

## LEASE AGREEMENT

THIS AGREEMENT is made and entered into by and between BLOUNT COUNTY, TENNESSEE, a political subdivision of the State of Tennessee, (hereinafter "Lessor") and BLOUNT COUNTY COMMUNITY ACTION AGENCY, a non-profit community action agency created by the legislative body of Blount County, Tennessee, (hereinafter "Lessee").

### WITNESSETH:

That subject to the terms and conditions hereinafter set forth, Lessor hereby leases and rents to Lessee, and Lessee hereby accepts as tenant of Lessor, the following described premises, to wit:

Tax Parcel No. 059-059-14200

SITUATE in Civil District No. 14 of Blount County, Tennessee, and being more particularly described as follows:

#### TRACT ONE:

BEGINNING on stone on west side of Tuckaleechee Pike, (1) N. 40 ½ E. with pike 20 chains to stone, thence (2) N. 51 ½ W. 8 chains to Lee Howards line thence (4) S. 51 ½ E. 8 chains to the beginning, containing 4 acres, more or less.

BEING AND INTENDING TO BE the same property conveyed to G. M. Marshall, *et al.*, (School Board) and their successors by W. Lee Howard and wife, Grace L. Howard, by deed dated July 7, 1917, and recorded in Warranty Deed Vol. 89, page 370, in the Register's Office for Blount County, Tennessee.

#### TRACT TWO:

BEGINNING at an iron stake in the east edge of an old road leading from Highway No. 73 to the old Maryville road, same being a corner to the Hubbard School property; thence (1) with edge of said old road N. 49 ½ W. 200 feet to a stake in edge of said old road; thence (2) N. 42 E. 420 feet to an iron stake; thence (3) S. 49 ½ E. 214 feet to a stake in line of Hubbard School property; thence (4) S. 42 W. 420 feet to the beginning, containing 2 acres, more or less.

BEING AND INTENDING TO BE the same property conveyed to W. L. Goddard, Chairman, *et al.*, composing the Board of Blount County School Supervisors, by Dr. H. W. Black and wife, Georgia Black, by deed dated July 25, 1949, and recorded in Warranty Deed Vol. 164, page 217, in the Register's Office for Blount County, Tennessee.

THE ABOVE DESCRIBED property is improved with a school building known as Hubbard Elementary School located at 3509 Tuckaleechee Pike, Maryville, Tennessee, 37803.

The terms and conditions of this lease are as follows:

1. This lease shall begin as of the 1<sup>st</sup> day of July, 2020, and unless sooner terminated as herein provided, shall exist and continue for a period of twenty (20) years, or until and including the 30<sup>th</sup> day of June, 2040.
2. Lessee shall pay to Lessor One Dollar (\$1.00) per year as rental for the leased premises, which amount shall be due on the 1<sup>st</sup> day of July of each year during the term of this lease and any extension thereof.
3. Lessee shall use the leased premises only for the purposes for which Lessee was created, *i.e.*, a non-profit community action agency. In the event that Lessee ceases to use the leased premises for the purposes for which Lessee was created, then this lease agreement shall automatically terminate and become void, and Lessor without notice or demand to Lessee may re-enter upon the lease premises and occupy and possess the same as of its former estate.
4. Lessee shall not assign, transfer, or sublet the leased premises or any part thereof.
5. Lessee shall not improve or alter the leased premises in any manner without obtaining the prior written consent of Lessor, and all improvements or alterations permitted to be erected or made on the leased premises shall be considered part of the real estate and taken as rent in addition to the rent set forth above.
6. Lessee shall keep, maintain, and preserve the leased premises and appurtenances in good condition and repair and shall, at Lessee's sole cost and expense, make all necessary repairs to the leased premises and every part of the leased premises as needed. Lessor shall have no obligation to alter, remodel, improve, repair, or maintain the leased premises or any part of the leased premises.
7. Upon the expiration or earlier termination of this lease, Lessee agrees to return the leased premises to Lessor in the same condition as when received, reasonable wear and tear expected.
8. Lessee shall be responsible for and timely pay all charges for utilities, including deposits, for the leased premises during the term of this lease and any extension thereof.
9. Provided that the leased premises become subject to the assessment of ad valorem real property taxes, Lessee shall pay all such property taxes for the leased premises during the term of this lease and any extension thereof.
10. Lessee shall, during the term of this lease agreement and any other period of occupancy of the leased premises, at Lessee's sole cost and expense, carry fire and extended coverage insurance on the leased premises in an amount equal to at least eighty percent (80%) of the valuation of the buildings or improvement located on the leased premises, with Lessor named as an insured

thereunder. Such insurance shall be written by a reliable insurance company or companies authorized to do business in the State of Tennessee.

11. It is understood that Lessor shall not be liable for any loss, damage, or injury to Lessee's equipment and personal property located on the leased premises, and Lessee shall be responsible for and shall provide its own insurance coverage on such equipment and personal property.

12. Lessee shall indemnify and hold Lessor harmless from any and all claims and demands, whether for injury to person, loss of life, or damage to property, including attorney fees, arising out of Lessee's use of the leased premises, and Lessee will keep in effect comprehensive general liability insurance upon the leased premises in an amount not less than \$1,000,000.00 in the aggregate, with Lessor named as an insured thereunder.

13. Lessee shall provide with Lessor a certificate(s) of insurance on or before July 1 of each year evidencing that the insurance coverages required by paragraphs 10 and 12 above are in effect. These certificates shall contain a provision that coverages afforded under the policies will not be cancelled or allowed to expire until at least thirty (30) days prior written notice has been given to Lessor.

14. Should the leased premises be rendered unfit for use or occupancy as a consequence of casualty during the term of this lease or any extension thereof, this lease shall thereupon terminate. Lessor may terminate this lease, at Lessor's sole option, upon sixty (60) days written notice to Lessee.

15. Either party has the right to voluntarily terminate this lease upon given sixty (60) days written notice to the other party during the term of the lease.


16. In the event of breach or non-performance by Lessee of any of the covenants and agreements on its part to be kept and performed hereunder, and such breach or non-performance remains uncured for a period of thirty (30) days after notice thereof, this lease shall be forfeited and become void at the option of Lessor, and it shall be lawful for Lessor without any further notice or demand to re-enter upon the leased premises and to occupy and possess the same as of its former estate, without prejudice to any other remedy which Lessor may have on account of such breach or non-performance.

17. Lessor hereby covenants and agrees with Lessee, subject to the terms and conditions herein set forth, that Lessee shall have and enjoy the leased premises during the term herein provided and any extension thereof, free from the adverse claims of any and all persons whomsoever.

18. This lease shall be binding upon the parties hereto and their successors in interest.

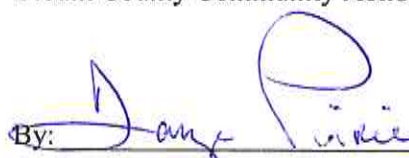
IN WITNESS WHEREOF, the parties hereto have executed this Lease Agreement, in duplicate original counterparts, as of the 1<sup>st</sup> day of July, 2020.

LESSOR:  
Blount County, Tennessee

By:   
County Mayor

Attest:   
County Clerk

LESSEE:  
Blount County Community Action Agency

By:   
Director