

LEASE AGREEMENT

This Lease Agreement, made and entered into this _____ day of _____, 2015, by and between the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government of the Commonwealth of Kentucky, 200 East Main Street, Lexington, Kentucky 40507 ("Lessor") and **L. MITCH ESTEPP & HOLLIS HARVILL** of 705 Caden Lane, Lexington, Kentucky 40509 ("Lessee").

RECITALS

WHEREAS, Section 21-32(c) of the Code of Ordinances of the Lexington-Fayette Urban County Government provides that houses, apartments and other living quarters managed by the Division of Parks and Recreation may be rented to individuals in accordance with written criteria approved by the commissioner of the Department of General Services with rental arrangements subject to the review and approval of the senior advisor for management; and

WHEREAS, one of the houses to be rented is located at 705 Caden Lane, Lexington, Kentucky; and

WHEREAS, the Lessee is essential to Parks operations and the Lessor and Lessee wish to enter into a lease agreement defining their rights and responsibilities relating to the use and occupancy of said rental property.

WHEREAS, L. Mitch Estep & Hollis Harvill are eligible to lease said property at 705 Caden Lane, Lexington, Kentucky.

NOW THEREFORE, in consideration of the premises and the further consideration hereinafter provided, the parties hereto agree as follows:

1. **Premises and Term:** The Lessor does hereby let, lease and demise unto Lessee and Lessee does hereby lease from Lessor the house at 705 Caden Lane, including approximately 1 acre of land surrounding the house, in Lexington, Kentucky as living quarters, (known as "Premises"). The term of the lease shall be for one (1) year and six (6) months beginning January 1, 2016, and Lessee shall have the right to occupy and possess the Premises during this term, or until the Lease is terminated as set out herein. Lessee shall use the Premises solely as a personal residence and for no other purpose, and shall be the only occupant unless there is written approval for each additional occupant from Lessor.

2. **Rent:** Lessee covenants and agrees that as consideration for the use and occupancy of the Premises, Lessee shall pay three hundred ninety dollars and no cents (\$390.00) per month, due to the Division of Parks and Recreation at 469 Parkway Drive, Rental Office, Lexington, Kentucky 40504 on the 1st day of each month commencing January 1, 2016. Any portion of deposit not required to repair damage to the Premises at the end of occupancy shall be returned to the Lessee. In the event the Lessee leaves the premises and does not pay the last month's rent nor demand return of the deposit, after 30 days Lessor may apply the security deposit or any amount thereof remaining to the debt owing.

3. **Condition of Premises:** Lessee has inspected the Premises and all improvements, facilities and equipment thereon or has had an opportunity to do so

and agrees to accept the same, as is, without any agreements, representations, understandings or obligations on the part of the Lessor to perform any alterations, repairs, or improvements except as set out elsewhere in this lease agreement. Prior to occupancy, Lessee and Lessor shall sign a listing of the extent of then-existing damage that shall not be attributed to Lessee pursuant to paragraphs 2 and 4 herein.

Lessee shall keep the Premises in a neat and clean condition, inside and out, free from any accumulation of trash, garbage, waste, or debris. Lessee shall dispose of any accumulation of same in the manner required by the Code of Ordinances of Lexington-Fayette Urban County Government or other law. Lessee shall use no portion of the exterior areas for storage.

Lessee is responsible for grass and weed mowing and trimming, leaf removal, sidewalk shoveling, and related activities necessary to the reasonable upkeep of the Premises.

Lessee may have guests; however, noise levels shall not violate Sections 14-70 through 14-80 of the Code of Ordinances, Lexington-Fayette Urban County Government.

Pets shall be permitted at the discretion of the Division Director.

4. Repairs: Lessor, through the Division of Parks and Recreation, shall maintain the Premises in a fit and habitable condition, including without limitation: the roof, the foundation, and all electrical, plumbing, heating, ventilating, and air conditioning systems. All minor day-to-day maintenance shall be the responsibility of the Lessee. Lessee shall promptly notify Lessor in the event that any repairs or

replacements are required on the Premises. Lessor shall repair or replace same in a timely manner as it deems necessary. Lessee shall indemnify Lessor and pay for any repairs, maintenance, or replacement to the Premises caused in whole or in part as a result of Lessee's use of the Premises, ordinary wear and tear excepted.

Lessor shall not be liable for any damage caused by Lessee's failure to keep the Premises in repair pursuant to this section unless notice of the need for repairs has been given to Lessor in writing and said repairs are not made within thirty days after such notice. In any event, Lessor shall not be liable for any damage done or occasioned by or from the electrical, plumbing, heating, ventilating, and air conditioning systems on the Premises which resulted from the action or inaction of the Lessee, nor for any damage arising from acts of negligence of other occupants of the Premises, nor the acts of any owners or occupants of adjoining or contiguous property.

Lessee may repair or replace items on the Premises that would normally be the responsibility of Lessor if prior written approval is obtained from the Director of the Division of Parks and Recreation.

5. Right of Access: Lessor and its authorized agents shall have the right at all reasonable times, upon two (2) days notice to Lessee, to enter into and upon the Premises for the purpose of inspecting, maintaining, and repairing the Premises. Provided, however, that nothing herein shall prevent Lessor and its agents from entering the property at any time, with or without notice, in case of emergency.

6. Utilities: Lessee is responsible for establishing service and making payment for each utility that is separately metered to the Premises. Lessor is

responsible for providing utility services that are not separately metered and Lessee shall pay as rent the pro-rata share pursuant to the agreed upon terms attached hereto as Addendum A and incorporated herein. Lessee shall not install any equipment which will exceed or overload the capacity of any utility service installed by Lessor, and if any equipment installed by Lessee requires additional utility capacity, such capacity shall be installed at Lessee's expense in accordance with the plans and specifications to be approved in writing by the Lessor.

7. Assignment and Subletting: Lessee shall not (i) assign, mortgage, pledge, hypothecate, encumber, or permit any lien to attach to the Premises or otherwise transfer this lease agreement or any interest hereunder, by operation of law or otherwise, (ii) sublet the Premises or any part thereof, or (iii) permit the use of the Premises by any persons other than Lessee.

8. Destruction of Premises: If the Premises should be destroyed or damaged by fire or other casualty covered by Lessor's policy of fire and extended coverage insurance, Lessor shall, with due diligence, make repairs or restoration at its expense, provided, however, that should damage to the extent of 50% or more of the value thereof occur, then Lessor may at its option cancel this lease agreement instead of making the necessary repairs or restoration.

9. Eminent Domain: In the event the Premises or any portion thereof shall at any time after the execution of this lease agreement be taken for public or quasi-public use or condemned under eminent domain, Lessee shall not be entitled to claim or have paid any compensation or damages whatsoever or on account of any

loss, entry, damage, or taking of any right, interest, or estate of the Lessee, and Lessee hereby relinquishes to Lessor any rights to any such damages. Lessor shall be entitled to claim and have paid to it for the use and benefit of Lessor all compensation and/or damages for and/or on account of and/or arising out of such taking and/or condemnation without deduction from the amount thereof for or on account of any right, title, interest, or estate of Lessee in or to said Premises. Should all of the Premises be taken by eminent domain, then this lease agreement shall be deemed terminated and Lessee shall be entitled to no damages or any consideration by reason of such taking.

10. Personal Property: All personal property owned by Lessee, or otherwise, that may be upon said Premises during the term of this lease agreement shall be at the sole risk and responsibility of Lessee. It is recommended that Lessee maintain a policy of insurance to cover loss or damage to personal property during the entire period of occupancy. Any coverage shall fully waive rights of subrogation against Lessor.

11. Insurance: Lessee shall indemnify, save, and hold harmless Lessor from and against all claims and losses that occur on the premises. Lessee further agrees to carry and pay for Renter's Liability Insurance in the amount of \$500,000.00, Combined Single Limits, including fire legal liability, with an insurance company authorized to do business in the Commonwealth of Kentucky, with a rating classification of no less than Excellent (A or A-) and a financial size category of no less than VIII, as defined by the most current Best's Key Rating Guide. The policy shall name the Lexington-Fayette

Urban County Government and Division of Parks and Recreation as additional insureds and shall be primary to any applicable insurance of Lessor. The insurance coverage shall fully waive rights of subrogation against Lessor. The certificate of insurance shall be provided to the Department of Law – Claims Management of the Lexington-Fayette Urban County Government at 200 East Main Street, 6th Floor, Lexington, Kentucky 40507. The Department of Law – Claims Management shall be responsible for monitoring the insurance provisions of this lease.

12. Termination: The Lessor, through the Director of the Division of Parks and Recreation, may terminate the lease and any right of possession, for any reason or no reason, upon thirty (30) days written notice. Lessor, through the Director of the Division of Parks and Recreation, may immediately terminate the lease, and any right of possession, upon forty-eight (48) hours written notice if Lessee conducts any illegal activities on or about the Premises or does any intentional damage to the Premises.

13. Default: In the event Lessee shall fail to comply with any provisions of this Lease Agreement, Lessor may terminate the lease pursuant to paragraph 12 herein. Lessor need not give Lessee any right to cure the default prior to such termination. Lessee shall surrender possession as set out in paragraph 14 herein.

14. Return of Possession: At the termination of this lease agreement or Lessee's right of possession, Lessee shall surrender possession of the Premises in as good a condition and repair as Premises were at the beginning, ordinary wear and tear excepted, and shall surrender all keys to Lessor and advise Lessor as to the combination of any locks remaining in the Premises and shall remove all personal

property. If Lessee fails to remove any items from the Premises as required hereunder, Lessor may do so. All property removed from the Premises by Lessor pursuant to any provision of this lease agreement or any law may be handled or stored by the Lessor at Lessee's expense payable upon demand and Lessor shall in no event be responsible for the value, preservation, or safe keeping thereof. All property not removed from the Premises or not removed from storage on the date Lessee's right of possession shall end or within fifteen days of the death of Lessee by his heirs or administrator shall, at Lessor's option, be conclusively deemed to have been conveyed to Lessor by Lessee as if by bill of sale without payment by Lessor. Unless prohibited by applicable law, Lessor shall have a lien against such property for the costs incurred in removing and storing the same.

15. Amendments: No amendments to this lease agreement shall be binding upon either party hereto until such amendment is reduced to writing and executed by both parties.

16. Severability: If any clause, provision, or section of this lease agreement is ruled invalid or unenforceable by any court of competent jurisdiction, the invalidity or unenforceability of such clause, provision, or section shall not affect any of the remaining clauses, provisions, or sections hereof.

17. Notices: The agent of Lessor, for purposes of this lease agreement, shall be the Director of the Division of Parks and Recreation, whose offices are located at 469 Parkway Drive, Lexington, Kentucky 40504. All notices or consent required to be given by or on behalf of either party shall be in writing and shall be sufficiently given,

and shall be deemed given when delivered or mailed by certified mail, postage prepaid, return receipt requested, to Lessor at the address set out in this paragraph and to Lessee at the address first set out herein.

18. Waiver: No waiver of any condition or legal right or remedy shall be implied by failure of Lessor to declare a default and no waiver shall be valid unless it be in writing and signed by the party so waiving.

IN WITNESS WHEREOF, the parties hereto have caused this lease agreement to be executed as of the date first above written.

LESSOR:

LEXINGTON-FAYETTE URBAN
COUNTY GOVERNMENT

BY: _____
JIM GRAY, MAYOR

DATE: _____

LESSEE:

SIGNATURE: _____

NAME: L. Mitch Estep, Lessee

DATE: _____

LESSEE:

SIGNATURE: Hollis Harvill

NAME: Hollis Harvill, Lessee

DATE: 11-11-15

ADDENDUM A

RENT SCHEDULE

<u>FY</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>	<u>Monthly Utility Adjustment</u>	<u>Adjusted Monthly Rent</u>
2016	\$4,680.00	\$390.00	\$0.00	\$390.00
2017	\$4,680.00	\$390.00	\$0.00	\$390.00

A.1 Monthly Rent. Lessee is essential to Park operation. Lessee shall pay to Lessor as a portion of rent for the Premises the sum specified above in Monthly Rent column. If the lease term commences on a day other than the first day of a calendar month or expires on a day other than the last day of a calendar month, the base rent installment for such first or last month shall be prorated.

A.2 Utility Adjustment for unmetered services (if applicable). Lessee shall pay to Lessor as additional monthly rent the pro-rata portion as specified below for shared utility services that are not separately metered for the Premises.

Electricity:	(\$0.00)
Natural Gas:	(\$0.00)
Water:	(\$0.00)
TOTAL MONTHLY ADJUSTMENT:	(\$0.00)

A.3 Adjusted Monthly Rent. Lessee shall pay to Lessor as the total Adjusted Monthly Rent the sum as specified above in Monthly Rent column. If the lease term commences on a day other than the first day of a calendar month or expires on a day other than the last day of a calendar month, the total monthly rent shall be pro-rata adjusted in accordance.