

STATE OF MISSISSIPPI

COUNTY OF HANCOCK

LEASE

THIS LEASE made and entered into this 4 day of AUGUST, 2026, by and between the **City of Bay St. Louis, Mississippi**, a municipal corporation, hereinafter referred to as Lessor, and **Donald Gavagnie**, hereinafter called Lessee, as follows:

WITNESSETH

1. **Leased Premises.** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, a small piece of land that consists of two thousand five hundred square feet (2500), more or less, of lands known as the Martin Luther King Recreation Park, owed by the Lessor, which footage is directly behind the Lessee property on Citizen Street. The Park, with an address of and commonly known as Martin Luther King Park, Washington Street, Bay St. Louis, Mississippi, 39520, Parcel Number #: 137J-0-44-171.000. This area is specifically outlined in the Map attached as Exhibit 1. The parties acknowledge that the Lessee is not leasing the whole parcel and area, and only such part as noted for the Lessee.

2. **Term.** The term of this lease shall be for a ten year (10) term, commencing on AUGUST 4, 2026, and terminating on AUGUST 4, 2036. The parties further acknowledge that following the end of the current term of office for the Bay St. Louis City Council the lease is subject to affirmation by each succeeding term of the City Council of Bay St. Louis. Lessee understands that any succeeding City Council may cancel this Lease at any time.

3. **Termination.** Lessor may terminate this Lease at any time, for any reason, upon determining that the Property is needed for municipal or other public purposes.

4. **Rent and Consideration.**

A. Lessee shall pay to Lessor a total annual rent for the Premises of One Hundred Dollars (\$100.00) to be paid annually, due and payable on the fifteenth day of each January during the term of the Lease.

B. Also, as consideration Lessee agrees to maintain the Premises including, but not limited to the following: all grass cutting, tree trimming, weed pulling, and any other maintenance required on the Premises.

C. All rent shall be paid without notice, demand, deduction, or any setoff whatsoever, at the address of Lessor at City Hall, Bay St. Louis, Mississippi, or at any other place designated by Lessor in writing.

D. Lessor acknowledges and declares that as additionally consideration to the City of Bay St. Louis, this Lease will foster the development and improvement of the community in which it is located and the civic, social, educational, cultural, moral, economic or industrial

welfare thereof. The Lease is permitted pursuant to Miss. Code. Sect. 21-17-1(2)(a), as amended from time to time.

5. **Use.** Lessee shall use the Leased Premises as a green space only. No buildings or permanent structures shall be erected or placed on the Leased Premises. The Leased Premises shall not be used for any purpose in violation of any zoning or other laws or any regulation of any governmental body having jurisdiction over the Leased Premises.

6. **Taxes.**

A. Lessee shall pay before delinquent, all personal property taxes, ad valorem taxes and any assessments levied or assessed by any governmental authority against the leasehold interest or any personal property and fixtures of Lessee, in on or about the Leased Premises.

B. Lessor is a governmental entity and thus there is no ad valorem assessment on the property; however, the leasehold interest in the property is subject to taxation by Hancock County, Mississippi. Lessee shall be responsible for any assessment on the leasehold interest in the property by Hancock County or any other taxing authority.

7. **Utilities.** No utilities shall be placed or operated on the Leased Premises.

8. **Liability Insurance.** During the term of this Lease, Lessee, at Lessee's expense, shall maintain general public liability insurance to cover claims for injury, wrongful death or property damage occurring upon, in or about the Leased Premises and the appurtenances thereto in companies or other entities and in form acceptable to Lessor. Both Lessor and Lessee shall be adequately covered under limits of liability in an amount not less than one million dollars (\$1,000,000.00) in the event of one accident, and in the aggregate. Such insurance, naming the Lessor as an additional insured, will be obtained and evidence thereof delivered to Lessor prior to any occupancy of the Leased Premises by Lessee or upon the commencement of the Lease term, whichever shall occur first.

9. **Liability and Indemnification.** Lessee shall indemnify and hold Lessor harmless from and against all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, charges and expenses, including reasonable attorneys' fees, which may be imposed upon or incurred by or asserted against Lessor arising from any use, nonuse or condition of the Leased Premises and the appurtenances thereto created by or attributable to Lessee or Lessee's employees, customers, agents, invitees, licensees, guest or lessees unless due to Lessor's sole negligence or intentional misconduct. Lessor shall not be liable for any damage to or theft of any personal property, goods, commodities or materials in or about the Leased Premises unless due to Lessor's sole negligence or intentional misconduct.

10. **Maintenance and Repairs.**

A. Lessee shall maintain the Leased Premises in good order and condition, which shall include performing all maintenance services for the area occupied by Lessee. Lessor will maintain landscaping to a standard kept at surrounding residential homes.

B. Any damage caused or permitted by Lessee or Lessee's employees, agents, members, licensees, sub-tenants, or invitees to the Leased Premises shall be repaired by Lessor at the expense of Lessee, who shall be separately billed therefor and shall reimburse Lessor for the same as additional rent.

11. **Lessee's Improvements.** Lessee may not make such alterations and improvements to the Lease Premises, with the exception of planting vegetation. Lessor shall not be responsible or liable for any loss of or damage to Lessee's improvements or alterations.

12. **Liens.** If the Leased Premises or any part thereof, or Lessee's leasehold interest therein, shall at any time during the term of this Lease become subject to any vendor's, mechanic's, laborer's, or materialmen's lien based upon the furnishing of material or labor to Lessee, Lessee shall cause the same, at Lessee's expense, to be discharged with forty-five (45) days after notice thereof, unless the lien and the claim occasioning it is litigated in good faith by the Lessee.

13. **Nuisance.** Notwithstanding anything in this Lease to the contrary, including without limitation the use by Lessee of the Leased Premises in accordance with Article 4 hereunder, Lessee shall not commit or permit any nuisance or other act, whether noise, odor, smoke, sewage, chemical wastes or otherwise, which may disturb the quiet enjoyment of the surrounding neighborhood. Lessee shall not obstruct or cause to be obstructed any public or roadways or sidewalks appurtenant to the Leased Premises. In the event the Lessee commits or permits any nuisance or act set forth in this Article, the same shall be material breach of this Lease.

14. **Condition of Premises.** Lessee shall take the Leased Premises "as is" and in such physical condition as they are upon the commencement of the term of this Lease. Lessor shall not be liable for any damage or injury to either persons or property sustained by Lessee, its agents, employees, guest, invitees, members, licensees, any subtenant or any other person or entity whatsoever, due in any way to the condition of the Leased Premises.

15. **Assignment; Subletting.** Lessee shall not assign this Lease or sublet the Leased Premises.

16. **Legal Expenses.** In the event of any suit initiated by either Lessor or Lessee against the other in any way connected with this Lease, or for the recovery of rent or possession of the Leased Premises, the successful party to any such action shall recover from the other party reasonable attorneys' fees and court costs in connection with said suit.

17. **Signs.** No signs, advertisements or notice shall be placed by Lessee on any part of the Leased Premises except such as shall be approved by Lessor, and in compliance with the City's sign ordinance. If such approval by Lessor is given, such signs, advertisements or notices shall be installed and maintained at Lessee's expense and shall conform to all applicable governmental laws, rules and regulations.

18. **Right of Entry.** Lessor may, during the term of this Lease, at all reasonable times enter upon the Leased Premises for the purpose of inspecting the same.

19. **Surrender.** Upon the expiration of the term of this Lease, or upon the earlier termination of this Lease, Lessee shall surrender peaceable possession of the Leased Premises in the same condition as the Leased Premises were at the commencement of this Lease, reasonable wear and tear and acts of God excepted.

20. **Notices.** Any notice required or permitted to be given or served by either to this Lease shall be deemed to have been given or served when made in writing, by certified or registered mail, addressed as follows:

Lessor: Mayor-City of Bay St. Louis City Hall
Bay St. Louis, MS 39520

Lessee: Donald Gavagnie
503 Citizen Street
Bay St. Louis, MS 39520

All rental payments shall be made to the Lessor at the above address. Either party may change the addresses from time to time by serving notice as above provided.

21. **Nondiscrimination.** The Lessee shall not discriminate against any individual in any way on account of such individual's race, color, religion, sex, age, handicap or national origin.

22. **Broker.** Lessor and Lessee each represent to the other that there are no broker's commissions in connection with the Lease.

23. **No Waiver.** Any waiver by any of the parties hereto of any breach of this Lease or of any right of any party shall not constitute a waiver of any other breach or of any other right.

24. **Entire Agreement.** This Lease contains the entire agreement between the parties hereto, and no term or provision hereof may be changed, waived, discharged or terminated unless the same is in writing executed by both parties hereto.

25. **Time of Essence.** Time shall be of the essence in the performance of every term, covenant and condition of the Lease.

26. **Headings.** The Article headings contained herein are inserted only for convenience of reference and are no way to be construed as a part of this Lease or as a limitation of the scope of the particular Article to which they refer.

27. **Benefit.** This Lease shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns.

28. **Quiet Enjoyment.** So long as Lessee is not in default under the terms of this Lease, Lessee shall be entitled to the quiet enjoyment and use of the Leased Premises according to the terms of this Lease.

29. **Defaults of Lessee.** The occurrence of any one or more of the following events shall be a default and a breach of this Lease by Lessee.

A. Lessee shall fail to pay rent within ten (10) days after the same shall be due and payable.

B. Lessee shall fail to perform or observe any term, condition, covenant or obligation required to be performed or observed by it under this Lease.

C. Lessee shall vacate or abandon the leased premises, or fail to occupy the leased premises for a period of thirty (30) days. In the event of a hurricane or like disaster the Lessee shall have up to one (1) year to return to said property.

D. The use of the premises for any purposes other than green space shall result in immediate termination of this Lease.

30. **Remedies of Landlord.** Upon the occurrence of any event of default set forth in in Paragraph 28 above, Lessor shall have the following rights and remedies, in addition to those allowed by law, any one or more of which may be exercised without further notice to or demand upon Lessee:

A. Lessor may terminate this Lease as of the date of such default, in which event: (1) neither Lessee nor any person claiming under or through Lessee shall thereafter be entitled to possession of the leased premises, and Lessee shall immediately thereafter surrender the premises to Lessor; (2) Lessor may re-enter the premises and dispossess Lessee or any other occupants of the leased premises by any means permitted by law; or

B. Lessor may sue for injunctive relief or to recover damages for any loss resulting from the breach.

31. **Alcohol and Tobacco Products.** The Lessee shall not display, market, sell, distribute, dispense, transfer or give away alcohol and/or tobacco products on the Leased Premises.

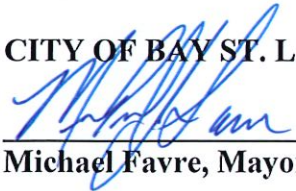
32. **Applicable Law.** This Agreement is controlled and subject to applicable laws of the State of Mississippi.

33. **Amendments.** Any Amendment to this Lease must be in writing and signed and executed by both parties to the Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Lease this 5 day
of AUGUST, 2026.

LESSOR

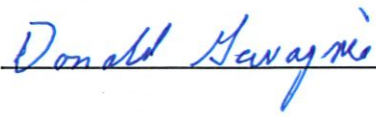
CITY OF BAY ST. LOUIS, MISSISSIPPI



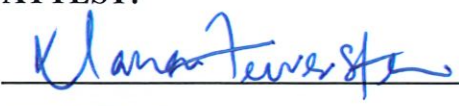
Michael Favre, Mayor

LESSEE

DONALD GAVAGNIE



ATTEST:



47286524.v1

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171.000	
Number: 137J-0-44-171.000	
City: CITY OF BAY ST LOUIS	
Address:	
City, State ZIP:	
Address:	
Lot Type:	
Area:	71875
Total Value:	
Lot Value:	
Lot Tax:	
Lot Exemption: No	
Lot S3	
Lot 369	
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