

LEASE AGREEMENT

THIS LEASE AGREEMENT is made this **1st day of May 2026** between **Town Of Cross Roads**, (hereinafter called "Lessee" or "Tenant") and **Denton Independent School District** (hereinafter referred to as "Lessor" or "Landlord"). Approval of this lease agreement is understood by all parties to officially cancel any prior lease agreements including the Lessee and/or Lessor that may have previously been in effect.

I. **Demise.** Lessor hereby demises, leases and lets to Lessee the premises consisting of approximately **2848** rentable square feet of space ("Premises") located at 3201 US HWY 380, Cross Roads, TX ("Property") as hereinafter defined and shown on Exhibit A to use from **May 1, 2026**, for an **initial term in Year 1 of 14 consecutive months**, and thereafter commencing on a renewal date of **July 1, 2027**, with ongoing terms of **12 consecutive months** for the remainder of the term of the lease.

II. **Lease Covenants.** Lessee hereby agrees:

A. **Rent.** To pay a **Base Monthly Rent ("Base Rent")** according to the schedule below. This Base Rent should be sent to Lessor Attention: Business Department, 1307 N. Locust Street, Denton Texas 76201, commencing on April 1, 2026, and thereafter payment is due on or before the first day of the month. If payment is received later than the tenth day of any given month, Lessee shall pay a two hundred dollar (\$200.00) late fee plus a penalty of one hundred dollars (\$100.00) per day thereafter until rent is paid in full. In the event that Lessee tenders a check which is not honored or returned by the bank for any reason, Lessee shall pay to Lessor the additional sum of one thousand dollars (\$1,000.00) per check.

- **Year 1 (26-27):** \$16.50/sf/yr + OPEX (**\$3916** + OPEX)
- **Year 2 (27-28):** \$17.00/sf/yr + OPEX
- **Year 3 (28-29):** \$17.50/sf/yr + OPEX
- **Year 4 (29-30):** \$18.00/sf/yr + OPEX
- **Year 5 (30-31):** \$18.50/sf/yr + OPEX

Operating Expenses (OPEX): OPEX shall include water, sewer, gas, electric, Real Estate Taxes, building insurance, Common Area Maintenance (CAM), landscaping, Custodial, and management. Tenant will reimburse Landlord its proportionate share on a monthly basis in addition to the Base Rent. This proportionate share amount will be calculated annually prior to the lease renewal date, and shall be based on the prior calendar year's actual OPEX costs. Landlord will provide a detailed breakdown of this calculation annually in Exhibit C.

B. **Renewal Option.** Tenant is granted **four (4)** successive options to extend the Term for an additional twelve (12) months commencing immediately upon the expiration of the initial Term or the expiration of the then existing Term, in each case upon the terms and conditions set forth in **Section VIII**. However, Lessor reserves the right to terminate the lease at the end of any annual term in the event the Denton ISD Board of Trustees determines that the premises is needed for educational purposes in the upcoming year upon 90 days' notice prior to the end of the term.

Additionally, Lessee reserves the right to terminate the lease at the end of any annual term in the event the Town Council of Cross Roads formally determines that the premises are no longer needed for the Town of Cross Roads in the upcoming year upon 90 days' notice prior to the end of the term.

- C. **Use.** To use the Premises for the provision of professional services in accordance with all applicable regulations and rules of law, both State and Federal
- D. **Surrender.** To peaceably deliver possession of the Premises to the Lessor upon termination of this lease, subject to ordinary wear and tear.
- E. **Maintenance and Repairs.** Lessee will give reasonable notice to Lessor in the event major repairs are necessary and will provide a reasonable right of access to the Premises to Lessor in order to accomplish same.
- F. **Telephone and Internet.** To provide at its sole cost all necessary telephone and internet services to the Premises.
- G. **Janitorial.** In the event there are any secured areas (as identified in Exhibit B) where Lessee does not wish to grant access for regular janitorial services, Lessee will assume full responsibility for maintaining satisfactory janitorial services in those identified areas at its sole cost.

III. Lessor's Covenants. Lessor hereby agrees:

- A. **Quiet Enjoyment.** To afford the Lessee peaceable and quiet enjoyment of the Premises, and to prevent Lessee from being disturbed by any act of Lessor or any person claiming under him/her, so long as Lessee is current in its performance of the covenants and obligations herein contained.
- B. **Right of Removal.** That upon termination of this Lease, Lessor will permit Lessee a reasonable amount of time to remove any fixtures placed on the Premises by Lessee, provided Lessee will bear the cost of repair, if any, necessitated by such removal.
- C. **Utilities.** To provide, at its sole cost, all necessary utilities to the Premises including electricity and waste disposal, excluding biohazard waste removal, telephone, and internet services. Utilities provided twenty-four hours a day, seven days a week.
- D. **Janitorial.** To provide at its sole cost all necessary janitorial services to the Premises, including building common areas. Possible exclusions may be noted as in item II.G. above.
- E. **Taxes.** To remit all taxes that may be assessed against the Premises when such taxes become due. Any taxes assessed against the property leased by the Lessee will be the responsibility of the Lessee.
- F. **Maintenance and Repair.** Lessor will maintain the Premises in a suitable manner during the term of this Lease and will bear responsibility for minor repairs

to the Premises.

IV. Power of Re-entry. Upon the event of effective termination for any reason as provided in Section V (five) herein, Lessee shall immediately surrender the Premises to Lessor, and it shall be lawful in any such case for the Lessor or Lessor's designee or agent to re-enter upon the Premises.

V. Termination.

A. For Cause. Either party may terminate this Lease for cause upon thirty (30) days' prior written notice to the other party. For purposes of this section "cause" shall mean: 1) any substantial breach by a party of a material provision or covenant herein contained where such breach is not cured within **thirty (30) days** of receipt of notice; or 2) the institution of bankruptcy or insolvency proceedings by or on behalf of a party, whether voluntary or involuntary.

B. Mutual Consent. The parties may terminate this Lease at any time during its effective term, upon written consent signed by both parties.

C. Destruction of Premises. If the Premises are damaged or destroyed by any casualty to the extent that repair or restoration is not economically reasonable, or impossible to complete in **ninety (90) days** following such casualty, either party may terminate this Lease by giving **fifteen (15) days'** written notice to the other party.

D. Condemnation. In the event the Premises or any part thereof is substantially taken or condemned by the operation of eminent domain or conveyance in lieu thereof, this Lease shall terminate on the earlier of: 1) the date the condemning authority takes possession, or 2) the date title vests in the condemning authority. All compensation awarded for the condemnation of the Premises shall be the sole property of the Lessor except that nothing herein shall operate to preclude the Lessee from prosecuting any claim directly against the condemning authority for losses sustained by the Lessee.

VI. Alterations: Lessor hereby reserves the right at any time and from time to time to make alterations or additions to the Building and Common Areas but will not unreasonably interfere with Lessee's use of the Premises. Lessor shall have the right at any time and from time to time to change the street address of the building and to change the name of the building without incurring any liability to Lessee. Lessee shall not make any alterations, additions, or improvements to the Premises without the prior written consent of the Lessor, except the installation of unattached, movable furniture and equipment which may be installed without drilling, cutting, or otherwise defacing the Premises.

VII. Assignment. Lessee shall not, without prior written consent of the Lessor (which shall not be unreasonably withheld), assign or sublet this Lease or Premises in whole or part.

VIII. Renewal Option. So long as there is no uncured Event of Default in existence at the

time Tenant exercises the rights hereinafter set forth, Tenant is hereby granted the Renewal Options described in Section II B. Tenant must exercise each Renewal Option by delivering written notice to Landlord of its exercise of such Renewal Option at least **60 days prior** to the expiration of the Term (as the Term previously may have been extended). If Tenant exercises a Renewal Option, the renewal will be on the terms and conditions as are then in effect under this Lease, except that the Base Rent shall be adjusted as set forth below. If Tenant fails to timely exercise any Renewal Option in the manner prescribed herein, Tenant shall be deemed to have waived all rights to renew this Lease and extend the Term. Additionally, the Renewal Options granted hereunder shall automatically expire and be of no further force or effect immediately upon an assignment of this lease by Tenant and immediately upon sublease of all or any portion of the Premises by Tenant. Base Rent of each Renewal Option period shall be the then prevailing market rental rates for leased space in the building containing the Premises. Tenant shall have no option to extend the term of this Lease after the expiration of the last Renewal Option.

- IX. Interpretation and Governing Law:** This Lease shall be construed, and all of the rights, powers and liabilities of the parties shall be determined, in accordance with the laws of the State of Texas with venue in Denton, Texas. This Lease contains the entire understanding of the parties and supersedes all prior representations and statements between the parties, whether oral or written. If any part of this lease shall be held void or unenforceable, such part shall be treated as severable, leaving valid the remainder of the Lease.
- X. Notice:** All notices, requests, consents and other communications required by either party and permitted under this Lease shall be in writing and shall be hand delivered, faxed, or mailed by certified mail, return receipt requested, and shall be valid on receipt.
- XI. Insurance and Indemnity.** Lessee shall obtain and maintain sufficient general liability and comprehensive insurance coverage on the Premises to insure against risk of loss or damage to the Premises and Lessee's interest and obligations pursuant to this Lease. Lessee shall indemnify and hold harmless Lessor against any liability, claim, demand, cost, fee, or expense (including settlement payments and Lessor's attorney's fees) arising from conduct attributable to Lessee or Lessee's invitees. Lessor will notify Lessee in writing of any claim against Lessor by a third party for which indemnification is sought. Lessee shall have the right to defend any such claim at its own expense with counsel reasonably acceptable to Lessor.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed in multiple counterparts as of the day and year first above set forth.

LESSOR:

Denton ISD
1307 N. Locust Street
Denton, Texas 76201

Name: _____

Title: _____

Signature: _____

Date: _____

LESSEE

Town of Cross Roads
3201 US Hwy 380, Suite 105
Cross Roads, TX 76227

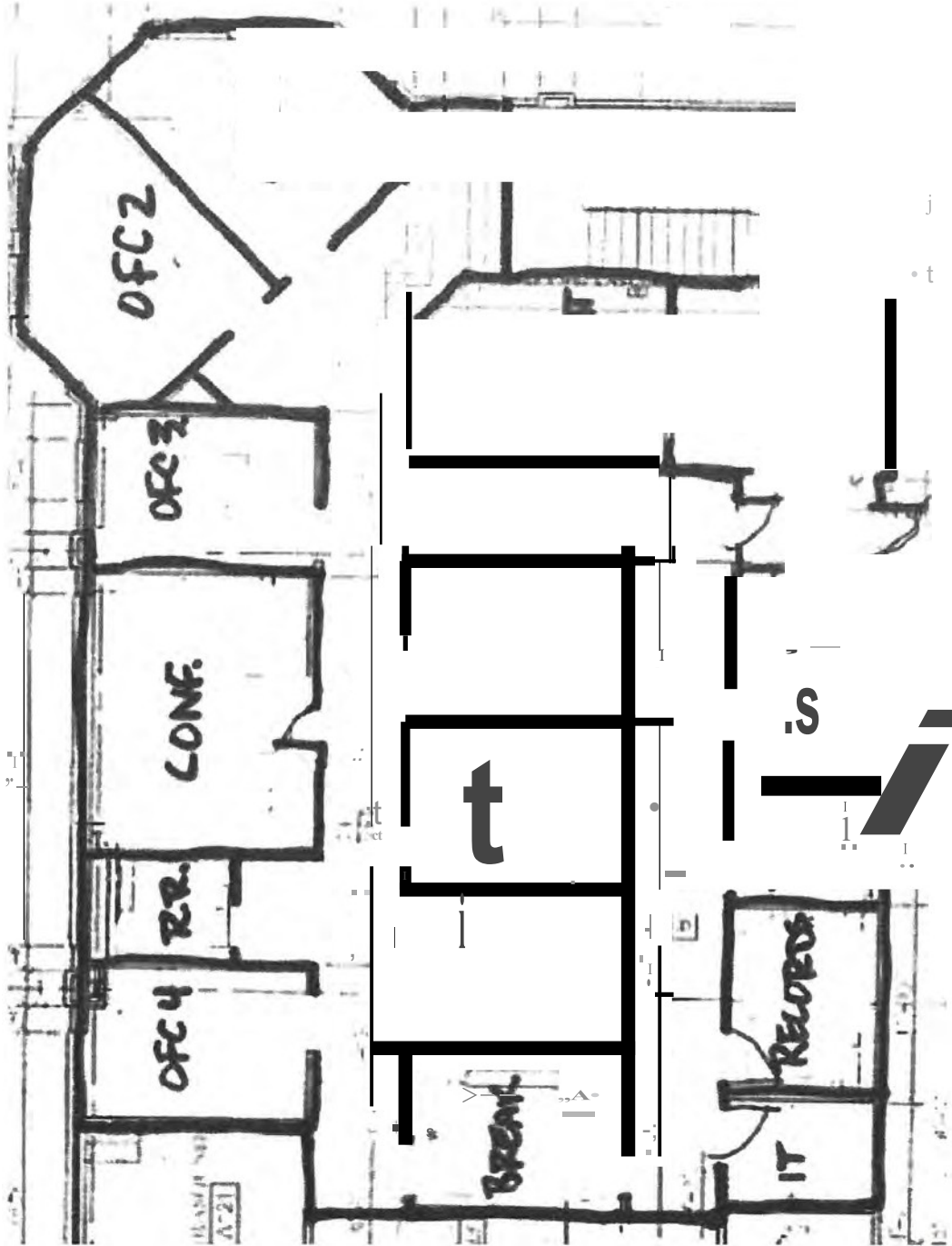
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Title: _____

Signature: _____

Date: _____

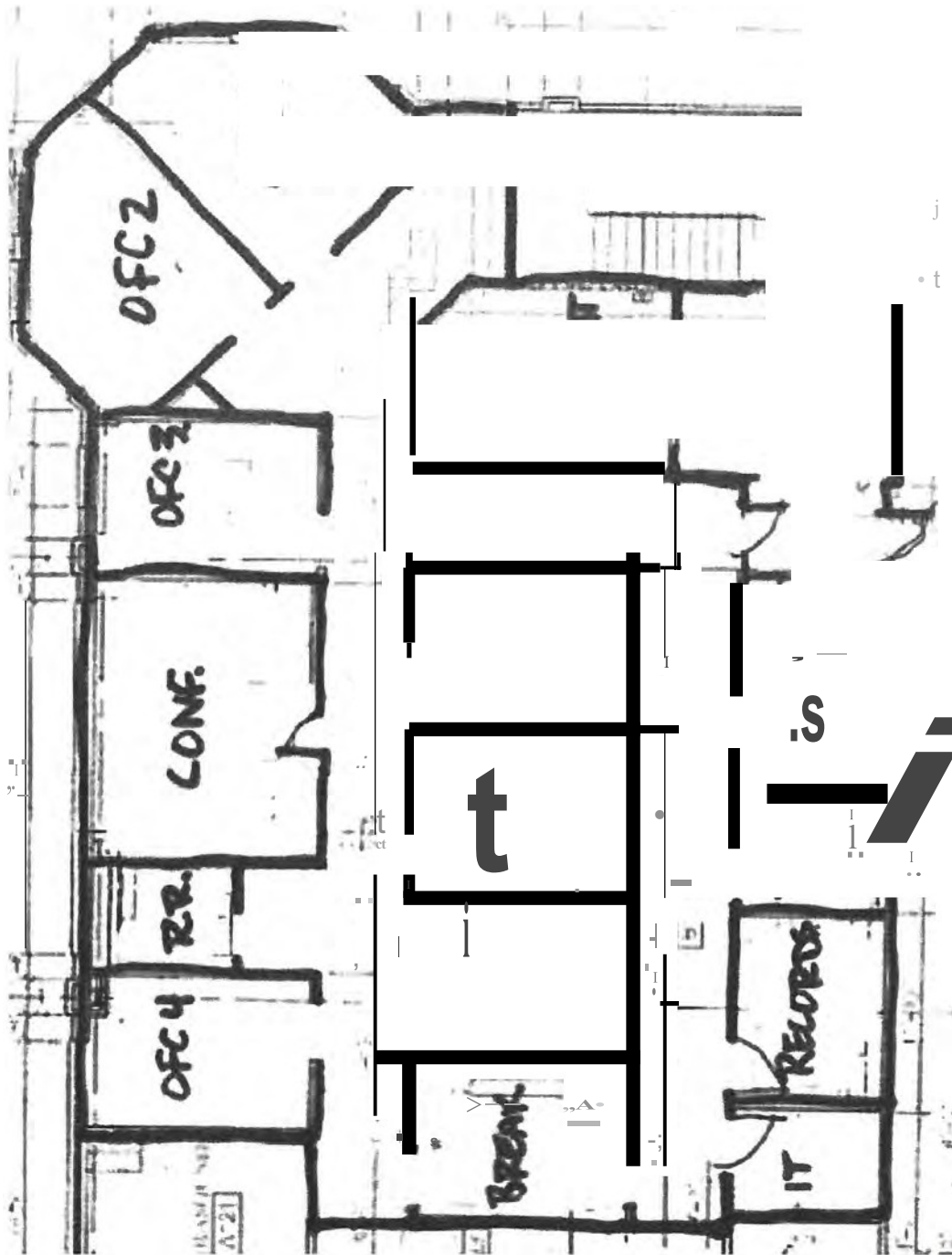
EXHIBIT A LEASED
PREMISES



DS
MS
Landlord


Tenant

**EXHIBIT B
SECURED PREMISES WITHIN LEASED AREA**



DS
MS
Landlord

Tenant

EXHIBIT C
ANNUAL OPEX COST BREAK DOWN
[Provided by Landlord Annually]

Tenant	SqFt	% of bldg occupied
Town of Cross Roads	2848	11.54%
Total building square feet	24677	100.00%

	SqFt	Base Rate	Total (Annual)	Monthly
Base Rent (Year 1 - 2026-27)	2848	\$ 16.50	\$ 46,992	\$3,916
Base Rent (Year 2 - 2027-28)	2848	\$ 17.00	\$ 48,416	\$4,035
Base Rent (Year 3 - 2028-29)	2848	\$ 17.50	\$ 49,840	\$4,153
Base Rent (Year 4 - 2029-30)	2848	\$ 18.00	\$ 51,264	\$4,272
Base Rent (Year 5 - 2030-31)	2848	\$ 18.50	\$ 52,688	\$4,391

YEAR 1		Monthly OPEX calculated as of 5/1/26		
Items included in OPEX:		Total (Annual)	% Annual	Monthly
Building alterations & Repairs	FY26	\$ -	\$ -	\$ -
Building Insurance	FY26	\$ 12,164	\$ 1,404	\$ 117
Elevator Repair & Maintenance	FY26	\$ 890	\$ 103	\$ 9
Custodial Services (*cost per SqFt)	FY27*	\$ 2.32	\$ 6,607	\$ 551
Landscape & Grounds	FY26	\$ 12,800	\$ 1,477	\$ 123
Electricity	FY26	\$ 21,952	\$ 2,533	\$ 211
Water	FY26	\$ 7,939	\$ 916	\$ 76
Gas	FY26	\$ -	\$ -	\$ -
Monitoring Services	FY26	\$ -	\$ -	\$ -
Pest Control (cost per month)	FY26	\$ 456	\$ 53	\$ 4
Building Management	FY26			\$ 100
Property Tax	N/A	\$ -	\$ -	\$ -
TOTAL Monthly OPEX				\$ 1,191

YEAR 1	
TOTAL MONTHLY BASE RENT + OPEX (5/1/26-6/1/27)	\$5,107