

LEASE AGREEMENT

STATE OF TEXAS §

COUNTY OF HARRIS §

This lease agreement is entered into on the 26 day of September 2022 by and between the City of Shoreacres, Texas (Lessor) and Shoreacres Recreation Association, Inc. (Lessee), a private non-profit Texas corporation. Lessor shall lease to Lessee that portion of the park lying between Miramar Drive and the waters of Galveston Bay in the City of Shoreacres, Texas, being 0.3549 acres of land being out of Shoreacres Addition as recorded in Volume 7, Page 10 H.C.M.R. situated in the William P. Harris Survey, Harris County, Texas, as described and set out in the description Attachment A hereto upon the following terms, condition and agreements hereinafter contained:

1. The term of this lease is for a period of six (6) years, beginning on the date hereof and ending on the same day of September 2028.
2. As rent for the use and occupancy of the leased premises, Lessee hereby agrees, bind and obligates itself to pay unto the Lessor the sum of One Hundred Dollars (\$100.00) annually, beginning on the 12th day of September 2022 and like annual installments on or before the 12th day of September of each succeeding calendar year thereafter until the expiration of six (6) years.
3. Lessee shall use the leased premises for the construction, maintenance and operation of a pier extending from the leased premises into Galveston Bay, together with all appurtenances and activities in connection therewith, including but not limited to, the parking of motor vehicles.
4. Lessee shall have the right to erect any buildings and structures on the leased premises as may be necessary to the conduct of its business, provided that such buildings and structures must have the prior approval of the Lessor.
5. No exclusive rights are granted to Lessee to use the park between Miramar Drive and Galveston Bay and the Lessor reserves the right to make leases of portions of said park to other parties.
6. Lessee shall not assign this lease nor sublet the leased premises, or any part thereof.
7. The Lessee shall maintain the pier and any other structures placed on the leased premises, in a good state of repair and in a safe condition. In the event Lessee shall abandon the leased premises and/or the pier or shall not maintain the pier and/or other structures in a good state of repair and safe condition, Lessor shall give written notice of such default to Lessee and in the event Lessee does not, within ninety (90) days after receipt of such

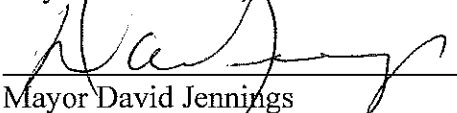
notice, commence the necessary work and repairs to restore the leased premises and/or the pier or other structures to a safe condition, then this Lease Agreement shall terminate and both parties released therefrom.

8. Lessee shall negotiate, finalize and sign (and furnish a copy to the Lessor), continuously keep in place at all times during the lease from Lessor and then shall comply with all such lease terms and regulations of the Texas General Land Office (Texas GLO) and shall maintain the pier in a good and workmanlike manner in accordance with the minimum standards of the Texas GLO during the term of the lease from Lessor and thereafter to the extent the lease with the Texas GLO requires any hazard to navigation removal obligations of the Lessee after expiration of the Texas GLO lease. Lessee agrees to indemnify and hold Lessor harmless from all liability under any lease Lessee has or shall have with the Texas GLO including any post lease hazard to navigation removal liability.
9. Lessee shall maintain and keep in force throughout the term of the lease liability insurance in an amount totaling \$1,000,000.00, with the Lessor named as an additional insured under such policy. Lessee shall furnish a copy of the policy to Lessor within seven (7) days after procuring the policy.
10. Lessee acknowledges and agrees that Lessor shall have a blanket easement for unrestricted access and use of the land area for utilities, communications and drainage to include pipes, conduits, culverts, and other conveyances. Additionally, Lessee acknowledges and agrees that Lessor shall have the right to use the land area from time-to-time for special events, parking, or other uses as may be necessary to Lessor.

In testimony whereof the City of Shoreacres, Texas has caused these presents to be executed, in duplicate originals, by its Mayor and attested by its City Secretary and Shoreacres Recreation Association, Inc., as caused these presents to be executed by its President and attested by its Secretary, this the 26 day of September 2022.

LESSOR:

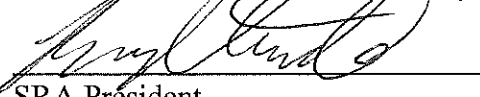
City of Shoreacres, Texas



Mayor David Jennings


LESSEE:

Shoreacres Recreation Association, Inc.

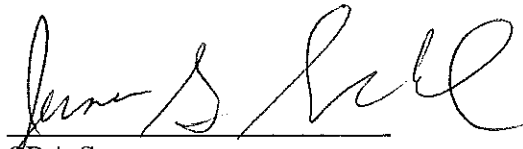


SRA President

ATTEST:



Elaine Goodman City Secretary



SRA Secretary