COMMERCIAL LEASE

STATE OF ALABAMA COUNTY OF BALDWIN

THIS AGREEMENT is made and entered into on this the <u>day of</u>, 2021, by and between James A. Black and Elizabeth A. Black (hereinafter, together called the Lessor) and Baldwin County, a political subdivision of the State of Alabama, by and through the Baldwin County Commission (hereinafter called the Lessee), for the hereinafter described premises and in consideration of the mutual promises contained herein.

WITNESSETH:

<u>PREMISES AND TERM</u>. Lessor does hereby lease and demise unto Lessee that premises situated in Baldwin County, Alabama which is commonly known as follows, to-wit: **3147** 1st **Avenue**, **Loxley, Alabama**, for continuous use and occupancy for and during the term of FIVE (5) Years beginning ______, and ending ______. This period is herein referenced to as the initial "term" or "period" of said lease. Said property is more specifically described as follows:

3147 1st Avenue, Loxley, Alabama

2. <u>RENT</u>. Lessee promises and agrees to pay to Lessor for the term of this lease rent as follows:

- A. The sum of ONE THOUSAND TWO HUNDRED and 00/100 dollars (\$1,200.00) per month. Payment must be received by the 1st day of each period. Failure to pay rent by the 10th of the month shall constitute a default of this lease; plus
- B. A security deposit of \$______ is due at the time of signing this said lease.
- C. The security deposit, if applicable, will be used for repair due to damage or neglect to the office furnishings, if provided, during the tenants stay. If the office and furnishings are in excellent shape the security deposit will be returned the mailing address provided. The security deposit will not be allowed to be used towards the last month's rent.

3. <u>Lease After the Expiration of Initial Period</u>. Upon expiration of the initial term of the lease set out above, said lease will be renewed automatically for an additional five (5) year term unless Lessee provides written notice to Lessor within ninety (90) days prior to expiration of the initial term of Lessee's desire to not renew this lease. Upon expiration of the first renewal term, Lessee will have the option to renew this lease for two (2) additional five (5) year terms.

4. <u>USE OF PREMISES</u>. The demised premises shall be used and occupied by the Lessee, or their assigns, as a commercial property, which may include as a library. The Lessee shall comply with all the sanitary laws, ordinances, rules, and orders of appropriate governmental authorities affecting the cleanliness, occupancy, and preservation of the demised Premises during the term of this lease. The Lessee will not commit any waste to said property nor permit the same to be done and will take good care of said premises at all times, and will not, by any act or omission, render the Lessor liable for any violation thereof. The

initial purpose of the property will be as a library; business on the property is not limited to those business activities, and any other lawful business endeavor shall be allowed on the property with the permission of the Lessor.

5. <u>CONDITION OF PREMISES</u>. The Lessee stipulates that Lessee has examined the demised Premises including the grounds and all buildings and improvements, and that they are, at the time of this lease, in good order and repair, and in a safe, clean and Lessee able condition.

6. <u>ALTERATIONS AND IMPROVEMENTS</u>. The Lessee shall not have the right to make alterations to the building(s) on the demised Premises without the prior consent of the Lessor, which shall not be unreasonably withheld; the Lessee shall make no alteration which violates laws, ordinances, or rules and regulations applicable to the Premises.

All alterations, changes, and improvements built, constructed or placed on the demised Premises by the Lessee shall be the property of the Lessor and remain on the demised Premises at the expiration or sooner termination of this lease. Reimbursement for labor or materials or for any improvements made thereon is acceptable if agreed upon by the Lessor and Lessee.

7. <u>REPAIRS AND MAINTENANCE</u>.

(A) Lessee shall, at all times during the term of this lease, and at its own cost and expense, repair, replace, and maintain in a good, safe, and substantial condition, all Lessee's property and any of its improvements thereto on the demised premises, and shall use all reasonable precaution to prevent waste, damage or injury to the demised premises.

(B) The Lessor shall be responsible for any repairs to the major systems of the structure, including the roof, HVAC, electrical, mechanical, plumbing and major structural repairs. All other repairs will be the responsibility of the Lessee.

(C) If Lessee shall fail or neglect to make any repair, Lessor shall have the right to do so at Lessee's expense. Lessee shall reimburse Lessor for such repairs as Lessor makes or causes to be made on the first day of the month following the presentation to Lessee of a statement for same.

(D) At the end of the term of this lease, or its sooner termination, Lessee shall return to Lessor the demised premises in original condition, less ordinary wear and tear. Any improvements made during the tenancy shall become the possession of the Lessor unless the same is removed by Lessee with minimal damage to the demised premises.

8. <u>TAXES</u>. Lessor shall pay ad valorem real property taxes on the demised premises.

9. <u>UTILITIES, FEES, ETC.</u> The Lessee shall be responsible for all fees, utilities and Wi-Fi that become due during the term of the lease from the property.

10. <u>INSURANCE</u>. The Lessee shall be responsible for the reimbursement of insurance paid by the Lessor for the insurance on the premises. Lessor shall provide the Lessee with the proof of payment of insurance coverage, and Lessee shall reimburse the same within 30 days of payment by the Lessor. The Lessee shall also be responsible for the provision of their own insurance for any insurance coverage they want to cover the contents and/or liability insurance.

11. <u>DEFAULT, LATE PAYMENT AND LESSOR'S LIEN</u>. If any default is made in the payment of rent or any part thereof at the times hereinabove specified, or if any default is made in the performance of or compliance with any other term or condition hereof, at the option of Lessor: the lease shall terminate and be forfeited, and the Lessor may re-enter the Premises and remove all persons therefrom; the Lessor may

accelerate all rental or other payments due under the lease, and Lessee shall pay the full amount thereof on demand; or Lessor may take such other action as may be lawful. However, in the case of Default, Lessor agrees that no lien will be created on personal property located on the premises which is not owned by the Lessee, and Lessor agrees to allow the return or recovery of said personal property by the rightful owners in the case of a default and/or ejectment of the Lessee.

12. <u>ABANDONMENT</u>. If at any time during the term of this lease the Lessee abandons the demised Premises or any part thereof, Lessor may, at Lessor's option, enter the demised Premises by any means without being liable for any prosecution therefor, and without becoming liable to Lessee for damages or for any payment of any kind whatever, and may, at Lessor's discretion, as agent for Lessee re-let the demised Premises or any part thereof for the whole or any part of the then unexpired term, and may receive and collect all rent payable by virtue of such re-letting, and, at Lessor's option, hold Lessee liable for any difference between the rent that would have been payable under this lease during the balance of the unexpired term if this lease had continued in force, and the net rent for such period realized by Lessor by means of such re-letting. If Lessor's right of re-entry is exercised following abandonment of the Premises by Lessee, then Lessor may consider any personal property belonging to Lessee and left on the Premises to also have been abandoned, in which case Lessor may dispose of all such personal property in any manner Lessor shall deem proper and is hereby relieved of all liability for doing so.

13. <u>SUBLETTING; ASSIGNMENT OF LEASE</u>. The Lessee shall NOT have the option to sublet the premises without express written consent of the Lessor which shall not be unreasonably withheld.

15. <u>INDEMNITY OF LESSEE OF LESSOR; NONLIABILITY OF LESSOR</u>. Lessee shall indemnify Lessor against all expenses, liabilities, claims of every kind, including Lessor's attorney's fees and expenses, by or on behalf of any person or entity arising out of either: (1) a failure of Lessee to perform any of the terms or conditions of this lease, (2) any injury or damage happening on or about the demised premises caused by Lessee's willful negligence, (3) failure of lessee to comply with any law or regulation of any governmental authority, or (4) any lien or security interest filed against the demised premises, or equipment, materials, alterations, or improvements thereon as a result of a delinquency by Lessee.

Lessee hereby releases forever Lessor from any and all claims for damages or injury arising out of Lessee's use or occupancy of the demised premises, and Lessee agrees to indemnify and hold Lessor harmless as to any and all claims of third parties for personal injuries or property damage arising out of Lessee's use or occupancy of the demised premises, all except to the extent caused by the negligence or misconduct of Lessor or its agents.

16. <u>QUIET ENJOYMENT.</u> Lessor warrants that Lessee shall be granted peaceable and quiet enjoyment of the demised premises free from eviction or interference by Lessor, if Lessee pays the rents and other charges provided herein, and otherwise punctually performs the terms and conditions imposed on Lessee hereunder.

17. <u>NOTICES.</u> All notices to be given to Lessee, whether pursuant to this agreement or otherwise, may be made by deposit in the United States Mail, first class postage prepaid, and addressed to Lessee at the Premises described herein. Such notice shall be deemed delivered three days after deposit in U. S. Mail. All notices to be given to Lessor shall be given in writing at the address to which rent is paid. All notices to be given to Lessee shall be given in writing and delivered to the following:

Baldwin County Commission

Attn:______ 312 Courthouse Square, Suite 12 Bay Minette, AL 36507

18. <u>Entire Agreement</u>. The Lessee agrees that this instrument constitutes the entire agreement of the parties hereto and that no agreement has been made between Lessee and Lessor or Lessor's agent which is not reduced to writing in this instrument. Lessee further agrees that no modification of this agreement shall be effective unless made in writing and signed by both parties hereto.

18. <u>Severability</u>. If any part or parts of this Agreement shall be held unenforceable for any reason, the remainder of this Agreement shall continue in full force and effect. If any provision of this Agreement is deemed invalid or unenforceable by any court of competent jurisdiction, and if limiting such provision would make the provision valid, then such provision shall be deemed to be construed as so limited.

19. <u>Law, Venue and Jurisdiction</u>. The parties acknowledge and agree that this Agreement shall in all respects be governed, construed by and administered in accordance with the laws of the State of Alabama, including without limitation all issues relating to capacity, formation, interpretation, and available remedies, without regard to Alabama conflict of law principles. The parties agree that the proper and exclusive venue for any legal action brought to enforce or interpret the terms of this Agreement shall lie in the Circuit Court of Baldwin County, Alabama.

Lessee has carefully read and understands the provision of this lease; understands that it is a legal and binding contract; and, understands that he or she should consult legal counsel in the event there are questions about this agreement.

LESSOR:

JAMES A. BLACK

ELIZABETH A. BLACK

LESSEE:

Baldwin County Commission

Joe B. Davis, III, Chairman

Attest:

Wayne A. Dyess, County Administrator