

## LEASE AGREEMENT

**THIS LEASE AGREEMENT** is made, executed, and entered into as of the date specified below by and between **HOPKINS COUNTY FISCAL COURT** (“LANDLORD”), and **HOPKINS COUNTY SCHOOL BOARD** (“TENANT”) and upon the following terms (“lease”).

1. **PREMISES** – In consideration of the obligation of Tenant to pay rent as herein provided, and in consideration of the other terms, provisions, and covenants hereof, Landlord, the designated and specified portion and area of the real property commonly known as the Hopkins County Courthouse, 10 S. Main Street, the entire third floor, Madisonville, Hopkins County, Kentucky together with all improvements thereon and all rights, privileges, easements, etc. (“Premises”).
  
2. **TERMS** – The term of this Lease shall be one (1) year from execution.
  
3. **RENEWAL OPTIONS** – Provided this Lease is still in full force and effect, and at the agreement of the Landlord, Tenant shall have the option to renew the term of this Lease on a yearly basis by giving written notice of such election to Landlord at least thirty (30) days prior to the expiration of the original term of the Lease. The same terms and provisions applicable during the initial term of this Lease shall also extend and apply during any such renewal term except that the rent payable by Tenant to Landlord shall be negotiated upon each renewed term.
  
4. **USE** – The Premises shall be used for lawful purposes only. Tenant shall, at its own cost and expense, obtain any and all licenses and permits necessary for Tenant’s use of the Premises and shall comply with all governmental laws, ordinances and regulations governing and regulating Tenant’s use of the Premises.
  
5. **RENT** – Tenant shall pay to Landlord rent for the Leased Premises in the amount of \$1.00 per year due on the date of execution of this lease and upon any renewal dates.
  
6. **LANDLORD’S TITLE** – Landlord represents that it is the owner in fee simple of the real estate constituting the Premises and the improvements of this Lease and that it has the right and power to enter into this Lease under the terms contained herein. So long as Tenant shall pay the rent and otherwise comply with the terms and provisions of this Lease, Tenant shall quietly enjoy the Premises in accordance with the terms and provisions of this Lease.
  
7. **ALTERATIONS** – Tenant shall not make any alterations, additions, or improvements to the Premises without Landlord’s consent, which consent shall not be unreasonable withheld, conditioned or delayed. All such alterations, additions or improvements shall meet all applicable building codes and regulations and shall be constructed in a good and workmanlike manner. Tenant shall bear all cost and expense of maintaining the interior portions of the Premises, except those set forth in Section 8, and its equipment used in its business operations.

8. **LANDLORD'S REPAIRS AND MAINTENANCE OF PREMISES** – Except for damages caused by Tenant, its employees, visitors or agent, Landlord, at its sole cost and expense, shall control, maintain and repair the mechanical, electrical, plumbing, heating air conditioning and other equipment serving the Premises, and shall make all necessary replacements thereof and repairs thereto. All work to be completed by Landlord shall be in compliance with all laws, ordinances, codes and regulations of governmental authorities and shall be performed in a good and workmanlike manner using quality materials.

9. **INSPECTION** – Landlord shall have the right, upon two (2) business days written notice to Tenant, to enter and inspect the Premises at any reasonable time during business hours for the purpose of ascertaining the condition of the Premises or in order to make such repairs as may be required or permitted to be made by Landlord under the terms of this Lease. Tenant shall have the right to have a representative present during any such entry by Landlord. Notwithstanding the foregoing, Landlord shall, in the event of an emergency, have the unconditional right to enter the Premises in order to take such measures as it may deem prudent to mitigate said emergency.

10. **TAXES** – Landlord shall promptly pay all ad valorem real estate taxes imposed on the Premises. Tenant shall promptly pay all personal property taxes and special assessments due and payable during the Lease attributable to Tenant's personal property or commercial enterprise.

11. **UTILITIES** – Landlord agrees to provide at its sole cost and expense all water, gas, heat, light, electricity, power, sewer, sprinkler, charges and other utilities and services used on or from the Premises, together with any taxes, penalties, surcharges or the like pertaining thereto and any maintenances charges for such utilities and shall furnish all electric light bulbs and tubes. Landlord shall in no event be liable for any interruption or failure of utility services on the Premises unless such failure results from an act or omission of Landlord. Tenant is responsible for telephone and internet expenses and maintenance.

12. **INSURANCE** – Landlord, at its sole cost and expense, shall secure and maintain in effect sufficient standard fire and extended coverage insurance with replacement cost endorsement covering the building and improvements constituting the Premises. Such Insurance shall be for the benefit of Landlord and Tenant, as their respective interests shall appear. Tenant, at its sole cost and expense, shall secure and maintain in effect any desired insurance coverage on its personal property and fixtures. Tenant shall procure and maintain throughout the term of this Lease a policy or policies of liability insurance, at its sole cost and expense, insuring Tenant against all claims, demands, or actions arising out of or in connection with: (1) Tenant's operation and use of the Premises; and (2) Tenant's liability assumed under this Lease; the limits of such policy or policies to be in the amount of not less than Five Hundred Thousand Dollars (\$500,000.00) per occurrence in respect of injury to persons (including death), and in the amount of not less than Five Hundred Thousand Dollars (\$500,000.00) per occurrence in respect of property damage or destruction, including loss of use thereof. Tenant shall procure all such policies from responsible insurance companies authorized to transact business in Kentucky. Tenant shall include Landlord as an additionally named insured on any policy of liability insurance connected to the use of the premises.

**13. DAMAGE OR DESTRUCTION: OBLIGATION TO REBUILD** – In the event the Premises are damaged or destroyed partially or totally, from any cause whatsoever, whether or not the damage or destruction is covered by any insurance required to be maintained under Section 12, then Landlord may elect to repair, restore and rebuild the Premises to its condition existing immediately prior to such damage or destruction, in which event this Lease shall continue in full force and effect, or Landlord may elect to terminate this Lease, then such repair, restoration and rebuilding (all of which are herein called the “repair”) shall be commenced within a reasonable time after such damage or destruction and shall be diligently prosecuted to completion. During the period of repair, the monthly rent payable by Tenant hereunder shall abate if Tenant is totally deprived of possession of the Premises; if Tenant continues to occupy a portion of the Premises during the period of repair monthly rent shall be abated in proportion to the percentage of the Premises that Tenant is unable to occupy; if Tenant continues to occupy all of the Premises, then there shall be no abatement of monthly rent or of any other obligation of Tenant hereunder by reason of such damage or destruction. Notwithstanding the foregoing, if such damage or destruction to Premises interferes with the Tenant’s business operations as determined solely by Tenant’s subjective opinion, Tenant, at its option may terminate the Lease without further obligation to Landlord.

**14. INDEMNITY** – To the extent permitted under Kentucky law Tenant shall defend and indemnify and hold Landlord harmless from and against any and all third-party claims, damages, and liabilities, including attorneys’ fees, for injury to person or property arising out of any act or omission as to Tenant’s use of the Premises, except for those caused by the negligence or willful conduct of Landlord or the failure of Landlord to comply with the terms of this Lease.

**15. ASSIGNMENT AND SUBLETTING** – Tenant shall not, whether by operation of law or otherwise, assign, sublet, or otherwise transfer or encumber the whole or any part of Tenant’s interest in the lease or in the Premises, without the prior written consent of Landlord, which consent shall not be unreasonably, withheld, condition or delayed. As a condition to any request to assign, transfer or sublet the Premises or any part thereof, which shall require Landlord’s consent, Tenant shall submit to Landlord for Landlord’s review and approval a copy of the proposed assignment or sublease and a description of the proposed use of the Premises by the potential assignee or sub lessee.

**16. DEFAULT** – In the event of Default, Landlord may exercise any remedies available under law and the same shall be cumulative, and none shall exclude any other remedy allowed by law or equity, and such remedies may be exercised and enforced concurrently and whenever and as often as the occasion therefore arises.

**17. NOTICE** – Any notice or document required or permitted to be delivered hereunder shall be submitted in writing and personally served, sent by mail courier or by United States Mail, postage prepaid, Certified or Registered Mail, addressed to the party hereto at the respective address set out below, or at such other address as they have heretofore specified by written notice delivered in accordance herewith: Landlord: Hopkins County Fiscal Court, 5 North Main

Street, Madisonville, KY 42431. Tenant: Hopkins County Attorney's Office – Hopkins County Child Support Unit, 10 S. Main Street, Room 23, Madisonville, KY 42431.

18. **CANCELLATION** – This Lease can be cancelled by the Landlord at any time with thirty (30) days written notice.

19. **GENERAL PROVISIONS** – The terms, provisions, covenants, and conditions contained in this Lease shall apply to, inure to the benefit of, and be binding upon, the parties hereto and upon their respective heirs, legal representatives, successors, and assigns. This Lease contains the entire agreement between the parties with respect to any matter mentioned herein and shall not be construed against one party or the other. No prior agreement or understanding pertaining to any such matter shall be effective. No modification of this Lease shall be binding upon the parties unless evidenced by an agreement in writing and signed by both Landlord and Tenant after the date hereof. No waiver by either party of any breach or provision hereof shall be deemed a waiver of any other provision. This Lease shall be construed in accordance with, and governed by, the laws of the State of Kentucky. The parties understand and agree that any dispute, challenge, or claim asserted or brought by either of the parties hereto against the other on any matter whatsoever arising out of or in the occupancy of the Premises, or any claim of injury or damage or any legal or equitable claim shall be resolved by binding arbitration. The prevailing party in any such arbitration may be awarded its reasonable attorney fees and expenses.

IN WITNESS WHEREOF, the parties have executed this Lease Agreement this \_\_\_\_ day of \_\_\_\_\_, 2024.

**LANDLORD:**

HOPKINS COUNTY FISCAL COURT

BY: \_\_\_\_\_  
TITLE: JUDGE EXECUTIVE

**TENANT:**

HOPKINS COUNTY SCHOOL BOARD

BY: \_\_\_\_\_  
TITLE: HOPKINS COUNTY SUPERINTENDENT