

## GROUND LEASE AGREEMENT

### 1. PARTIES

This ground lease (the or this "Lease") is made and entered into this 9<sup>th</sup> day of October, 2012 by and between the **SOUTHWEST TEXAS JUNIOR COLLEGE FOUNDATION, INC.** of Uvalde County, Texas (the "Lessor") and the **SOUTHWEST TEXAS JUNIOR COLLEGE** (the "Lessee").

### 2. PROPERTY LEASED

Lessor promises, in return for the consideration described herein to be paid by the Lessee and the covenants set out herein to be kept by Lessee, to hereby lease, unto the Lessee, the following described property, to wit:

Approximately 11 acres, located in Val Verde County, Texas, and being Tract I and Tract II as described in Exhibit "A" and "B," respectively (the "Property"). The Property is adjacent to the Southwest Texas Junior College Del Rio campus at:

207 Wildcat Drive (street address), in  
Del Rio (city)  
Val Verde County, Texas

### 3. MONTHLY RENTAL

Lessee agrees to pay Lessor \$22,182.00 per month during the term of this Lease. The monthly rentals provided for herein shall be due and payable by Lessee in advance on the first day of the month for which said rentals are due.

### 4. TERM OF THE LEASE

This lease shall commence on October 9, 2012 and end October 9, 2072 (60 years), unless sooner terminated as hereinafter provided.

### 5. GENERAL TERMS AND CONDITIONS

- (a) Lessee covenants and agrees to pay all taxes of whatever nature, levied or assessed, on or against the Property and improvements during the term of the lease as may be required by law; and to keep the Property in good condition during the continuance of the term of this Lease.

- (b) Lessor covenants that it has good and sufficient title to the Property, free of any mortgage or lien, and has full power and authority to execute this Lease and to place Lessee in possession of the Property in full satisfaction of and compliance with the terms and conditions herein. Lessor also agrees that it will not attempt to impose upon Lessee any requirements of other legal instruments related to the Property not referred to herein or made a part hereof including a sublease of the Property or conveyance of any interest therein to another party other than the Lessee. Lessor warrants and defends unto Lessee against the claims of all persons to the leasehold interests of evidence or authority to act in the capacity shown. Lessor agrees it will not encumber Lessee's interest in the Property through any deed of trust or mortgage.
- (c) Lessor warrants that the operation of the Lessee on the Property is not in violation of any city ordinance or statute or any restriction imposed against the Property and that the Lessor will indemnify the Lessee for any direct or indirect loss sustained by the Lessee as a result of the existence of such restriction, ordinance or statute.
- (d) Lessor hereby covenants and agrees that the Lessee may construct and bring on to the Property any and all improvements and equipment, reasonably necessary for the efficient exercise of Lessee's public purpose and governmental responsibilities. Any and all improvements which may have been made or will be made by the Lessee shall become the property of the Lessee. Lessee is hereby granted the exclusive right of use and access to any improvement constructed by Lessee on the Property for the greater of: (1) the term of this lease; (2) the useful life of the improvement; or (3) while any obligation of the Lessee used to finance the improvement remains outstanding.
- (e) On termination of this Lease, by lapse of time or otherwise, Lessee may, within a reasonable time thereafter, at its option and expense, remove from the Property any and all improvements, equipment, appliances or other property placed or owned by it thereon.
- (f) If during the term of this Lease, the Property, or any portion thereof or improvement therein, shall be condemned for any public purpose, the Lessee shall have the option of terminating and canceling this Lease upon thirty (30) days notice to the Lessor of its election so to do.
- (g) It is mutually agreed between the Lessor and the Lessee that if the Property, or any portion thereof or improvement therein, shall, during the term of this lease or previous thereto, be slightly damaged by fire or any other cause or causes, the same shall be promptly repaired by the Lessor. During the time of such repair, if the space cannot be fully utilized by Lessee, lease payments due hereunder shall be either reduced or withheld in accord with the degree of non-use. But, if the Property, or any portion thereof or improvement therein, be so damaged as to

- (n) All proposals, negotiations, notices, and representations with reference to matters covered by this Lease are merged in this instrument and no amendment or modification thereof shall be valid unless evidenced in writing and signed by both parties as identified below.

## 6. SPECIAL TERMS AND CONDITIONS

Special terms and conditions shall be listed here, and shall include but not be limited to: Mutual cancellation clauses, provisions relating to performance bonds on new construction, special requirements peculiar to the occupying agency, and special requirements or conditions.

- (a) The Lessee shall provide and pay for all utilities (including telephone) for the necessary operation of the Lessee.
- (b) The monthly rental includes off-street parking spaces for use by the Lessee.
- (c) This Lease shall comply with handicapped accessibility requirements as set out on Attachment "A".
- (d) Payments required of Lessee pursuant to this Lease are subject to the annual appropriation of sufficient funds by the Lessee's Board of Trustees.

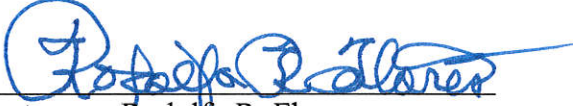
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LESSOR

SWTJC FOUNDATION, INC.

LESSEE

SOUTHWEST TEXAS JUNIOR COLLEGE

By:   
Signature Rodolfo R. Flores  
PRESIDENT, BOARD OF DIRECTORS

By:   
Signature Ismael Sosa, Jr.  
PRESIDENT

Date: 007 9 2012

## ATTACHMENT "A"

### Handicapped Accessibility Requirements

At the time the lease premises or improvements thereunto become occupied by Lessee and throughout the term of the lease and any additional tenancy, Lessor shall comply with the following provisions:

- (1) This lease shall comply with the Texas Department of Licensing and Regulation Standards ("TDLR Standards") regarding elimination of architectural barriers to persons with disabilities promulgated under Article 9102, T.C.S. and the ADA Accessibility Guidelines ("ADAGE") promulgated under the Americans with Disabilities Act of 1990, Public Law 101-336, 42 United States Code 12101 et seq. In instances of differences between TDLR Standards and ADAGE, the most stringent requirement (i.e., providing the highest degree of accessibility) shall apply. In instances of conflicts between these requirements, ADAAG shall apply.
- (2) The exterior conditions shall comply with accessibility standards to alterations as prescribed in ADAAG and TDLR Standards, the interior conditions shall comply with accessibility standards for accessible buildings and facilities applicable to alterations as prescribed in ADAAG and TDLR Standards.
- (3) Article 9102, T.C.S., requires that the Texas Department of Licensing and Regulation (T.D.L.R.) inspect the leased space during the first year of the lease. Lessor will be responsible for payment of all fees required by T.D.L.R. for performing its functions under Article 9102.