

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") is made and entered into on this the 21 day of March, 2022, by and between **MADISON COUNTY FARMS, LLC**, a Mississippi limited liability company, 904 Montrose Drive, Ridgeland, Mississippi 39157 ("Lessor"), and **MADISON COUNTY, MISSISSIPPI**, by and through the Madison County Board of Supervisors, whose address is 125 West North Street, Canton, Mississippi 39046 ("Lessee").

WITNESSETH:

In consideration of the mutual covenants, agreements and undertakings herein, and in consideration of the express approval of this Lease by the Madison County Board of Supervisors as recorded in its minutes dated the 21 day of March, 2022, 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 1,725 square feet of office space as noted hereinafter and on the plan attached hereto as Exhibit "A" along with the associated common areas and parking lot of the building (the "Premises"), located at 1883 Highway 43 South, Canton, Mississippi 39046 (the "Property").

ARTICLE 2. TERM

The term of this Lease shall be for a sixty (60) month period commencing the earlier of May 1, 2022 or substantial completion of the improvements to the Premises as set forth on the plan attached hereto as Exhibit "A."

ARTICLE 3. RENT

A. Lessee agrees to pay to the Lessor, as Base Rent, the following sums, said Base Rent being due on the first day of each month, in advance.

Lease Year 1: One thousand one hundred fifty and 00/100 dollars (\$1,150.00) per month based on a rental rate of \$8.00 per square foot per year ("Year 1 Base Rent").

Lease Year 2: One thousand two hundred seven and 50/100 dollars (\$1,207.50) per month based on a 5% escalation of the Year 1 Base Rent rental rate ("Year 2 Base Rent").

Lease Year 3: One thousand two hundred sixty-seventy and 88/100 dollars (\$1,267.88) per month based on a 5% escalation of the Year 2 Base Rent rental rate ("Year 3 Base Rent").

Lease Year 4: One thousand three hundred thirty-one and 27/100 dollars (\$1,331.27) per month based on a 5% escalation of the Year 3 Base Rent rental rate ("Year 4 Base Rent").

Lease Year 5: One thousand three hundred ninety-seven and 83/100 dollars (\$1,397.83) per month based on a 5% escalation of the Year 4 Base Rent rental rate ("Year 5 Base Rent").

B. Lessee agrees to pay Lessor, as Additional Rent, the following sums, said Additional Rent being due on the first day of each month, in advance.

Lease Year 1: Four hundred sixty and 00/100 dollars (\$460.00) per month based on an operating expense (common area maintenance, taxes, insurance and management expenses) rate of \$1.70 per square foot per year and a utility expense rate of \$1.50 per square foot per year (collectively "Initial Additional Rent").

Lease Year 2: Four hundred eighty-three and 00/100 dollars (\$483.00) per month based on a 5% escalation of the Year 1 Additional Rent rental rate ("Year 2 Additional Rent").

Lease Year 3: Five hundred seven and 15/100 dollars (\$507.15) per month based on a 5% escalation of the Year 2 Additional Rent rental rate ("Year 3 Additional Rent").

Lease Year 4: Five hundred thirty-two and 51/100 dollars (\$532.51) per month based on a 5% escalation of the Year 3 Additional Rent rental rate ("Year 4 Additional Rent").

Lease Year 5: Five hundred fifty-nine and 13/100 dollars (\$559.13) per month based on a 5% escalation of the Year 4 Additional Rent rental rate ("Year 5 Additional Rent").

C. The first rental payment of Base Rent and Additional Rent shall be due and payable upon commencement. 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.

Rental payments shall be mailed to Madison County Farms, LLC, Montrose Drive, Ridgeland, Mississippi 39157.

ARTICLE 4. SECURITY DEPOSIT

Lessee shall not be required to pay a security deposit.

ARTICLE 5. 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. The parking lot on the Premises shall be utilized for parking only. Vehicles should not be left in the parking lot overnight. Lessor is not responsible for damage to vehicles in the parking lot.

ARTICLE 6. 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 Premises 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 use of the Premises, common area, parking lot or any other portion of Lessor's property. 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 7. CONDITION OF PREMISES

Lessee has inspected the Premises and acknowledges and agrees to lease the Premises in its "as is" condition, upon completion of the improvements as set forth on Exhibit "A" attached hereto. 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 8. 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 an additional insured or 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 9. CERTIFICATE OF INSURANCE

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

ARTICLE 10. 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 11. ASSIGNMENT AND SUBLETTING

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

ARTICLE 12. LESSEE COSTS AND LESSOR COSTS

A. Lessee shall be responsible for, at its cost and expense, all toiletries, paper products, janitorial services, janitorial supplies and other supplies and incidentals relating to the office space within the Premises. Lessee shall be responsible for, at its cost and expense, phone and internet services to the Premises. 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.

B. Lessor, at its cost and expense, shall be responsible for utilities, including, but not limited to, electricity, gas, water, sewer, trash collection, etc. ("Utilities") to the Premises. Lessor, at its cost and expense, shall be responsible for all toiletries, paper products, janitorial services, janitorial supplies and other supplies and incidentals relating to the common areas of the Premises.

ARTICLE 13. INDEMNIFICATION AND LIABILITY

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 extension or holdover thereof, unless caused by the intentional act of Lessor.

ARTICLE 14. 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 15. 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 16. 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 base monthly rental rate at that time. 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 17. 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 18. 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, may be offered 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 19. 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 20. 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 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 1883 Hwy. 43 South, 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 at the request of any party 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.

ARTICLE 23. REPRESENTATIONS AND WARRANTIES OF LESSEE

To induce Lessor to enter into this Lease, Lessee makes the following representations and warranties, all of which are true as of the date hereof (unless otherwise specified) and shall also be true throughout the term of this Lease:

A. Lessee has full power and authority to enter into this Lease and to perform all of its obligations hereunder. The execution and delivery of this Lease and the performance by Lessee of its obligations hereunder have been duly authorized by all requisite action of the Madison County Board of Supervisors, as recorded in its Minutes dated the ____ day of _____, 2022 and no further action or approval is required in order to constitute this Lease as a binding and enforceable obligation of Lessee.

ARTICLE 24. NOTICES

All notices, requests, demands, and other communications which are required or may be given under this Lease shall be in writing and shall be served on the parties at the addresses indicated below:

To Lessor: Madison County Farms, LLC
904 Montrose Drive
Ridgeland, MS 39157
Attn: Stephen F. Davidson

With a copy to: G. Todd Burwell, P.A.
618 Crescent Blvd., Suite 200
Ridgeland, MS 39157
Attn: Todd Burwell

To Lessee: Madison County, Mississippi
125 West North Street
Canton, MS 39046
Attn: Karl M. Banks

With a copy to: _____

Attn: _____

Any such notices shall be (a) sent by certified mail, return receipt requested, in which case notice shall be deemed delivered three business days after deposit, postage prepaid in the U.S. Mail, (b) sent by overnight delivery using a nationally recognized overnight courier, in which case notice shall be deemed delivered one business day after deposit with such courier, or (c) sent by personal delivery, in which case notice shall be deemed delivered on the day of actual delivery. The above addresses may be changed by written notice to the other party; provided, however, that no notice of a change of address shall be effective until actual receipt of such notice.

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

LESSOR:

MADISON COUNTY FARMS, LLC

By: 
Printed: Stephen F. Davidson
Its: Manager

LESSEE:

MADISON COUNTY, MISSISSIPPI
by and through the Madison County
Board of Supervisors

By: 
Paul Griffin, President

STATE OF MISSISSIPPI
COUNTY OF MADISON

PERSONALLY APPEARED BEFORE ME, the undersigned authority in and for the said county and state, on this 7 day of April, 2022, within my jurisdiction, the within named Stephen F. Davidson, who acknowledged that he is a Manager of Madison County Farms, 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:

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 _____, 2022, within my jurisdiction, the within named Paul Griffin who acknowledged that he is 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 Board so to do.

NOTARY PUBLIC

MY COMMISSION EXPIRES:

(SEAL)

Exhibit A - Suite B

Madison County Board of Supervisors

1,725 Rentable Square Feet (RSF)

1. Remove existing wall, pending inspection by landlord
2. Replace all damaged or missing ceiling tiles
3. Landlord to provide directory signage

