

Lessee This Instrument Prepared By:
Rutherford County Attorneys Office
16 Public Square North
Murfreesboro, TN 37130
From Information Furnished By The Parties

LEASE AGREEMENT

This lease is made and executed on the ____ day of _____, 2012, by and between RUTHERFORD COUNTY, a political subdivision of the State of Tennessee, hereinafter collectively referred to as "Lessor", and FOSTERVILLE-MIDLAND VOLUNTEER FIRE DEPARTMENT, INC., a Tennessee non-profit corporation, its successors and assigns, hereinafter referred to as "Lessee".

WITNESSETH:

1. **DESCRIPTION OF LEASED PREMISES.** Lessor leases to Lessee for the purpose of operating a volunteer fire station those certain premises located at 2675 Midland Fosterville Rd., Christiana, Tennessee, and more particularly described in Exhibit "A" attached hereto and made a part hereof. As used herein, the term "premises" refers to the real property above described as well as all improvements to be constructed thereon. Lessor will be constructing a building on the premises for use as a fire station, but the interior of the building will be left unfinished and Lessor shall have no obligation to complete the same.

2. **TERM.** The term of this lease shall be for ten (10) years, commencing on _____, 2012 and expiring _____, 2022 ("Term"). Upon mutual written agreement by the parties, this lease agreement may be renewed. No later than six (6) months prior to the termination of the Term, Lessee shall give Lessor written notice of Lessee's desire to renew this lease or to terminate this lease.

3. **RENT.** Lessee shall pay Lessor rent in the amount of Ten Dollars (\$10.00) for the total term of this lease.

4. **UTILITIES.** Lessee shall fully and promptly pay for all use of water, gas, heat, light power, telephone service, and all other public utilities of every kind furnished to the premises beginning the commencement date and continuing throughout the remainder of the term hereof. All utility deposits shall be paid by Lessee.

5. **ALTERATIONS AND IMPROVEMENTS.** Lessee shall pay Lessor the sum of Twenty Thousand Dollars (\$20,000) to contribute to the new building being built by Lessor on the premises. In addition, Lessee shall be responsible for finishing out and completing the interior of the volunteer fire station building in a manner compliant with all applicable building codes and state and federal law. Lessee shall not make any material alterations or changes to the exterior of the building without the prior express written consent of Lessor.

6. **INSURANCE.** Lessor shall be responsible to maintain property casualty insurance on the building on the premises. Lessee shall be responsible to obtain liability insurance coverage with minimum coverage of Five Million Dollars (\$5,000,000) per occurrence and Lessor shall be named an additional insured thereunder. This liability insurance shall be in a form and through an insurance company reasonably satisfactory to Lessor; and Lessee shall provide a binder (with evidence of premium payment) to Lessor. Lessor may, at its option, procure the said insurance and charge the expense thereof to Lessee as additional rent to become due and payable on demand should Lessee fail to promptly obtain the same.

8. **TAXES AND ASSESSMENTS.** The premises will be non-taxable for County real estate property taxes as the premises will be owned by Lessor. If for any reason Lessee becomes a taxable entity and is not exempt from personal property taxes, Lessee shall be responsible for any personal property taxes for personal property on the premises.

9. **REPAIRS AND MAINTENANCE.**

(a) **Maintenance of Improvements.** Lessee shall, throughout the term of this lease, at its own cost, and without any expense to Lessor, perform all routine periodic maintenance, including preventive servicing and ordinary repairs, to keep and maintain the premises, including all buildings and improvements of every kind that may be a part thereof, and all appurtenances thereto, in good, sanitary, and neat order, condition, and repair. Lessee shall comply with and abide by all federal, state, county, municipal, and other governmental statutes, ordinances, laws, and regulations affecting the premises, the improvements thereon, or any activity or condition on or in such premises, and a failure to comply shall be deemed a default hereunder.

(b) Damage to and Destruction of Improvements. The damage, destruction, or partial destruction of any building or other improvement that is a part of the premises shall not release Lessor or Lessee from any obligation hereunder, except as hereinafter expressly provided. In case of damage to or destruction of any such building or improvement, Lessor shall, at its own expense and with all applicable insurance proceeds, promptly repair and restore the same to the extent permitted by the proceeds paid from the insurance company providing property and casualty coverage on the building. In case of damage or destruction which prevents Lessee from the reasonable use of the premises and which may not be repaired within four (4) months of the date of the damage or destruction, either party may elect to terminate this lease. Within sixty (60) days after the date of the damage or destruction, Lessor will give to Lessee a copy of a written statement stating the date by which the repairs are expected to be completed. Any right to terminate under this subsection must be exercised by written notice to the other party within forty-five (45) days after receipt of Lessor's notice of completion date. Rent will not be abated during any construction period.

(c) Lessor's Limited Right to Perform. In the event that any repairs are necessary under section (a) of this paragraph 9, Lessee will perform such repair promptly. If Lessee fails to promptly repair after thirty (30) days written notice, Lessor may perform the repair and charge the cost to Lessee which shall be due and payable as additional rent for the succeeding month.

10. USES PROHIBITED. Lessee shall not use or permit the demised premises, or any part thereof, to be used for any purpose or purposes other than the purpose or purposes for which the premises are hereby leased. In the event it fails to do so, Lessee shall be in default of this agreement.

12. LESSOR'S RIGHT OF ENTRY. Lessee shall permit Lessor and the agents and employees of Lessor to enter into and upon the demised premises at all reasonable times upon minimum of a twenty-four (24) hour notice for the purpose of inspecting same, without any rebate of rent and without any liability to Lessee for any loss of occupation or quiet enjoyment of the premises thereby occasioned.

13. **SUBLETTING AND ASSIGNMENT.** Lessee may not sublet the premises in whole, or in part, without Lessor's prior written consent, which will not be unreasonably withheld.

14. **ENCUMBRANCES.**

Lessee may not encumber by mortgage, deed of trust, or other proper instrument its leasehold interest and estate in the demised premises without the written consent of Lessor.

15. **LIENS.**

(a) **Lessee's Duty to Keep Premises Free of Liens.** Lessee shall keep all of the premises and every part thereof free and clear of any and all mechanics', materialmen's, and other liens for any obligation of any kind incurred by Lessee. Lessee shall at all times promptly and fully pay and discharge any and all claims on which any such lien may or could be based, and shall indemnify Lessor and all of the premises, building, and improvements thereon against all such liens and claims of liens and suits or other proceedings pertaining thereto, excluding any liens, claims, or suits based on obligations of Lessor.

(b) **Contesting Liens.** If Lessee desires to contest any such lien, it shall notify Lessor of its intent to do so within thirty (30) days after Lessee receives actual notice of the filing of such lien. In such case, Lessee shall not be in default hereunder until thirty (30) days after the final determination of the validity thereof, within which time Lessee shall satisfy and discharge such lien to the extent held valid. In the event of any such contest, Lessee shall protect and indemnify Lessor against all loss, expense, and damage resulting therefrom.

16. **PROHIBITION OF INVOLUNTARY ASSIGNMENT; EFFECT OF BANKRUPTCY OR INSOLVENCY.**

(a) **Prohibition of Involuntary Assignment.** Neither this lease nor the leasehold estate of Lessee nor any interest of Lessee hereunder in the demised premises or in the building or improvements thereon shall be subject to involuntary assignment, transfer, or sale, or to assignment, transfer, or sale by operation of law in any manner whatsoever. Any such attempt at involuntary assignment, transfer, or sale shall be void and of no effect.

(b) Effect of Bankruptcy. Without limiting the generality of the provisions of the foregoing subsection (a) of this section, Lessee agrees that in the event any petition in bankruptcy is filed with respect to Lessee, or in the event Lessee is adjudged insolvent or makes an assignment for the benefit of its creditors, or if a receiver is appointed with respect to the assets of Lessee and such receiver is not discharged within a period of ninety (90) days after his appointment, any such event or any involuntary assignment prohibited by the provisions of the preceding subsection (a) of this section shall be deemed to constitute a breach of this lease by Lessee and shall at the election of Lessor, but not otherwise, without notice or entry or other action of Lessor terminate this lease and also all rights of Lessee under this lease and in and to the demised premises and also all rights of any and all persons claiming under Lessee.

17. NOTICES. All notices, demands, or other writings in this lease provided to be given, made, or sent, or which may be given, made, or sent by either party hereto to the other, shall be deemed to have been fully given, made, or sent when made in writing and deposited in the United States mail, registered or certified, postage prepaid, and addressed as follows:

To Lessor:	Rutherford County Mayor Historic Rutherford County Courthouse, Suite 101 Public Square Murfreesboro, TN 37130
To Lessee:	Fosterville-Midland Volunteer Fire Department, Inc. Attn: Fire Chief

The address to which any notice, demand, or other writing may be given may be changed by written notice given by such party as above provided.

18. INDEMNIFICATION OF LESSOR. Lessor shall not be liable for any loss, injury, death, or damage to persons or property which at any time may be suffered or sustained by Lessee or by any person who may at any time be using, occupying, or visiting the demised premises or be in, on, or about the same, whether such loss, injury, death, or damage shall be caused by or in any way result from or arise out of any act, omission, or negligence of Lessee or of any occupant, subtenant, visitor, or user of any portion of the premises, or shall result from or be caused by any other matter or thing whether of the same kind as or of a different kind than the

matters or things above set forth. Lessee shall indemnify Lessor against all claims, liabilities, demands, debts, losses, or damages whatsoever arising from or occurring in regards to the premises during the term of this Lease. Lessee hereby waives all claims against Lessor for damages to the building and improvements that are now on or hereafter placed or built on the premises and to the property of Lessee in, on, or about the premises, from any cause arising at any time.

19. **ATTORNEY'S FEES.** If any action at law or in equity shall be brought by either party to recover any rent under this lease, for or on account of any breach of, to enforce or interpret any of the covenants, terms, or conditions of this lease, or for the recovery of the possession of the demised premises, the prevailing party shall be entitled to recover from the non-prevailing party as part of its prevailing damages all litigation expenses and reasonable attorney's fees.

20. **REDELIVERY OF PREMISES.** Lessee shall pay the rent and all other sums required to be paid by Lessee hereunder in the amounts, at the time, and in the manner herein provided, and shall keep and perform all the terms and conditions hereof on its part to be kept and performed, and at the expiration or sooner termination of this lease, Lessee shall peaceably and quietly quit and surrender the premises to Lessor in good order and condition subject to the other provisions of this lease, subject to ordinary wear and tear, and subject to damage caused by fire or other casualty.

21. **REMEDIES OF DEFAULT.** In the event of a default hereunder, Lessor shall give Lessee ten (10) days' written notice and opportunity to cure. In the event such default is not cured within ten (10) days, or, in the case of a default which cannot reasonably be cured within ten (10) days, and Lessee does not commence with reasonable diligence to cure such default, (a) Lessor shall have the right to enter the premises and take possession thereof, and the rent shall become due thereupon and be paid up to the time of re-entry, (b) Lessor may relet the property or any part or parts thereof, either in the name of Lessor or otherwise, for a term or terms which may, at Lessor's option, be less than or exceed the period which would otherwise have constituted the balance of the term of this lease, and (c) Lessee shall also pay to Lessor as

damages for the failure of Lessee to observe and perform Lessee's covenants herein contained any deficiency between the rent hereby reserved and/or agreed to be paid and the net amount, if any, from the rents collected for the premises, if released, for the balance of the term of this agreement. In computing such damages, there shall be added to the said deficiency such reasonable expenses as Lessor may incur in connection with reletting, such as brokerage fees and preparation for reletting. Lessor agrees to make a good faith effort to mitigate all damages and to relet the property in the event of any default specified herein. In addition to the aforesaid damages, Lessor shall have all other remedies afforded by law not in conflict herewith, and all security deposits shall be forfeited to Lessor.

22. **LESSOR'S RIGHT TO PERFORM.** In the event that Lessee, by failing or neglecting to do or perform any act or thing herein provided by it to be done or performed, shall be in default hereunder, and such failure shall continue for a period of thirty (30) days after written notice from Lessor specifying the nature of the act or thing to be done or performed, then Lessor may, but shall not be required to, do, perform, or cause to be done or performed such act or thing (entering on the demised premises for such purposes, if Lessor shall so elect), and Lessor shall not be or be held liable or in any way responsible for any loss, inconvenience, annoyance, or damage resulting to Lessee on account thereof, and Lessee shall repay to Lessor on demand the entire expense thereof, including compensation to the agents and employees of Lessor. Any act or thing done by Lessor pursuant to the provisions of this section shall not be or be construed as a waiver of any such default by Lessee, or as a waiver of any covenant, term, or condition herein contained or performance thereof, or of any other right or remedy of Lessor, hereunder or otherwise.

23. **EFFECT OF LESSEE'S HOLDING OVER.** Any holding over after the expiration of the term of this lease, without written consent of Lessor, shall be an act of default and shall also be construed to be a tenancy at will.

24. **SIGNS.** No signs are allowed on the premises except as expressly approved by Lessor and except as is in compliance with applicable law and Lessor's standard sign criteria.

25. **PARTIES BOUND.** The covenants and conditions herein contained shall, subject to the provisions as to assignment, transfer, and subletting, apply to and bind the heirs, successors, executors, administrators, and assigns of all the parties hereto; and all of the parties hereto shall be jointly and severally liable hereunder. Guarantors, if any, hereby unconditionally guarantee to Lessor the full and complete performance of all of the Lessee's covenants and obligations under the Lease. Guarantors waive all requirements of notice of the acceptance of this guarantee and all requirements of notice of breach and nonperformance by Lessee.

26. **TIME OF THE ESSENCE.** Time is of the essence of this lease, and of each and every covenant, term, condition, and provision hereof.

27. **RECORDING.** In the event Lessor or Lessee wishes to record a memorandum or notice of this lease, the parties agree to execute same upon request.

28. **SECTION CAPTIONS.** The captions appearing under the section number designations of this lease are for convenience only and are not a part of this lease and do not in any way limit or amplify the terms and provisions of this lease.

WITNESS our hands and seals as of the day and year first above written.

LESSOR:

RUTHERFORD COUNTY

BY: _____
Ernest G. Burgess
County Mayor

LESSEE:

**FOSTERVILLE-MIDLAND
VOLUNTEER FIRE DEPARTMENT,
INC.**

By: _____

Title: _____

STATE OF TENNESSEE
COUNTY OF RUTHERFORD

Before me, the undersigned, a Notary Public within and for the State and County aforesaid, personally appeared _____, with whom I am personally

acquainted, and who upon his/her oath acknowledged himself/herself to be the _____ of FOSTERVILLE-MIDLAND VOLUNTEER FIRE DEPARTMENT, INC., and he/she as such _____, being authorized to do so, executed the foregoing instrument (LEASE AGREEMENT) for the purposes therein contained by signing the name of FOSTERVILLE-MIDLAND VOLUNTEER FIRE DEPARTMENT, INC. by himself/herself as such _____.

WITNESS MY HAND and official seal at my office on this the ____ day of _____, 2012.

NOTARY PUBLIC

My commission expires: _____

STATE OF TENNESSEE
COUNTY OF RUTHERFORD

Before me, the undersigned, a Notary Public within and for the State and County aforesaid, personally appeared Ernest G. Burgess, with whom I am personally acquainted, and who upon his/her oath acknowledged himself/herself to be the County Mayor of RUTHERFORD COUNTY, and he/she as such County Mayor, being authorized to do so, executed the foregoing instrument (LEASE AGREEMENT) for the purposes therein contained by signing the name of RUTHERFORD COUNTY by himself/herself as such County Mayor.

WITNESS MY HAND and official seal at my office on this the ____ day of _____, 2012.

NOTARY PUBLIC

My commission expires: _____

EXHIBIT "A"

BEING all of Lot No. 1, on the Plan of Final Plat of the Jason Douglas Property, according to plat and survey appearing of record in Plat Book 34, page 278, of the Register's Office of Rutherford County, Tennessee, to which plat reference is hereby made for more complete details of location and description of said lot.

BEING the same property conveyed to Rutherford County by deed of record in Record Book _____, page _____, in the Register's Office for Rutherford County, Tennessee.

This lease is made subject to any and all matters of record; Easement to MTEMC of record in Record Book 270, page 117; Greenbelt application of record in Record Book 84, page 2346; Reservation of 1/2 Mineral Rights of record in Deed book 256, page 265, all of said Register's Office.