

# LEASE AGREEMENT

This lease agreement is made and entered into by and between **Moises Gonzalez**, Landlord, and **Webb County**, Tenant. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord that certain property with the improvements thereon, containing 1.33 acres hereinafter called the "leased premises," known as **2900 US Highway 83, Laredo, TX 78046**; or as more particularly described below:

**Pts of 1,2 & 8 of the W Pt of Blk. 1017ED  
City of Laredo, Webb County, Texas**

The primary term of this lease shall be for a one (1) year period commencing on 1<sup>st</sup> day of April 2013, and ending on the 1<sup>st</sup> day of March, of 2014 upon the following terms conditions and covenants:

- 1. TAXES.** Each year during the term of this lease, landlord shall pay real estate taxes assessed against the leased premises in an amount equal the total real estates taxes assessed against the leased premises in the base year. Each year during the terms of this lease, Tenant shall pay as additional rental, upon receipts of a settlement from Landlord together with tax statements or other verification from the proper taxing authority, his pro rata share of any increase in real estate taxes over the base year on the property of which the leased premises is a part. Any increase in real estate taxes for fractional year shall be prorated. The base year shall be N/A.
- 2. UTILITIES.** Tenant shall pay all charges for utility services to the leased premises. That includes but is not limited to: electricity, water, telephone, cable, alarm (if installed), etc.
- 3. HOLDING OVER.** Failure of Tenant to surrender the leased premises at the expiration of the lease constitutes of holding over which shall be construed as a tenancy from month to month at a rental of \$4,000.00 per month.
- 4. RENT.** Tenant agrees to and shall pay Landlord at 5714 Cerrito Prieto, Laredo, TX 78041, or at such other place Landlord shall designate from time to time in writing, as rent for the leased premises, the total sum of \$42,000.00 payable without demand in equal monthly payments of \$3,500.00 each in advance on or before the first (1st ) day of each month, commencing April 1, 2013, Tenant shall pay a late charge of \$50.00 per day after the third (3rd ) of the month. Tenant shall pay \$45.00 for each returned check.
- 5. USE.** Tenant shall use the leased premises for the following purpose and no other:  
GIM
- 6. SECURITY DEPOSIT.** Tenant shall pay to Landlord a security deposit in the amount of \$3,500.00, payable on or before the commencement of this lease. For Tenant's faithful performance hereunder refund thereof shall be made upon performance of this lease agreement or damages unless Landlord and Tenant provide otherwise in Special Provision.

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7. **INSURANCE.** Landlord shall pay for fire and extended coverage insurance on the buildings and other improvements on the leased premises in an amount not less than \$ as required, which amount shall be increased yearly in proportion to the increase in market value of the premises. Tenant shall provide public liability and property damage insurance for its business operations on the leased premises in the amount of \$ as required, which policy shall cover the Landlord as well as the Tenant. Said insurance policies require to be provided by Tenant herein shall name Landlord as an insurer and shall be issued by an insurance company approved by the Landlord. Tenant shall provide Landlord with certificates of insurance evidencing the coverage herein. Tenant shall be solely responsible for fire and casualty insurance on Tenant's property on or about the leased premises. If Tenant does not maintain such insurance in full force and effect, Landlord may notify Tenant of such failure and if Tenant does not deliver to Landlord within fifteen (15) days after such notice the certification showing all insurance to be in full force and effect, Landlord may at his option, take out the necessary insurance to comply with the provision hereof and thereupon demand Tenant to reimburse and pay Landlord any amount so paid or expended in the payment of the insurance premiums required hereby and specified in the notice, with interest thereon at the rate of 10% per annum from the date of such payment by landlord until repaired by Tenant.
8. **CONSION OR PREMISES.** Tenant has examined and accepts the leased premises in its present as is condition as suitable for the purposes for which the same are leased, and does hereby accept the leased premises regardless of reasonable deterioration between the date of this lease and the date Tenant begins occupying the leased premises unless Landlord and Tenant agree to repairs or refurbishment as noted in Special Provisions.
9. **MAINTENANCE AND REPAIRS.** Landlord shall keep the foundation, the exterior wall (except glass, windows, doors, door closure devices, window and door frames molding, locks and hardware and interior painting or other treatment of exterior walls) and the roof of the leased premises in good repair except that Landlord shall not be required to make any repairs occasioned by the act of negligence of Tenant, its employees, subtenants, licenses and concessionaries. Tenant is responsible for maintenance of the common area and common area equipment. If Landlord is responsible for any such repair and maintenance, Tenant agrees to give Landlord written notice of needed repairs. Landlord shall make such repairs within reasonable time. Tenant shall notify Landlord immediately of any emergency repairs. Tenant shall keep the leased premises in good, clean condition and shall at its sole cost and expense, make all needed repairs and replacements, including replacement of cracked or broken glass, except for repairs and replacements required to be made by landlord under this section. If any repairs required to be made by Tenant hereunder are not made within ten (10) days after written notice delivered to Tenant by Landlord, Landlord may at his option make such repairs without liability to Tenant for any loss or damage which may result by reason of such repairs, and Tenant shall pay landlord upon demand as additional rent hereunder the cost for such repairs plus interest. At the termination of this lease, Tenant shall deliver the leased premises in good order and condition, reasonable wear and tear expected.

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- 10. ALTERATIONS.** All alterations, additions and improvements, except trade fixtures, installed at expense of Tenant, shall become the property of Landlord and shall remain upon and be surrendered with the leased premises as a part thereof on the termination of this lease. Such alterations, additions and improvements may only be made with the prior written consent of Landlord, which consent shall not be unreasonably withheld. If consent is granted for the making of improvements or alterations to the leased premises, such improvements and alterations shall not commence until Tenant has furnished to Landlord a certificate of insurance showing coverage in an amount satisfactory to Landlord protecting Landlord from liability for injury to any personal property, on or off the leased premises, in connection with the making of such improvements or alterations. No cooling tower, equipment or structure of any kind shall be placed on the roof or elsewhere on the leased premises by Tenant without prior written permission of Landlord. If such permission is granted, such work or installation shall be done at Tenant's expense and in such manner that the roof shall not be damaged thereby. If it becomes necessary to remove such cooling tower, equipment or structure temporarily, so that repairs to the roof can be made, Tenant shall promptly remove and reinstall the cooling tower, equipment or structure at Tenant's expense and repair at Tenant's expense any damage resulting from such removal or reinstallation. Upon termination of this lease, Tenant shall remove or cause to be removed from the roof any such cooling tower, equipment or structure if directed to do so by Landlord. Tenant shall promptly repair at its expense any damages resulting from such removal. At the termination of this lease, Tenant shall deliver the leased premises in good order and condition, natural deterioration expected. Any damage cause by the installation or removal of trade fixtures shall be repaired at Tenant's expense prior to the expiration of the leased term. All alterations, improvements, additions and repairs made by Tenant shall be made in good and workman like manner.
- 11. COMPLIANCE WITH LAWS AND REGULATIONS.** Tenant shall, at its own expense, comply with all the laws, orders and requirements of all governmental entities with reference to the use and occupancy of leased premises. Tenant and Tenant's agents, employees and invites (visitors) shall fully comply with any rules and regulations governing the use of the buildings or other improvements to the leased premises as required by Landlord. Landlord may make reasonable changes in such rules and regulations as from time as deemed advisable for the safety, care and cleanliness of the leased premises, provided same are in writing and not in conflict with the lease.
- 12. ASSIGNMENT AND SUBLETTING.** Tenant shall not assign this lease nor sublet the leased premises or any interest therein without first obtaining the written consent of Landlord. An assignment or subletting without the written consent of Landlord shall be void and shall, at the option of Landlord, terminate the lease.
- 13. DESTRUCTION.** In the event the leased premises is partially damaged or destroyed or rendered partially unfit for the occupancy by fire or other casualty, Tenant shall give immediate notice to Landlord. Landlord may repair the damage and restore the leased premises to substantially the same condition as immediately prior to the occurrence of the casualty. Such repairs shall be made at Landlords expense unless due to Tenants

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negligence. Landlord shall allow Tenant fair reduction of rent during the time the leased premises are primarily unfit for occupancy. If the leased premises are destroyed or deemed by the Landlord to be rendered unfit for occupancy by fire or other casualty, or if Landlord shall decide not to repair or rebuild, this lease shall terminate and the rent shall be paid on the time of such casualty.

14. **TENANT DEFAULT.** If Tenant abandons the premises otherwise defaults in the performance of any obligations or covenants herein, Landlord may enforce the performance of this lease in any manner provided by law. This lease may be terminated at Landlord discretion if such abandonment of default and of Landlord's intention to declare this lease terminated. Such notice shall be sent by Landlord to Tenant at the leased premises and removed all persons and property without being deemed guilty of trespass and without waiving any other remedies for arrears of rent or breach of covenant. Upon abandonment or default by the Tenant, the remaining unpaid portion of the rental from paragraph four, herein, shall be due and payable.
15. **LIEN.** Landlord is granted an express contracted lien, in addition to any lien provided by law, and security interest in all property of Tenant found on the leased premises to secure the compliance by Tenant with all terms of this lease. In the event of default, Landlord or its' agents may peaceably enter the leased premises and remove all property and dispose of same as Landlord sees fit.
16. **SUBORDINATION.** Landlord is hereby irrevocably vested with full power and authority to subordinate this lease to any mortgage, deed of trust, or other lien hereafter placed on the demised premises and Tenant agrees on demand to execute such further instruments subordinating this lease as Landlord may request, provided such subordination shall be on the express condition that this lease shall be recognized by the mortgagee, and the rights of Tenant shall remain in full force and effect during the term of this lease so long as Tenant shall continue to perform all of the covenants and conditions of this lease.
17. **INDEMNITY.** Landlord and its employees and agents shall not be liable to Tenant's employees, patrons, visitors, invitees or any other persons for any injury to any such persons or any damage to personal property caused by an act, omission or neglect of Tenant or Tenant's agents or any other tenant of the premises of which the leased premises is a part. Tenant agrees to indemnify and hold Landlord and its employees and agents harmless from any and all claims for such injury and damages, whether the injury occurs on or off the leased premises.
18. **SIGNS.** Tenant shall not post or paint any signs at, on or about the leased premises or paint the exterior walls of the building except with the prior written consent of the Landlord. Landlord shall have the right to remove any sign or signs in order to maintain the leased premises, or to make any repairs or alterations thereto.
19. **TENANT BANKRUPTCY.** If Tenant becomes bankrupt or makes voluntary assignment for the benefit of creditors or if a receiver is appointed for Tenant, Landlord

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may terminate this lease by giving five (5) days written notice to Tenant of Landlord's intention to do so.

20. **CONDEMNATION.** If the whole or any substantial part of the leased premises is taken for any public or quasi-public use under any governmental law, or ordinance or regulation or by right of eminent domain, or should the leased premises be sold to a condemning authority under threat of condemnation, this lease shall terminate and the rent shall be abated during the unexpired portion of the lease effective from the date of the physical taking of the leased premises.
21. **NOTICES.** Notices to Tenant shall be certified mail or other delivery to the premises. Notices to landlord shall be certified mail to the place where rent is payable.
22. **DEFAULT BY LANDLORD.** In the event of breach by Landlord of any covenant, warranty, term or obligation of this lease, then Landlord's failure to cure same or commence a good faith effort to same within ten (10) days after written notice thereof by Tenant shall be considered a default and make the necessary repairs and any expense incurred by Tenant shall be reimbursed by the Landlord after reasonable notice of the repairs and expenses incurred. If any utility services furnished by Landlord are interrupted and continue to be interrupted despite the good faith efforts of Landlord shall not remedy same, Landlord shall not be liable in any respect for damages for the person or property of Tenant or Tenant's employees, agents, or guests and same shall not be construed as grounds for constructive eviction or abatement of rent. Landlord shall use reasonable diligence to repair and remedy such interruption promptly.
23. **SIGNS.** During the last thirty (30) days of this lease, a "FOR RENT" sign may be displayed and the leased premises may be shown at reasonable times to prospective purchasers or tenants.
24. **RIGHT OF ENTRY.** Landlord shall have the right during normal business hours to enter the demised premises; a) to inspect the general condition and state of repair thereof, b) to make repairs required or permitted under this lease, or c) for any other reasonable purpose.
25. **WAIVER OF BREACH.** The waiver by Landlord of any breach of any provision of this lease shall constitute a continuing waiver or a waiver of any subsequent breach of the same of different provision of this lease.
26. **TIME OF ESSENCE.** Time of expressly declared to be of the essence in this lease.
27. **BINDING OF HEIRS AND ASSIGNS.** Subject to the provisions of this lease pertaining to assignment of the Tenant's interest, all provisions of this lease shall extend to and bind, or inure to the benefit not only of the parties to this lease but to each and everyone of the heirs, executors, representatives, successors and assigns of Landlord of Tenant.

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**28. RIGHTS AND REMEDIES CUMULATIVE.** The rights and remedies by this lease agreement are cumulative and the use of any one 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 by law, statute, ordinance or otherwise.

**29. TEXAS LAW TO APPLY.** This agreement shall be construed under and in accordance with the laws of the State of Texas.

**30. LEGAL CONSTRUCTION.** In case any one or more of the provisions 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 hereof and this agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

**31. PRIOR AGREEMENTS SUPERSEDED.** This agreement constitutes the sole and only agreement of the parties to this lease and supersedes any prior understandings or written or oral agreements between the parties respecting the subject matter of this lease.

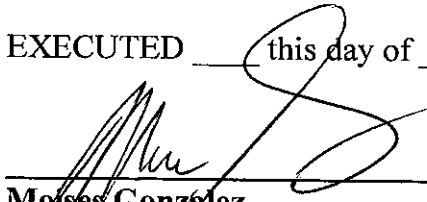
**32. AMENDMENT.** No amendment, modification or alteration of the terms hereof shall be binding unless it is in writing, dated subsequent to the date hereof and duly executed by the parties.

**33. SPECIAL PROVISIONS.**


A. Tenant is hereby granted a one (1) year renewal option commencing upon the expiration of the original term. All of the terms and covenants apply to the extended lease term except that the rent for the renewal term shall be increased to \$4,000.00 per month. Provided that Tenant is not in default of a material term under this lease beyond any applicable cure period at the time of the exercise of the renewal option, Tenant may exercise the option to extend this lease by giving Landlord notice, in writing, of its intention to do so not later than ninety (90) days before the original term expires.

THIS IS A LEGAL DOCUMENT, READ IT CAREFULLY. IF YOU DO NOT UNDERSTAND THE EFFECT OF ANY PART OF THIS AGREEMENT, SEEK COMPETENT LEGAL ADVICE.

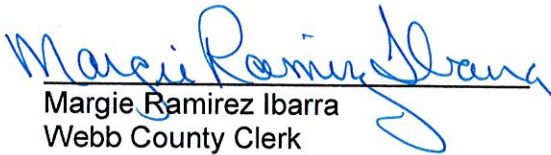
EXECUTED \_\_\_\_\_ this day of \_\_\_\_\_, 2013.

  
\_\_\_\_\_  
**Moises Gonzalez**  
**Landlord**

COUNTY OF WEBB:


  
\_\_\_\_\_  
DANNY VALDEZ  
Webb County Judge

ATTEST:

  
\_\_\_\_\_  
Margie Ramirez Ibarra  
Webb County Clerk



APPROVED AS TO FORM:

  
\_\_\_\_\_  
Marco A. Montemayor  
Webb County Attorney

**\*By law, the county attorney's office may only advise or approve contracts or legal documents on behalf of its clients. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval, and should seek review and approval of their own respective attorney(s).**