

RESIDENTIAL TAKE AREA SUBLEASE AGREEMENT

This Sublease Agreement (hereinafter referred to as the "Sublease") is made and entered into this _____ day of _____, 20____, by and between the City of Heath, Texas (herein called "Sublessor"), and _____ (whether one or more, collectively herein called "Sublessee").

RECITALS

- A. On or about the 3rd day of December, 2004, the City of Heath, Sublessor (as lessee) and the City of Dallas, Texas (as lessor) entered into an Interlocal Agreement and Lease (hereinafter defined and described as the "Base Lease") covering the lease of the Lake Ray Hubbard take line area, which encompasses the Leased Area as hereinafter defined. Said Base Lease is incorporated herein by reference.
- B. Sublessor is a municipal corporation, which has leased from the City of Dallas the land adjacent to Lake Ray Hubbard, which encompasses the perimeter boundary of Dallas' property at the lake for the purposes as set out in the Base Lease.
- C. Sublessor desires to sublease to Sublessee the portions of the Leased Area adjacent to Sublessee's property being described as: [Insert Legal Description of Sublessee's residence:] _____

(herein called the "Adjacent Residential Property"), so as to permit use and enjoyment of same by said Sublessee, said Subleased Premises being more specifically described by the survey of the Subleased Premises described on Exhibit A hereto, during the Term hereof.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the parties hereby agree as follows:

ARTICLE 1. DEFINITIONS

In addition to the terms defined elsewhere in this Sublease, when used herein with their initial letters capitalized, the following terms shall have the following meanings:

- A. **"Critical Areas"** mean areas determined to be immediate action erosion control areas, as defined in the 1987 "Lake Ray Hubbard Erosion Control Study" by Bernard Johnson Incorporated (the Bernard Johnson Report), a copy of which is available for review at the City of Heath Administrative Offices or on the City of Heath website at www.heathtx.com.
- B. **"Interlocal Agreement"** means the Base Lease, or Master Lease, covering the lease of certain portions of the Lake Ray Hubbard take line area by the City of

Dallas to the City of Heath, dated November 4, 2004, which encompasses the Leased Area as defined herein.

- C. **“Lake”** means Lake Ray Hubbard.
- D. **“Lake Area”** means the City of Dallas property, known as Lake Ray Hubbard, that is normally submerged by the Lake at normal Lake pool elevation (property at or below elevation 435.5 mean sea level).
- E. **“Leased Area”** means the Take Area that is within the City Limits of Heath, or where the Take Line is directly adjacent to the City Limits of Heath.
- F. **“Maintenance Responsibilities”** shall mean keeping the erosion control structure(s) in good condition throughout the term hereof so that such structures remain capable of proper protection against erosion.
- G. **“New Immediate Action Area”** means any section of the Leased Area where any of the following has occurred:
 - a. The shoreline is within 30 feet or less of the Take Line;
 - b. A public hazard exists or can be expected to be created by erosion within a short period of time;
 - c. Structures are at risk of structural damage due to erosion; or
 - d. Existing adjacent erosion protection is impeded if erosion is allowed to continue.
- H. **“Residential Area”** means the Leased Area where the Take Line is adjacent to the residential property and where no commercial activity exists, or is proposed to exist, on Dallas property. If commercial activity occurs in a Residential Area, that portion of the Leased Area will be considered a Commercial Area.
- I. **“Shoreline”** means the line along the shore of the Lake, established by the normal Lake pool elevation (435.5 mean sea level).
- J. **“Subleased Premises”** means the portion of the Take Area hereby subleased and more particularly described on Exhibit A hereto.
- K. **“Take Area”** means the land owned by Dallas between the Take Line and the normal Lake pool elevation (435.5 mean sea level).
- L. **“Take Line”** means the perimeter boundary of Dallas’ property at the Lake.
- M. **“Zoning Ordinance”** has the meaning set forth in Article 2 hereof.

ARTICLE 2. PURPOSE AND INTENT

This Sublease is entered into to permit the development of the Subleased Area within the Take Area of Lake Ray Hubbard under certain regulatory conditions governing permitted uses and development standards, setting forth procedures for the development of said property and establishing an appeals process for the terms of Heath Lake Edge Zoning District Ordinance, adopted on June 7, 2007 (as the same may be amended from time to time, the “**Zoning Ordinance**”). The zoning overlay district has its basis in and is intended to serve as one implementation tool for the January 30, 1995 Lake Ray Hubbard Master Plan, adopted by the City of Dallas; the Lake Ray Hubbard Interlocal Agreement as approved by those municipalities comprising the Lake Cities Coalition (Garland, Rockwall, Heath, and Rowlett, Texas) and the City of Dallas, Texas; and the Comprehensive Plan for the City of Heath, adopted on August 2, 2001. The adoption of the Zoning district is intended to provide a means for the protection of water quality, water supply, and the preservation of the natural environment and to enhance the quality of the Lake Ray Hubbard shoreline through regulation of manmade facilities. For those properties that take part in the City of Heath Residential Sublease Agreement, the overlay zoning ordinance is to be used in conjunction and in addition to the erosion control and engineering standards as well as other development related ordinances, such as but not limited to, landscaping ordinance, tree preservation ordinance and outdoor lighting.

ARTICLE 3. DEMISE OF SUBLEASED AREA

- A. **Sublessor, for and in consideration of the rents, covenants and promises herein contained to be kept, performed and observed by Sublessee has demised and leased and by their presents does hereby demise and lease unto Sublessee, and Sublessee, for and in consideration of the covenants and agreements herein reserved on the part of the Sublessor to be kept and performed, does hereby accept from Sublessor, the Subleased Area as more specifically described by the hereto attached Exhibit A and subject to the terms and conditions as herein described. SUBLESSEE ACKNOWLEDGES THAT IT HAS INSPECTED THE SUBLEASED AREA TO THEIR SATISFACTION AND ACCEPTS THE SUBLEASED AREA “AS IS” AND WITH ALL FAULTS AND DEFECTS, WHETHER KNOWN OR UNKNOWN TO EITHER SUBLESSOR OR SUBLESSEE AND WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND FROM SUBLESSOR AS TO THE STATUS OR CONDITION THEREOF.**
- B. Any structure built over the lake within the Subleased Area shall require prior review and written approval from the City of Heath in accordance with applicable local ordinances governing the demised premises and the City of Dallas and shall not exceed 40 feet from the shoreline
- C. All structures and/or improvements in the Take Area shall require a building permit issued by the City of Heath consistent with applicable ordinances and regulations of Take Area allowed uses.

- D. Sublessee acknowledges that the decision to lease the Subleased Area is based solely upon the Sublessee's comprehensive inspection of the Subleased Area and not upon any warranty or representation of Sublessor, or of Sublessor's employees, agents or representatives with regard thereto. Without limiting the foregoing, **SUBLESSOR HEREBY EXPRESSLY DISCLAIMS ANY WARRANTY, EXPRESSED OR IMPLIED, WITH RESPECT TO THE SUBLEASED PREMISES INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF SUITABILITY, MERCHANTABILITY, HABITABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE GIVEN IN CONNECTION WITH THIS LEASE.**
- E. **IT IS UNDERSTOOD BY BOTH THE CITY OF HEATH AND SUBLESSEE THAT THE WATER LEVEL IN THE LAKE WILL NOT REMAIN CONSTANT AND THAT ALL LAND IN THE SUBLEASED PREMISES IS SUBJECT TO FLOODING. THE PARTIES AGREE THAT NEITHER THE CITY OF DALLAS NOR THE CITY OF HEATH SHALL BE RESPONSIBLE FOR DAMAGES TO ANY STRUCTURES, FACILITIES, LANDSCAPING, OR OTHER PROPERTY DAMAGE ON THE SUBLEASED AREA DUE TO WIND, WATER, EROSION, FLUCTUATING WATER LEVELS, OR FLOATING DEBRIS.**

ARTICLE 4. SUBLEASE TERM

- A. Subject to the terms and conditions of this Sublease, the demise set forth in Article 3 above shall be for the Sublease Term, which shall commence on the date of this Sublease and shall **expire on December 3, 2044** unless earlier terminated in accordance with the terms and conditions of this Sublease (the "Term"). Residential area subleases cannot be further subleased. If Sublessee (abutting property owner) sells his or her Adjacent Residential Property, this Sublease shall be transferred to the new owner.
- B. This Sublease shall terminate and become null and void **December 3, 2044**, unless sooner terminated in accordance with the terms of this Sublease or the Heath Lake Edge Zoning Ordinance or extended by the parties hereto in writing subject to the provisions of the Base Lease or the Master Lease by and between the City of Dallas and the City of Heath. Any holding over or use and occupancy by Sublessee after the termination of this Sublease shall not constitute a renewal hereof or give Sublessee any rights hereunder in or to the Subleased Area upon termination. Upon termination of this Sublease, all improvements to the Subleased Area (whether or not constructed by Sublessee) shall be and become the property of Sublessor **or** its successors in interest; provided, however, Sublessee shall be entitled to remove from the Subleased Area removable equipment, provided that such removal can be accomplished without unreasonable injury to the Subleased Area or the removing improvements on the Subleased Premises, and provided, further, that if notified by the City of Heath, the Sublessee shall be required to remove, at Sublessee's sole cost and expense,

any and all improvements to, and other property located in, the Subleased Area prior to the expiration or termination of this Sublease, and if Sublessee fails to so remove such improvements and other property, Sublessor may do so and Sublessee shall immediately reimburse the cost thereof.

- C. This Sublease shall be terminated or canceled by the City of Heath in the event that the Interlocal Agreement between the City of Heath and the City of Dallas is terminated or canceled by agreement or operation of law. Sublessee shall be entitled to no compensation of any kind from the City of Heath or the City of Dallas if this Sublease is so canceled or terminated.
- D. Sublessee shall have the right to terminate this Sublease if, at any time during the Term of this Sublease, a material and substantial change in circumstances existing at the time of this Sublease should occur. For the purpose of this paragraph, a “material and substantial change in circumstances” shall include but not be limited to the destruction of the residential structure of the Sublessee on the Adjacent Residential Property, a collective increase in the annual sublease payment of more than 100% over any ten year period or less, or the elimination by the City Council of any material authorized use for which the Sublessee has in place.

ARTICLE 5. SUBLEASE PAYMENT

- A. In accordance with Section III (C) of the Base Lease, the City of Heath may collect revenue from the Sublessee in an amount necessary for recovery of the cost of administration of the Leased Area.
- B. In accordance with Section III (C) of the Base Lease, Sublessee shall pay **an initial payment of \$1500.00** to Sublessor and an annual payment of **\$700.00** due and payable annually on the anniversary date of this Sublease. Said payment may be **adjusted annually** by the City during the Sublease Term by majority vote of the City Council of the City of Heath.
- C. Failure of Sublessee to (i) pay when due the initial payment or the annual payment as provided for in Section B above, or pay when due any other amount required to be paid by Sublessee under this Sublease, or (ii) perform any other obligation liability or duty of Sublessee under this Sublease, shall be considered as an Event of Default (herein so called). Without limitation of any other rights or remedies available to Sublessor at law or in equity for breach of this Sublease, if Sublessee fails to cure any Event of Default within thirty (30) days of receipt of notice, Sublessor may terminate this lease and remove any improvements on the Subleased Premises subject to Article 6, Section N herein.

ARTICLE 6. USE OF SUBLEASED AREA

- A. Sublessee agrees to use and maintain the Subleased Area in accordance with all City codes and regulations established by Sublessor for the Take Line area. Any violation of such regulations shall be considered a breach by Sublessee of this Agreement, for which Sublessor shall be entitled to take appropriate legal action if such violation is not cured. Sublessee specifically recognizes that the City of Dallas, as a third party beneficiary, has the right to enforce the terms of this Agreement in the event of the Sublessee's breach of any of the terms contained herein.

B. Prohibited structures or appurtenances

Structures or appurtenances that shall be **prohibited** within the Subleased Area, without prior approval by Sublessor and the City of Dallas are as follows but not limited to:

1. Propane tanks.
2. Storage of gasoline, oils, diesel, or similar types of compounds.
3. Storage or use of pesticides, herbicides, fungicides, or preservatives that are not approved by the Texas Commission on Environmental Quality or United States Environmental Protection Agency for use around water supplies, and on a listing approved provided by Dallas.
4. Storage of any hazardous materials, regardless of its nature.
5. Septic tanks and lateral lines (with the exception of city utilities).
6. Toilets.
7. Habitable structures.
8. Diving boards and slides over and/or into the lake.
9. Pets' living quarters, livestock, maintenance of livestock or any such structure that houses or shelters livestock and/or pets, including but not limited to cattle, horses, swine, and poultry.
10. Water wells.
11. Chemically preserved wood (e.g. railroad ties and telephone poles) in the water.

C. Prohibited activities on the lake and shore area:

1. Shoreline (bank of the lake) will not be tapered, cut, smoothed, or altered in any way without a permit from the City of Dallas.
2. Leased shore area will not be excavated, channeled, cut, bored, dug, filled, smoothed, or altered in any manner unless specifically permitted by the City of Dallas.
3. Wheeled vehicles and all other motorized equipment are prohibited from operating on the lake bottom unless specifically authorized by the City of Dallas.

4. The construction of sandy beaches on the lake bottom at the shoreline is prohibited.
5. Removal of vegetation from the lake bottom at the shoreline is prohibited unless specifically authorized by the City of Dallas.
6. Railroad ties on the shoreline and Take Area are prohibited.
7. No dumping on the shoreline (bank of the lake) and take area of brush, leaves, bricks, logs, concrete rubble, asphalt rubble, soil, sand, gravel, rock, or any other material.
8. Garbage cans and waste receptacles are prohibited anywhere in the leased area.
9. No signage in the leased area unless specifically authorized by the City of Heath.
10. No business or commercial activity will be performed from within the leased area.
11. No storage of personal items on the Take Area and shoreline unless specifically authorized by the City of Heath. Personal items includes but is not limited to boats, jet skis, rafts, watercraft, boat trailers, vehicles, campers, RVs, wood piles, lawn equipment, appliances, storage facilities, construction material, and storage of miscellaneous materials. Notwithstanding the foregoing, boats may be stored in boat houses constructed in accordance with this Sublease, the Zoning Ordinance and all other applicable laws and legal requirements, and jet skis (personal watercraft) may be stored on lifts constructed in accordance with this Sublease, the Zoning Ordinance and all other applicable laws and legal requirements.
12. Drawing lake water for personal usage such as for irrigation is prohibited without a permit issued by the City of Dallas.

Additional Requirements:

1. All tree removals will comply with the City of Heath Tree Preservation Ordinance.
2. A permit is required for any and all types of lake dredging and lake bottom earthwork.
3. Sublessee will immediately remove personal items littering the lake, particularly after a storm.
4. No permit is required for minor repair or general maintenance of an authorized existing erosion control structure unless the repair or general maintenance will include different material than what was originally approved. A permit from the City of Dallas is required for modifications and alterations to existing erosion control structures.
5. No permanent storage of boats/personal watercraft at the lake shoreline other than in an approved boat house or personal watercraft lift. All other boats/personal watercraft on the shoreline must comply with the mooring time limit as specified in the Heath Lake Edge Zoning District Ordinance.

6. Boats will in no way pollute lake waters in any way including, but not limited to, bilge discharges, septic waste, fueling, cleaning, maintenance, and painting.
 7. Sublessee must first install an approved method of erosion control before the construction of lake structures. Lake structures will not be permitted without the placement of erosion control the entire length of the subleased shoreline unless otherwise authorized by the City of Dallas.
 8. All boats/personal watercraft in a boathouse or on the shoreline must be operable and in good repair, and must display current registration. Inoperable boats/personal watercraft, or boats or personal watercraft, without current registration, must be removed immediately.
- D. Sublessee agrees that he/she will not make or allow to be made, any unlawful, improper or offensive use of the Subleased Premises, which would be injurious to any person or property, or which would violate the laws of the United States or the State of Texas, or any ordinance(s) of the City of Heath or the City of Dallas that may pertain to the demised premises. In the event of a conflict between the respective ordinances and/or the provisions of the lease the most restrictive shall apply. Sublessee shall be subject to the terms and penalties associated with ordinance and regulations violations in addition to the provisions of this Sublease.
- E. The City of Heath and the City of Dallas retain the right to make regular or special inspections of the Subleased Premises to ensure that it is being maintained and used in accordance with the terms of this Sublease and the Base Lease and that all terms of this Sublease and the Base Lease are being upheld. The City of Heath may provide written notice of a breach or violation, or noncompliance with the terms of this Sublease or the Base Lease to Sublessee. Sublessee will have **thirty (30)** days to correct and/or abate all violations, unless otherwise agreed by the City of Heath. If Sublessee has commenced and is pursuing the cure of the same, then after first advising the City Council of Heath or its designated representatives of Sublessee's effort to cure, Sublessee may utilize an additional **thirty (30)** days, if approved by the City of Heath. Failure to correct all violations in the allotted time constitutes a material breach of this Sublease.
- F. In the event of the default after the expiration of the applicable notice and cure periods (except for the non-payment of agreed sublease), the City of Heath shall be entitled, in addition to any other penalties or fines and other rights and remedies, to assess and receive from Sublessee as liquidated damages the sum of **\$200.00** per day for each day the breach remains uncured.
- G. Failure by the City to provide the **thirty (30)** day notice described above shall not constitute a waiver of any breach of this Sublease. Waiver of any breach of any provision of this Sublease shall not be considered as a waiver of any subsequent breach of the same or any other provision of the Sublease.

- H. The City of Heath has adopted the Zoning Ordinance and policies for the construction of structures and/or other improvements in the Subleased Premises. A detailed plan for construction of fences and other proposed structures in accordance with the Zoning Ordinance, must be approved by the City of Heath and the City of Dallas prior to construction. If improvements or structures have been constructed in the Takeline area or the shoreline prior to the execution of this Sublease and without authorization from the City of Dallas, all existing noncompliance items or encroachments that are not approved must be abated prior to the execution of this sublease agreement. No structures or improvements that are in noncompliance or are encroaching will be grandfathered.
- I. Sublessee recognizes and consents to the City of Heath and the City of Dallas having the right of ingress and egress to the Subleased Premises for any operational or maintenance purposes upon twenty-four (24) hours advance notification to Sublessee; except that no advance notice will be required in case of an emergency or possible health and/or safety hazards.
- J. Sublessee understands that pursuant to the Base Lease, Dallas will make a reasonable effort to repair any damage resulting from Dallas accessing the Take Area for utility maintenance and/or public safety vehicles, and will restore the damaged property as nearly as possible to its condition prior to the damage created by the City of Dallas accessing the Take Area; however, if the damage is located within a dedicated easement the requirements of that easement shall govern and no additional obligations are assumed by the City of Heath or the City of Dallas as a result of the execution of this Sublease. Likewise, the City of Heath will make a reasonable effort to repair any damage resulting from the City of Heath accessing the Take Area for utility maintenance and/or public safety vehicles, and will restore the damaged property as nearly as possible to its condition prior to the damage created by the City of Heath accessing the Takeline Area. However, if the damage is located within a dedicated easement the requirements of that easement shall govern and no additional obligations are assumed by the City of Heath or the City of Dallas as a result of the execution of this Sublease.
- K. Sublessee recognizes that the City of Heath may require easements in the future in the Subleased Area. Sublessee hereby agrees to approve future easements with the understanding that the Sublessor will make all reasonable efforts to avoid damage to existing improvements. If damage results from the use of a future easement, Sublessor will restore the damaged property as nearly as possible to its condition prior to the damage created by the Sublessor.
- L. Sublessee recognizes that Sublessor has established specific setbacks, reservation of future easements or other development requirements unique to this Sublease. Such specific requirements are set forth in the Heath Lake Edge Zoning District Ordinance adopted June 7, 2007. Sublessee agrees to abide by all requirements during the term of the Sublease.

- M. Sublessee recognizes that prior to placement of any structures and/or personal items, improvements, including, but not limited to: landscaping, construction or subgrade alterations on the Subleased Premises a construction alteration permit must first be obtained from the City of Heath. Such construction alteration permit will be in addition to any other permit or approval required by the City of Dallas. Time limits for completion of construction will be established at the issuance of the construction alteration permit. **No construction will be considered complete and/or approved until a final inspection is conducted by the City of Heath and/or the City of Dallas or their appointed representatives.**
- N. If this Sublease is terminated for any reason stated within this Sublease, sublessee must remove any structures and/or improvements within 30 days. In the event that said structures and/or improvements are not removed, such work shall be done by the City of Heath and the actual cost thereof levied, assessed, and collected against sublessee's property. In addition, there shall be added to the actual cost an administrative fee of \$150.

ARTICLE 7. EROSION PROTECTION

- A. *For all subleases, the City of Heath will require Sublessee to either completely install, or pay for the installation of, Shoreline erosion protection in accordance with Section VI of the Base Lease or Master Lease in Critical Areas, whenever such Critical Areas may arise (as defined in Section VI (A) Base Lease), before execution of this Sublease. Erosion protection required under this Sublease must be completed no later than twelve (12) months from the date of execution of this Sublease, but prior to, or concurrent with, Sublessee's commencement of construction of any improvements. If a Critical Area arises after execution of this Sublease, the City of Dallas or the City of Heath are not responsible for any erosion control measures required and the Sublessee shall not look to the City of Dallas or the City of Heath for action. If any part of the Subleased Premises becomes a Critical Area after execution of this Sublease, the Sublessee shall, at Sublessee's option, install erosion protection in accordance with this Sublease and the Base Lease. Erosion protection required under this Sublease must be completed prior to a Sublessee's commencement of construction of any improvements of any kind on the Subleased Premises, subject to the City of Heath's permitting process.*
- B. In areas determined to be Critical Areas or New Immediate Action Areas, as defined above (collectively referred to as "Critical Areas"), the Sublessee will be responsible for installation and maintenance of erosion control. Such required erosion protection must be completed no later than twelve (12) months from the date of execution of this Sublease, but prior to, or concurrent with, the Sublessee's commencement of construction of any improvement. If the City of Dallas has installed or performed maintenance or erosion control in any Critical Area, the Sublessee will reimburse the City of Dallas for the cost of installation and

maintenance from the date of execution of the Base Lease to the later of, the date of execution of the Sublessee's sublease with the City of Heath, or the date of installation of the erosion control. If Dallas installed or performed maintenance or erosion control in any area that is not a Critical Area, the Sublessee will reimburse Dallas for the cost of installation and maintenance from the date of execution of the Base Lease to the date of execution of the Sublessee's sublease with the City of Heath (*i.e.*, there will be no retroactive reimbursement obligations of the sublessee in a non-Critical Area: the full extent of the erosion reimbursement obligations of the Sublessee in a non-Critical Area will be known at the time of execution of the sublease). Reimbursements can be paid in a lump sum or over a term to be determined by Dallas. Term payments will include interest charges and the term will not exceed the life of the asset. Sublessee shall assume maintenance responsibility for existing or proposed erosion control.

- C. All erosion control shall be installed subject to the approval of the City of Dallas and the City of Heath and in accordance with the Base Lease, the Zoning Ordinance and all other applicable laws, ordinances, rules and regulations of the City of Dallas and the City of Heath. Sublessee will be responsible for maintenance of the installed erosion control in the same manner as set out above.
- D. The City of Dallas and the City of Heath will establish a listing of types of erosion control approved for use around the Lake, based on the Bernard Johnson Report or engineering data or criteria list. The list may be expanded or revised jointly by Dallas and the City of Heath should new and approved technology become available for such erosion control. If the City of Dallas or the City of Heath installs erosion control, it can install any type listed in the Bernard Johnson Report, or on the updated/approved listing, as it deems economically and/or environmentally feasible.
- E. The Sublessee may reclaim lost Shoreline with the approval of the City of Heath and prior written approval of the City of Dallas, as determined on a case-by-case basis. Any reclamation or cut and fill in the Lake or at the Shoreline shall not reduce the usable water storage capacity or flood storage capacity of the Lake, as determined by the City of Dallas. Sublessee, or the parties performing the reclamation, will be responsible for obtaining all related permits for the reclamation, such as the U.S. Army Corps of Engineer permits.
- F. No activities will be allowed which will increase the erosion of the Shoreline property, including any alteration of vegetation or property, as determined by the City of Dallas as described by the Bernard Johnson report.
- G. Erosion control installations must comply with all local, state, and federal laws, regulations and requirements and shall be designed by a licensed professional engineer and installed by a competent contractor with demonstrated experience in the installation of that system.

- H. Sublessee agrees to allow abutting Sublessee(s) to connect to the erosion protection mechanism so installed, so as not to create gaps between abutting properties in said erosion protection.

ARTICLE 8. HOLD HARMLESS

Sublessee hereby agrees to defend, indemnify and hold the City of Dallas and Sublessor, their respective officers, agents and employees, fully harmless from any claims, lawsuits or expenses for personal injury (including death), property damage or other harm for which damages may be recovered under law, suffered by any person or persons (including but not limited to Sublessee), that may arise out of or be occasioned by Sublessee's fault or negligence in the use, occupancy, maintenance or operation of the Subleased Premises for any purpose, or that arises out of or is occasioned by erosion control improvements installed, used or maintained by Sublessee, or by Sublessee's failure to install erosion control devices as required under the Sublease, **REGARDLESS OF WHETHER OR NOT THE NEGLIGENCE OR FAULT OF THE CITY OF DALLAS OR THE CITY OF HEATH IN OPERATING OR MAINTAINING THE LAKE AREA, OR ORIGINALLY INSTALLING OR MAINTAINING ANY EXISTING EROSION CONTROL IMPROVEMENTS ASSUMED BY SUBLESSEE, OR IN DETERMINING WHAT EROSION CONTROL IMPROVEMENTS WERE APPROPRIATE, CONTRIBUTED TO THE DAMAGE OR INJURY.**

ARTICLE 9. COVENANT RUNNING WITH THE LAND

- A. This Sublease cannot be further subleased by Sublessee, except that this Sublease shall be transferred to any subsequent owner of the Adjacent Residential Property, as described herein. Sublessee agrees to notify Sublessor in writing of any change in ownership of the Adjacent Residential Property within ten (10) days of closing. This covenant shall be considered as a covenant running with the land which is binding upon any subsequent owner of the Adjacent Residential Property for the Term of this Sublease, and shall be filed for record in the deed records of Rockwall County, Texas.
- B. It is the understanding of the parties that this Sublease contains the entire understanding of the Sublessor and Sublessee and that any change, alteration, or modification of this Sublease shall only be effective if in writing approved by both parties.
- C. Sublessee further asserts that he/she has received a copy of the Base Lease and the Heath Lake Edge Zoning District Ordinance which is incorporated herein by reference and that he/she has read said Base Lease and understands its terms and provisions.
- D. Sublessee shall endeavor to provide Sublessor with a certificate that extends insurance coverage under Sublessee's Homeowners Insurance Policy (or other

policy determined to be acceptable by the City of Heath) to the Subleased Premises.

ARTICLE 10. SEVERABILITY

In case any one or more of the provisions contained in this Sublease shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Sublease shall be considered as if such invalid, illegal, unenforceable provision had never been contained in this Sublease.

EXECUTED on the date first written above.

SUBLESSOR:

CITY OF HEATH, TEXAS

City Manager
City of Heath
200 Laurence Drive
Heath, Texas 75032

SUBLESSEE:

NAME

STREET ADDRESS

MAILING ADDRESS

LEGAL DESCRIPTION

TELEPHONE

ALTERNATE TELEPHONE

E-MAIL ADDRESS

SIGNATURE

PRINTED NAME

ACKNOWLEDGMENT

THE STATE OF TEXAS §
 §
COUNTY OF ROCKWALL §

BEFORE ME, the, undersigned, a Notary Public in and for said County and State, on this day personally appeared _____, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this _____ day of _____, 20____.

Notary Public in and for the State of Texas

My Commission Expires:

[S E A L]

THE STATE OF TEXAS §
 §
COUNTY OF ROCKWALL §

BEFORE ME, the, undersigned, a Notary Public in and for said County and State, on this day personally appeared _____, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this _____ day of _____, 20____.

Notary Public in and for the State of Texas

My Commission Expires:

[S E A L]

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