LEASE AGREEMENT

THIS LEASE AGREEMENT (this "<u>Lease</u>") is made and entered into as of October __, 2025 (the "<u>Effective Date</u>") by and between Cedar Hill Independent School District, an independent school district and political subdivision of the State of Texas ("<u>Tenant</u>") and the City of Cedar Hill, a home rule municipality located in the State of Texas ("<u>Landlord</u>").

WITNESSETH:

WHEREAS, the parties hereto, for themselves, their successors and assigns, hereby covenant, as follows:

- 1. **PREMISES**. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the land commonly known as 912 Cedar Street, Cedar Hill, Texas 75104, and 914 Brandenburg Street, Cedar Hill, Texas 75104, more fully described in Exhibit A attached hereto and incorporated by reference, together with all buildings and other improvements situated thereon (collectively, the "Premises"). Landlord and Tenant will be parties to a future Agreement of Sale and Purchase ("Agreement"), in which Tenant will agree to sell Landlord the Premises; and after that time, Tenant will have possession of the Premises, as a tenant, for three years following the Effective Date, and that such occupancy shall be governed by the terms and conditions of this Lease.
- 2. <u>POSSESSION; TERM</u>. The term of this Lease (the "<u>Term</u>") shall commence on the Effective Date (the "<u>Commencement Date</u>") and terminate upon three years following the date of execution of the Agreement of Sale and Purchase (the "<u>Expiration Date</u>") unless sooner terminated in accordance with the terms and conditions of this Lease.
- 3. **RENT**. During the Term, the Premises are leased at a rental rate ("Rent") equal to \$10.00 per month, payable on the Effective Date and each month thereafter. Tenant shall pay to Landlord the Rent herein reserved at the times and in the manner hereinabove provided during the Term of this Lease. Payments are to be made to Landlord at Landlord's address set forth below or such other place as Landlord may from time to time designate in writing. Tenant shall be allowed to prepay the Rent for the entire Term of this Lease.
- 4. **BROKERS**. Landlord and Tenant each represents and warrants to the other that it has dealt with no broker or agent in connection with this Lease.
- 5. <u>USE; UTILITIES; TAXES</u>. Tenant may use the Premises solely for school purposes, consistent with the use previously made by Tenant and its affiliates, along with other uses incidental thereto and any other lawful purpose. Tenant shall have the right to use the grounds, roads, driveways, sidewalks, parking areas, and other similar areas on the Premises, which enable Tenant to obtain full use and enjoyment of the Premises for all customary purposes. Tenant shall be responsible for the payment of all utilities necessary in connection with its use and occupancy of the Premises, consistent with Tenant's prior use of the Premises as owner. Landlord shall be solely responsible for the timely payment of all ad valorem and other taxes and assessments against the Premises, if any, other than taxes assessed against the personal property of Tenant.

6. <u>ACCESS TO PREMISES</u>. Landlord or its agents shall have the right to enter the Premises at reasonable times during regular business hours to examine the same, to make such repairs as Landlord may deem necessary or desirable and to otherwise comply with its obligations hereunder, provided that in all cases, Landlord shall give Tenant reasonable prior written notice, and provided further that such entry shall not unreasonably interfere with Tenant's access to, or ability to conduct normal business operations within, the Premises. However, in case of an emergency, Landlord or its agents shall have the right to enter the Premises at any time and without prior notice. Tenant shall have access to and use of the Premises.

7. **NOTICES**.

(a) Any notice that either party may desire or be required to give the other shall be in writing and shall be deemed sufficiently given or rendered if sent by certified mail, return receipt requested, or reputable overnight air courier that provides written evidence of delivery, in each case addressed as follows:

If to Landlord: The City of Cedar Hill, Texas

285 Uptown Blvd.

Cedar Hill, Texas 75104 Phone: (972) 291-5100 Fax: (972) 291-5113

Email: melissa.valadez@cedarhilltx.com

If to Tenant: Cedar Hill Independent School District

285 Uptown Blvd., Building 300

Cedar Hill, Texas 75104 Phone: (972) 291-1581 Fax: (972) 291-5231

Email: maria.gamell@chisd.net

- (b) Either party may change its address for the giving of notices under this Lease by delivering to the other party written notice of such change of address. Notices shall be deemed given on the date mailed if sent by certified mail, or the date deposited with the overnight air courier if sent by overnight air courier.
- 8. <u>SIGNAGE</u>. Upon commencement of the Lease, Tenant shall be permitted to leave signage indicating "Cedar Hill Independent School District." Such signage shall not be considered a breach of this Lease.

9. **ALTERATIONS**.

- (a) Tenant may not make structural improvements, alterations, additions or installations ("<u>Alterations</u>") in or to the Premises without Landlord's prior written consent. Any approved Alterations shall be constructed so as to conform to applicable Laws.
- (b) Any approved Alterations upon the Premises made by either party except trade fixtures of Tenant shall remain upon and be surrendered with the Premises, as a part thereof,

at the expiration or earlier termination of this Lease. However, with respect to any Alterations requiring Landlord's consent, Landlord, by written notice to Tenant at the time Landlord gives consent, may require Tenant to remove such Alterations at the expiration or earlier termination of this Lease.

10. **TENANT REPAIRS**. Tenant shall, during the Term of this Lease and at the expiration or earlier termination thereof, maintain the Premises in good and clean order, repair and condition, reasonable use and wear, damage by fire or other casualty excepted. During Tenant's occupancy of the Premises, Tenant shall, at its expense, make all repairs necessary to keep said Premises in good condition and repair. Tenant further agrees that all damage or injury done to the Premises by any person, including theft and vandalism, shall be repaired at Tenant's expense. Landlord shall have no obligation to make any repairs or complete any maintenance on Premises unless specifically stated herein.

11. **INSURANCE**.

- (a) Throughout the Term, Tenant shall have in effect policies of commercial general liability and property damage insurance with respect to the use, operation or condition of the Premises, and the operations of Tenant in, on or about the Premises, providing bodily injury and broad form property damage coverage in such amounts as are reasonably determined by Tenant.
- (b) Tenant shall have the right to provide its required insurance coverage pursuant to blanket policies obtained by Tenant.
- (c) During the Term of this Lease, Landlord shall provide self-insurance coverage with respect to the Premises, providing bodily injury and broad form property damage coverage in such amounts as are reasonably determined necessary by Landlord.
- (d) Except for self-insurance coverage, insurance to be carried by either party shall be maintained with an insurer(s) holding a Best Rating of A-X or higher.
- (e) A certificate of the insurer evidencing the existence and amount of each required insurance policy shall be delivered by each party to the other before the date Tenant is first given the right of possession of the Premises, and thereafter within thirty (30) days after any written demand. No such policy shall be cancelable except after thirty (30) days written notice to Landlord and Tenant. Each party shall furnish the other with proof of renewal or qualified replacement policies at least ten (10) days before expiration of the original. All coverages required under this Lease shall be maintained for the duration of this Lease. Notwithstanding anything to the contrary herein, if the Premises are unimproved Tenant shall not be required to carry insurance covering property damage to the Premises.
- 12. **WAIVER OF CLAIMS**. Landlord hereby waives all rights of recovery against Tenant and its officers, employees, agents, and representatives, on account of loss by or damage to the Landlord of its property or the property of others under its control, to the extent that such loss or damage is caused by fire or other casualty for which insurance is either required to be carried by Landlord under the terms of this Lease, or is in fact carried by Landlord.

13. **INDEMNIFICATION**.

- (a) Landlord agrees to defend, indemnify and save Tenant harmless from and against all claims arising from this Lease and any accident, injury or damage to any person or property occurring in the Premises after the Effective Date until the expiration or earlier termination of this Lease. This indemnity and hold harmless agreement shall include indemnity from and against any and all liability, fines, suits, demands, costs and expenses of any kind or nature (including, without limitation, reasonable attorneys' fees and disbursements) incurred in, or in connection with, any such claim or proceeding brought thereon, and the defense thereof. Nothing contained in this Section 13(a) shall be construed to obligate Landlord to indemnify Tenant to the extent any such claim results from the willful misconduct of Tenant or Tenant's employees, agents or contractors.
- (b) Nothing in this Paragraph 13 is intended to require indemnification for any property claim for which insurance is required to be maintained under the terms of this Lease. The rights and obligations of Landlord and Tenant under this Paragraph 13 shall survive the expiration or earlier termination of this Lease.

14. SUBLEASE AND ASSIGNMENT.

- (a) Tenant may not assign this Lease or sublease all or a portion of the Premises to any third party without Landlord's prior written consent.
- (b) Notwithstanding anything to the contrary contained in this Paragraph 14, Tenant shall have the right to assign or transfer any interest in this Lease, or sublet or license all or a portion of the Premises, with prior written notice to Landlord, to a "Related Transferee", which term shall mean any of the following: Tenant's parent or any subsidiary or affiliate of Tenant, or a successor to Tenant by way of merger, consolidation, corporate reorganization, or the purchase of all or substantially all of Tenant's assets or stock. Additionally, Tenant shall have the right to sublease the Premises to the adjoining property owner for grazing purposes.
- (c) Tenant shall not sublease or assign this Lease to any other public, private, or charter school organizations without the express written consent of Landlord.
- 15. **HOLDOVER**. Tenant shall vacate the property on or before the Expiration Date of this Lease: there shall be no holdover unless otherwise expressly agreed to in writing by both Landlord and Tenant.

16. **DAMAGE AND DESTRUCTION**.

- (a) If the Premises shall be partly damaged by fire or any other cause, the damage shall be repaired as expeditiously as possible by and at the expense of Landlord, and further Tenant may elect to terminate this Lease if:
 - (i) Landlord fails to give written notice within fifteen (15) days from the date of such damage of its intention to repair the Premises; or

- (ii) Landlord fails to repair the Premises to a condition substantially suitable for the intended use within ninety (90) days from the date of such damage.
- (b) If the Premises shall be totally destroyed or rendered wholly untenantable by fire or any other cause, this Lease shall terminate at the election of either party, written notice of such election to be given within fifteen (15) days after the date of the damage.

17. **EMINENT DOMAIN**.

RESERVED

- 18. **ENVIRONMENTAL CONDITIONS**. Tenant shall, to the extent it is reasonably able to do so, ensure that no materials will be brought onto the Premises by Tenant, its employees, service providers, agents or contractors, but excluding members of the public, which are classified as "hazardous" or "toxic" under the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601, et seq., The Resource and Conservation and Recovery Act, 42 U.S.C. 6901 et seq., or any other applicable federal, state or local law or regulation ("Hazardous Substances").
- 19. <u>TENANT'S COMPLIANCE WITH LAWS</u>. Tenant's manner of use of the Premises shall be in accordance with all applicable statutes, codes, ordinances, orders, rules and regulations of any municipal or governmental entity ("<u>Laws</u>"). Tenant shall not allow or suffer any trade or occupation to be carried on upon the Premises or use to be made thereof that shall be dangerous to any person or property. Notwithstanding any language to the contrary contained in this Section 19, Tenant shall have no obligation to expend any funds to correct or change any system or structural element of the Premises so as to comply with any Laws.
- 20. **QUIET ENJOYMENT**. Landlord covenants that Tenant shall have peaceful and quiet enjoyment of the Premises during the Term.

21. **DEFAULT; REMEDIES**.

- (a) It is agreed that Tenant shall be in default if: (a) Tenant shall fail to pay the rent when due, and such failure shall continue for a period of ten (10) days after Tenant receives written notice of such failure; (b) Tenant shall file bankruptcy or otherwise become insolvent; or (c) Tenant shall violate or fail or neglect to keep and perform any of the covenants, conditions and agreements to be kept or performed on the part of Tenant and such failure shall not have been cured within thirty days after Tenant receives written notice to so do or perform or after a reasonable time to cure said default if same cannot be cured within thirty (30) days, provided Tenant shall have commenced the curing of said default within such period and shall thereafter diligently pursue the curing of same. In the event a default occurs as set forth above, Landlord may terminate this Lease, take possession of the Premises and recover any other damages allowable by applicable law.
- (b) If Landlord fails to perform any of its obligations as provided under this Lease and such default in performance continues for more than thirty (30) days after written notice by Tenant to Landlord, or such shorter period if otherwise specifically provided under this Lease,

Tenant shall have the right upon written notice to Landlord to terminate this Lease effective upon the giving of such notice and to undertake legal proceedings to recover from Landlord any costs, expenses or damages caused by Landlord's default.

22. **WAIVERS**.

(a) No waiver, express or implied, by either party of any breach of any covenant, agreement or duty on the part of the other to be performed or observed shall be construed as a waiver of any other breach of the same or any other covenant, agreement or duty.

23. **SUBORDINATION**.

- (a) This Lease shall be subject and subordinate to the lien of any mortgage, deed of trust or ground lease hereafter placed on all or any part of the Premises, provided that Landlord shall first deliver to Tenant a Subordination, Non-Disturbance and Attornment Agreement in a form reasonably acceptable to Tenant (the "SNDA") executed by the holder thereof ("Holder").
- (b) Tenant shall be entitled to rely upon any notice requesting that Tenant make all future Rent payments to a Holder and Tenant shall not be liable to Landlord for any payment made to a Holder in accordance with such notice.

24. **ESTOPPEL**.

- (a) Upon twenty (20) days' written notice from Landlord, Tenant agrees to execute and deliver to Landlord or to any other person at Landlord's direction, a written certification that this Lease is in full force and effect and specifying the Commencement Date, the Term of this Lease, the dates to which Rent and other charges due hereunder have been paid, any specific factual terms of this Lease and to Tenant's actual knowledge whether any defaults or failures of performance exist.
- (b) Upon twenty (20) days' written notice from Tenant, Landlord agrees to execute and deliver to Tenant or to a subtenant, assignee or any other person at Tenant's direction, a written certification that this Lease is in full force and effect and specifying the Commencement Date, the Term of this Lease, the dates to which Rent and other charges due hereunder have been paid, any specific factual terms of this Lease and to Landlord's actual knowledge whether any defaults or failures of performance exist.
- 25. **TENANT TERMINATION RIGHT**. Notwithstanding anything to the contrary contained in this Lease, Tenant shall have the right, at any time during the Term and upon no less than thirty (30) days' advance written notice to Landlord, to terminate this Lease prior to the Expiration Date. Upon the effectiveness of such termination, Tenant shall vacate the Premises and leave it in good condition and repair, and the parties shall thereafter have no further rights, obligations or liability under this Lease.

26. **GENERAL**.

- (a) Whenever the singular number is used in this Lease and when required by the context, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders, and the word "person" shall include corporation, firm or association. If there be more than one Tenant, the obligations imposed upon Tenant under this Lease shall be joint and several.
- (b) The headings or titles to paragraphs of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part of this Lease.
- (c) This Lease, including the exhibits and any schedules attached hereto and incorporated into this Lease by this reference, contains all of the agreements and conditions made between the parties to this Lease and may not be modified orally or in any other manner than by agreement in writing signed by all parties to this Lease.
 - (d) Time is of the essence of each term and provision of this Lease.
- (e) The terms and provisions of this Lease shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors, and assigns of Landlord and Tenant.
- (f) This Lease shall be governed by the law of the State of Texas without regard to those portions of such law dealing with conflicts of law, and venue shall be in Tarrant County.
- (g) Nothing herein shall waive any sovereign or governmental immunities available to the parties.
- (h) Tenant shall not commit or suffer any waste upon the Premises, or any nuisance.

Signature Page Follows

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease under seal as of the date first above written.

LANDLORD:

CEDAR HILL INDEPENDENT SCHOOL DISTRICT,

an independent school district and political subdivision of the State of Texas

By:
TENANT:
THE CITY OF CEDAR HILL, TEXAS, a Texas home rule municipality
By:

EXHIBIT A

LEGAL DESCRIPTION

- 1) 4.001 Acres, Part Block 34, and 35, Abst 516, GC & SF Railroad, Dallas County, Texas, located at 912 Cedar Street, Cedar Hill, Texas 75104
- 2) 0.557 Acres, Part Lots 1 & 4, Block 32, Abst 516, GC & SF Railroad, Dallas County, Texas, located at 914 Brandenburg Street, Cedar Hill, Texas 75104