

LEASE CONTRACT

This Lease Contract, made and entered into, on this the 1st day of September, 1968, by and between Gadsden Independent School District, successor in title of the Dona Ana Board of Education in the real estate hereinafter described, as lessor and Vado Mutual Domestic Water Consumers Association, a non-profit New Mexico corporation, as lessee, WITNESSETH:

That for and in consideration of the covenants and agreements herein specified to be kept and performed by the lessee, the lessor does, this date, let and lease unto the lessee, the following described real estate situate in Vado, Dona Ana County, New Mexico and being more particularly described as follows, to-wit:

Lots numbered Nineteen (19) and Twenty (20) in the Brazito Development and Power Company's Subdivision at Vado, New Mexico, said lots being more particularly described as follows:

Beginning at a stake in the center of a road set for the northeast corner of the northwest quarter of the southwest quarter (NW 1/4 of SW 1/4) Sec. Twenty (20), Township Twenty-Five (25) South, Range Three (3) East, N.M.P.M. identical with the northeast corner of said Lot 19; running thence south 400 feet down the center of a 40 foot road, to the southeast corner of said Lot 19; thence south 89° 40' west, at 108.9 feet the southwest corner of Lot 19 and the southeast corner of Lot 20, and at 217.8 feet the southwest corner of Lot 20; thence north 400 feet on the west line of Lot 20 to the northwest corner thereof, a point in the center of a 40 foot road; thence north 89° 40' east, along the center of said 40 foot road and the north line of said Lots 20 and 19, 217.8 feet to the northeast corner of Lot 19, and the place of beginning, containing two acres.

TO HAVE AND TO HOLD The said premises unto the lessee, its successors and assigns, from September 1, 1968, for, during and until September 1, 2018 (Fifty-year lease); that the lessee, in consideration of the leasing of the premises unto it by the lessor does hereby covenant and agree with the lessor, its successors and assigns to pay as rental for the said premises, to lessee demised, Fifty and 00/100 (\$50.00) Dollars, payable in fifty (50) consecutive, annual installment payments of One and 00/100 (\$1.00) Dollar each, with the first of such annual installment payments being due and payable upon the execution of this Lease Contract.

It is understood and agreed that the lessee shall have possession of the above described real estate under this Lease Contract, on September 1, 1968 and it shall continue in peaceable possession of the premises during the term of this Lease Contract provided lessee shall abide by the terms hereof. It is understood by the parties that the property is tax exempt, but if, for any reason, such property is placed upon the tax rolls and ad valorem tax assessed, same shall be paid by the lessee. The lessee shall pay the fire insurance premium on the fire insurance policy issued on the improvements constructed upon the above described real estate.

It shall be the obligation of the lessee to pay the cost of all utilities used by it upon the premises. The lessee shall maintain and keep the improvements in state of good repair during the term of this Lease Contract.

It is understood and agreed that it is the intention of the lessee to assign this Lease Contract as security for the payment of a loan to be obtained from the United States of America and the lessee shall have the right to assign this Lease Contract.

It is understood and agreed that if the rent above mentioned or any part thereof shall be delinquent or unpaid on the date which it becomes due and should be paid, or if default be made by the lessee in the performance of any of the covenants and agreements contained in this lease and the lessee shall remain in default in any such respects for a period of ninety (90) days after written notice of such default has been mailed to lessee at General Delivery, Vado, New Mexico, the lessor may, at its option, cancel and terminate this Lease Contract and terminate the right of the lessee to have possession of the above described premises and in the event the lessor elects to terminate this contract, it shall be the obligation of the lessee to immediately surrender possession of the premises unto the lessor and permit the lessor to enter the premises and take possession thereof, either with or without process of law and in the event the lessee refuses to permit the lessor to take possession, it shall be guilty of unlawful detainer; the lessor may, however, at its option in lieu of cancelling this contract, take such other action as it may be advised to take, either at law or equity, to enforce the provisions hereof. Time is of the essence of this contract. The lessor agrees that it will take no action to terminate this Lease Contract, except by giving like notice as required above to Farmers Home Administration of the United States Department of Agriculture at its office in Washington, D. C., or at such other location as the FHA shall direct.

IN WITNESS WHEREOF The parties have hereunto set their hands and seals on this, the day and year in this Lease Contract first above written.

GADSDEN INDEPENDENT SCHOOL DISTRICT

By: J. B. Green
Chairman of the Board - Lessor

ATTEST:
W. C. Paudelle
Secretary

VADO MUTUAL DOMESTIC WATER CONSUMERS
ASSOCIATION
By: L. Roy Fuller
Its President - Lessee

ATTEST:
Robert Boyer
Secretary-Treasurer -2-

STATE OF NEW MEXICO)
 (ss.
County of Dona Ana)

The foregoing instrument was acknowledged before me, this
22nd day of August, 1968 by J. B. Greer
Chairman of the Board of Gadsden Independent School District as
lessor, on behalf of the Board of Gadsden Independent School
District.

Margaret Sattler
Notary Public

My Commission Expires:

10/15/70

STATE OF NEW MEXICO)
 (ss.
County of Dona Ana)

Sept-6 The foregoing instrument was acknowledged before me, this
day of ~~August~~, 1968 by Leroy Fuller, President of Vado Mutual
Domestic Water Consumers Association, a New Mexico corporation, on
behalf of said corporation.

Leroy Fuller
Notary Public

My Commission Expires:

~~July 22, 1970.~~ 12-8-68