

**LEASE AGREEMENT BETWEEN  
UNIVERSITY OF LOUISIANA AT LAFAYETTE FOUNDATION  
AND UNIVERSITY OF LOUISIANA AT LAFAYETTE  
(ART MUSEUM)**

**THIS LEASE AGREEMENT** is executed on the dates noted below by and between:

**UNIVERSITY OF LOUISIANA AT LAFAYETTE FOUNDATION**, (TI#72-6023836), a non-profit corporation organized and existing under the laws of the State of Louisiana, appearing and acting herein by and through its undersigned duly authorized representatives, whose permanent mailing address is Post Office Box 44290, Lafayette, LA 70504 (hereinafter "Lessor");

and

**UNIVERSITY OF LOUISIANA BOARD OF SUPERVISORS**, (TI#72-0768389), the management board of the University of Louisiana System, duly authorized by Resolution of said Board of Supervisors attached hereto and made a part hereof, hereinafter referred to as "UL Lafayette", whose permanent mailing address is 104 University Circle, Lafayette, LA 70503, and sometimes hereinafter referred to as "Lessee".

For and in consideration of the mutual covenants and promises hereinafter set forth, the parties hereto agree as follows:

**1. LEASED PROPERTY**

1.1 Lessor hereby leases unto Lessee and Lessee hereby leases from Lessor, upon and subject to the terms of this Lease Agreement (this "Agreement") the property described on Exhibit "A" attached hereto and made a part hereof (the "Leased Property").

**2. TERM**

2.1 Primary Term. This Agreement shall have a primary term (the "Primary Term") of ninety-nine (99 years, commencing on the 4<sup>th</sup> day of February, 2004.

2.2 Option. Lessor hereby grants to Lessee, as additional consideration for this Agreement, the right and option to extend the term of this Agreement for N/A ( ) additional years (hereinafter the "Extension Period") by giving Lessor written notice of such intent to extend the term of this Agreement at least one hundred and eighty (180) days before the expiration of the Primary Term or any extension thereof. The same terms and provisions applicable to the

relationship between Lessor and Lessee during the Primary Term shall govern the relationship hereunder during any Extension Period, except for the rental which shall be renegotiated by the parties.

### 3. RENT

3.1 Lessee agrees to pay Lessor rent on the Leased Property during the Primary Term in the amount of TEN DOLLARS AND NO/100 - (\$10.00) per year. The rent shall be due and payable on the 1st day of January of each year at Lessor's address shown above. Thereafter, the rental payments shall be due and payable on the same day of each succeeding year.

### 4. IMPROVEMENTS

4.1 At the termination of this Agreement, all new constructions, buildings, alterations, improvements or fixtures which have been made by Lessee shall be and remain the property of Lessee and those which may be removed without damage to the Leased Property may be removed by Lessee so long as such fixtures are removed prior to termination of this Agreement; all other improvements constructed on or added to the Leased Property shall remain and become the property of Lessor.

### 5. USE OF LEASED PROPERTY

5.1 Lessee shall operate and maintain the Leased Property exclusively as an art museum, and for no other use or purpose.

5.2 Lessee shall operate and maintain the Leased Property in a careful and prudent manner and shall not commit or allow any waste or damage to be committed on any portion of the Leased Property; at the termination of this Agreement, by lapse of time or otherwise, Lessee shall deliver the Leased Property to Lessor in the same condition as at date of possession by Lessee, ordinary wear and tear excepted. Upon termination of this Agreement, Lessor shall have the right to re-enter and resume possession of the Leased Property.

5.3 Lessee shall comply with all valid laws, ordinances, rules and regulations made by any governmental authority applicable to the occupancy or use of the Leased Property, including, without limitation thereto, all laws, rules and regulations respecting zoning, safety, fire, and fire hazards.

### 6. MAINTENANCE AND REPAIR

6.1 Lessee agrees, at Lessee's sole cost and expense, to keep in good order and repair, the entirety of the Leased Property including, without limitation thereto, the roof, floor, foundation, and structural portions of the building, all components of the air conditioning and heating system, coolers, and all plumbing and electrical components of the Leased Property.

6.2 Any and all costs and expenses of maintenance, upkeep and clean up associated with the operation of the Leased property, including without limitation any events or activities held on

the Leased Property, shall be the sole responsibility of Lessee.

## 7. INDEMNITY AND PUBLIC LIABILITY INSURANCE

7.1 Lessor agrees to defend, indemnify and save harmless Lessee from and against all claims, of any nature, arising from any defect in the Leased Property or from any act, omission or negligence, whether sole or concurrent, of Lessor or Lessor's contractors, agents, employees, invitees, licensees or servants, or arising from any accident or injury (including death) caused to person or property occurring during the term hereof, whether upon or in the Leased Property including, without limitation thereto, the building constituting part of the Leased Property. Lessor's indemnity obligations set forth in this Section 7.1 shall also apply to any situation in which Lessee's liability is based on any theory of strict liability under law. This indemnity shall include costs incurred in proceedings brought upon the basis of such claims and the defense thereof, specifically including, but without limitation thereto, attorney's fees. Lessee shall have no responsibility for the condition of the Leased Property and is not liable for injury, death and/or damage caused by any defect therein to Lessor or anyone else.

7.2 Lessee agrees to defend, indemnify and save harmless Lessor from and against all claims, of any nature, arising from any act, omission or negligence, whether sole or concurrent, of Lessee or Lessee's contractors, agents, employees, invitees, licensees or servants, or arising from any accident or injury (including death) caused to person or property occurring during the term hereof, whether upon or in the Leased Property including, without limitation thereto, the building constituting part of the Leased Property. This indemnity shall include costs incurred in proceedings brought upon the basis of such claims and the defense thereof, specifically including, but without limitation thereto, attorney's fees.

7.3 Lessee shall maintain liability insurance for personal injury, death and property on the Leased Property and shall name Lessor as an additional insured thereon; such insurance shall have minimum liability limits of \$ \_\_\_\_\_ per person and \$ \_\_\_\_\_ occurrence. Upon request, Lessor shall be provided with certified copies of all such policies or other acceptable evidence of such coverage. All such policies shall also provide that they may not be amended or canceled without ten (10) days prior notice to Lessor.

7.4 Lessor shall keep in full force and effect during the term of this Agreement, at its sole cost and expense, insurance in the minimum amount of \$ \_\_\_\_\_ on the building and improvements constructed on the real estate constituting part of the Leased Property protecting Lessor against all risk of loss to the said building and improvements arising from fire, windstorm, explosion, lightning, flood (if the Leased Property is in a flood zone), vandalism and other similar casualties. The cost of this insurance coverage shall be paid out of UL Lafayette Foundation account #22026.

6,951,000  
1,516,000

## **8. TAXES**

8.1 All taxes assessed against any of the Leased Property for the term of this Lease Agreement or any extensions hereof are to be paid by Lessor. All such taxes shall be prorated for the first and last years of the term of this Agreement. All taxes assessed upon the improvements or constructions made by Lessee on the Leased Property shall be paid by Lessee.

## **9. LESSOR'S COVENANT OF TITLE AND QUIET ENJOYMENT**

9.1 Lessor covenants that Lessor has good title to the Leased Property, does warrant and will defend the title thereto, and will indemnify Lessee against any damage and expense which Lessee may suffer by reason of any lien, encumbrance, restriction or defect in the title or description herein of the Leased Property.

## **10. DEFAULT**

10.1 If Lessee fails to pay any rent or other amount herein provided within ten (10) days after receipt of written notice thereof from Lessor, (which notice may be forwarded by Lessor to Lessee immediately upon the failure of Lessee to pay the rent or other amount when due), Lessor shall have the right to exercise any one of the remedies provided in Section 10.3 below.

10.2 If Lessee fails to observe, keep or perform any other provision of this Agreement required to be observed, kept or performed by Lessee, and if Lessee fails to remedy, cure or remove such failure within twenty (20) days after receipt of written notice thereof from Lessor, (which notice may be forwarded by Lessor to Lessee immediately upon the failure of Lessee to keep or perform any provision of this Lease), Lessor shall have the right to exercise any one of the remedies provided in Section 10.3 below.

10.3 In the event of a default enumerated in either Sections 10.1 or 10.2 hereinabove occurs, Lessor shall be entitled to exercise any, or all, of the following remedies: (a) to immediately terminate this Lease, and to sue for and collect past due rent plus attorney's fees and court costs, (b) to take possession of the Leased Property and to sue for and recover all rents, and other payments, then accrued, plus any attorney's fees and court costs, or (c) any remedy otherwise authorized under law.

10.4 If Lessee fails to timely pay any rent, taxes or other monies due from Lessee pursuant to this Agreement, then Lessee shall pay Lessor interest at the rate of seven (7%) percent per annum, or the highest lawful legal interest authorized by law, whichever is lower, on such rent, taxes or other monies which interest shall accrue from, and beginning with, the date as of which Lessee should have paid such monies.

## **11. NOTICES**

11.1 Service of all notices under this Agreement shall be sufficient if given personally or

mailed via registered mail or certified mail return receipt requested to the party involved at his respective address hereinafter set forth, or at such address as such party may provide in writing from time to time. As an alternative method of service on Lessee, Lessor may deliver such notice to the Leased Property and leave same at any entrance to the Leased Property; any such notice left at the Leased Property shall be considered received by Lessee as of the date of delivery of such notice to the Leased Property. Any such notice mailed to Lessee shall be effective when deposited in the United States mail, duly addressed and with postage prepaid.

## **12. WAIVER**

12.1 No delay in or failure to exercise any right granted herein shall impair any such right or shall act as a waiver of any subsequent breach by either party, and any acceptance by Lessor of any payment by Lessee shall not constitute a waiver with regard to any such default committed prior thereto, nor of any subsequent or continued breach of this Agreement by Lessee.

## **13. DESTRUCTION OF PREMISES AND EXPROPRIATION**

13.1 In event of damage to the Leased Property caused by fire, flood, lightning, storm, earthquake, explosion, or other similar casualty not the fault of Lessee, and if as a result of such casualty the Leased Property should be damaged so as to be wholly unfit for occupancy, then Lessee shall have the option, exercisable within thirty (30) days after the occurrence of such casualty by notice in writing to Lessor, to declare this Agreement canceled. However, all proceeds of the insurance required to be carried by Lessee on the Leased Property shall nonetheless be paid to Lessor. Should the Leased Property be only partially damaged by such casualty, Lessor shall have the option, exercisable within one hundred and eighty (180) days after receipt of written notice from Lessee of the occurrence of such casualty by Lessor giving notice in writing to Lessee, to declare this Agreement canceled; if Lessor does not exercise his said option to declare this Agreement canceled, Lessor shall repair such damage with due diligence using the proceeds of the insurance policy required to be carried on the Leased Property herein and the rent paid by Lessee shall be reduced prorata, until such repairs are completed, based on the unusable space in the building constituting part of the Leased Property.

13.2 Lessee waives subrogation against Lessor and agrees to have waivers of subrogation included in any policies taken out by Lessee and which cover the Leased Property and/or the use or occupancy of the Leased Property.

## **14. SUBLEASE PROVISIONS.**

14.1 Lessee may not sublease or assign its rights under this Agreement.

## **15. MISCELLANEOUS PROVISIONS**

15.1 The terms hereof shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, successors and assigns, of Lessor and Lessee.

15.2 This Agreement shall be governed exclusively by the provisions hereof and by the laws of the State of Louisiana as the same may from time to time exist.

15.3 The paragraph headings throughout this instrument are for convenience and reference only, and the words contained herein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

15.4 This instrument may be executed in any number of counterpart copies, each of which counterpart copy shall be deemed an original for all purposes.

IN WITNESS WHEREOF, the undersigned have executed this instrument on the X day of XXXXXXXXXX, 200X, in the presence of the undersigned competent witnesses.

WITNESSES:

UNIVERSITY OF LOUISIANA BOARD OF SUPERVISORS

N/A  
\_\_\_\_\_

By: N/A \*\*\*SEE RESOLUTION ATTACHED.  
\_\_\_\_\_

N/A  
\_\_\_\_\_

N/A  
\_\_\_\_\_  
N/A  
\_\_\_\_\_

IN WITNESS WHEREOF, the undersigned have executed this instrument on the 29 day of DECEMBER, 2005, in the presence of the undersigned competent witnesses.

WITNESSES:

UNIVERSITY OF LOUISIANA AT LAFAYETTE

Jeri Falgout  
\_\_\_\_\_  
[Signature]  
\_\_\_\_\_

By: [Signature]  
\_\_\_\_\_  
DR. RAY AUTHEMENT,  
PRESIDENT

IN WITNESS WHEREOF, the undersigned have executed this instrument on the 29 day of DECEMBER, 2005, in the presence of the undersigned competent witnesses.

WITNESSES:

*[Signature]*  
*[Signature]*  
*[Signature]*  
*[Signature]*

UNIVERSITY OF LOUISIANA AT LAFAYETTE  
FOUNDATION

By: *[Signature]*  
JULIE BOLTON FALGOUT,  
EXECUTIVE DIRECTOR

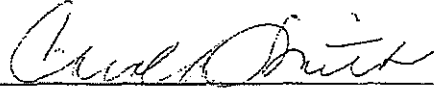
By: *[Signature]*  
PRESIDENT

ACKNOWLEDGMENT

STATE OF LOUISIANA

PARISH OF LAFAYETTE

BE IT KNOWN that on this 29 day of December, 2005, before me, the undersigned Notary Public, duly commissioned and qualified in and for the State and Parish aforesaid, personally came and appeared **DR. RAY AUTHEMENT**, to me known, who declared and acknowledged to me, Notary, that he is the President of the University of Louisiana at Lafayette; that as such duly authorized officer, by and with the authority of said organization, he signed and executed the foregoing instrument as the free and voluntary act and deed of said organization, for and on behalf of said organization and for the uses, objects and purposes therein set forth.



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NOTARY PUBLIC

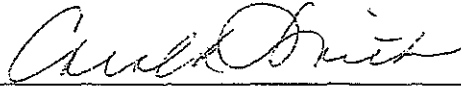


ACKNOWLEDGMENT

STATE OF LOUISIANA

PARISH OF LAFAYETTE

BE IT KNOWN that on this 29 day of December, 2005, before me, the undersigned Notary Public, duly commissioned and qualified in and for the State and Parish aforesaid, personally came and appeared **JULIE BOLTON FALGOUT**, to me known, who declared and acknowledged to me, Notary, that she is the Executive Director of University of Louisiana at Lafayette Foundation; that as such duly authorized officer, by and with the authority of said organization, she signed and executed the foregoing instrument as the free and voluntary act and deed of said organization, for and on behalf of said organization and for the uses, objects and purposes therein set forth.



NOTARY PUBLIC

ACKNOWLEDGMENT

STATE OF LOUISIANA

PARISH OF LAFAYETTE

BE IT KNOWN that on this 29 day of December, 2005, before me, the undersigned Notary Public, duly commissioned and qualified in and for the State and Parish aforesaid, personally came and appeared C. R. CLOUTIER, to me known, who declared and acknowledged to me, Notary, that he is the President of University of Louisiana at Lafayette Foundation; that as such duly authorized officer, by and with the authority of said organization, he signed and executed the foregoing instrument as the free and voluntary act and deed of said organization, for and on behalf of said organization and for the uses, objects and purposes therein set forth.



NOTARY PUBLIC

EXHIBIT A

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Description of the Leased Property

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[Insert Property Description]

*JBF will obtain*



University of Louisiana at Lafayette

U L

Office of the President

P.O. Drawer 41006  
Lafayette, LA 70504-1006  
(337) 482-6203  
Fax: (337) 482-5914  
e-mail: president@louisiana.edu

Université des Acadiens

December 15, 2003

Dr. Sally Clausen  
President  
University of Louisiana System  
1201 North Third Street  
Suite 7-300  
Baton Rouge, LA 70802

Dear Dr. Clausen:

The University of Louisiana at Lafayette requests approval by the Board of Supervisors to enter into a lease agreement with the UL Lafayette Foundation for the new University Art Museum, which is now substantially complete (proposed lease documents are attached).

The lease is similar to a lease on the old University Art Museum, which has been in effect since the 1960's (the old museum is now a part of the museum complex).

I respectfully request that this request be placed on the agenda for the January 9, 2004 meeting of the Board.

Sincerely,

Ray Authement  
President

jl

Attachments

RECEIVED

UL LAFAYETTE  
FOUNDATION

Approved by the Board of Supervisors  
for the University of Louisiana System  
on January 9, 2004  
By: J. Douglas Lee

J. Douglas Lee,  
Assistant Vice President for Facilities Planning

**Subject:** G.3 ULL Univ Art Museum.doc  
**From:** "Renee Lorio" <rlorio@uls.state.la.us>  
**Date:** Wed, 4 Feb 2004 15:13:47 -0600  
**To:** <president@louisiana.edu>  
**CC:** "Douglas Lee" <dlee@uls.state.la.us>

**RECEIVED**

FEB 04 2004

**Office of the President**

Sherry Young,

Per our conversation please find attached executive summary for ULL's January 9, 2004 agenda item regarding the University Art Museum.

Please let me know if you have any questions.

Renee/Doug

BOARD OF SUPERVISORS FOR THE  
UNIVERSITY OF LOUISIANA SYSTEM

Office of the President

REPORT OF THE FACILITIES PLANNING COMMITTEE

January 9, 2004

- Item G.3. University of Louisiana at Lafayette's request to enter into a Lease Agreement with University of Louisiana at Lafayette Foundation for the new University Art Museum.

EXECUTIVE SUMMARY

The University is requesting Board approval to lease the recently completed University Art Museum that was financed and constructed by the University of Louisiana at Lafayette Foundation. The new 34,173-square-foot facility cost \$8 million and is to be used exclusively as an art museum including exhibitions. Please see the attached article in *LA LOUISIANE*, Fall 2003 publication.

Term and Conditions of the Agreement

Term: 99 years

Annual Rent: Equal to the liability and property insurance required on the facility.

University's responsibilities: Operations, maintenance, repair.

Source of Funds: Funds to pay operations, maintenance, and repair costs will come from a student self-assessed fee and foundation contributions.

RECOMMENDATION

It is recommended that the following resolution be adopted:

*NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the University of Louisiana System does hereby approve University of Louisiana at Lafayette's request to enter into a Lease Agreement with University of Louisiana at Lafayette Foundation for the new University Art Museum*

*BE IT FURTHER RESOLVED, that Dr. Ray Authement, President of University of Louisiana at Lafayette, is hereby designated and authorized to sign any and all documents related to the Lease Agreement.*

AND FURTHER, that ULS staff and legal counsel ensure that all documents conform to statutory and administrative requirements.

executors, administrators, successors and assigns, of Lessor and Lessee.

15.2 This Agreement shall be governed exclusively by the provisions hereof and by the laws of the State of Louisiana as the same may from time to time exist.

15.3 The paragraph headings throughout this instrument are for convenience and reference only, and the words contained herein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

15.4 This instrument may be executed in any number of counterpart copies, each of which counterpart copy shall be deemed an original for all purposes.

IN WITNESS WHEREOF, the undersigned have executed this instrument on the \_\_\_ day of \_\_\_\_\_, 200\_\_, in the presence of the undersigned competent witnesses.

WITNESSES: UNIVERSITY OF LOUISIANA BOARD OF SUPERVISORS

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

IN WITNESS WHEREOF, the undersigned have executed this instrument on the 4th day of February, 2004, in the presence of the undersigned competent witnesses.

WITNESSES: UNIVERSITY OF LOUISIANA AT LAFAYETTE

J. Julie Leday  
Aina R. Bienvenue  
By: Ray Authement  
DR. RAY AUTHEMENT,  
PRESIDENT