this Lease beginning on the Commencement Date and ending on the Termination Date.
2. Accept the Premises in their present condition "AS IS."
3. Pay quarterly, in advance, on the first day of January, April, July and October, the Base Rent to Landlord at Landlord's address; provided, the Base Rent due each quarter will be \$1,950.00.
4. Pay, as Additional Rent, all other amounts due under this Lease, when due and payable.
5. Pay a late charge of five percent (5%) of any Rent not received by Landlord by the tenth day after it is due, and, so long as Rent is paid within this timeframe, such payment shall not be a default under this Lease.
6. Allow Landlord to enter the Premises to perform Landlord's obligations, inspect the Premises, and show the Premises to prospective purchasers or tenants, at reasonable times and upon reasonable notice.
7. Repair, replace, and maintain any part of the Premises that Landlord is not obligated to repair, replace, or maintain, normal wear expected.
8. Repair any damages to the Premises caused by Tenant.
9. Submit in writing to Landlord any requests for repairs, replacement, and maintenance that are the obligations of Landlord.
10. Maintain public liability insurance for the Premises and the conduct of Tenant's business, naming Landlord as an additional insured, in the amounts stated in Section A(12) of this Lease.
11. Deliver certificates of insurance to Landlord when requested.

12. **Indemnify, defend, and hold Landlord harmless from any loss, attorney fees, court and other costs, or claims arising out of Tenant's use of the Premises, except to the extent caused by the negligence of Landlord or Landlord's agents, employees, invitees, licensees, or visitors.**
13. Vacate the Premises on termination of this Lease.
14. Within fifteen (15) business days after Landlord's written request, execute an estoppel certificate that states the Commencement Date and Termination Date of this Lease, identifies any amendments to this Lease, describes any rights to extend the Term or purchase rights, lists defaults by Landlord, and provides any other information reasonable requested by Landlord.
15. Pay for internet service,
16. Pay for janitorial services.

**D. Tenant Agrees not to:**

1. Use the Premises for any purpose other than stated in the Lease.
2. Create a nuisance or commit waste on the Premises.
3. Use the Premises in any way that is extra hazardous and would increase Landlord's insurance premiums.
4. Alter the Premises, except for painting, flooring, and maintenance-related alterations, without Landlord's consent.
5. Allow a lien to be placed on the Premises.
6. Use the roof on the Premises, except for locating the HVAC serving the Premises in the same manner as it is currently located.

**E. Landlord agrees to:**

1. Lease to Tenant the Premises for the entire term beginning on the Commencement Date and ending on the Termination Date.
2. Provide the following services to Tenant: landscaping, maintenance, telephone, and utilities (other than internet service).

**F. Landlord agrees not to:**

1. Interfere with Tenant's possession of the Premises as long as Tenant is not in default.
2. If Tenant is not in default, interfere with Tenant's peaceful, quiet, and undisturbed use and possession of the Premises and all rights and privileges pertaining thereto, subject to the terms, conditions, and provisions of this Lease.

**G. Assignment:**

1. This lease is not assignable and is non-transferable by Tenant.

**H. Landlord and Tenant agree to the following:**

1. *Alterations.* Any physical additions or improvements to the Premises made by Tenant will become the property of the Landlord.
2. *Release of Claims/Subrogation.* Landlord and Tenant release each other from any claim, by subrogation or otherwise, for any damage to the Premises by reason or fire or the elements, regardless of cause, including negligence of Landlord or Tenant. This release applies only to the extent that is permitted by law, the damage is covered by insurance proceeds, and the release does not adversely affect any insurance coverage.
3. *Notice to Insurance Companies.* Landlord and Tenant will notify the issuing insurance companies of the release set forth in the preceding paragraph and will have the insurance policies endorsed, if necessary, to prevent invalidation of the insurance coverage.
4. *Casualty/Total or Partial Destruction.*
  - a. If the Premises are damaged by casualty and Landlord elects to restore the Premises, Landlord will, at its expense, restore the Premises to substantially the same condition that existed before the casualty. If Landlord chooses to restore, Landlord will notify Tenant in writing of the estimated time to restore and give Tenant an option to terminate this Lease by notifying Landlord within ten (10) business days. If Tenant does not terminate this Lease, the Lease will continue and Landlord will restore the Premises. If Landlord fails to complete restoration within ninety (90) days from the date of written notification by Landlord to Tenant of Landlord's election to repair the casualty, Tenant may terminate this Lease by written notice to Landlord.
  - b. If Landlord elects not to restore the Premises, this Lease will terminate.
5. *Condemnation/Substantial or Partial Taking.*
  - a. If the Premises cannot be used for the purpose contemplated by this Lease because of condemnation or purchase or deed in lieu of condemnation, this Lease will terminate.
  - b. Whether or not any portion of the Premises is taken by condemnation or purchase or deed in lieu of condemnation, Tenant may elect to terminate this Lease if this Lease is fifty percent (50%) or more of the Premises is taken.
  - c. If there is a condemnation or purchase in lieu of condemnation and this Lease is not terminated, the Rent payable during the unexpired portion of the Term will be adjusted as may be fair and reasonable.
  - d. Tenant will have no claim to the condemnation award or proceeds in lieu of condemnation; however, Tenant may, to the extent permitted by applicable law, pursue a separate claim against the condemning authority or against the party taking by purchase or deed in lieu of condemnation for Tenant's moving expenses, inconvenience, business interruption, depreciation, loss of leasehold estate, and/or similar loss in a proceeding independent of Landlord's condemnation suit.

6. *Default by Landlord/Events.* Defaults by Landlord are (i) failing to comply with any provision of this Lease within ten (10) days after written notice and (ii) failing to provide Essential Services to Tenant within three (3) days after written notice.
7. *Default by Landlord s/Tenant Remedies.* Tenant's remedies for Landlord's default are to sue for damages and/or equitable relief, and, if Landlord does not provide an Essential Service for thirty (30) days after written notice of default, Tenant may terminate this Lease and be released from any further obligations hereunder.
8. *Default by Tenant/Events.* Defaults by Tenant are (a) failing to pay timely Rent, (b) abandoning or vacating a substantial portion of the Premise, or (c) failing to comply within ten (10) days after written notice with any provision of this Lease other than the defaults set forth in (a) and (b) above.
9. *Default by Tenant/Landlord s Remedies.* Landlord's remedies for Tenant's default are limited to the following: (a) enter and take possession of the Premises, after which Landlord may relet the Premises on behalf of Tenant and receive the Rent directly by reason of the reletting, at such time Tenant shall not have any further obligations under this Lease; (b) enter the Premises and perform Tenant's obligations, resulting in Tenant being liable to Landlord for the cost incurred by Landlord to perform Tenant's obligations; and (c) terminate this Lease by written notice to Tenant, thus releasing Tenant from any further obligations under this Lease.
10. *Default/Waivers/mitigation.* It is not a waiver of default if the non-defaulting 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. Landlord and Tenant have a duty to mitigate damages.
11. *Holdover.* If Tenant does not vacate the Premises following termination of this Lease, Tenant will become a tenant from month-to-month at a Base Rent of \$650.00 per month and either party may terminate this Lease upon thirty (30) days written notice to the other party.
12. *Alternative Dispute Resolution.* Landlord and Tenant agree to mediate in good faith before filling a suit for damages.
13. *Attorney s Fees.* If either party retains an attorney to enforce the Lease, the party prevailing in litigation is entitled to recover reasonable attorney's fees and court and other costs.
14. *Venue and Applicable Law.* Venue is in Guadalupe County, Texas and this Lease shall be construed and interpreted in accordance with the laws of the State of Texas.
15. *Exhibits.* The exhibits are incorporated herein as matters of contract as if set forth fully herein.
16. *Entire Agreement.* This Lease is the entire agreement of the parties as to the subject matter hereof, and there are no oral representations, warranties, agreements, or promises pertaining to this Lease not incorporated in writing in the Lease.

17. *Amendment of Lease.* This Lease may be amended only by an instrument in writing signed by Landlord and Tenant.
18. *Limitation of Warranties.* THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OR OF ANY OTHER KIND ARISING OUT OF THIS LEASE, AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE EXPRESSLY STATED IN THIS LEASE.
19. *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) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address(es) shown in this Lease, which addresses may be changed from time to time. 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 addresses for notice may be changed by written notice delivered as provided herein.
20. *Abandoned Property.* Landlord hereby may retain, destroy, or dispose of any property of Tenant or other person left on the Premises at the end of the term of this Lease, including any renewals hereof.
21. *Title.* Landlord hereby represents and warrants that (i) it has good and indefeasible fee simple title to the Premises, (ii) has the full right and authority to make this Lease, and (iii) the Premises are free and clear of all contracts, agreements, encumbrances, or defects in title of any nature whatsoever, other than the matters created by or with the consent of Tenant, that would restrict or prevent the use or enjoyment by Tenant of the Premises or the rights or privileges granted under this Lease.
22. *Headings.* The descriptive headings of the paragraphs contained in the Lease are inserted for convenience only and shall not control, affect, limit, expand, or modify the meaning or construction of any of the provisions hereof.
23. *Counterparts.* The Lease may be executed in multiple counterparts, and such counterparts, when taken together, shall have the full force and effect of an original, fully executed instrument.
24. *Invalidity.* If one or more of the provisions hereof shall for any reason be held to be invalid, illegal, or unenforceable in any respect under applicable law, such invalidity, illegality, or unenforceability shall not affect any other provisions hereof, and this Lease shall be construed as if such invalid, illegal, or unenforceable provision had been contained herein.
25. *Binding Effect.* This Lease shall apply to and be binding on the heirs, successors, executors, administrators, and assigns of the Landlord and Tenant.
26. *Extensions.* Tenant shall have the option to extend this Lease, under the terms herein, upon written notice to Landlord given at least forty-five (45) days prior to the then

applicable Termination Date, for one or more additional terms. Each additional term shall be twelve (12) months in duration. In no event shall the term of this Lease exceed five (5) years without the express written consent of the Landlord.

27. *Termination.* Either party may terminate this Lease with or without cause and without penalty prior to the Termination Date by providing ninety (90) days written notice to the other party of its intent to terminate this Lease. If the Lease is terminated pursuant to this Section, Tenant shall pay rent on a prorated basis through the termination date noted in the written termination notice.

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This Commercial Lease Agreement is executed to be effective as the Effective Date.

**LANDLORD:**

CITY OF SCHERTZ, TEXAS  
A Texas Home-Rule Municipality

**TENANT:**

The CHAMBER (Schertz-Cibolo-Selma  
Area)

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Mark Browne, City Manager

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Maggie Titterington, President

# Exhibit A

## Legal Description of Property

2014  
R33728

03/13/2015  
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| Current Owner                      |             | Legal Description                |            |          |          | Exemptions          |             | Market          |            |          |       |
|------------------------------------|-------------|----------------------------------|------------|----------|----------|---------------------|-------------|-----------------|------------|----------|-------|
| CITY OF SCHERTZ (O142532)          |             | ABS: 221 SUR: G MALPAZ 0.727 AC. |            |          |          | EX                  |             | 0               |            |          |       |
|                                    |             |                                  |            |          |          | <b>Entities</b>     |             | <b>Assessed</b> |            |          |       |
|                                    |             |                                  |            |          |          | CSC, GGU, RLT, SCS  |             | 0               |            |          |       |
| Situs Address                      |             |                                  |            |          |          | History Information |             |                 |            |          |       |
| 1730 SCHERTZ PARKWAY SCHERTZ 78154 |             |                                  |            |          |          | 2014                | 2013        | 2012            | 2011       |          |       |
|                                    |             |                                  |            |          |          | Imp HS              | -           | -               | \$0        | \$0      |       |
|                                    |             |                                  |            |          |          | Imp NHS             | -           | -               | \$0        | \$0      |       |
|                                    |             |                                  |            |          |          | Land HS             | -           | -               | \$0        | \$0      |       |
|                                    |             |                                  |            |          |          | Land NHS            | -           | -               | \$47,502   | \$47,502 |       |
|                                    |             |                                  |            |          |          | Ag Mkt              | -           | -               | \$0        | \$0      |       |
|                                    |             |                                  |            |          |          | Ag Use              | -           | -               | \$0        | \$0      |       |
|                                    |             |                                  |            |          |          | Tim Mkt             | -           | -               | \$0        | \$0      |       |
|                                    |             |                                  |            |          |          | Tim Use             | -           | -               | \$0        | \$0      |       |
|                                    |             |                                  |            |          |          | HS Cap              | -           | -               | -          | -        |       |
|                                    |             |                                  |            |          |          | Assessed            | -           | -               | \$47,502   | \$47,502 |       |
| Building Attributes                |             |                                  |            |          |          | Improvements        |             |                 |            |          |       |
| Construction                       | Foundation  | Exterior                         | Interior   | Roof     | Flooring | Type                | Description | Area            | Year Built | Eff Year | Value |
|                                    |             |                                  |            |          |          |                     |             |                 |            |          |       |
| Heat/AC                            | Baths       | Fireplace                        | Year Built | Rooms    | Bedrooms |                     |             |                 |            |          |       |
|                                    |             |                                  |            |          |          |                     |             |                 |            |          |       |
| Land Segments                      |             |                                  |            |          |          |                     |             |                 |            |          |       |
| SPTB                               | Description | Area                             | Market     | Ag Value |          |                     |             |                 |            |          |       |
|                                    |             |                                  |            |          |          |                     |             |                 |            |          |       |