

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") made and entered into on this the 1st day of October, 2020, by and between **MADCO PROPERTIES, LLC, a Mississippi limited liability company**, with its office at 115 Aulenbrock Drive, Canton, Mississippi 39046 ("Lessor"), and **MADISON COUNTY, MISSISSIPPI**, whose address is 125 West North Street, Canton, Mississippi 39046 ("Lessee").

WITNESSETH:

In consideration of the mutual covenants, agreements and undertakings herein, Lessor and Lessee agree as follows:

ARTICLE 1. PREMISES

In consideration of the rent to be paid, the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt of which is hereby acknowledged, Lessor hereby demises and rents unto Lessee, and Lessee hereby rents from Lessor, approximately 4,000 ± square feet of space, common area and parking area as noted hereinafter and on visual aid attached hereto as Exhibit "A", located at 3390 North Liberty Street, Canton, Mississippi 39046, hereinafter described as the "Premises," along with restricted shared access to a common break room and two (2) ADA compliant restrooms located on the east side of the building. Access to the break room is to be restricted to other tenants in the building and Lessee's employees only; however, access to the ADA compliant restrooms will be available to employees and patrons of Lessee with disabilities on an as needed basis. All front door parking spaces are assigned to individual tenants, and all other parking is common. Lessee is assigned the front parking spaces (building side only) to the North of the front door. Parking spaces to the South (building side only) of the front door are assigned to other tenants. All spaces on the West side (street side) of the parking lot are available to all tenants of Lessor on a first come, first serve basis. Vehicles should not be left in the parking lot overnight. Lessor is not responsible for damage to vehicles in the parking lot.

ARTICLE 2. TERM

The primary term of this Lease shall be for a twelve (12) month period commencing on October 1, 2020.

ARTICLE 3. RENT

Lessee agrees to pay to the Lessor, as rent, the sum of Three Thousand Three Hundred Thirty-five Dollars (\$3,335.00) per month, based on a rental rate of Ten Dollars (\$10.00) per square foot per year, said rent being due on the first day of each month, in advance. Lessee will also be responsible for its pro-rata share of any increases in fire and extended coverage insurance and/or property taxes for the Premises during the term of this Lease. The first rental payment shall be due and payable upon possession. If

commencement takes place on any day other than the first day of the month, payments shall be prorated on a thirty (30) day month basis. Lessee shall be given a ten (10) day grace period to allow timely receipt of payments to Lessor. If payment is received later than the tenth (10th) day of any month, an Eighty Dollar (\$80.00) late fee will be immediately payable by Lessee for each month such rent is late.

Rental payments shall be mailed to Judy Weems, Member, Madco Properties, LLC, 115 Aulenbrock Drive, Canton, Mississippi 39046.

ARTICLE 4. USE OF THE PREMISES

Lessee hereby agrees that the Premises shall be utilized for office space. Lessee shall not allow any waste or nuisance with respect to the Premises or use of the Premises for any unlawful purpose.

ARTICLE 5. REPAIRS AND MAINTENANCE

Lessee shall keep and maintain the Premises in good order and repair, and shall be responsible for all interior maintenance of the same. Lessee shall be liable to the Lessor for the reasonable cost of repairing or replacing portions of the facility damaged by the Lessee, its agents or its invitees, with the exception of reasonable wear and tear. Lessee shall be responsible for the cost of any clean up, remediation and/or fines that result from Lessee's contamination of the Premises, common area, parking lot or any other portion of Lessor's property, or to any other property affected by such contamination. Lessor will keep and maintain the roof, exterior walls, HVAC system, HVAC filters, plumbing fixtures, light fixtures and bulbs, except to the extent damage is caused by Lessee, its agents and/or invitees.

ARTICLE 6. CONDITION OF PREMISES

Lessee has inspected the Premises and acknowledges and agrees to lease the Premises in its "as is" condition, except Lessor agrees to add three (3) security doors with access control systems (exact location to be determined and agreed on by Lessor and Lessee prior to occupancy), to paint interior walls as needed, to clean the floors and to re-stripe the parking lot showing designated/reserved parking spaces prior to occupancy by Lessee. Lessee agrees, at the termination of this Lease, to surrender the premises to Lessor in as good condition and repair as reasonable and proper use thereof during the term of this Lease will permit, ordinary wear and tear excluded.

ARTICLE 7. INSURANCE

A. Lessee shall procure and maintain in effect, at Lessee's expense, liability and comprehensive general liability insurance, including, but not limited to, premises, auto and contractual liability, for claims for property damage, bodily injury and/or death arising out of and in connection with Lessee's use and occupancy of the Premises, in the minimum

combined single limit of \$1,000,000 per occurrence. Said policies of insurance shall name Lessor as a certificate holder, shall be primary and not contributory irrespective of Lessor's insurance. Such insurance policies shall also provide that they will not be cancelled without at least thirty (30) days advance written notice to Lessor. Lessee shall furnish Lessor certificates evidencing such coverages.

B. Lessor shall be responsible for fire and extended coverage insurance for the Premises and any building in which the Premises may be located. Lessee shall be responsible for any and all damage resulting from any negligence, omission or intentional act by Lessee, or its employees, agents or visitors.

ARTICLE 8. CERTIFICATE OF INSURANCE

Lessee shall provide a copy of proof of insurance and a copy of licenses or certificates of insurance, said materials to be provided by Lessor prior to commencement of this Lease and upon policy renewals on an annual basis as policies are renewed.

ARTICLE 9. COMPLIANCE WITH LAWS AND REGULATIONS

Lessee shall comply with all existing or future laws and regulations, including, but not limited to, city, county, state, federal laws and regulations, affecting the Premises, which have been or which may be adopted, passed or issued by any governmental agency. Such compliance is to be at Lessee's expense.

ARTICLE 10. ASSIGNMENT AND SUBLETTING

Lessee shall have no right to assign this Lease or to sublet the Premises without Lessor's prior written consent.

ARTICLE 11. LESSEE COSTS

Lessee will be responsible for all toiletries, paper products, janitorial services, janitorial supplies and other supplies and incidentals. Lessee, at its cost and expense, shall provide all of its utilities, except water and sewer services, including, but not limited to, electricity, gas, phone, internet, trash collection, etc. ("Utilities") to the Premises. Lessor will provide only water and sewer. Utility costs will be billed to Lessee by Lessor monthly based on its pro rata share usage. NOTE: Lessee should not allow paper towels, facial tissue or feminine products to be placed in any toilet. These items will cause damage to the sewage system and cause clogged drains.

ARTICLE 12. INDEMNIFICATION AND LIABILITY

A. Lessee has been given an opportunity to inspect the Premises and accepts the same in its present condition, without any representation or warranty by Lessor. In any event, Lessor shall not be liable for liability or damage claims for injury to persons or

properties from any cause related to the occupancy of the Premises by Lessee during the term of the Lease or any time thereof, unless caused by the neglect or intentional act of Lessor.

B. Lessee agrees that, to the extent permitted by Mississippi law, it will indemnify, hold harmless and forever defend the Lessor against any and all liabilities, damage or injury of every kind resulting by or from the occupancy and use of the Premises to the extent that said liability, damage, and/or injury is occasioned by the negligent or intentional act of Lessee.

ARTICLE 13. DEFAULT

If Lessee fails to pay rentals herein required when and as the same become due and payable, or fails to keep and perform any of the covenants or agreements set forth in this Lease, Lessor shall, prior to taking any other action in regard thereto, give Lessee written notice of such default at the address set forth herein. If Lessee fails to cure such default within ten (10) days of receipt of such written notice, Lessor shall have the immediate right of re-entry and Lessor may, at its election, file suit for eviction and/or cancellation of this Lease and/or institute suit for any rentals due, to become due or any other costs or expenses incurred by Lessor including reasonable attorney's fees and court costs.

ARTICLE 14. WAIVER

Either party herein may waive any default before or after the same has been declared for the breach of any covenant or condition on the part of either party hereto without impairing the right to declare and enforce any subsequent default, this right being a continuing one. In no event is the receipt of rental by Lessor to be deemed as a waiver of the right to enforce payment of rent of any kind otherwise due or which may become due, or any other covenant or condition of this Lease.

ARTICLE 15. DESTRUCTION OF PREMISES

It is understood and agreed that, in the event the Premises be wholly or substantially destroyed by fire or other casualty, and said damage is not repaired within sixty (60) days, this Lease may be terminated by either party; and, if so terminated, Lessor shall refund to Lessee all unearned rent theretofore paid in advance, calculating the daily rate based on the regular monthly rent. If Lessor repairs and reconstructs the Premises and redelivers possession thereof to Lessee within sixty (60) days after such fire or other casualty, then this Lease shall continue in full force and effect. Such repairs or reconstruction shall be done with reasonable diligence. During any time that Lessee is so deprived of the use of part or all of the Premises, unless the fire or other casualty was the result of the negligence or intentional act of Lessee, Lessee shall be credited such portion of the rent herein provided as the number of square feet in the part of the space of which Lessee is deprived bears to the number of square feet in the whole of the Premises.

ARTICLE 16. CONDEMNATION

If the whole or any significant portion of the Premises shall be taken or condemned by any public authority for any public, quasi-public, or other use or purpose, then, and in that event, at Lessee's option, the term of this Lease shall cease and terminate from the date when the possession of the part so taken shall be required for such use or purpose, the award going to Lessor, and Lessee shall have no interest whatsoever in such award. The current rental, however, shall, in any case, be prorated on a thirty (30) day month basis.

ARTICLE 17. INSPECTION AND ENTRY

Lessor and/or Lessor's designated representative may inspect the Premises at any reasonable time with Lessee's presence or permission. Permission will not be unreasonably withheld. Lessee further acknowledges that the Lessor's property, which includes the Premises, is for sale and Lessee agrees to allow Lessor to show the Premises to any and all prospective tenants and/or purchasers, at any reasonable time.

ARTICLE 18. COVENANT OF PEACEFUL POSSESSION

Lessor agrees, under the terms of this Lease, to keep Lessee in a peaceful, uninterrupted possession of the Premises so long as Lessee complies and performs all of the terms, covenants and conditions of this Lease. Without limiting the foregoing, Lessor agrees that it will not erect any barrier or take, or permit to be taken, any action to restrict, impede, interfere with, or limit Lessee's access to the Premises while this Lease is in force and effect.

ARTICLE 19. NO LIENS

In Lessee's use of the Premises and in the performance of Lessee's duties to maintain the same, Lessee will not, under any circumstances, suffer or permit any lien to attach to the Premises, or any portion thereof.

ARTICLE 20. ATTORNEY'S FEES

The substantially prevailing party in any litigation between Lessor and Lessee by reason of the interpretation or enforcement of the terms of this Lease shall be entitled to reasonable attorneys' fees and all costs of suit incurred therein.

ARTICLE 21. GENERAL PROVISIONS

- A. This Lease shall be governed by the laws of the State of Mississippi.
- B. This Lease is made for the sole and exclusive benefit of the Lessor and Lessee, their successors and assigns, and is not made for the benefit of any third party.

C. In the event of any ambiguity in any of the terms of this Lease, it shall not be construed for or against any party hereto on the basis that such party did or did not author the same.

D. All covenants, stipulations, and agreements in this Lease shall extend to and bind each party hereto, its legal representatives, successors and assigns.

E. This Lease shall not become effective until it has been fully and properly executed by both parties hereto.

F. The titles of the several sections of this Lease are inserted herein for convenience only, and are not intended and shall not be construed to affect in any manner the terms and provisions hereof, or the interpretation or construction thereof.

G. The provisions of this Lease shall be severable and if any provision shall be invalid, void, or unenforceable in whole or in part, for any reason, the remaining provisions shall remain in full force and effect; provided the purpose of the remaining valid, effective and enforceable provisions is not frustrated; and, provided, further, that no party is substantially and materially prejudiced thereby.

H. This Lease contains the entire agreement of the parties and supercedes any and all prior agreements between the parties, either written or oral, with respect to the transactions contemplated hereby. It may not be changed or terminated orally, but may only be changed by an agreement in writing signed by the parties.

I. Should Lessee desire any exterior signage, sign drawings shall be submitted to Lessor and the City of Canton, Mississippi, at least thirty (30) days prior to installation of any exterior signage. Lessor will have final sign off and approval for all exterior signage.

J. Smoking is not permitted in the Premises. Lessee is aware that the building at 3390 North Liberty Street, Canton, Mississippi, is a smoke free building and Lessee acknowledges that Lessor's insurance rates are discounted as the result of that status. Lessee agrees to enforce this no smoking provision in the Premises. Smoking is permitted on the outside of the building. Violation of this smoking provision by Lessee, its agents, employees, guests, visitors or others, will constitute breach of this Lease by Lessee.

ARTICLE 22. RECORDING

This Lease will not be recorded in the land records in the office of the Chancery Clerk of Madison County, Mississippi, but parties hereto do agree to execute a Memorandum of Lease for recording, said Memorandum to reflect the date, expiration date and Premises description to give notice of record of the existence of this Lease.

WHEREOF, this Lease has been duly executed by the parties hereto as of the day and year first written above.

LESSOR:

MADCO PROPERTIES, LLC

By: _____
C. R. Montgomery, Member

LESSEE:

MADISON COUNTY, MISSISSIPPI

By: _____
Gerald Steen, President

STATE OF MISSISSIPPI
COUNTY OF MADISON

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and for the said county and state, on this ____ day of _____, 2020, within my jurisdiction, the within named **C. R. MONTGOMERY**, who acknowledged that he is a Member of Madco Properties, LLC, a Mississippi limited liability company, and that for and on behalf of said limited liability company, and as its act and deed, he executed the above and foregoing instrument, after first having been duly authorized by said limited liability company so to do.

NOTARY PUBLIC

MY COMMISSION EXPIRES:

(SEAL)

STATE OF MISSISSIPPI
COUNTY OF MADISON

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and for the said county and state, on this ____ day of _____, 2020, within my jurisdiction, the within named **Gerald Steen** who acknowledged that he is a President of the Board of Supervisors of Madison County, Mississippi and that for and on behalf of said entity, and as its act and deed, he executed the above and foregoing instrument, after first having been duly authorized by said entity so to do.

NOTARY PUBLIC

MY COMMISSION EXPIRES:

(SEAL)

Madco Properties, LLC
115 Aulenbrock Drive
Canton, MS 39046
601-859-4065 - phone
601-859-1696 - facsimile

Madison County, Mississippi
125 West North Street
Canton, MS 39046
601-855-5550 - phone
601-859-5875 - facsimile

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