



## *Agenda Commentary*

**Item Title/ Subject:** Rental Agreement for Industrial Property

**Staff Source:** City Manager, Steve Hewitt

**Date:** Nov. 2, 2012

**History/Background Information:**

Council agreed to let Brainerd Chemical out of their lease pending a new lease from another company.

**Subject Summary:**

ZQC Chemical Solutions LLC, a company similar to Brainerd (offering Oil Field supplies). Owner Zane Stinnett is willing to sign the same agreement for 5 years.

**Recommendation:**

Staff Recommends.

**Price/Cost:** Continued Revenue Stream..

## AGREEMENT

THIS AGREEMENT is made and entered into by and between the Clinton Industrial Authority of Custer County, Oklahoma, hereinafter referred to as "Lessor", and ZQC Chemical Solutions, LLC., hereinafter referred to as "Lessee", this 6<sup>th</sup> day of November, 2012.

For the consideration of \$1,500 per month, Tenant does hereby rent the property owned by the Clinton Industrial Authority at 213 E. Hayes and described more particularly as:

The terms and conditions of the lease between the parties shall be as follows:

A tract of land lying in the Northeast Quarter of the Southeast Quarter (NE/4 SE/4) of Section 14, Township 12 North, Range 17 West of the Indian Meridian, Custer County, Oklahoma, said tract being more particularly described by metes and bounds as follows:

Beginning at the Southeast corner of said NE/4 SE/4; thence North 89° 30'58" West along the South line of said NE/4 SE/4 a distance of 310.76 feet to a point; thence North 10° 08'41" East a distance of 388.64 feet to a point; thence South 79° 51'59" East a distance of 249.56 feet to a point on the East line of said NE/4 SE/4; thence South 00° 33'53" West along the East line of said NE/4 SE/4 a distance of 341.30 feet to the point of beginning. Containing 2.33 acres more or less, and being subject to easements and conveyances of record.

### Term.

1. This lease shall extend for a period of five (5) years beginning on the date executed by both parties. The lease may be extended by Lessee upon the same terms and conditions, with a reasonable increase in rent, for successive periods of five (5) years each with sixty (60) days written notice to Lessor.

### General.

2. Lessee agrees to pay all real estate taxes or assessments if any are levied against the leased premises before the same become delinquent. In the event Lessee fails to pay such taxes, Lessor may, at its option, pay any such taxes and assessments that may be levied against the premises, and add such amounts to the following month's rent.
3. Lessee agrees to indemnify Lessor against liability on all claims for damages and injuries to persons on the property, which result from the activities or omission of Lessee or its agents or its employees upon the demised premises during the term thereof.
4. Nothing in this lease shall be construed to prevent the Lessor from making such use of the leased premises as they may see fit, so long as such use in no way restricts, limits, or interferes with the operations of, and the use of the premises by Lessee.

5. All improvements and equipment placed on the leased premises by Lessee shall remain the property of the Lessee, and Lessee shall have the right to remove such property prior to the expiration of this lease, provided that the removal will not cause injury to the subject property.
6. This agreement shall inure to the benefit of and shall be binding upon the heirs, legal representative, successors and assigns of the parties, provided that Lessee may not assign this lease without the permission of Lessor.
7. Tenant shall use best efforts to avoid damaging the property, ordinary wear and tear accepted. In spite of best efforts, should damage occur, outside of normal wear and tear, the tenant will indemnify the Lessor against any loss of any nature.
8. Tenant shall not make any alterations or additions or improvements in or to said premises without written consent of the Lessor.
9. Tenant is responsible for all utility services at the subject premises.
10. Upon default, Lessor shall have the right to terminate this lease and immediately reenter the property.

Witness the hands of the parties the day and date first above written.

CLINTON INDUSTRIAL AUTHORITY

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Allen Bryson, Chairman

ATTEST:

\_\_\_\_\_  
Lisa Anders, Secretary

ZQC Chemical Solutions LLC

\_\_\_\_\_  
Zane Stinnett

ATTEST:

\_\_\_\_\_  
Secretary