



placed thereon. All improvements remaining on the premises after such thirty (30) day period shall be and become the property of Lessor.

**9. TERMINATION.** Each and all of the terms of this contract and each and all rules and regulations governing Lake Striker now enforce, or which may be hereafter placed in force by Lessor regarding the use and occupancy of said premises, are an essential part of the consideration for its execution by Lessor, and any violation or default on the part of Lessee or any occupant of the leased premises shall, at the option of Lessor, terminate this lease. Provided, however, that Lessor will not declare or effect a termination hereof unless and until Lessee shall have failed or refused to correct such violation or default within thirty (30) days after written notice thereof shall have been given to lessee. Provided further, that the failure of Lessor to exercise this option to terminate because of a violation or default on the part of Lessee shall not amount to waiver of the right to terminate for the same or any other violation. Without limiting the foregoing, any continuing failure to maintain the leased property, any action resulting in the pollution of the lake or any stream which could flow into the lake, the repeated emission of loud or annoying noises, the use of the leased premises for the production and/or distribution of illegal substances, or the commission of a crime on or about the leased premises shall, at the option of Lessor, be grounds for Lessor to terminate this lease upon thirty (30) days notice to the Lessee of record.

**10. CANCELLATION.** Notwithstanding any other provision contained in this agreement, Lessor reserves the right to cancel this lease on six (6) months written notice to lessee should Lessor determine that leased premises are necessary or required in order for it to effectuate its prime purpose of impounding, storing and selling of water for industrial, municipal and other lawful purposes, and in such an event Lessee will be required to remove during said six (6) months period any improvements placed thereon.

**11. ADDRESSES.** For the purpose of giving and receiving all notices and correspondence between the parties, the following addresses shall govern until changed in writing delivered to the other party:

Lessor: Angelina and Nacogdoches Counties Water Control & Improvement District # 1  
1524 Woodberry - Lufkin, Texas 75904

Lessee(s):

**12. ASSIGNMENT.** This lease shall be assignable only with prior written consent of Lessor and only on the books of Lessor; and, during the period of twenty-one (21) years after the date hereof, unless a permanent place of abode has been erected on premises in good faith and in compliance with Lessor's rules and regulations, Lessor shall have the exclusive option to purchase this lease from Lessee for the consideration set out in Paragraph 1 hereof.

**13. CONSTRUCTION FINANCING.** Lessor shall subordinate the interest it retains in the leasehold estate created hereunder for either interim construction financing or permanent construction financing or both for fixed improvements on the leased premises erected by Lessees, which subordination shall be on terms acceptable to established and reputable financing institutions or agencies. Provided, however, that any lienholder who acquires title to the fixed improvements so financed, shall take only the Lessees rights in this Lease subject to all of the terms and conditions of this Lease.

EXECUTED in duplicate counterparts, each having the full force and effect of an original, this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

ANGELINA AND NACOGDOCHES COUNTIES  
WATER CONTROL AND IMPROVEMENT  
DISTRICT NUMBER ONE

By: \_\_\_\_\_  
David Mason Lake Manager LESSOR

THE STATE OF TEXAS §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by David Mason, Lake Manager, on behalf of Angelina and Nacogdoches Counties Water Control and Improvement District Number One.

Notary Public - State of Texas

Written Name:

Printed Name:

My Commission Expires:

By: \_\_\_\_\_  
LESSEE(S)

THE STATE OF TEXAS §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by \_\_\_\_\_, Lessee(s).

Notary Public - State of Texas

Written Name:

Printed Name:

My Commission Expires

NOTICE OF CONFIDENTIALITY: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER. CHAPTER 11, SECTION 11.008 PROPERTY CODE.

RETURN TO: DAVID MASON  
18950 CR 4256 SOUTH  
REKLAW, TEXAS 75784