

This Instrument Prepared By: William T. Ridley
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157 Lantana Road
Crossville, TN 38555
(931) 456-9455

LEASE

THIS LEASE ("Lease") is hereby made and entered into this _____ day of _____, 20____, between **THE CITY OF CROSSVILLE, TENNESSEE**, ("Landlord"), and **TRACY MCGINNIS** ("Tenant").

WITNESSETH:

1. **Premises.** Landlord leases to Tenant, and Tenant leases from Landlord, real property as more fully described in exhibit A attached hereto.
2. **Term and Rent.** The term of this Lease shall be for one (1) year beginning on the 15th day of January, 2022 until the 14th day of January, 2023, at a rental of _____ Dollar (\$_____).
3. **Renewal Term(s).** This lease shall not be renewable and shall cease at the expiration of the term unless the parties agree to extend the lease in writing by executing a lease addendum.
4. **Tenant's Responsibility.** Tenant shall be responsible for the payment of all bills and/or assessments for electrical, natural gas, telephone, water and sewer and other utilities currently serving or soon to be serving the Property. To the extent that Landlord shall be billed for any such services by the provider thereof, Tenant shall reimburse Landlord for the amount thereof within fifteen (15) days of being furnished with a statement from Landlord with respect thereto. If the amount due as shown on such statement is not paid when due, it shall bear interest at the maximum legal contract rate until paid.
5. **Renovations and Alterations of Property.** Subject to Landlord's approval of all plans and specifications for material renovations and alterations and subject to the condition that Tenant shall allow no lien to be placed against the Property, Tenant shall have the right, at its sole cost and expense, to renovate, alter and use the Property in connection with its business and to make related improvements. All alterations, additions, repairs, replacements and improvements made to or upon the Property shall be deemed to be part of the Property and shall become the property of Landlord upon the expiration or termination of this Lease; provided, however, that trade fixtures, machinery and equipment that are installed by Tenant and removable without materially injuring the Property shall remain the property of Tenant. All such alterations, additions, repairs, replacements and improvements made to or upon the Property shall comply with all present and future governmental laws, covenants, restrictions, and regulations. No approval by Landlord of any plans or specifications for material renovations or alterations by Tenant shall be construed to warrant that such plans or specifications comply with any governmental laws or regulations.

It is understood that the tenant will install a fence and a guard house on the property. These items will be removed by the tenant and treated as trade fixtures, machinery, and equipment.

- 6. Surrender of Premises.** At the expiration of the term of this Lease, if the parties have not agreed to an extension, Tenant shall peaceably yield up to Landlord the Premises and all erections and additions made thereto except as hereinbefore provided, in good repair in all respects, reasonable use, wear and tear and damage by fire or other casualty or by condemnation excepted.
- 7. Holding Over.** Nothing in this agreement shall be construed to allow the Tenant the right to hold over on the property after the expiration of the leased period.
- 8. Use of Premises.** The Premises shall be used for the operation of business related to McGinnis Tile, and for any other lawful purpose which is related to the operation of the business. Tenant shall not, at any time, use or occupy the Premises in violation of restrictions or laws, ordinances or regulations of any government or agency having jurisdiction, or in violation of Landlord's insurance contract(s), or in a manner creating a nuisance.
- 9. Insurance.** All property of any kind that may at any time be used, left or placed on the Premises during the term of this Lease shall be at the sole risk of the Tenant. Tenant shall carry contents coverage insurance on its contents. To the extent not covered by insurance, Tenant will save, indemnify and hold Landlord free and harmless from any and all liability or any injury, loss or damage to person or property arising out of any cause associated with its business or use of the Property, including its omission to act. Tenant agrees to provide public liability insurance naming Landlord as additional insured to protect Landlord from loss customarily covered by such insurance in the minimum amount of \$1,000,000.00 per occurrence/aggregate.
- 10. Tax.** Any and all taxes due on the leased property will be the responsibility of the Tenant during the term of this agreement. Tenant shall pay taxes directly to the collecting government office.
- 11. Quiet Enjoyment.** As long as Tenant is not in default hereunder, Landlord covenants that Tenant shall peaceably hold and enjoy the Premises, subject to the terms of this Lease. All entrances, exits, approaches and means of entrance and approach, and all access to light and air now enjoyed by the Premises, shall be and remain intact and uninterrupted by any act of Landlord during the term of this Lease.
- 12. Eminent Domain.** If the whole of the Premises shall be taken or condemned by any competent authority for any public use or purpose as shall materially change the character of the Premises so as to prevent Tenant from using it in substantially the same manner as theretofore used, the term hereby granted shall cease on the day prior to vesting of title in such authority and an appropriate pro rata portion of any rent paid in advance by Tenant shall be refunded.

- (a) If a portion of the Premises shall be condemned or taken, and if such taking does not result in a material alteration in the character of the Premises so as to prevent Tenant from using it in substantially the same manner as theretofore used, then this Lease shall continue in effect, and any damage to the Premises shall be repaired by Tenant. After the date Tenant is required to surrender possession of the portion taken, the rental payable hereunder shall be reduced in proportion to the decrease in the fair rental value of the Premises.
- (b) The entire award of damages or compensation for a taking of the Premises, whether such taking be in whole or in part, shall belong to and be the property of Landlord.
- (c) If the Premises shall be taken or condemned by any governmental authority for temporary use or occupancy, this Lease shall continue in full force and effect without reduction or abatement of rent, and the rights of the parties shall be unaffected by the other provisions of this Section. In the event of such temporary taking, the entire award of damages in respect of the Premises shall belong to Landlord.

13. Assignment and Subleasing. Tenant may NOT assign or encumber this Lease or sublet the Premises, either in whole or in part, without the prior written consent of Landlord. In the event of any assignment or subletting, Tenant shall remain fully responsible under this Lease.

14. Attorney's Fees. In the event it becomes necessary for Landlord to employ an attorney to enforce collection of the rents agreed to be paid, or to enforce compliance with any of the covenants or agreements herein contained, or in connection with Tenant's default or breach hereunder, Tenant shall be liable for reasonable attorney's fees, costs and expenses incurred by the Landlord.

15. Notice. Any notices required to be sent hereunder shall be hand delivered or sent by certified mail to the following addresses:

Landlord:

City of Crossville
392 N Main Street
Crossville, TN 38555

Tenant:

Tracy McGinnis
153 Livingston Road
Crossville, TN 38555

16. Default and Remedies. Each of the following events shall constitute a default or breach of this Lease by Tenant:

- (a) If Tenant shall fail to perform or comply with any of the conditions, terms or agreements in this Lease as set forth herein within thirty (30) days after notice by Landlord to Tenant specifying the condition to be performed or complied with; or, if the performance cannot be reasonably had within the thirty (30) day period, Tenant shall not in good faith have commenced performance within the thirty (30) day period and shall not diligently proceed to completion of performance.

(b) Landlord may elect, but shall not be obligated, to comply with any condition, term or agreement required hereby to be performed by Tenant, and Landlord shall have the right to enter the Premises for the purpose of correcting or remedying any such default and to remain until the default has been corrected or remedied, but any expenditure for such correction by Landlord shall not be deemed to waive or release the default of Tenant or the right of Landlord to take any action as may be otherwise permissible hereunder in the case of any default.

17. Signs. Tenant shall have the right to erect, affix or paint signs on or about the Premises and the right at its option to remove said signs upon the termination of this Lease, it being agreed that Tenant shall repair any damage to the property caused by the removal of said signs.

18. Entire Agreement. The entire understanding between the parties is set out in this Lease, this Lease supersedes and voids all prior proposals, letters and agreements, oral or written, and no modification or alteration of this Lease shall be effective unless evidenced by an instrument in writing signed by both parties. This Lease shall be interpreted and construed in accordance with the laws of the State of Tennessee.

19. Successors and Assigns. All the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives.

20. Memorandum Lease. This Lease will be recorded.

21. Captions. The headings and captions contained in this Lease are for reference purposes only and shall not limit or extend the meaning or terms of any paragraph or section contained herein.

22. Severability. The provisions of this Lease are severable in that should any provision be held to be illegal, invalid or unenforceable by a court of competent jurisdiction, the legality, validity and enforceability of the other provisions herein shall not be affected, but they shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have set their respective hands or caused this instrument to be duly executed on the day and date first above written.

Landlord:

Tenant:

City of Crossville

By: _____
James Mayberry
Its: Mayor

Tracy McGinnis