

LEASE AGREEMENT

State of Mississippi Standard Form

This Lease Agreement entered into on this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, which is on or after the date the Public Procurement Review Board approved this Lease by and between \_\_\_\_\_, whose address is \_\_\_\_\_, (hereinafter referred to as "Lessor"), and the \_\_\_\_\_, whose address is \_\_\_\_\_, (hereinafter referred to as "Lessee"). The terms "Lessor" and "Lessee" shall include, whenever the context admits or requires, singular or plural, the heirs, legal representatives, successors and assigns of the respective parties.

WITNESSETH

FOR AND IN CONSIDERATION of the rental, covenants and conditions hereinafter stipulated to be paid and performed by Lessee, Lessor does hereby demise and let unto Lessee and Lessee does hereby accept and let from Lessor, the following described property situated in the City of \_\_\_\_\_, County of \_\_\_\_\_, State of Mississippi, described as follows, to-wit:

SECTION 1. The primary term of this Lease (defined for the purpose of this Lease as that period of time for which rent is to be paid) shall be for \_\_\_\_\_, commencing on \_\_\_\_\_, and ending at 12:00 midnight on \_\_\_\_\_. The Lessor agrees that should the above described space not be prepared for occupancy per the specifications agreed between Lessor and Lessee by the first day of the primary term of this Lease, the rent will be prorated accordingly or the Lease may be voided at the option of the Lessee.

SECTION 2. The Lessee agrees to pay \_\_\_\_\_ Dollars (\$\_\_\_\_\_) per \_\_\_\_\_ to the Lessor for the demised premises, pursuant to the following schedule:

SECTION 3. The Lessee shall have, hold and use the demised premises for the purposes of conducting the business activities of \_\_\_\_\_.

SECTION 4. The Lessee will, at all times, attempt to act in a prudent manner to conserve the amount of utilities consumed. The Lessor shall furnish and pay for, as and when due, all utilities consumed or used incidently to the demised premises, such as electricity, gas, water, sewer and all other public utilities of every nature, kind and description, or, only those utilities listed on the following lines:

SECTION 5. The Lessee will, at all times, take good and ordinary care and precaution for the preservation of the demised premises. The Lessor shall furnish the following janitorial services:

SECTION 6. The Lessor shall pay, during the term of this Lease and any extended term hereof, all state, county and city ad valorem taxes and special assessments assessed against the property herein demised excluding any such taxes as may be assessed against Lessee's fixtures and equipment used in said demised premises.

SECTION 7. In the event that escalations for Lessor's expenses are to be incorporated as a provision of this Lease, only those escalations listed, and under terms as described by the attachment of a "State of Mississippi Standard Escalation Agreement," will be acceptable.

SECTION 8. Any notice required to be given by either party to the other party under the terms of this Lease shall be served upon such party by United States Certified Mail, as follows:

To Lessor:

To Lessee:

SECTION 9. It is expressly understood and agreed that the Lessee's assumption of occupancy and the payment of rent is conditional on the receipt of Federal and/or State funds, and in the event of a discontinuance or decrease in Federal and/or State funds, and in the event of a discontinuance or decrease in Federal and/or State funds for any cause necessitating a reduction in the Lessee's staff or need for space, the Lessee's obligation for the payment of rent shall be diminished in proportion to the reduction in space without penalty or interest or the Lease may be terminated. The Lessee shall notify the Lessor at least thirty (30) days in advance of any reduction in space or termination of the Lease necessitated by the discontinuance or decrease in Federal and/or State funds.

SECTION 10. It is distinctly understood and agreed by and between the parties hereto that in the event space becomes available to the Lessee herein in any State-owned building, this Lease shall be terminated within thirty (30) days from and after the date of written notice of termination of said Lease by the Lessee to the Lessor and the terms contained herein shall become null and void without further consideration by Lessee.

SECTION 11. The Lessee shall not, without the previous consent in writing of the Lessor, assign this Lease or sublet the whole or any part of the demised premises or any part thereof to be used or occupied by others, which consent by Lessor shall not be unreasonably withheld. In the event Lessor consents to any such assignment or subletting, Lessee shall remain and continue primarily liable for the performance of the covenants and obligations on his part to be performed under this Lease during the primary or any extended term hereof.

SECTION 12. The Lessor agrees to keep the building improvements erected on the demised premises insured against loss or damage by fire and all standard extended coverage perils for the full, fair insurable value thereof in a solvent and responsible company or companies authorized to do business in the State of Mississippi. The Lessor agrees to hold Lessee harmless and indemnified against any liability for injury or death to any person or damage to property in or upon the leased premises not caused directly by an act or omission of the Lessee or employee, agent, or patron of the Lessee.

SECTION 13. At the expiration of the tenancy hereby created and any extended term thereof, Lessee shall surrender the leased premises in the same condition as the leased premises were in upon delivery of possession thereto under this Lease, reasonable wear and tear excepted, and damage by unavoidable casualty excepted. Lessee's obligation to observe or perform this covenant shall extend past the expiration or other termination of this Lease for not more than thirty (30) days. Any claims of Lessor against Lessee under this section must be delivered in writing to the Lessee as specified in Section 8 no later than thirty (30) days after the expiration or termination of this Lease.

SECTION 14. The Lessor covenants to keep and maintain, at Lessor's expense, said demised premises and facilities in a state of tenable repair during the term of the Lease. Lessor shall not be called upon to make any such repairs occasioned by the acts of negligence of the Lessee, its agents, patrons, or employees, except where covered under Lessor's fire and extended coverage insurance. Lessor shall supply at Lessor's expense all filters, freon, and parts for the heating and cooling equipment and all bulbs, lamps, tubes and starters needed for light fixtures. All repairs at Lessor's expense shall include, but not be limited to (1) keeping the heating and cooling equipment operational so that temperatures remain between 68 and 78 degrees Fahrenheit; (2) maintaining elevators so as to operate safely; (3) maintaining all doors, locks and windows to operate properly; (4) maintaining all electrical equipment and plumbing pipes and fixtures to operate properly; (5) maintaining all fire and safety equipment as required by local code; (6) maintaining roof and exterior of building to prevent leaking water.

Should, at any time during the term of this Lease, hazardous material, chemical, or odor be discovered in the leased building in amounts determined by the Mississippi Department of Environmental Quality to be unacceptable, the Lessor will have sixty (60) days from the date of written notice by the Lessee to satisfactorily dispose of the hazardous material, chemical, or odor or the Lessee may terminate the Lease after sixty (60) days with no penalty to the Lessee.

SECTION 15. Should the demised building be totally or substantially destroyed by fire, the elements or otherwise, so as to render the demised building untenable, either party shall have the option to cancel the remaining portion of this Lease or of any extended term or period hereof. Lessee shall have no obligation to pay rent of any nature so long as the demised building is untenable. Lessor may offer comparable space under the same terms and conditions as this Lease, subject to Lessee's approval.

SECTION 16. Failure on the part of the Lessee to pay any installment of rent when the same comes due and payable, or failure of either Lessee or Lessor promptly and faithfully to keep and perform each and every covenant agreed and stipulated herein on the part of the Lessee or Lessor to be kept and performed, shall at the option of the Lessor or Lessee cause a forfeiture of this Lease.

Nothing contained in the foregoing paragraph shall be construed to waive either party's right to cancel this Lease in the event of any forfeiture or breach on the part of the other party hereto, all of which rights or cancellation are herein specifically reserved.

Prior to a declaration of forfeiture for default in payment of rent or additional rent, Lessor shall give to Lessee a Notice in writing thirty (30) days prior thereto in the manner provided for by Section 8 hereof, during which time Lessee may purge itself of the grounds of forfeiture by paying such rent. As to default by Lessee in performing covenants other than for payment of rent prior to a declaration of forfeiture, Lessor shall give to Lessee a notice in writing thirty (30) days prior thereto in the manner provided for by Section 8 during which time Lessee may purge itself of the grounds of forfeiture by curing the stated grounds of forfeiture within such thirty (30) days or within such longer term as may be reasonably necessary to cure such defect.

SECTION 17. Lessor covenants that the Lessee, on paying the rent herein determined, and performing the covenants and agreements hereof, shall peaceably have, hold and enjoy the demised premises and all rights, easements and privileges belonging or otherwise pertaining thereto, during the full term of this Lease, and any extension thereof.

SECTION 18. Lessor will provide paved parking area sufficient for the operation of said agencies on the leased premises, without additional cost to Lessee. Lessor will maintain such parking lot throughout the term of this Lease and any extension thereof in a serviceable condition. Lessor will reserve \_\_\_\_\_ spaces exclusively for the Lessee.

Lessor agrees to keep all parking areas provided to Lessee clean and free of trash and debris.

SECTION 19. Lessor hereby grants to Lessee the right and option to extend this Lease for a further term of up to three (3) months commencing at the expiration of the original term; provided, however, that written notice of the exercise of such option shall be given by Lessee to Lessor at least thirty (30) days before the expiration of the term of this Lease. Such extension shall be at the same annual rental rate as that provided herein for the last year of the original term and the actual rental amount shall be prorated according to the length of the additional term. All other terms and conditions set out herein shall be in effect during the term of the extension.

SECTION 20. Any request for amendments or modifications to this Lease by the Lessor or Lessee must be listed below in this section or on an addendum to this Lease as noted by listing such addendum in this section. Approval of any amendments or modifications of this Lease will become valid and made a part of this Lease only when approved by the Division of General Services, a/k/a Department of Finance and Administration through the Bureau of Building, Grounds and Real Property Management, and the Public Procurement Review Board, as evidenced by the signature of its Administrator.

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Date: \_\_\_\_\_

Division of General Services, a/k/a Department of Finance and Administration through the Bureau of Building, Grounds and Real Property Management

By: \_\_\_\_\_ Title: RPM Director

SECTION 21. This Lease will not become valid and binding until approved in writing by the Division of General Services, a/k/a Department of Finance and Administration through the Bureau of Building, Grounds and Real Property Management, and the Public Procurement Review Board. No amendment to or modification of this Lease shall become valid and binding until approved in writing by the Division of General Services, a/k/a Department of Finance and Administration through the Bureau of Building, Grounds and Real Property Management, and the Public Procurement Review Board

SECTION 22. Lessor covenants that the demised premises included in this Lease are in compliance with the Americans with Disabilities Act, 1990, Federal and State laws, and local ordinances. At the sole discretion of the Lessee, failure to comply may result in the termination of this Lease by Lessee.

The Lessor warrants that the buildings covered by this Lease comply with all state and local building codes and all zoning ordinances and subdivision covenants.

SECTION 23. The Lessor or Lessors herein warrant that this Lease will be in compliance with Section 25-4-103 and 25-4-105 of the Mississippi Code of 1972, as amended. Should it be determined during the term of this Lease that the Lessor or Lessors are not in compliance with said statutes, the Lessee may terminate this Lease with a written thirty (30) days notice to Lessor with no penalty to the Lessee.

SECTION 24. The Lessee and Lessor may terminate this Lease, upon mutual agreement. The Lessee and Lessor shall agree in writing as to the said termination, specifying the part of the Lease terminated and when the termination becomes effective, with notification to the Bureau of Building, Grounds and Real Property Management. This Section does not affect the Sections herein that pertain to default and/or failure to comply with Lease provisions and pertains only to cancellation and/or termination of Lease, upon mutual agreement of the parties.

SECTION 25. "Contractor" in this Section shall mean Professional, Vendor, Architect, Engineer, Lessor, etc.

The State agrees to make payment in accordance with Mississippi law on "Timely Payments for Purchases by Public Bodies", Section 31-7-301, et seq. of the Mississippi Code of 1972, as amended, which generally provides for payment of undisputed amounts within forty-five (45) days of receipt of the invoice.

The State requires the Contractor to submit invoices electronically throughout the term of the agreement. Vendor invoices shall be submitted to the state agency using the processes and procedures identified by the State. Payments by state agencies using the Statewide Automated Accounting System (SAAS) shall be made and remittance information provided electronically as directed by the State. These payments shall be deposited into the bank account of the Contractor's choice. Contractor understands and agrees that the State is exempt from the payment of taxes. All payments shall be in United States currency.

No payment, including final payment, shall be construed as acceptance of defective or incomplete work, and the Contractor shall remain responsible and liable for full performance.

The Contractor represents and warrants that it will ensure its compliance with the Mississippi Employment Protection Act, Section 71-11-1, et seq of the Mississippi Code Annotated (Supp 2008) and will register and participate in the status verification system for all newly hired employees. The term "employee" as used herein means any person that is hired to perform work within the State of Mississippi. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. The Contractor agrees to maintain records of such compliance, and upon request of the State and approval of the Social Security Administration or Department of Homeland Security, where required, to provide a copy of each such verification to the State. The Contractor further represents and warrants that any person assigned to perform services hereunder meets the employment eligibility requirements of all immigration laws of the State of Mississippi. The Contractor understands and agrees that any breach of these warranties may subject the Contractor to the following: (a) termination of this Agreement and ineligibility for any state or public contract in Mississippi for up to three (3) years, with notice of such cancellation/termination being made public, or (b) the loss of any license, permit, certification or other document granted to the Contractor by an agency, department or governmental entity for the right to do business in Mississippi for up to one (1) year, or (c) both. In the event of such termination/cancellation, the Contractor would also be liable for any additional costs incurred by the State due to the contract cancellation or loss of license or permit."

IN WITNESS WHEREOF, this Lease Agreement has been duly executed in duplicate originals on the date hereinabove set forth.

LESSOR (Individual or Corporation)

By: \_\_\_\_\_

LESSEE

By: \_\_\_\_\_

"This Lease was approved on \_\_\_\_\_ by the Public Procurement Review Board, and regardless of any other date shown within, this Lease is not effective before \_\_\_\_\_, as stated in Section 1 and pursuant to Section 21 of this Lease.

**(Lessee's acknowledgment)**

STATE OF MISSISSIPPI

COUNTY OF \_\_\_\_\_

On this the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned Notary, personally appeared \_\_\_\_\_, who acknowledged himself/herself to be the \_\_\_\_\_ of \_\_\_\_\_, for and on behalf of the State of Mississippi, and that he/she being authorized so to do, executed the foregoing instrument for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public

(SEAL)

My Commission Expires \_\_\_\_\_

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**(Lessor's acknowledgment for an individual)**

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

On this the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned Notary, personally appeared \_\_\_\_\_, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he/she executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public

(SEAL)

My Commission Expires \_\_\_\_\_

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**(Lessor's acknowledgment for a corporation)**

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

On this the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned Notary, personally appeared \_\_\_\_\_, who acknowledged himself/herself to be the \_\_\_\_\_ of \_\_\_\_\_, and that he/she being authorized so to do, executed the foregoing instrument for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public

(SEAL)

My Commission Expires \_\_\_\_\_

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