

FARMERSVILLE ECONOMIC DEVELOPMENT CORPORATION

AGENDA

June 21st, 2018; 6:30 p.m.
City Hall Council Chambers

205 S. Main

Farmersville, Tx 75442

Call to Order

II. Recognition of Citizens and Visitors

III. Public Comment

Anyone wanting to speak is asked to speak at this time, with an individual time limit of three (3) minutes. This forum is limited to a total of thirty (30) minutes. If a speaker inquires about an item, the EDC 4A Board or City staff may only respond with (1) a statement of specific factual information; (2) a recitation of existing policy; or (3) a proposal that the item be placed on the agenda of a future meeting

IV. Business Items for Discussion and Possible Action

- A.** Review, consider and discuss 2018 Key Initiative Area Goals (KIA'S
 - a.) Retention Program/follow up business meetings – Mr. Smith
 - b.) Small Business Information - Mr. Smith
- B.** Consider, discuss and act upon EDC Sales Tax Workshop
- C.** Consider, discuss and act upon Façade Grant from Paula and Brian Edwards
- D.** Consider, discuss and act upon Comprehensive Plan, Land Use Map and Thoroughfare map.
- E.** Consider, discuss and act upon funding options for Farmersville Parkway and Collin College update.
- F.** Consider, discuss and act upon financing Electrical Substation
- G.** Consider, discuss and act upon setting dates for 2018-2019 budget workshop.
- H.** Receive update on Big D Concrete
- I.** Consider, discuss and act upon financial statements for April 2018, and required budget amendments
- J.** Consider, discuss and act upon meeting minutes for April 19th, 2018

VI. Adjournment

- No action may be taken on comments received under "Recognition of Visitors".
- The Board may vote and/or act upon each of the items listed in the Agenda.

The Farmersville Economic Development Board (4A) reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any matters listed on the agenda, as authorized by the Texas Government Code, including, but not limited to, Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), 551.087 (Economic Development), 418.175-183 (Deliberations about Homeland Security Issues,) and as authorized by the Texas Tax Code, including, but not limited to, Section 321.3022 (Sales Tax Information)

Persons with disabilities who plan to attend this meeting and who may need assistance should contact the City Secretary at 972- 782-6151 or Fax 972-782-6604 at least two (2) working days prior to the meeting so that appropriate arrangements can be made. Handicap Parking is available in the front and rear parking lot of the building.

I, the undersigned authority, do hereby certify that this Notice of Meeting was posted in the regular posting place of the City Hall building for Farmersville, Texas, in a place and manner convenient and readily accessible to the general public at all times, and said notice was posted June 18th, 2018 by 5:00 P.M. and remained so posted continuously at least 72 hours proceeding the scheduled time of said meeting.

A handwritten signature in blue ink, appearing to read "Daphne Hamlin".

Daphne Hamlin/EDC Liaison



TO: Economic Development Corp
FROM: Daphne Hamlin, Finance Director
DATE: June 21st, 2018
SUBJECT: 2018 KIA's

Review, consider and discuss 2018 Key Initiative Area Goals (KIA's)

- 1.) Retention Program/follow up business meetings – Randy Smith
- 2.) Small Business Information – Randy Smith

Action: Approve or Deny



TO: Economic Development Corporation
FROM: Daphne Hamlin, Finance Director
DATE: June 21st, 2018
SUBJECT: EDC Sales Tax Workshop

Consider, discuss and act upon EDC Sales Tax Workshop

Action: Approve or Deny

Daphne Hamlin

From: Jeff Moore <jmoore@bhlaw.net>
Sent: Friday, May 11, 2018 5:29 PM
To: Daphne Hamlin
Cc: Alan Lathrom
Subject: RE: EDC Training

Daphne,

Alan asked that I respond to you on this matter. The course that the City is required to take is the EDC sales tax training seminar. It seems the September 28th course in Richardson would be the most convenient one. Yet, the next course is in Lubbock on August 24th. State law requires the following people to attend:

- (1) One person from the City – city attorney, city secretary, or city manager;
- (2) One person from the EDC – executive director or person who days the daily administration of the EDC.

I hope this helps.

Thanks, Jeff

From: Daphne Hamlin <d.hamlin@farmersvilletx.com>
Sent: Friday, May 11, 2018 2:27 PM
To: Alan Lathrom <Alathrom@bhlaw.net>
Subject: EDC Training

Hi Alan, need your help, EDC received this letter, and the board has asked that I forward it to you and ask which one do they need to take to be in compliance. One thing I have had this letter for a while, but I need an answer by Monday. Sorry

Daphne Hamlin
City of Farmersville
Ph 972-782-6151
Fax 972-782-6604



TEXAS ECONOMIC DEVELOPMENT COUNCIL

March 9th, 2018

Dear Sir or Madam:

The economic development sales tax was created in 1989 to give smaller Texas cities the financial resources to attract and retain primary jobs and create wealth in their communities. In 1991 the legislature expanded the law for community development purposes.

Today, the tax is the undisputed workhorse of local economic and community development efforts, serving as the backbone of economic and community development programs in more than 600 communities and 700 EDCs across the state.

Our records indicate that no one from your city or EDC has attended an ED Sales Tax Workshop in the last two years. Per section 502.101 of the Local Government Code one of the following individuals are required to attend: the city attorney, the city administrator or the city clerk, and, the executive director or other person who is responsible for the day-to-day administration of the corporation. Corporation funds may be used to pay the costs of attending the seminar.

EDC training can be obtained from the Texas Economic Development Council (TEDC). The TEDC has been holding these workshops statewide since 2005. The 2018 workshops will be held at the following locations:

Tyler, TX - April 13, 2018

Waco, TX - May 4, 2018

Lubbock, TX - August 24, 2018

Richardson, TX - September 28, 2018

Houston, TX - November 9, 2018

Austin, TX - December 7, 2018

To register for a workshop near you, please go to www.texasedc.org

I look forward to seeing you at an upcoming workshop.

Sincerely,

Carlton Schwab

President/CEO

Texas Economic Development Council



Texas Economic Development Council

Upcoming Events

TEDC membership is open to anyone with an interest in economic development. Most TEDC members are professional economic developers, community volunteers, or elected officials. A growing number represent local workforce development boards and some of our members work in fields related to economic development - utilities, real estate, banking, education, engineering, and consulting.

Active membership - \$500 is for professionals who commit all or a portion of their time directly to economic development, or a closely related field.

Volunteer membership - \$125 is defined as an elected or appointed individual that serves an economic development organization in an unpaid capacity.

2018 CONFERENCES

TEDC hosts several conferences per year, each offering an engaging mix of general sessions, breakout sessions and panel discussions on current economic development issues. The conferences also offer opportunities to network with peers.

Mid-Year Conference

Location: Moody Gardens Hotel, Galveston, TX

Registration Rate: TEDC Member \$350/Non-Member \$400

June 13-15, 2018

Room Block Rate: \$189

Annual Conference

Location: Worthington Renaissance Hotel, Fort Worth, TX

Registration Rate: TEDC Member \$500/Non-Member \$550

October 17-19, 2018

Room Block Rate: \$199

2018 BASIC ECONOMIC DEVELOPMENT COURSE

The Basic Economic Development Course (BEDC) provides participants with a comprehensive understanding of the keys to successful economic development. For those new to the profession, the BEDC is the first step toward profession certification by the IEDC. **Registration Rate: \$700**

Spring BEDC - April 17-20, 2018

Location: Omni Colonnade, San Antonio, TX

Room Block Rate: \$127

Fall BEDC - September 18-21, 2018

Location: Sheraton Hotel, Arlington, TX

Room Block Rate: \$145

2018 WEBINARS

Throughout the year, TEDC offers various webinars on topics such as small business development and entrepreneurship, economic development finance programs, business retention, strategic planning, marketing and board development.

Registration Rate: \$79/Individual or \$295/Group (5 or more)

The World is Changing and so is Economic Development - March 21, 2018

Driving Economic Development with Tax Increment Reinvestment Zones - April 11, 2018



TO: Economic Development Corporation
FROM: Daphne Hamlin, Finance Director
DATE: June 21st, 2018
SUBJECT: Façade Grant

Consider, discuss and act upon façade grant from Paula and Brian Edwards

ACTION: Approve or Deny

FARMERSVILLE ECONOMIC DEVELOPMENT CORPORATION (4A)

FARMERSVILLE FACADE GRANT APPLICATION

Date of Application: 5/10, 2018

Applicant

Name: Paula + Brian Edwards

Business Name: The Stables

Business Street Address: 124 McKinney

City: Farmersville State: TX Zip Code: 75442

Telephone: 469-247-8982 Cell Phone: _____

Email Address: bke720@yahoo.com

Business Owner (if different than above):

Name: _____

Business Name: _____

Business Street Address: _____

City: _____ State: _____ Zip Code: _____

Business Telephone: _____ Cell Phone: _____

Email Address: _____

Property Owner (if different than above):

Name: Ray Feagin

Business Name: _____

Street Address: 302 W. 100th St.

City: FARMERSVILLE State: TX Zip Code: 75442

Business Telephone: 214-441-0701 Cell Phone: _____

Email Address: N/A

Describe the type of improvement new front door,
new back doors(2), new wood
awning poles(6), awning sign,
store front sign, awning paint

Attach set of site plans drawn to scale and before photos. Note final plans drawn to scale will be required prior to final approval.

Attach one (1) estimate of the total cost of improvements. To the best of our knowledge the above information is accurate as provided:

Applicant:

Name (please print): Brian Edwards

Signature:  Date: 5/2/18, 20__

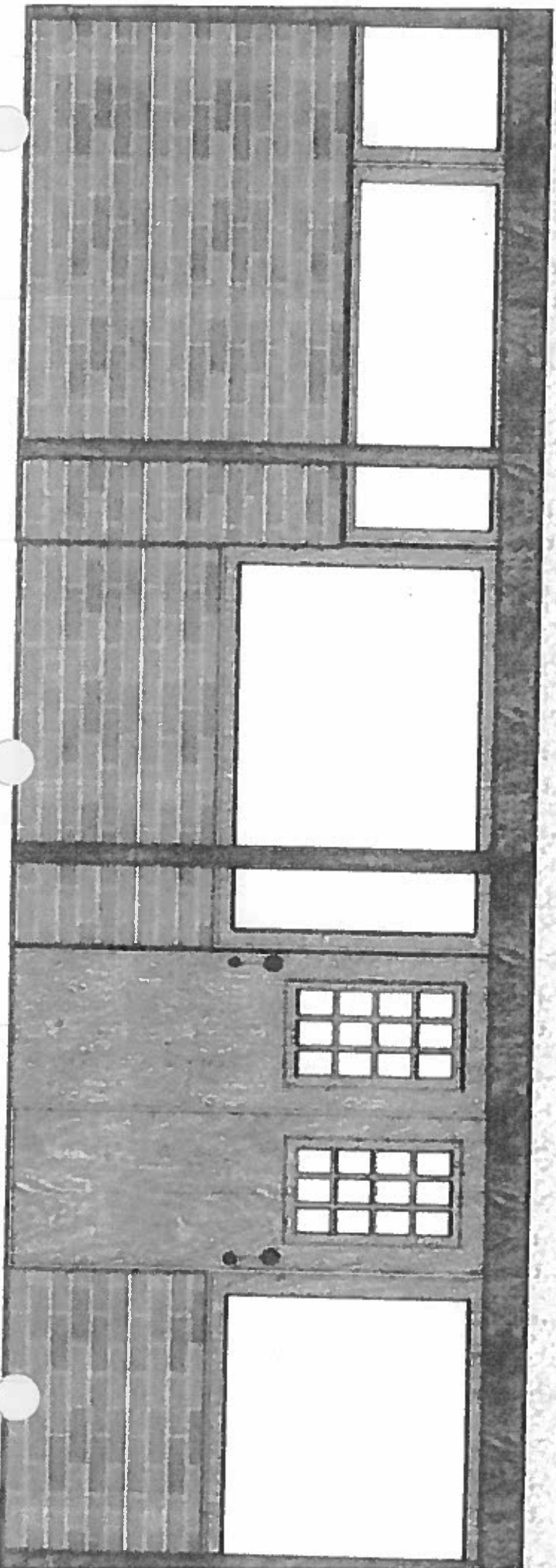
Building Owner Approval of Application:

Name (please print): Kay Feagin

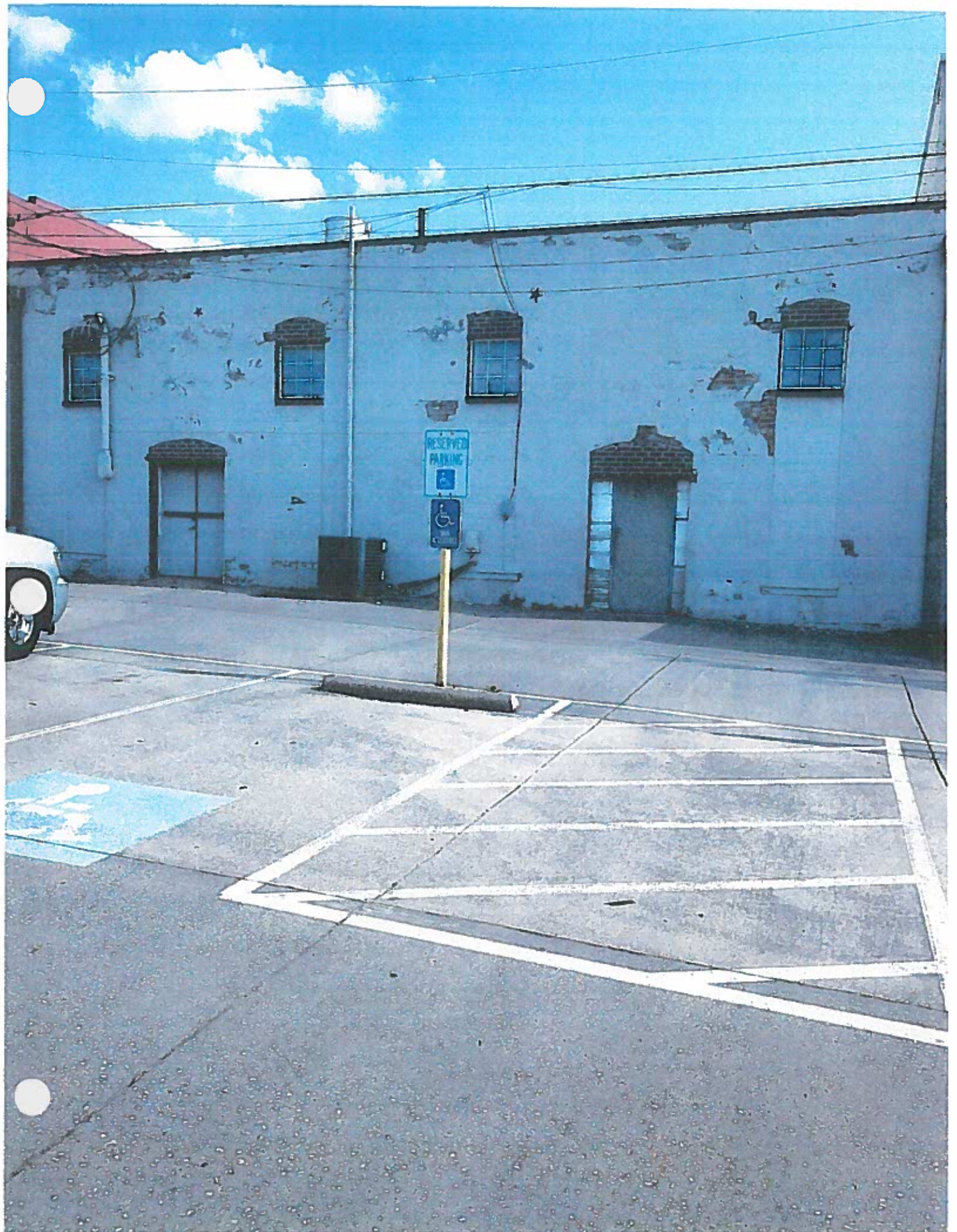
Signature:  Date: 5-2-18, 20__

Please see the Façade Grant Policy and Guidelines for other required documents to be included with your application. By signature above the applicant acknowledges receipt of and agrees to abide by and be subject to the terms and conditions of the Façade Grant Policy and Guidelines.

— the —
STABLES







Signarama - Plano
 6100 K Ave. Suite 104-A
 Plano TX 75074
 United States
 Phone: (214) 473-8179
 Fax : (214) 473-9387
 info@signarama-plano.com
 www.signarama-plano.com



Quote 18148 - Building Signage

Expiration Date : 06/30/2018

Quote for	Contact	Shipping/Install
The Stables 124 Mckinney Street Farmersville Tx 75442	Paula Edwards Phone : (214) 500-3250 Email : paula.jo@yahoo.com Address : 124 Mckinney Street Farmersville Tx 75442	

Quote #	Quote Date	Sales Rep	Payment Terms	PO	PO Date
18148	05/01/2018	April Franks april@signarama-plano.com	50/50		

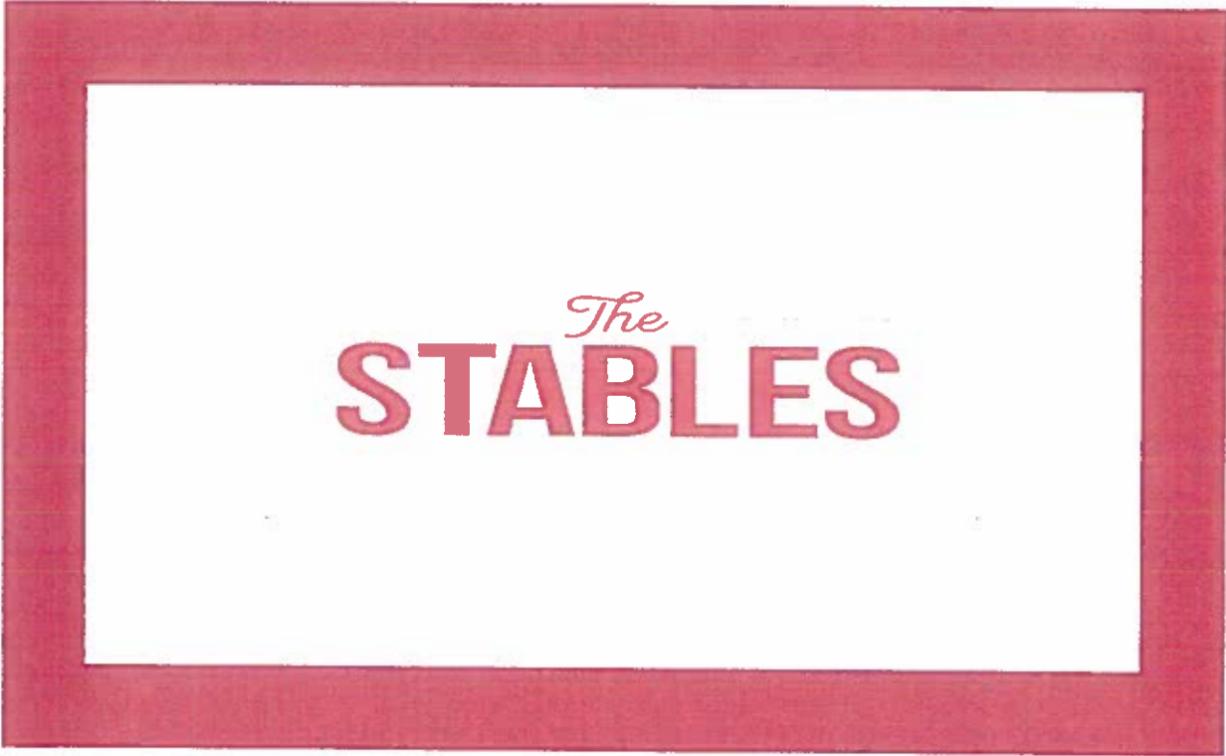
Items

#	Item	Qty	Unit Price	Total	Tax
1	Wooden Frame Sign with Dimensional Letters W:6 ft. X H:3 ft. , Single Sided 1.0 Frame Sign w/Dimensional Letters - The STABLES Sign directly mounted onto wall. Includes : 1.0 Installation - Bucket Truck 1/2" Thick Black Acrylic Letters 2" x 4" Lumber Frame	1	\$1,450.00	\$1,450.00	\$119.63
2	Permits Permits: City of Farmersville Permit Processing & Acquisition	1	\$400.00	\$400.00	\$0.00

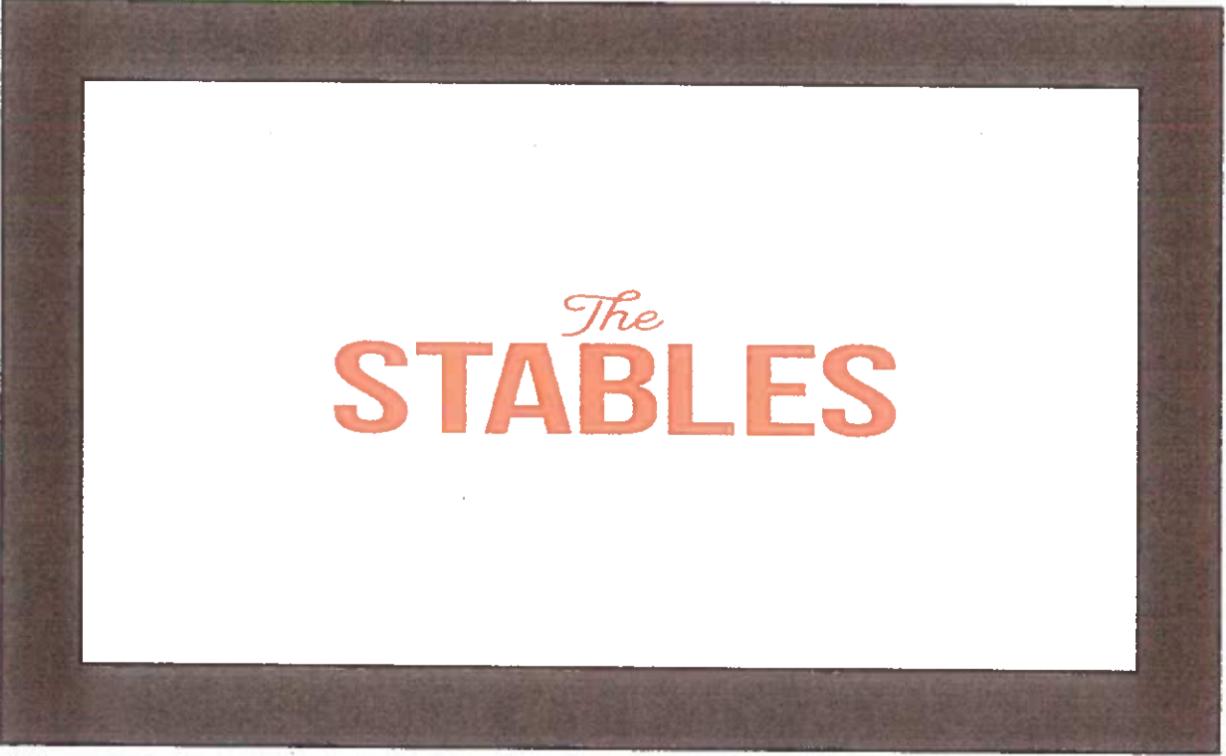
Total

Sub Total	Setup	Total Tax(%)	Final Price
\$1,850.00	\$25.00	\$121.69 (8.25%)	\$1,996.69

Downpayment (50.0 %) \$998.35



The
STABLES



The
STABLES




All Departments Shop by Room DIY Projects & Ideas Home Services Specials & Offers Local Ad

FREE IN STORE PICKUP Over one million online items eligible >

Shopping Cart

FREE Shipping on eligible items. See Details

Item	How To Get It	Qty	Item Total
 MMI Door 72 in. x 81.75 in. Caprice Right-Hand 3-1/2 Dia... Model #2005103R	Ship to Home from \$59.00 Estimated Arrival: Jun. 05 - Jun. 11	1	\$4,024.50

Save for Later | Save to Favorites | Remove

 Kwikset Victoria Venetian Bronze Single Cylinder Deco... Model #5531/1HXJ 1 P SMT CP	<input checked="" type="radio"/> Ship to Home FREE Estimated Arrival: May. 15	1	\$129.00
<input type="radio"/> Pick Up In Store Today			
<input type="radio"/> Express Delivery From Store			

Save for Later | Save to Favorites | Remove

Items: 2 Subtotal: \$4,153.60

Your Order

Subtotal \$4,153.60
Estimated Shipping* \$99.00
Sales Tax (will enter at later step) ---

Total \$4,252.60

Have a promo code?

*Shipping and delivery charges are calculated at the checkout available. Other fees may be applicable at the next step.

Checkout Now

— or —

Check out with **PayPal**

Need Help?

See our online FAQs or phone us:

Online Customer Support: 1-800-430-8376

For Appliances: 1-877-946-98-3

Custom Brands: 1-830-658-7320

Home Depot Consumer Credit Card: Learn More

Call 7 days a week - 6 a.m. to 2 a.m. EST

Installation cost attached

Home Depot Front Door Installation

Breakdown of costs

\$35 - Measurement

\$354 - 2x door installation

\$250 - 2x adding trim to frame during installation

\$739 Total Installation Cost



BEHR Premium Plus 1 gal.
Black Flat Exterior Paint an...
Model #430001

[Save for Later](#) | [Remove](#)

Qty

Unit Price

Item Total

3

\$27.98

\$83.94

Ship To Store FREE

Greenville,Tx #6554 [Change](#)

Available for pickup: **May. 15 – May. 18**

Merchandise Subtotal

\$83.94

Pick Up In Store

FREE

Sales Tax (determined in later step)

Total

\$83⁹⁴

[Have a promo code?](#)

Checkout Now

Paint
for
front awning

Double
Back
door



MMI Door 72 in. x 80 in. Left-
Hand 6-Panel Classic Prime...
Model #Z029360L

[Save for Later](#) | [Remove](#)

Qty

Unit Price

Item Total

1

\$910.18

\$910.18

Ship to Home



Estimated Arrival: **May. 24 – May. 30**

Merchandise Subtotal

\$910.18

Estimated Shipping*

\$99.00

Sales Tax (determined in later step)

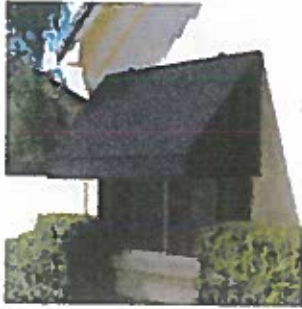
Total

\$1,009¹⁸

[Have a promo code?](#)

Checkout Now

1



Classic Window or Door Awning

Width x Drop x 8 ft W x 31.5" D x
Projection: 26.5" P
Color: Burgundy

This item ships in 2 to 3 business days.

Unit price: \$290.00

Remove:

1



Classic Window or Door Awning

Width x Drop x 6 ft W x 31.5" D x
Projection: 26.5" P
Color: Burgundy

This item ships in 2 to 3 business days.

Unit price: \$244.00

Remove:

Update Qty

Shipping: **\$0.00**

Total: **\$534.00**

Awnings on both back doors

DEAN EDWARDS 2017 Prop Taxes ?!
469-247-8982

RAYFEAGIN

Home 972-784-760
Cell 214-491-6261

TEXAS ASSOCIATION OF REALTORS®

COMMERCIAL LEASE

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS® IS NOT AUTHORIZED
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ADDENDA & EXHIBITS (check all that apply)

- ☐ Exhibit _____
- ☐ Exhibit _____
- ☐ Commercial Lease Addendum for Broker's Fee (TAR-2102)
- ☐ Commercial Lease Addendum for Expense Reimbursement (TAR-2103)
- ☐ Commercial Lease Addendum for Extension Option (TAR-2104)
- ☐ Commercial Lease Addendum for Percentage Rent (TAR-2106)
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- ☐ Information About Brokerage Services

(TAR-2101) 1-26-10

Initialed for Identification by Landlord: _____, and Tenant: _____

Page 1 of 15

Keller Williams NCC 2220 Therrill Way McKinney, TX 75070
Phone: 214.801.1696

Fax:

Glenda Neal

124 McKinney

Produced with ZipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48028 www.zipLogix.com



TEXAS ASSOCIATION OF REALTORS®

COMMERCIAL LEASE

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS® IS NOT AUTHORIZED
©Texas Association of REALTORS®, Inc. 2010

1. PARTIES: The parties to this lease are:

Landlord: _____ and
Tenant: THE STABLE
PTDL LLC 82-5072011

2. LEASED PREMISES:

A. Landlord leases to Tenant the following described real property, known as the "leased premises," along with all its improvements (Check only one box):

☐ 1) Multiple-Tenant Property: Suite or Unit Number _____ containing approximately _____ square feet of rentable area in _____ (project name) at _____ (address) in _____ (city), _____ (county), Texas, which is legally described on attached Exhibit _____ or as follows: _____

☒ 2) Single-Tenant Property: The real property at: 124 McKinney St. (address) in 4950 sq ft approx Farmersville, Tex (city), Collin (county), Texas, which is legally described on attached Exhibit A or as follows: _____

E. Paragraph 2A(1) applies:

- Property" means the building or complex in which the leased premises are located, inclusive of any common areas, drives, parking areas, and walks; and
- The parties agree that the rentable area of the leased premises may not equal the actual or useable area within the leased premises and may include an allocation of common areas in the Property. The rentable area ☐ will ☐ will not be adjusted if re-measured.

3. TERM

A. The term of this lease is 24 months and 0 days, commencing on: August 1, 2018 (Commencement Date)
November 10, 2019
and ending on August 1, 2020 (Expiration Date)
Nov 14, 2012

W.D.F.

Commercial Lease concerning: 124 McKinney St. Farmersville, Tx 75442

B. Delay of Occupancy: If Tenant is unable to occupy the leased premises on the Commencement Date because of construction on the leased premises to be completed by Landlord that is not substantially complete or a prior tenant's holding over of the leased premises, Landlord will not be liable to Tenant for such delay and this lease will remain enforceable. In the event of such a delay, the Commencement Date will automatically be extended to the date Tenant is able to occupy the Property and the Expiration Date will also be extended by a like number of days, so that the length of this lease remains unchanged. If Tenant is unable to occupy the leased premises after the 90th day after the Commencement Date because of construction on the leased premises to be completed by Landlord that is not substantially complete or a prior tenant's holding over of the leased premises, Tenant may terminate this lease by giving written notice to Landlord before the leased premises become available to be occupied by Tenant and Landlord will refund to Tenant any amounts paid to Landlord by Tenant. This Paragraph 3B does not apply to any delay in occupancy caused by cleaning or repairs.

TABC EXEMPTION
C. Unless the parties agree otherwise, Tenant is responsible for obtaining a certificate of occupancy for the leased premises if required by a governmental body.

4. RENT AND EXPENSES:

A. Base Monthly Rent: On or before the first day of each month during this lease, Tenant will pay Landlord base monthly rent as described on attached Exhibit Below or as follows:

Dates		Rate per rentable square foot (optional)		Base Monthly Rent \$
From	To	\$ Monthly Rate	\$ Annual Rate	
11/15/10	7/31/18	/rsf / month	/rsf / year	3 mo. + .50
04/01/2011	11/30/2012	1,500.00 /rsf / month	/rsf / year	\$ 1500 mo
<u>8/1/2018</u>	<u>8/1/2020</u>	<u>2000.00</u> /rsf / month	/rsf / year	<u>2000</u>
		/rsf / month	/rsf / year	
		/rsf / month	/rsf / year	

B. Additional Rent: In addition to the base monthly rent, Tenant will pay Landlord all other amounts, as provided by the attached (Check all that apply.):

- ☐ (1) Commercial Lease Addendum for Expense Reimbursement (TAR-2103)
☐ (2) Commercial Lease Addendum for Percentage Rent (TAR-2106)
☐ (3) Commercial Lease Addendum for Parking (TAR-2107)
☐ (4) _____

All amounts payable under the applicable addenda are deemed to be "rent" for the purposes of this lease.

C. First Full Month's Rent: The first full monthly rent is due on or before August 1, 2018
~~April 1, 2011~~

D. Prorated Rent: If the Commencement Date is on a day other than the first day of a month, Tenant will pay Landlord as prorated rent, an amount equal to the base monthly rent multiplied by the following fraction: the number of days from the Commencement Date to the first day of the following month divided by the number of days in the month in which this lease commences. The prorated rent is due on or before the Commencement Date.

E. Place of Payment: Tenant will remit all amounts due Landlord under this lease to the following person at the place stated or to such other person or place as Landlord may later designate in writing:

Name: WR Feagin

Address: PO Box 392 or 704 McKinney St 302 Wilcoxson St.
Farmersville, Tx 75442

F. Method of Payment: Tenant must pay all rent timely without demand, deduction, or offset, except as permitted by law or this lease. If Tenant fails to timely pay any amounts due under this lease or if any check of Tenant is returned to Landlord by the institution on which it was drawn, Landlord after providing written notice to Tenant may require Tenant to pay subsequent amounts that become due under this lease in certified funds. This paragraph does not limit Landlord from seeking other remedies under this lease for Tenant's failure to make timely payments with good funds.

G. Late Charges: If Landlord does not actually receive a rent payment at the designated place of payment within 5 days after the date it is due, Tenant will pay Landlord a late charge equal to 5% of the amount due. In this paragraph, the mailbox is not the agent for receipt for Landlord. The late charge is a cost associated with the collection of rent and Landlord's acceptance of a late charge does not waive Landlord's right to exercise remedies under Paragraph 20.

H. Returned Checks: Tenant will pay \$ 25.00 W.R.F. for each check Tenant tenders to Landlord which is returned by the institution on which it is drawn for any reason, plus any late charges until Landlord receives payment.

5. **SECURITY DEPOSIT:**

A. Upon execution of this lease, Tenant will pay \$ 1,500.00 2,000.00 W.R.F. to Landlord as a security deposit.

B. Landlord may apply the security deposit to any amounts owed by Tenant under this lease. If Landlord applies any part of the security deposit during any time this lease is in effect to amounts owed by Tenant, Tenant must, within 10 days after receipt of notice from Landlord, restore the security deposit to the amount stated.

C. Within 60 days after Tenant surrenders the leased premises and provides Landlord written notice of Tenant's forwarding address, Landlord will refund the security deposit less any amounts applied toward amounts owed by Tenant or other charges authorized by this lease.

6. **TAXES**: Unless otherwise agreed by the parties, W.R.F. TENANT Landlord will pay all real property ad valorem taxes assessed against the leased premises.

7. **UTILITIES**:

A. The party designated below will pay for the following utility charges to the leased premises and any connection charges for the utilities. (Check all that apply.)

	N/A	Landlord	Tenant
(1) Water	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(2) Sewer	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(3) Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(4) Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(5) Telephone	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(6) Internet	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(7) Cable	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(8) Trash	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(9) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(10) All other utilities	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

B. The party responsible for the charges under Paragraph 7A will pay the charges directly to the utility service provider. The responsible party may select the utility service provider except that if Tenant selects the provider, any access or alterations to the Property or leased premises necessary for the utilities may be made only with Landlord's prior consent, which Landlord will not unreasonably withhold. If Landlord incurs any liability for utility or connection charges for which Tenant is responsible to pay and Landlord pays such amount, Tenant will immediately upon written notice from Landlord reimburse Landlord such amount.

C. **Notice:** Tenant should determine if all necessary utilities are available to the leased premises and are adequate for Tenant's intended use. *HVAC to be certified before occupat.*

D. **After-Hours HVAC Charges:** "HVAC services" means heating, ventilating, and air conditioning of the leased premises. (Check one box only.)

No. w.r.f. ☒ (1) Landlord is obligated to provide the HVAC services to the leased premises only during the Property's operating hours specified under Paragraph 9C.

☐ (2) Landlord will provide the HVAC services to the leased premises during the operating hours specified under Paragraph 9C for no additional charge and will, at Tenant's request, provide HVAC services to the leased premises during other hours for an additional charge of \$ _____ per hour. Tenant will pay Landlord the charges under this paragraph immediately upon receipt of Landlord's invoice. Hourly charges are charged on a half-hour basis. Any partial hour will be rounded up to the next half hour. Tenant will comply with Landlord's procedures to make a request to provide the additional HVAC services under this paragraph.

W.R.F. ☒ (3) Tenant will pay for the HVAC services under this lease.

8. INSURANCE:

A. During all times this lease is in effect, Tenant must, at Tenant's expense, maintain in full force and effect from an insurer authorized to operate in Texas:

(1) public liability insurance naming Landlord as an additional insured with policy limits on an occurrence basis in a minimum amount of: (check only (a) or (b) below)

☐ (a) \$1,000,000; or

☒ (b) \$2,000,000.

If neither box is checked the minimum amount will be \$1,000,000.

(2) personal property damage insurance for the business operations being conducted in the leased premises and contents in the leased premises in an amount sufficient to replace such contents after a casualty loss; and

☒ (3) business interruption insurance sufficient to pay 12 months of rent payments;

B. Before the Commencement Date, Tenant must provide Landlord with a copy of insurance certificates evidencing the required coverage. If the insurance coverage is renewed or changes in any manner or degree at any time this lease is in effect, Tenant must, not later than 10 days after the renewal or change, provide Landlord a copy of an insurance certificate evidencing the renewal or change.

C. If Tenant fails to maintain the required insurance in full force and effect at all times this lease is in effect, Landlord may:

(1) purchase insurance that will provide Landlord the same coverage as the required insurance and Tenant must immediately reimburse Landlord for such expense; or

(2) exercise Landlord's remedies under Paragraph 20.

W.R.F. ☒ D. Unless the parties agree otherwise, ~~Landlord~~ *TENANT* will maintain in full force and effect insurance for: (1) fire and extended coverage in an amount to cover the reasonable replacement cost of the improvements of the Property; and (2) any public liability insurance in an amount that Landlord determines reasonable and appropriate. *Land Prop Ins. 428k.20 State 8-1-18 357.35 For 8-1-18 714.70 357.31 For 9-1-18*

E. If there is an increase in Landlord's insurance premiums for the leased premises or Property or its contents that is caused by Tenant, Tenant's use of the leased premises, or any improvements made by or for Tenant, Tenant will, for each year this lease is in effect, pay Landlord the increase immediately after Landlord notifies Tenant of the increase. Any charge to Tenant under this Paragraph 8E will be equal to the actual amount of the increase in Landlord's insurance premium.

9. USE AND HOURS:

- A. Tenant may use the leased premises for the following purpose and no other: RESTAURANT / BAR
7:00 AM to 10 PM Tues - Sunday
- B. Unless otherwise specified in this lease, Tenant will operate and conduct its business in the leased premises during business hours that are typical of the industry in which Tenant represents it operates.
- C. The Property maintains operating hours of (specify hours, days of week, and if inclusive or exclusive of weekends and holidays): 7:00 AM - 10 PM Tues - Sunday
Closed Thanksgiving / Christmas / New Years Day

10. LEGAL COMPLIANCE:

- A. Tenant may not use or permit any part of the leased premises or the Property to be used for:
- (1) any activity which is a nuisance or is offensive, noisy, or dangerous;
 - (2) any activity that interferes with any other tenant's normal business operations or Landlord's management of the Property;
 - (3) any activity that violates any applicable law, regulation, zoning ordinance, restrictive covenant, governmental order, owners' association rules, tenants' association rules, Landlord's rules or regulations, or this lease;
 - (4) any hazardous activity that would require any insurance premium on the Property or leased premises to increase or that would void any such insurance;
 - (5) any activity that violates any applicable federal, state, or local law, including but not limited to those laws related to air quality, water quality, hazardous materials, wastewater, waste disposal, air emissions, or other environmental matters;
 - (6) the permanent or temporary storage of any hazardous material; or
 - (7) _____
- B. "Hazardous material" means any pollutant, toxic substance, hazardous waste, hazardous material, hazardous substance, solvent, or oil as defined by any federal, state, or local environmental law, regulation, ordinance, or rule existing as of the date of this lease or later enacted.
- C. Landlord does not represent or warrant that the leased premises or Property conform to applicable restrictions, zoning ordinances, setback lines, parking requirements, impervious ground cover ratio requirements, and other matters that may relate to Tenant's intended use. Tenant must satisfy itself that the leased premises may be used as Tenant intends by independently investigating all matters related to the use of the leased premises or Property. Tenant agrees that it is not relying on any warranty or representation made by Landlord, Landlord's agent, or any broker concerning the use of the leased premises or Property.

11. SIGNS:

- A. Tenant may not post or paint any signs or place any decoration outside the leased premises or on the Property without Landlord's written consent. Landlord may remove any unauthorized sign or decorations, and Tenant will promptly reimburse Landlord for its cost to remove any unauthorized sign or decorations.
- B. Any authorized sign must comply with all laws, restrictions, zoning ordinances, and any governmental order relating to signs on the leased premises or Property. Landlord may temporarily remove any authorized sign to complete repairs or alterations to the leased premises or the Property.

- C. By providing written notice to Tenant before this lease ends, Landlord may require Tenant, upon move-out and at Tenant's expense, to remove, without damage to the Property or leased premises, any or all signs that were placed on the Property or leased premises by or at the request of Tenant. Any signs that Landlord does not require Tenant to remove and that are fixtures, become the property of the Landlord and must be surrendered to Landlord at the time this lease ends.

12. ACCESS BY LANDLORD:

- A. During Tenant's normal business hours Landlord may enter the leased premises for any reasonable purpose, including but not limited to purposes for repairs, maintenance, alterations, and showing the leased premises to prospective tenants or purchasers. Landlord may access the leased premises after Tenant's normal business hours if: (1) entry is made with Tenant's permission; or (2) entry is necessary to complete emergency repairs. Landlord will not unreasonably interfere with Tenant's business operations when accessing the leased premises.

✓ WITH NOTICE

- B. During the last 30 days of this lease, Landlord may place a "For Lease" or similarly worded sign in the leased premises.

13. **MOVE-IN CONDITION:** Tenant has inspected the leased premises and accepts it in its present (as-is) condition unless expressly noted otherwise in this lease or in an addendum. Landlord and any agent have made no express or implied warranties as to the condition or permitted use of the leased premises or Property.

14. MOVE-OUT CONDITION AND FORFEITURE OF TENANT'S PERSONAL PROPERTY:

- A. At the time this lease ends, Tenant will surrender the leased premises in the same condition as when received, except for normal wear and tear. Tenant will leave the leased premises in a clean condition free of all trash, debris, personal property, hazardous materials, and environmental contaminants.
- B. If Tenant leaves any personal property in the leased premises after Tenant surrenders possession of the leased premises, Landlord may: (1) require Tenant, at Tenant's expense, to remove the personal property by providing written notice to Tenant; or (2) retain such personal property as forfeited property to Landlord.
- C. "Surrender" means vacating the leased premises and returning all keys and access devices to Landlord. "Normal wear and tear" means deterioration that occurs without negligence, carelessness, accident, or abuse.
- D. By providing written notice to Tenant before this lease ends, Landlord may require Tenant, upon move-out and at Tenant's expense, to remove, without damage to the Property or leased premises, any or all fixtures that were placed on the Property or leased premises by or at the request of Tenant. Any fixtures that Landlord does not require Tenant to remove become the property of the Landlord and must be surrendered to Landlord at the time this lease ends.

15. MAINTENANCE AND REPAIRS:

- A. Cleaning: Tenant must keep the leased premises clean and sanitary and promptly dispose of all garbage in appropriate receptacles. ☐ Landlord ☒ Tenant will provide, at its expense, janitorial services to the leased premises that are customary and ordinary for the property type. Tenant will maintain any grease trap on the Property which Tenant uses, including but not limited to periodic emptying and cleaning, as well as making any modification to the grease trap that may be necessary to comply with any applicable law.

Commercial Lease concerning: 124 McKinney St, Frasersville, TN 37067

B. Repairs of Conditions Caused by a Party: Each party must promptly repair a condition in need of repair that is caused, either intentionally or negligently, by that party or that party's guests, patrons, invitees, contractors or permitted subtenants.

C. Repair and Maintenance Responsibility: Except as otherwise provided by this Paragraph 15, the party designated below, at its expense, is responsible to maintain and repair the following specified items in the leased premises (if any). The specified items must be maintained in clean and good operable condition. If a governmental regulation or order requires a modification to any of the specified items, the party designated to maintain the item must complete and pay the expense of the modification. The specified items include and relate only to real property in the leased premises. Tenant is responsible for the repair and maintenance of its personal property. (Check all that apply.)

	N/A	Landlord	Tenant
(1) Foundation, exterior walls, roof, and other structural components	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(2) Glass and windows	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(3) Fire protection equipment and fire sprinkler systems	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(4) Exterior & overhead doors, including closure devices, molding, locks, and hardware	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(5) Grounds maintenance, including landscaping and irrigation systems	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(6) Interior doors, including closure devices, frames, molding, locks, and hardware	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(7) Parking areas and walks	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(8) Plumbing systems, drainage systems and sump pumps	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(9) Electrical systems, mechanical systems	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(10) Ballast and lamp replacement	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(11) Heating, Ventilation and Air Conditioning (HVAC) systems	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(12) Signs and lighting:			
(a) Pylon	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(b) Facia	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(c) Monument	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(d) Door/Suite	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(e) Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(13) Extermination and pest control, excluding wood-destroying insects	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(14) Fences and Gates	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(15) Storage yards and storage buildings	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(16) Wood-destroying insect treatment and repairs	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(17) Cranes and related systems	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(18)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(19)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(20) All other items and systems.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

D. Repair Persons: Repairs must be completed by trained, qualified, and insured repair persons.

E. HVAC Service Contract: If Tenant maintains the HVAC system under Paragraph 15C(11), Tenant ☐ is ☒ is not required to maintain, at its expense, a regularly scheduled maintenance and service contract for the HVAC system. The maintenance and service contract must be purchased from a HVAC maintenance company that regularly provides such contracts to similar properties. If Tenant fails to maintain a required HVAC maintenance and service contract in effect at all times during this lease, Landlord may do so and Tenant will reimburse Landlord for the expense of such maintenance and service contract or Landlord may exercise Landlord's remedies under Paragraph 20.

- F. Common Areas: Landlord will maintain any common areas in the Property in a manner as Landlord determines to be in the best interest of the Property. Landlord will maintain any elevator and signs in the common area. Landlord may change the size, dimension, and location of any common areas, provided that such change does not materially impair Tenant's use and access to the leased premises. Tenant has the non-exclusive license to use the common areas in compliance with Landlord's rules and regulations. Tenant may not solicit any business in the common areas or interfere with any other person's right to use the common areas. This paragraph does not apply if Paragraph 2A(2) applies.
- G. Notice of Repairs: Tenant must promptly notify Landlord of any item that is in need of repair and that is Landlord's responsibility to repair. All requests for repairs to Landlord must be in writing.
- H. Failure to Repair: Landlord must make a repair for which Landlord is responsible within a reasonable period of time after Tenant provides Landlord written notice of the needed repair. If Tenant fails to repair or maintain an item for which Tenant is responsible within 10 days after Landlord provides Tenant written notice of the needed repair or maintenance, Landlord may: (1) repair or maintain the item, without liability for any damage or loss to Tenant, and Tenant must immediately reimburse Landlord for the cost to repair or maintain; or (2) exercise Landlord's remedies under Paragraph 20.

16. ALTERATIONS:

- A. Tenant may not alter (including making any penetrations to the roof, exterior walls or foundation), improve, or add to the Property or the leased premises without Landlord's written consent. Landlord will not unreasonably withhold consent for the Tenant to make reasonable non-structural alterations, modifications, or improvements to the leased premises.
- B. Tenant may not alter any locks or any security devices on the Property or the leased premises without Landlord's consent. If Landlord authorizes the changing, addition, or rekeying of any locks or other security devices, Tenant must immediately deliver the new keys and access devices to Landlord.
- C. If a governmental order requires alteration or modification to the leased premises, the party obligated to maintain and repair the item to be modified or altered as designated in Paragraph 15 will, at its expense, modify or alter the item in compliance with the order and in compliance with Paragraphs 16A and 17.
- D. Any alterations, improvements, fixtures or additions to the Property or leased premises installed by either party during the term of this lease will become Landlord's property and must be surrendered to Landlord at the time this lease ends, except for those fixtures Landlord requires Tenant to remove under Paragraph 11 or 14 or if the parties agree otherwise in writing.
17. **LIENS**: Tenant may not do anything that will cause the title of the Property or leased premises to be encumbered in any way. If Tenant causes a lien to be filed against the Property or leased premises, Tenant will within 20 days after receipt of Landlord's demand: (1) pay the lien and have the lien released of record; or (2) take action to discharge the lien. Tenant will provide Landlord a copy of any release Tenant obtains pursuant to this paragraph.
18. **LIABILITY**: To the extent permitted by law, Landlord is NOT responsible to Tenant or Tenant's employees, patrons, guests, or invitees for any damages, injuries, or losses to person or property caused by:
- A. an act, omission, or neglect of: Tenant; Tenant's agent; Tenant's guest; Tenant's employees; Tenant's patrons; Tenant's invitees; or any other tenant on the Property;
- B. fire, flood, water leaks, ice, snow, hail, winds, explosion, smoke, riot, strike, interruption of utilities, theft, burglary, robbery, assault, vandalism, other persons, environmental contaminants, or other occurrences or casualty losses.

Commercial Lease concerning: _____

19. **INDEMNITY:** Each party will indemnify and hold the other party harmless from any property damage, personal injury, suits, actions, liabilities, damages, cost of repairs or service to the leased premises or Property, or any other loss caused, negligently or otherwise, by that party or that party's employees, patrons, guests, or invitees.

20. **DEFAULT:**

A. If Landlord fails to comply with this lease within 30 days after Tenant notifies Landlord of Landlord's failure to comply, Landlord will be in default and Tenant may seek any remedy provided by law. If, however, Landlord's non-compliance reasonably requires more than 30 days to cure, Landlord will not be in default if the cure is commenced within the 30-day period and is diligently pursued.

B. If Landlord does not actually receive at the place designated for payment any rent due under this lease within 5 days after it is due, Tenant will be in default. If Tenant fails to comply with this lease for any other reason within 10 days after Landlord notifies Tenant of its failure to comply, Tenant will be in default.

C. If Tenant is in default, Landlord may, with at least 3 days written notice to Tenant: (i) terminate this lease, or (ii) terminate Tenant's right to occupy the leased premises without terminating this lease and may accelerate all rents which are payable during the remainder of this lease or any renewal period. Landlord will attempt to mitigate any damage or loss caused by Tenant's breach by using commercially reasonable means. If Tenant is in default, Tenant will be liable for:

(1) any lost rent;

(2) Landlord's cost of reletting the leased premises, including brokerage fees, advertising fees, and other fees necessary to relet the leased premises;

(3) repairs to the leased premises for use beyond normal wear and tear;

(4) all Landlord's costs associated with eviction of Tenant, such as attorney's fees, court costs, and prejudgment interest;

(5) all Landlord's costs associated with collection of rent such as collection fees, late charges, and returned check charges;

(6) cost of removing any of Tenant's equipment or fixtures left on the leased premises or Property;

(7) cost to remove any trash, debris, personal property, hazardous materials, or environmental contaminants left by Tenant or Tenant's employees, patrons, guests, or invitees in the leased premises or Property;

(8) cost to replace any unreturned keys or access devices to the leased premises, parking areas, or Property;

(9) any other recovery to which Landlord may be entitled under this lease or under law.

21. **ABANDONMENT, INTERRUPTION OF UTILITIES, REMOVAL OF PROPERTY, AND LOCKOUT:** Chapter 93 of the Texas Property Code governs the rights and obligations of the parties with regard to: (a) abandonment of the leased premises; (b) interruption of utilities; (c) removal of Tenant's property; and (d) "lock-out" of Tenant.

22. **HOLDOVER:** If Tenant fails to vacate the leased premises at the time this lease ends, Tenant will become a tenant-at-will and must vacate the leased premises immediately upon receipt of demand from Landlord. No holding over by Tenant, with or without the consent of Landlord, will extend this lease. Tenant will indemnify Landlord and any prospective tenants for any and all damages caused by the holdover. Rent for any holdover period will be 150% of the base monthly rent plus any additional rent calculated on a daily basis and will be immediately due and payable daily without notice or demand.

Commercial Lease concerning: 124 McKinney St. Pharmacy

23. **LANDLORD'S LIEN AND SECURITY INTEREST:** To secure Tenant's performance under this lease, Tenant grants to Landlord a lien and security interest against all of Tenant's nonexempt personal property that is in the leased premises or on the Property. This lease is a security agreement for the purposes of the Uniform Commercial Code. Landlord may file a financing statement to perfect Landlord's security interest under the Uniform Commercial Code.

24. **ASSIGNMENT AND SUBLETTING:** Landlord may assign this lease to any subsequent owner of the Property. Tenant may not assign this lease or sublet any part of the leased premises without Landlord's written consent. An assignment of this lease or subletting of the leased premises without Landlord's written consent is voidable by Landlord. If Tenant assigns this lease or sublets any part of the leased premises, Tenant will remain liable for all of Tenant's obligations under this lease regardless if the assignment or sublease is made with or without the consent of Landlord. *HONORING LEASE AG*

25. **RELOCATION:**

- ☐ A. By providing Tenant with not less than 90 days advanced written notice, Landlord may require Tenant to relocate to another location in the Property, provided that the other location is equal in size or larger than the leased premises then occupied by Tenant and contains similar leasehold improvements. Landlord will pay Tenant's reasonable out-of-pocket moving expenses for moving to the other location. "Moving expenses" means reasonable expenses payable to professional movers, utility companies for connection and disconnection fees, wiring companies for connecting and disconnecting Tenant's office equipment required by the relocation, and printing companies for reprinting Tenant's stationary and business cards. A relocation of Tenant will not change or affect any other provision of this lease that is then in effect, including rent and reimbursement amounts, except that the description of the suite or unit number will automatically be amended.
- ☒ B. Landlord may not require Tenant to relocate to another location in the Property without Tenant's prior consent.

26. **SUBORDINATION:**

- A. This lease and Tenant's leasehold interest are and will be subject, subordinate, and inferior to:
- (1) any lien, encumbrance, or ground lease now or hereafter placed on the leased premises or the Property that Landlord authorizes;
 - (2) all advances made under any such lien, encumbrance, or ground lease;
 - (3) the interest payable on any such lien or encumbrance;
 - (4) any and all renewals and extensions of any such lien, encumbrance, or ground lease;
 - (5) any restrictive covenant affecting the leased premises or the Property; and
 - (6) the rights of any owners' association affecting the leased premises or Property.
- B. Tenant must, on demand, execute a subordination, attornment, and non-disturbance agreement that Landlord may request that Tenant execute, provided that such agreement is made on the condition that this lease and Tenant's rights under this lease are recognized by the lien-holder.

27. **ESTOPPEL CERTIFICATES & FINANCIAL INFORMATION:**

- A. Within 10 days after receipt of a written request from Landlord, Tenant will execute and deliver to Landlord an estoppel certificate that identifies the terms and conditions of this lease.
- B. Within 30 days after receipt of a written request from Landlord, Tenant will provide to Landlord Tenant's current financial information (balance sheet and income statement). Landlord may request the financial information no more frequently than once every 12 months.

28. CASUALTY LOSS:

- A. Tenant must immediately notify Landlord of any casualty loss in the leased premises. Within 20 days after receipt of Tenant's notice of a casualty loss, Landlord will notify Tenant if the leased premises are less than or more than 50% unusable, on a per square foot basis, and if Landlord can substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty loss.
- B. If the leased premises are less than 50% unusable and Landlord can substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty, Landlord will restore the leased premises to substantially the same condition as before the casualty. If Landlord fails to substantially restore within the time required, Tenant may terminate this lease.
- C. If the leased premises are more than 50% unusable and Landlord can substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty, Landlord may: (1) terminate this lease; or (2) restore the leased premises to substantially the same condition as before the casualty. If Landlord chooses to restore and does not substantially restore the leased premises within the time required, Tenant may terminate this lease.
- D. If Landlord notifies Tenant that Landlord cannot substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty loss, Landlord may: (1) choose not to restore and terminate this lease; or (2) choose to restore, notify Tenant of the estimated time to restore, and give Tenant the option to terminate this lease by notifying Landlord within 10 days.
- E. If this lease does not terminate because of a casualty loss, rent will be reduced from the date Tenant notifies Landlord of the casualty loss to the date the leased premises are substantially restored by an amount proportionate to the extent the leased premises are unusable.

29. CONDEMNATION: If after a condemnation or purchase in lieu of condemnation the leased premises are totally unusable for the purposes stated in this lease, this lease will terminate. If after a condemnation or purchase in lieu of condemnation the leased premises or Property are partially unusable for the purposes of this lease, this lease will continue and rent will be reduced in an amount proportionate to the extent the leased premises are unusable. Any condemnation award or proceeds in lieu of condemnation are the property of Landlord and Tenant has no claim to such proceeds or award. Tenant may seek compensation from the condemning authority for its moving expenses and damages to Tenant's personal property.

30. ATTORNEY'S FEES: Any person who is a prevailing party in any legal proceeding brought under or related to the transaction described in this lease is entitled to recover prejudgment interest, reasonable attorney's fees, and all other costs of litigation from the nonprevailing party.

31. REPRESENTATIONS:

- A. Tenant's statements in this lease and any application for rental are material representations relied upon by Landlord. Each party signing this lease represents that he or she is of legal age to enter into a binding contract and is authorized to sign the lease. If Tenant makes any misrepresentation in this lease or in any application for rental, Tenant is in default.
- B. Landlord is not aware of any material defect on the Property that would affect the health and safety of an ordinary person or any environmental hazard on or affecting the Property that would affect the health or safety of an ordinary person, except: _____

124 McKinley St.
Farmersville, Tex.

- ### 32. BROKERS:

- | | | | | | |
|------------------|----------------------------|-------------|--------------------|-------------------------|-------------|
| Principal Broker | 00719-7 | License No. | Cooperating Broker | | License No. |
| Agent | 5951 W. Virginia Ave. #100 | | Agent | 5951 Virginia Ave. #100 | |
| Address | | | Address | | |
| Phone | (469) 222-1537 | | Phone | (214) 773-2245 | |
| Fax | | | Fax | | |
| E-Mail | randalshin@kw.com | | E-Mail | neelgroup@tx.rr.com | |
| License No. | | | License No. | 0155257 | |

Cooperating Broker represents Tenant.

- ☐ represents Landlord only.
☐ represents Tenant only.
☒ is an intermediary between Landlord and Tenant.

- ☒ (1) Principal Broker's fee will be paid according to: *(Check only one box).*
☐ (a) a separate written commission agreement between Principal Broker and:
☒ Landlord ☐ Tenant.
☐ (b) the attached Addendum for Broker's Fee.
- ☐ (2) Cooperating Broker's fee will be paid according to: *(Check only one box).*
☐ (a) a separate written commission agreement between Cooperating Broker and:
☐ Principal Broker ☐ Landlord ☐ Tenant.
☐ (b) the attached Addendum for Broker's Fee.

34. **NOTICES:** All notices under this lease must be in writing and are effective when hand-delivered, sent by mail, or sent by facsimile transmission to:

Landlord at: PO Box 392 or 704 McKinney St. Bay Town
Address: Farmersville, Tx 75442
Phone: (972) 784-7008 714-491-079 Fax:

Address: PO Box 589 302 Wilcoxson

Phone: (972) 784-7008

☒ Landlord also consents to receive notices by e-mail at: rayfeagin@shoglobal.net

124 McKinney St
Concerning: Farmersville, Tx 75442

ant at the leased premises,
d a copy to:

Address: _____

Phone: _____

☐ Tenant also consents to receive notices by e-mail at: _____ Fax: _____

5. SPECIAL PROVISIONS:

Roof, ceiling, walls, HVAC systems, ~~and~~ plumbing, ~~and~~ ELECTRICAL, AS IS BUT
HAVING BEEN INSPECTED AND OK'D AS FUNCTIONAL AND COMPLIANT.
During the period following execution of lease, Tenant shall be responsible for
to lease space for contractors, and sub contractors to make improvements to
the leased property. Tenant estimates that such improvements will cost
access to \$10,000. *✓ BUILDOUT CONSISTS OF REPLACING FRONT ENTRANCE AND
PAINTING AND REMOVAL OF MOST INTERIOR WALLS.*
Tenant has the right to renew and extend the lease for an additional term
two years at a 10% increase in rent per year.

Because of rent concessions granted tenant, tenant accepts the condition of
the leased premises "as is".

*BECAUSE OF TERMITE PROVISION STATED EARLIER, PREMISES
TO BE INSPECTED PRIOR TO OCCUPATION AT LANDLORD'S EXPENSE.
LEASE TO INCLUDE VENT HOOD AND FIRE SUPPRESSION SYSTEM.*

36. AGREEMENT OF PARTIES:

- A. Entire Agreement: This lease contains the entire agreement between Landlord and Tenant and may not be changed except by written agreement.
- B. Binding Effect: This lease is binding upon and inures to the benefit of the parties and their respective heirs, executors, administrators, successors, and permitted assigns.
- C. Joint and Several: All Tenants are jointly and severally liable for all provisions of this lease. Any act or notice to, or refund to, or signature of, any one or more of the Tenants regarding any term of this lease, its renewal, or its termination is binding on all Tenants.
- D. Controlling Law: The laws of the State of Texas govern the interpretation, performance, and enforcement of this lease.
- E. Severable Clauses: If any clause in this lease is found invalid or unenforceable by a court of law, the remainder of this lease will not be affected and all other provisions of this lease will remain valid and enforceable.
- F. Waiver: Landlord's delay, waiver, or non-enforcement of acceleration, contractual or statutory lien, rental due date, or any other right will not be deemed a waiver of any other or subsequent breach by Tenant or any other term in this lease.
- Quiet Enjoyment: Provided that Tenant is not in default of this lease, Landlord covenants that Tenant will enjoy possession and use of the leased premises free from material interference.

ADDENDUM "A"

Tenant will pay all property taxes ^{Due 2018} above ~~2010~~ tax year base. *PRORATED FROM 8/1/12*

2017 Taxes \$4,037.55 ÷ 12 = 336.46 per mo. Tax Notice Attached

Aug, Sept, Oct, Nov, Dec. 5 × 336.46 = 1,682.30 For 2018

Based on 2017 Taxes

W.R.F.

W. R. Feagin Jr.

10

STACEY KEMP, COUNTY CLERK
COLLIN COUNTY, TEXAS
2300 BLOOMDALE RD, SUITE 2106
MCKINNEY, TX 75071
ASSUMED NAME CERTIFICATE OF OWNERSHIP
FOR INCORPORATED BUSINESS OR PROFESSION

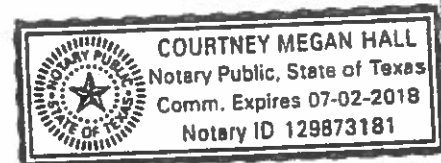
1. The Stable
Name of Business or Professional Service (Please Print or Type)
2. 124 McKinney Street Farmersville, TX 75442
Business Address City State Zip
3. PJBK, LLC
Name of the incorporated Business or Profession as stated in its Articles of Incorporation
- Certificate Number (if applicable) 802975402 State in which business was incorporated: TEXAS
- Address of registered office in that jurisdiction:
124 McKinney Street Farmersville, TX 75442
Physical Address City State Zip
- Name of registered agent: Brian Edwards
5. The corporation is a: (Please check one)
☐ Business Corporation ☐ Non-profit Corporation ☒ L.L.C.
☐ Professional Corporation ☐ Other (Please specify) _____
6. The period during which the assumed name will be used is 10 years. Pursuant to Title 4, Chapter 36.11 of the Texas Business and Commerce Code, Certificates of Ownership are valid for a period not to exceed 10 years during which the assumed name will be used.
7. The county or counties where business or professional services are being or are conducted or rendered under such assumed name are (if applicable, use the designation "all" or "all except") all
8. If this Instrument is executed by the attorney-in-fact, he/she has been duly authorized in writing, by his/her principal to execute and acknowledge this instrument.
- By: [Signature]
Signature and Title of Officer, Representative, or Attorney-in-fact

THE STATE OF TEXAS }

COUNTY OF COLLIN }

BEFORE ME, Courtney Hall,
IN AND FOR SAID County and State, on this day personally appeared

Klint Rybicki,
known to me to be the person whose name subscribed to the foregoing
instrument, and acknowledged to me that he/she executed the same for
the purpose therein expressed.



(Seal)

Given under my hand and seal of office, this 4th day of April, 2018.

Courtney Hall
Printed Name of Notary or County Clerk

[Signature]
Signature of Notary or Deputy Clerk



TO: Economic Development Corporation
FROM: Daphne Hamlin, Finance Director
DATE: June 21st, 2018
SUBJECT: Comprehensive Plan and Land use Map Review

Consider, discuss and act upon Comprehensive Plan and Land Use Map and thoroughfare map

ACTION: Approve or Deny



TO: Economic Development Corp
FROM: Daphne Hamlin, Finance Director
DATE: June 21st, 2018
SUBJECT: Farmersville Parkway

Consider, discuss and act upon funding options for Farmersville Parkway and Collin College update.

Action: Approve or Deny



TO: Economic Development Corporation
FROM: Daphne Hamlin, Finance Director
DATE: June 21st, 2018
SUBJECT: Financing electrical substation

Consider, discuss and act upon financing electrical substation

ACTION: Approve or Deny



TO: Economic Development Corporation
FROM: Daphne Hamlin, Finance Director
DATE: June 21st, 2018
SUBJECT: Big D Concrete

Receive update on Big D Concrete

ACTION: Information only



TO: Economic Development Corporation
FROM: Daphne Hamlin, Finance Director
DATE: June 21st, 2018
SUBJECT: Financial Statements/Budget Amendment

Consider, discuss and act upon financial statements for April 2018, and budget amendment

ACTION: Approve or Deny

**Farmersville Economic Development Corp 4A
Investment and Budget Report**

April 2018

Prepared by: Daphne Hamlin

Farmersville Economic Development Corp 4A
April 2018

Statement Balance 4-1-2018	\$210,983.02
Deposits:	
Sales Tax:	\$16,306.27
Cking Int .05%	\$8.79
CD Interest	\$127.40
Transfer to Texpool check 1299 and 1300	\$(1,750.00)
Statement balance 4-30-2018	<u>\$225,675.48</u>

Outstanding Transactions

Sales Tax	
Transfer to Texpool	
CD Interest	
Oustanding checks	\$-
Balance 5-9-2018	<u><u>\$225,675.48</u></u>

Farmersville Economic Development Corporation
Cumulative Income Statement
For the 12 Months Ended, September 30, 2018

FY 2018		October	November	December	January	February	March
Budget		\$151,370.45	\$148,089.53	\$154,014.17	\$162,578.23	\$171,635.92	\$191,905.38
Beginning Bank Balance							
deposits							
ales Tax Collections	\$264,800.00	\$19,322.84	\$19,542.30	\$17,078.99	\$16,423.31	\$20,135.37	\$18,954.31
terest Income cking	\$3,000.00	\$6.24	\$6.11	\$6.78	\$6.99	\$6.69	\$8.26
D Interest Earned			\$146.23	\$123.29	\$127.39	\$127.40	\$115.07
otal Revenue	\$267,800.00	\$170,699.53	\$167,784.17	\$171,223.23	\$179,135.92	\$191,905.38	\$210,983.02
expenses:							
Administration	\$1,000.00						
eeding Expenses	\$1,000.00						
ues/School/Travel	\$500.00						
ffice Supplies	\$200.00						
egal Service	\$2,500.00						
arketing/promotion Expenses							
arketing/Promotion	\$16,900.00						
xpenses/Advertising	\$7,500.00				\$7,500.00		
ollin College Sponsorship							
mall Business	\$500.00						
ntrepreneurship Conf	\$1,250.00						
ax-21	\$1,000.00						
armersville Chamber	\$500.00						\$500.00
armersville Rotary							
otal Expenditures	\$32,850.00	\$-	\$-	\$-	\$7,500.00	\$-	\$500.00
irective Business Incentives							
oning Ordinance Re-write	\$52,960.00	\$22,610.00	\$13,770.00	\$8,645.00			
ollin College							
roject(sewer/street/electric)	\$150,000.00						
acade Grant Program	\$50,000.00						
otal Development Cost	\$252,960.00	\$22,610.00	\$13,770.00	\$8,645.00			
otal Expenditures	\$285,810.00	\$22,610.00	\$13,770.00	\$8,645.00	\$7,500.00	\$-	\$500.00
evenue vs Expenditures	(\$18,010)						
om Reserves							
otal Expenditures		\$22,610.00	\$13,770.00	\$8,645.00	\$7,500.00	\$-	\$500.00
nding Bank Balance		\$148,089.53	\$154,014.17	\$162,578.23	\$171,635.92	\$191,905.38	\$210,483.02
D Investment		\$250,000.00	\$250,000.00	\$250,000.00	\$250,000.00	\$250,000.00	\$250,000.00
xpool Balance		\$874,562.60	\$875,317.76	\$876,192.32	\$877,158.88	\$878,063.10	\$879,193.31
interest Earned		\$765.73	\$755.16	\$874.56	\$966.56	\$904.22	\$1,130.21
otal Available Funds		\$1,272,652.13	\$1,279,331.93	\$1,288,770.55	\$1,298,794.80	\$1,310,968.48	\$1,320,676.33

[illegible]



TO: Economic Development Corporation
FROM: Daphne Hamlin, Finance Director
DATE: June 21st, 2018
SUBJECT: Consider, discuss and act upon meeting minutes for April 19th 2018 2018

ACTION: Approve or Deny April 19th, 2018 meeting minutes

FARMERSVILLE ECONOMIC DEVELOPMENT CORPORATION
MEETING MINUTES

April 19th, 2018

The Farmersville EDC met in regular session on April 19th, 2018 at 6:30 p.m. in the City Hall Council Chambers with the following members present: Jason Lane, Kevin Meguire, George Crump, Robbie Tedford and Randy Smith. Staff members present were City Accountant Daphne Hamlin, City Manager Ben White.

CALL TO ORDER

Chairman Meguire convened the meeting at 6:33 p.m. and announced a quorum was present.

RECOGNITION OF CITIZENS AND VISITORS

No citizens or visitors.

PUBLIC COMMENT

No public comment taken.

REVIEW, CONSIDER AND DISCUSS 2018 KEY INITIATIVE AREA GOALS (KIA'S)

Chairman Meguire asked if the board had any updates. Mr. Tedford stated he had made some contacts but wished to reserve at this time until we can go into executive session for discussion. Chairman Meguire moved forward to the retention section, item c. and item d., asked Mr. Smith to give the EDC Board an update. Chairman Meguire stated that he had spoken with Dr. Collins regarding the Small Business Conference. Dr. Collins stated this year is going to be more focused, it is a 2 hour conference, more focused on business and business owners. Chairman Meguire suggested since we sponsor this program we received 25 tickets and would like Mr. Smith when he targets businesses in the business retention program to give the business owners tickets to attend the conference.

Mr. Smith said he is working with Daphne, she is getting the information together, after I receive the information I will set down with Mr. White and work up a list of business's to visit. Mr. Smith also stated that he had met with Mr. White about posting information to the Cities website in regards to Small Business Development Program. Mr. White stated he has the list and it is on his list of items to complete.

CONSIDER, DISCUSS AND ACT UPON EDC SALES TAX WORKSHOP

Chairman Meguire stated the EDC Board received a letter from (Texas Economic Development Council). This letter stated that no one from our City has attended an ED Sales Tax Workshop in the last two years. Chairman Meguire asked Daphne to contact the City attorney for clarification on which course we need to attend. Mr. White had asked

to be considered for the seminar held September 18, 2018, Daphne will have more information for the next regular scheduled meeting.

CONSIDER, DISCUSS AND ACT UPON SMALL BUSINESS AND ENTREPRENEURSHIP CONFERENCE.

Item discussed already under item A.

CONSIDER, DISCUSS AND ACT UPON COMPREHENSIVE PLAN, LAND USE MAP REVIEW. HIGHWAY 380 AND 78 LOOP

Chairman Meguire stated he and Mr. White met to discuss the proposed Highway 380 bypass. Chairman Meguire asked Mr. White to discuss with the EDC Board regarding the proposed loop. Mr. White stated first there are TX Dot meetings scheduled and encouraged the EDC Board to attend. TX Dot will be covering the Highway 380 portion. Mr. White stated he will attend the TX Dot meeting in McKinney on April 26th.

Mr. White presented a land use map that we are currently generating. There are boundaries (shown in the orange) of the proposed city limits. Currently we are working with other surrounding cities to have agreements on these proposed boundaries. Currently what is being considered is a bypass to the South, between north and south lake and hook back up on Highway 380 near Floyd. Chairman said so that will be the Highway 380 bypass and the existing Highway 380 will be considered business 380. Mr. White said this is what he is currently trying to push, Council agrees. But asking if the EDC Board has any comments to take back to Council. Mr. Crump asked what is the time line for phase 1. Mr. White stated around 2040, but you may see TX Dot purchasing right-of-way. Mr. Crump stated what will happen is businesses will follow the bypass. Mr. White said what TX Dot is trying to solve is laying out more freeway. But, what they are finding are Cities refusing let TX Dot build because of already existing businesses and can't find room. For instance, Wylie was in the path of a North/South Freeway, but Wylie refused. Currently Collin County is pressing forward for the future. Mr. White said you have to get behind it, support it, and make it real. We have the proposed outer loop near CR 547, and it is continuing to stay and people are used to the idea. But what they are finding out now there may not enough population to support the outer loop. TX Dot is now currently thinking about the current Highway 78 becoming the freeway. TX Dot lost north south due to not getting across Lavon. Right now Highway 380 have some options. Mr. Tedford asked where the bypass leaves on existing Highway 380. Mr. White not too sure, but the concept is it leaves right after the lake and heads south and goes parallel of Highway 380. Mr. Tedford stated then the options are either to widen the existing Highway 380 or make an outer loop. Mr. White said correct. Mr. Tedford asked then why do they favor the loop opposed to widening the existing Highway 380. Mr. White stated in order to support the town, right now Council feels widening Highway 380 would disturb

the current businesses. Chairman Meguire stated if it stays the way it is it would become a limited access highway, meaning you would not be able to exit. Highway 380 would be like 121 going to Frisco. Chairman Meguire stated that his thought on what the City might want is have the loop connect further down and the current highway 380 would stay the way it is today.

Mr. White discussed the highway 78, originally TX Dot came in and wanted to go thru College Campus, College did not want that, City supported the College. Mr. White stated there is an idea to join up with the Highway 380 outer loop. Chairman Meguire said if you widen Highway 380 you would take out the College, Tedford Chevrolet. Mr. Tedford asked about the widening of Highway 380, is it 500 feet or 300 feet? Mr. White said it is in the order of 300 feet. Mr. Tedford said once you take the traffic away from Highway 380, you will lose businesses, they will follow the loop. Mr. Crump asked what will happen to our City if this is done, the word bypass means you bypass Farmersville. Mr. White said I have a certain view point on this, it is to make Farmersville a magnet for jobs. Make this an industrial/commercial place. Mr. Tedford said TX Dot job is to move traffic not to stop it. Mr. White said if you want to attract business you have to have a way in and out of your industrial businesses. Mr. White stated the better the roads are you have a better chance for more economic activity. Chairman Meguire feels our industrial area is where it needs to be next to the railroad. Mr. White stated the proposed map is showing approximately 6,000 acres set aside for industrial growth. Mr. White asked the EDC Board does the bypasses make sense and does the overall industrial area make sense. Mr. Crump stated look at central expressway in Plano, it goes right thru town. Mr. White said if it goes thru the middle it would split our town. Chairman Meguire said I just don't want it to impact the College. Mr. Crump said he just wants whatever is best for the community. Mr. White said maybe we don't need this now, wait and see what happens. Mr. Crump stated make plans now so that no one is surprised. Mr. White stated he will do more layout work, bring back maps, and review further.

CONSIDER, DISCUSS AND ACT UPON FUNDING OPTIONS FOR FARMERSVILLE PARKWAY, COLLIN COLLEGE CAMPUS UPDATE

Mr. White stated he had met with the College and was informed of the development agreement between the City and the College. In the development agreement the City is to provide a 4 lane road around the college. Mr. White said this is something we need to make happen. I have spoken to our financial advisor because we are going to need a loan for approximately \$8 million. We have a \$1.9 million match with Collin County but, we do not have the funds to match. Mr. White stated that he and Daphne have looked at what the payments are going to be on an \$8 million dollar bond, we are going to have to cover approximately \$375k per year to pay back the bond. Mr. White stated he is researching options on how we are going to pay back this bond. I have road impact fees

we could charge, this will only impact new businesses that are coming in to help support the bond. TIRZ, 4B, 4A could dedicate a portion of their revenues and help support the bond. Mr. White said there are grants, we have tried twice for tiger grants but have been unsuccessful. Collin County right now are going thru plans on a 2020 type bond package of which a percentage will be dedicated that are on the through fare map. There is also a storm water management fee we could access. We are currently researching all options to help support this bond. Mr. Crump asked do we not have a relationship with the County, where we could work together. Mr. White stated they do matching funds, but no longer pay for City type work. Mr. Tedford asked how long will the bond be for. Mr. White stated 20 years. Mr. Tedford said if we commit that would be for the next 20 years. Mr. White said yes. Mr. White said I have a lot of work to do to support this. We are committed to this project.

CONSIDER, DISCUSS AND ACT UPON FINANCING ELECTRICAL SUBSTATION

Chairman Meguire stated in the future to have more data to provide in order to make decisions. Mr. White said he is just presenting ideas, and will have information available. We are considering purchasing our current substation. Sharyland has switched over to Oncor, we were paying approximately \$13-14k per month on this substation. We made an offer of \$95k. Idea was to gain control and expand and use as asset to gain funds for the City. When other electrical company's own it we have to pay for it. There are six options we are considering, currently reviewing those options. In the background trying to support college. So, what we are considering is a remap of the substation to help support the college. What we could do is get a bond, but instead we could borrow funds from 4A and pay back on a monthly basis. Mr. White stated he will come back with more concise ideas and bring back facts and figures. Mr. Crump asked for a spreadsheet.

RECEIVE UPDATE ON CAMDEN PARK PROJECT

Mr. White stated water, sewer, and storm water are installed. We have new software installed for permitting and training is complete. We are preparing for installation of water meters. Purchased approximately 50-60 water meters. Lift Station, we are installing the wet well. Force Main and gravity main are going in.

RECEIVE UPDATE ON BIG D CONCRETE

Mr. White stated that Big D has a notice to proceed with Lafarge. Property west of Big D is also being considered for another concrete related material facility. Due to the railroad access. Mr. White stated he is going next Wednesday to view their operations, it will be an all-day event. KCS Railroad coming in for meeting because of this activity.

CONSIDER, DISCUSS AND ACT UPON ITEMS LISTED FOR PAYMENT

On a motion from Mr. Tedford, to pay invoice to Tex-21 membership in the amount of \$1,250.00, second by Mr. Crump, motion passed unanimously.

CONSIDER, DISCUSS AND ACT UPON FINANCIAL STATEMENTS FOR MARCH 2018, AND REQUIRED BUDGET AMENDMENTS

On a motion from Mr. Lane to accept financial statements as presented, second by Mr. Smith, motion passed unanimously. On a motion from Mr. Tedford to accept budget amendment to pay TEX 21 in the amount of \$1,250.00, second by Mr. Crump, motion passed unanimously.

CONSIDER DISCUSS AND ACT UPON MEETING MINUTES FOR MARCH 15TH, 2018.

On a motion from Mr. Lane to accept March 15th, 2018 meeting minutes, second by Mr. Tedford, motion passed unanimously

ADJOURNMENT:

Meeting adjourned at pm. 8:15

Kevin Meguire, Chairman

ATTEST:

George Crump, Secretary