

**COINMACH CORPORATION**  
**LEASE AGREEMENT**

STATE OF TEXAS

DATE: 11/13/2013

COUNTY OF SAN PATRICIO

LOCATION # \_\_\_\_\_

Memorandum of agreement between COINMACH CORPORATION, hereinafter called LESSEE, and City of Corpus Christi, owner/or acting with full authority as owner's agent, hereinafter called LESSOR of the property consisting of (100) Units, commonly known as Sunrise Beach RV Park located at the address commonly known as 22825 Park Road 25, Mathis, Texas, 78368, ("Property"). Lessor warrants and represents that no units are plumbed with their own washer and dryer connections.

In consideration of the mutual covenants contained in this Lease, LESSEE and LESSOR agree to the following:

1. LESSOR herewith leases unto LESSEE, and LESSEE hereby rents from LESSOR, the laundry room(s) on the premises described above commencing on the date of the lease or the date of the equipment replacement / installation, whichever is the latter, and ending Five (5) years thereafter.
2. LESSEE shall be entitled to the right of exclusive installation and operation of the equipment on the above-described premises for which LESSEE shall pay the sum of Fifty (50%) percent of LESSEE'S gross receipts from the Leased Premises, less any applicable, municipal or state license fees and occupational, sales, use rental or personal property or franchise taxes, processing fees when applicable, and refunds. Said rental will be paid by check to the office of LESSOR monthly provided, however, that the LESSEE shall always be entitled to receive as minimum compensation for each day of the rental period, the cash equivalent of the price of \$.82 wash cycle per installed washer and \$.82 dry cycle per installed dryer and such compensation will be adjusted annually as the total rent due for each calendar day of the applicable year. For computations, washers and single load dryers will count as one (1) piece of equipment and double load dryers will count as two pieces.
3. LESSOR shall, at its own expense, provide and maintain all necessary electric, gas, water, sewer, water heater and all other facilities required to properly operate the equipment, including utility connections. LESSOR shall clean and maintain the premises and promptly notify LESSEE if and when the equipment ceases to operate in a normal manner. LESSEE shall own and maintain the equipment that it installs, without expense to LESSOR. In the event that through no fault of LESSEE, one or more machines become partially or fully inoperable due to plumbing, electric, gas or any element of the facility operation that by the terms of the lease falls under the responsibility of LESSOR, and LESSOR has been notified in writing of any such problem(s) and said problem(s) has not been corrected within thirty days, LESSEE will have full authority to contract the work necessary to make the machine(s) operable and LESSEE will have the right to set off the cost of repair(s) from LESSOR'S future commissions due LESSOR until the expense is paid in full.
4. LESSOR agrees to provide sufficient size laundry room(s) with adequate space which will allow the LESSEE will furnish, install and service the following equipment: Speed Queen Washers, factory new, Speed Queen Dryers, factory new. LESSEE reserves the right to install other laundry vending equipment in the premises and to affix reasonable signs or other notices to the walls and equipment upon prior written approval of LESSOR.
5. LESSEE shall maintain comprehensive general liability and property damage insurance, as required in the attached insurance exhibit.

Initial \_\_\_\_\_

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6. LESSEE shall have right of ingress and egress to the premises leased herein, and shall be entitled exclusive and quiet use, possession and enjoyment of the premises during the Lease term. LESSOR does hereby grant, convey, and transfer to LESSEE the exclusive use and possession of all common laundry room(s) on the Property. (Said room(s) is/are hereinafter referred to as the "premise").
7. In the event LESSOR requests in writing, for the replacement of fifty percent or more of LESSEE'S laundry equipment during the term of this lease with new machines, the LESSEE may, upon receipt of said written notice and replacement of the laundry equipment, request that LESSOR extend the original term of this lease for a period of Seven (7) years. All additional renewal terms shall then be enlarged to incorporate the extended original term.
8. LESSEE shall have the right to terminate this Lease or reduce the number of machines, upon written notice to LESSOR, if (a) vandalism, theft, or attempted theft at the premises becomes excessive so as to seriously affect LESSEE'S ability to perform under the Lease, or (b) usage of the equipment in any three (3) consecutive months does not exceed an average of 2 cycles per machine per day. LESSOR acknowledges that access control devices, if any, supplied by the LESSEE are not warranted to provide any guaranty of security. LESSOR is responsible for maintenance of doors windows and parts thereof to the premise.. LESSEE shall promptly repair or replace stolen or vandalized equipment as needed and LESSEE will have the right to set off the cost of repair(s) or replacement from LESSOR'S future commissions due LESSOR until the expense is paid in full.
9. If for any period of more than thirty (30) consecutive days during the term of this lease, LESSEE shall be deprived of the use of the laundry room(s) through no fault on its own part, then the term of this lease shall be extended for a like period of time, without further consideration or action on the part of the LESSEE.
10. This Lease shall be binding upon, and shall insure to the benefit of the parties hereto, and their successors and assigns for period of Five (5) years.
11. Left Blank.
12. LESSOR shall inform all subsequent owners of the Property of the rights of LESSEE under this Lease.
13. This lease shall be binding on the parties hereto, their heirs, executors, successors, assigns and personal representatives.
14. In the event any action is instituted to enforce any provision of the Lease, the prevailing party shall be entitled to reasonable attorney fees, court cost and expenses.
15. A labor charge of 3% of Gross Receipts will be deducted from LESSOR'S SUM if counting on site is required. LESSOR understands that time is of the essence to a collectors schedule, therefore, LESSOR agrees that collector shall have to wait no more than TEN 10 minutes to be accompanied to either collect monies or count the monies collected. If LESSORS' agents or employees do not assist said collector in that time period, it is agreed that the collector may make all necessary collections or counting unattended by LESSORS agent. Such action shall not represent a breach of contract. LESSEE shall conduct any collections within LESSOR's regular hours of operation, which are Monday through Sunday 8a.m. to 4.p.m.
16. LESSOR agrees that during the life of this lease, LESSOR shall not furnish, provide, lease, rent, or in any manner caused to be installed, or enter into any agreement with anyone other than LESSEE to furnish, provide, lease, rent or in any manner cause to be installed washers and/or dryers in any of the common laundry facilities on the Property described above.

Lessor is: Individual  Partnership  Corporation   
 Enter Social Security number or the Federal Identification number in the appropriate space.

SOCIAL SECURITY # \_\_\_\_\_

COMMISSIONS TO BE SENT TO:

FEDERAL I.D. # \_\_\_\_\_

APARTMENTS \_ OWNER/AGENT \_\_\_\_\_

City of Corpus Christi  
LESSOR

Signature:

By \_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date:

COINMACH CORPORATION  
LESSEE

Signature:

By Sam Sales  
Printed Name

11/13/13  
Date:

ATTACHMENT  
EXHIBIT

**INSURANCE REQUIREMENTS**

**I. CONTRACTOR'S LIABILITY INSURANCE**

- A. Contractor shall not commence work under this agreement until all insurance required herein has been obtained and approved by the City's Risk Manager or designee. Contractor must not allow any subcontractor/Provider to commence work until all similar insurance required of the subcontractor/Provider has been so obtained.
- B. Contractor shall furnish to the Risk Manager or designee two (2) copies of Certificates of Insurance, with applicable policy endorsements showing the following minimum coverage by an insurance company(s) acceptable to the Risk Manager or designee. The City must be named as an additional insured for the General Liability policy, and a waiver of subrogation is required on all applicable policies.

TYPE OF INSURANCE	MINIMUM INSURANCE COVERAGE
30-Day Notice of Cancellation required on all certificates or by policy endorsement(s)	Bodily injury and Property Damage Per Occurrence / aggregate
Commercial General Liability including: 1. Broad Form 2. Premises – Operations 3. Products/Completed Operations Hazard 4. Contractual Liability 5. Broad Form Property Damage 6. Independent Contractors 7. Underground Hazard (if applicable)	\$1,000,000 Per Occurrence \$2,000,000 Aggregate
BUSINESS AUTOMOBILE LIABILITY 1. Owned 2. Hired & Non-owned	\$1,000,000 Combined Single Limit
WORKERS' COMPENSATION	WHICH COMPLIES WITH THE TEXAS WORKERS' COMPENSATION ACT AND PARAGRAPH II OF THIS EXHIBIT.
EMPLOYER'S LIABILITY	\$500,000 / \$500,000 / \$500,000

- C. In the event of accidents of any kind related to this project, Contractor shall furnish the Risk Manager with copies of all reports of such accidents within ten (10) days of the accident.

**II. ADDITIONAL REQUIREMENTS**

- A. Contractor must obtain workers' compensation coverage through a licensed insurance company in accordance with Texas law. The contract for coverage must be written on a policy and endorsements approved by the Texas Department of Insurance. The coverage provided must be in amounts sufficient to assure that all workers' compensation obligations incurred will be promptly met.

- B. Contractor shall obtain and maintain in full force and effect for the duration of this Contract, and any extension hereof, at Contractor's sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of no less than A- VII.
- C. The City shall be entitled, upon request and without expense, to receive copies of the policies, declarations page and all endorsements thereto as they apply to the limits required by the City. Contractor shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to City at the address provided below within 10 days of the requested change. Contractor shall pay any costs incurred resulting from said changes. All notices under this Article shall be given to City at the following address:

City of Corpus Christi  
Attn: Risk Management  
P.O. Box 9277  
Corpus Christi, TX 78469-9277  
(361) 826-4555- Fax #

- D. **Contractor agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions:**
- Name the City and its officers, officials, employees, volunteers, and elected representatives as additional insured by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract with the City, with the exception of the workers' compensation policy
  - Provide for an endorsement that the "other insurance" clause shall not apply to the City of Corpus Christi where the City is an additional insured shown on the policy;
  - Workers' compensation and employers' liability policies will provide a waiver of subrogation in favor of the City; and
  - Provide thirty (30) calendar days advance written notice directly to City of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance written notice for nonpayment of premium.
- E. Within five (5) calendar days of a suspension, cancellation, or non-renewal of coverage, Contractor shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Contractor's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this contract.
- F. In addition to any other remedies the City may have upon Contractor's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Contractor to stop work hereunder, and/or withhold any payment(s) which become due to Contractor hereunder until Contractor demonstrates compliance with the requirements hereof.
- G. Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractor's performance of the work covered under

this agreement.

- H. It is agreed that Contractor's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of Corpus Christi for liability arising out of operations under this agreement.
- I. It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this agreement.

2013 ins req.  
Water Department – Sunrise Beach  
Laundry Project  
10/28/2013 ds Risk Mgmt.