

AMENDED AND RESTATED FIRE STATION LEASE AGREEMENT

THIS AMENDED AND RESTATED LEASE AGREEMENT (the “Lease” or “Agreement”) dated this ____ day of _____, 2018, by and between the **CITY OF NORTHFIELD**, a Minnesota municipal corporation, (the “Landlord”), and **NORTHFIELD AREA FIRE AND RESCUE SERVICE**, a Minnesota joint powers organization formed pursuant to Minn. Stat. § 471.59, (the “Tenant”); (collectively the “Parties”).

WHEREAS, the Landlord owns a Fire Station located at 301 W. 5th St., in the City of Northfield, (the “Fire Station”), as well as the real property upon which the Fire Station sits; and

WHEREAS, the Tenant is a joint powers organization formed pursuant to Minn. Stat. § 471.59; and

WHEREAS, Landlord is a member of said joint powers organization and a party to that certain Joint Powers Agreement upon which it was formed; and

WHEREAS, Landlord desires to lease the above-referenced Fire Station and the real property upon which it is located to Tenant for the purposes of providing fire protection, suppression, prevention, technical rescue and emergency medical services within the City of Northfield and within the respective jurisdictions of the other member governmental units of said joint powers organization, all in accordance with that certain agreement entitled “Joint Powers Agreement Fire Protection and Rescue Services,” dated April 1, 2014, as amended by that certain agreement entitled “First Amendment to Joint Powers Agreement Fire Protection and Rescue Services,” dated _____, 2018.

In consideration of the terms and conditions of this Lease, Landlord and Tenant agree as follows:

ARTICLE ONE **Definitions and Terms**

As used in this Lease, the following terms shall have the specific meanings set forth below:

1.1 “2018 Project” means the design, acquisition, construction and equipping of an approximately 4,500 square foot expansion to and renovation of the Fire Station.

1.2 “Bonds” means the General Obligation Capital Improvement Plan Bonds issued by the Landlord, the proceeds of which will finance the 2018 Project, and any bonds or other obligations issued to refund such bonds.

1.3 “Commencement Date” means March ____, 2018.

1.4 “Expiration Date” means the date on which the Bonds are fully paid or defeased.

1.5 “Fire Services” means fire protection, suppression, prevention, technical rescue and emergency medical services within the City of Northfield and within the respective jurisdictions of the other member governmental units of Tenant, all in accordance with the Joint Powers Agreement.

1.6 “Fire Station” or “Premises” means the Fire Station building and real property upon which it sits owned by Landlord and located at 301 W. 5th St. (PID 22.01.1.00.023 and 22.01.1.00.024), in the City of Northfield as depicted on Exhibit A attached hereto.

1.7 “Joint Powers Agreement” means, collectively, that certain agreement entitled “Joint Powers Agreement Fire Protection and Rescue Services,” dated April 1, 2014, as amended by that certain agreement entitled “First Amendment to Joint Powers Agreement Fire Protection and Rescue Services,” dated _____, 2018, both between the Landlord; the City of Dundas, Minnesota; and the Northfield Rural Fire Protection District, a joint powers board formed pursuant to Minnesota Statutes, section 471.59 (comprised of Bridgewater Township, Northfield Township, Webster Township, and Forest Township in Rice County, and Waterford Township, Sciota Township, and Greenvale Township in Dakota County, Minnesota).

1.8 “Landlord” means the City of Northfield, having as its address for notice purposes 801 Washington Street, Northfield, MN 55057-2565; Attention: City Administrator.

1.9 “Tenant” means Northfield Area Fire And Rescue Service, a Minnesota joint powers organization formed pursuant to Minn. Stat. § 471.59, having as its address for notice purposes, 301 W. 5th St., Northfield, Minnesota, 55057.

ARTICLE TWO **Demising Clause**

2.1 Landlord leases to Tenant and Tenant leases from Landlord the Premises on the terms and conditions contained in this Lease.

2.2 Tenant shall have the exclusive right to use the Premises for the purposes of providing the fire services in accordance with the Joint Powers Agreement.

ARTICLE THREE **Term and Possession**

3.1 Term. This Lease shall be in effect beginning on the Commencement Date and ending on the Expiration Date, unless either; (a) sooner terminated as provided in this Agreement, or (b) renewed as provided in this Agreement (the “Lease Term”). Tenant shall be entitled to possession on the Commencement Date and shall give up possession on the Expiration Date.

3.2 Renewal. Unless otherwise decided by the Parties under section 3.3 or unless this Lease is terminated in accordance with its terms, this Lease shall automatically renew for successive additional five (5) year term(s) after the Expiration Date and the Expiration Date shall be adjusted accordingly for the renewal term(s), unless a Party hereto provides 180 days written notice to the other of its intent to terminate this Lease upon the Expiration Date. Unless agreed otherwise by the Parties, the Lease shall terminate following proper notice effective on the Expiration Date.

3.3 Renegotiation of Lease. This Lease is subject to review and renegotiation upon written request of either of the Parties delivered at least 90 days prior to the Expiration Date or any adjusted Expiration Date. In the event the Parties review the Lease in accordance with the preceding sentence and are unable to reach an agreement on an amendment to this Lease, then the Lease provision in effect immediately prior to said review shall remain in effect. The Parties agree that approximately 12 months prior to the initial Expiration Date the Landlord and the Tenant shall each designate a representative of such Party who shall discuss proposed terms of a lease with an approximately 20-year term or sale/purchase of the Fire Station following the Expiration Date.

3.4 Termination. Notwithstanding any provisions to the contrary contained in this Agreement, this Lease or any renewal or extensions thereof shall terminate upon the effective date of withdrawal of Landlord from the Joint Powers Agreement or joint powers organization or other dissolution of the Joint Powers Agreement or the joint powers organization.

ARTICLE FOUR

Rent

4.1 The Parties acknowledge that Tenant has paid rent in the amount of \$10,000 on January 31, 2018 for the portion of the Lease Term through July 31, 2018. Tenant shall, for the remainder of the Lease Term, pay to Landlord without demand, annual rent in two equal installments on or before January 31 and July 31 of each year in the amounts and on the dates set forth in **Exhibit B** attached hereto, (the "Rent"). The Rent allocable to the Landlord shall be retained by the Landlord and is not required to be paid by the Tenant. Such Landlord retained amount shall be the sum of the amounts set forth in Columns [C] and [F] of **Exhibit B**; provided, however, that if the Party Contribution for the Landlord, as defined in and determined in accordance with Section 7 of the Joint Powers Agreement, is any amount other than 72.22% for any 2-year period during the Lease Term, commencing in 2018, the amounts set forth in Columns [C], [D], [F], [G] and [H] of **Exhibit B** shall be recalculated by the Landlord's Finance Director for such 2-year period and the Landlord's Finance Director shall mail a revised **Exhibit B** to the Tenant, which revised **Exhibit B** shall be incorporated by reference and made a part of this Agreement as if fully set forth herein. In the event of an automatic renewal of the Lease Term pursuant to Section 3.2 hereof, Rent shall be two equal semi-annual installments of \$10,000 each, unless otherwise agreed to by the Parties and the Landlord will deposit such amounts into a Fire Station Building Fund to be established and maintained by the Landlord for use in connection with the Fire Station. All payments shall be made to the address specified for Landlord herein. A late penalty of 5% of the payment due will be assessed on all late payments. Tenant agrees and acknowledges that the late penalty is necessary to compensate Landlord for lost interest, the opportunity cost of renting the property, and any legal fees or expenses incurred in enforcing its rights pursuant to this Agreement.

ARTICLE FIVE

Payment of Taxes

5.1 Tenant shall pay all taxes, assessments and governmental charges (collectively referred to as "Taxes") that accrue against the Premises during the Lease Term.

5.2 Tenant shall be liable for all taxes levied or assessed against any personal property or fixtures placed on the Premises, whether levied or assessed against Landlord or Tenant.

ARTICLE SIX
Permitted Use

6.1 Tenant shall use the Premises for the purposes of providing the Fire Services in accordance with the Joint Powers Agreement.

6.2 Tenant shall use the Premises for any services normally provided by Tenant and for no other purpose. Tenant shall not do or permit anything to be done in or about the Premises nor bring or keep anything therein which will in any way increase the existing rate of or affect any fire or other insurance upon the Premises or any of its contents, or cause a cancellation of any insurance policy covering the Premises or any part of the Premises or any of its contents. Tenant shall not use or allow the Premises to be used for any unlawful or objectionable purpose, nor shall Tenant cause, maintain or permit any nuisance in, on or about the Premises. More specifically, Tenant shall not use or store any noxious chemicals on the Premises, except to the extent necessary for the Premises to be used for the purposes stated herein. Tenant shall not commit or allow to be committed any waste in or upon the Premises.

ARTICLE SEVEN
Utilities

7.1 All utilities are the responsibility of Tenant, at Tenant's expense, including but not limited to, electricity, fuel oil, gas services, telephone, trash collection, snow plowing, lawn mowing, water, sewer service, storm sewer service, cable or satellite television, internet, connection fees) or any other like utilities serving the Premises.

7.2 Except as otherwise provided in this Agreement, all services required by Tenant shall be supplied and paid for by Tenant.

7.3 Landlord does not warrant that any of the services referred to above or any other services upon or to the Premises will be free from interruption. Tenant acknowledges that any one or more of such services may be suspended if there is a strike, an accident, or if repairs or improvements must be made for reasons beyond Landlord's control. Any such interruption or discontinuance of services shall never be deemed an eviction or disturbance of Tenant's use and possession of the Premises, or any part thereof, or render the Landlord liable to Tenant for damages by abatement of rent or otherwise, or relieve Tenant from performance of Tenant's obligations under this Lease.

ARTICLE EIGHT
Subletting and Assignment

8.1 Tenant shall not assign its interest in this Lease and shall not sublet any portion of the Premises, or any right or privilege provided under the Lease or use of the Premises, or suffer any other person to occupy or use any portion of the Premises without the written consent of Landlord, which consent may be withheld in Landlord's sole discretion.

ARTICLE NINE
Quiet Possession and Subordination

9.1 Landlord covenants that Tenant, upon paying the Rent and performing the covenants under this Lease, shall peaceably and quietly have, hold and enjoy the leased Premises for the Lease Term.

9.2 This Lease is subject and subordinate to all present or future financial encumbrances on the Premises, and is further subject to all present and future easements, conditions, contracts and encumbrances of record, and to all applicable laws, ordinances and governmental rules and regulations. Such subordination shall be self-executing without further act on the part of Landlord or Tenant; provided, however, that Tenant shall at any time hereafter, at the request of Landlord or any lien holder, or any purchaser of the Premises, execute any instruments that may be required, and Tenant hereby irrevocably authorizes Landlord to execute and deliver in the name of Tenant any such instrument if Tenant fails to do so.

ARTICLE TEN
Landlord's Reserved Rights

10.1 Landlord reserves the following rights: (a) to take any and all measures necessary or desirable for the operation, safety, protection or preservation of the Premises, including repairs, alterations, decorations, additions or improvements, whether structural or otherwise, in and about the Premises or any part thereof; and (b) to enter to verify use of the Premises. Landlord may enter upon the Premises and may exercise any or all of the foregoing rights without being deemed guilty of an eviction (actual or constructive) or disturbance of Tenant's use or possession and without being liable in any manner to Tenant and without abatement of Rent or affecting Tenant's obligations hereunder.

ARTICLE ELEVEN
Alterations and Improvements

11.1 Landlord has made no promise to alter, remodel, repair or improve the Premises, other than in accordance with the plans and specification for the 2018 Project, and has made no representation of the condition of the Premises or the suitability of the Premises for the purpose stated herein other than what is contained in this Lease.

11.2 Tenant shall not make material alterations or improvements to the Premises without the written consent of Landlord. Consent shall be obtained by submitting a written description to Landlord of the proposed improvement, including its location, size, proposed use, and any other information that may be required by the Landlord. Landlord may approve, disapprove, require more information, or require certain modifications to the proposed improvement in its sole judgment and discretion. Tenant's final written proposal including a clear indication of Landlord's assent and signed by Landlord shall constitute written consent of Landlord. Unless otherwise agreed by both Parties, approved improvements shall be at the sole expense of Tenant.

11.3 Tenant shall allow no mechanic's liens to be incurred or filed against the Premises. Tenant shall promptly pay for all alterations and improvements, which it may make under this Lease

that are approved by Landlord, and shall save and hold harmless Landlord from any and all losses, including attorneys' fees, incurred by reason of mechanic's liens or other claims for skill, labor or material furnished or performed, or claimed to have been furnished or performed, on account of any such alteration or improvement made by Tenant hereunder. Tenant may contest any such mechanic's liens and prosecute all proceedings for the purpose of such contest pursuant to Minn. Stat. § 514.01, et seq. Tenant shall indemnify Landlord against any loss or liability by reason of such contest.

11.4 Tenant shall not place or maintain any signs on the Premises, without authorization by Landlord.

11.5 Any leasehold improvements to the Premises shall be and remain the property of Landlord and no compensation shall be paid to the Tenant when and if the Tenant vacates the Premises.

ARTICLE TWELVE **Operation, Repairs and Maintenance**

12.1 Tenant, at its expense, shall keep the Premises in a safe and tenantable condition based on the purpose of this Lease. If Tenant does not do so, Landlord may (but need not) restore the Premises to a safe and tenantable condition, and Tenant shall pay the cost upon being billed by Landlord. This Article shall not apply to damage or destruction otherwise provided for in this Lease.

12.2 Tenant, at its expense, shall be responsible for all operating costs of the Premises as well as major and minor maintenance, repairs, or replacement of any and all alterations or improvements to the Premises.

12.3 Tenant shall bear maintenance or repair costs for damage to the Premises caused by acts or omissions of Tenant, its agents, employees, contractors, guests or invitees.

ARTICLE THIRTEEN **Destruction or Damage**

13.1 Tenant agrees:

- a. That it will obtain all necessary state and local permits for its operations as necessary.
- b. That it will operate in accordance with all federal, state and local laws and regulations.
- c. That it will be solely responsible for security of the Premises and for any loss, damage, or destruction thereof.
- d. That it will keep the Premises in such repair as at the commencement of the Lease Term or may be put in during continuance thereof, reasonable wear and tear and damage by fire or extended peril coverage perils only excepted.
- e. That it will not injure, overload or suffer to be injured or overloaded the Premises or any part thereof.
- f. That it will not make or suffer any unlawful, improper or offensive use of the Premises or any use thereof contrary to any law of the State of Minnesota or any ordinance of the City of Northfield now or hereafter made, or which shall be injurious to any person

or property or which shall be liable to endanger or affect any insurance on the said Premises.

13.2 If all or a substantial portion of the Premises is rendered un-tenantable by fire or casualty, and it is reasonably anticipated by Landlord that even though undertaken and pursued with all due diligence, it will require more than six (6) months to repair the Premises, then within twenty-one (21) days after the fire or casualty, Landlord shall send a written notice of its determination to the Tenant. Then either Party may terminate this Lease as of the date of the fire or casualty by sending the other party a notice in writing of its election to so terminate within fourteen (14) days after the date of the notice from the Landlord described above. During the period when the Premises are 50% or more un-tenantable due to fire or casualty such that all or a substantial portion of the Premises cannot be occupied or operated for the purposes stated herein, the Rent shall be abated on a prorated basis for the period during which the Premises is un-tenantable.

ARTICLE FOURTEEN

Hold Harmless

14.1 Tenant shall defend, indemnify and hold Landlord harmless from any liability, loss, cost, and obligations, including reasonable attorneys' fees, arising out of the condition, maintenance, use or operation of the Premises, including any accident or other occurrence causing or inflicting injury and/or damage to any person or property, happening or done, in, upon, or about the Premises, or due directly or indirectly to this Lease, or the condition, maintenance, use or operation of the Premises by Tenant, Tenant's employees, members, board, officers, agents, volunteers, clients and invitees. The indemnification provision of this Article shall not apply to damages or other losses proximately caused by or resulting from the negligence or willful misconduct of Landlord. All indemnification obligations shall survive termination, expiration or cancellation of this Lease.

14.2 Tenant knows, understands and acknowledges the risks and hazards associated with using the Premises for the purposes stated herein and hereby assumes any and all risks and hazards associated therewith. Tenant hereby irrevocably waives any and all claims against the Landlord or any of its officials, employees or agents for any bodily injury (including death), loss or property damage incurred by Tenant as a result of using the Premises, except to the extent such claims arise out of the negligence or willful misconduct of Landlord, and hereby irrevocably releases and discharges the Landlord and any of its officials, employees or agents from any and all claims of liability, except to the extent such claims arise out of the negligence or willful misconduct of Landlord.

ARTICLE FIFTEEN

Holding Over

15.1 If Tenant without the consent of Landlord retains possession of the Premises or any part thereof after termination of the Lease Term, then Landlord can elect to recover possession of the Premises by pursuing its rights under this Lease or at law. In such event Landlord shall further be able to recover in damages for the period Tenant holds over an amount equal to one hundred fifty percent (150%) of the annual Rent which Tenant was obligated to pay for the month immediately preceding the commencement of said holding over computed on a daily basis until Landlord receives possession of the Premises and in addition thereto, Tenant shall pay Landlord all direct damages sustained by

reason of Tenant's retention of possession. Alternatively, Landlord can elect to retain Tenant on a month to month tenancy, terminable in accordance with law, at a Rent equal to one hundred fifty percent (150%) of the Rent which Tenant was obligated to pay for the month immediately preceding the commencement of said holding over.

15.2 Landlord shall exercise its election of one of the above described alternatives by delivering a written notice thereof to Tenant within thirty (30) days after the first day of Tenant's retention of possession beyond the Lease Term.

ARTICLE SIXTEEN
Surrender of Possession

16.1 Upon the termination of the Lease Term, Tenant shall immediately surrender the Premises (together with any alterations and improvements) to Landlord in good order, repair and condition, ordinary wear and fire or casualty losses for which Tenant is not responsible excepted, and shall remove all equipment, trade fixtures and other items of Tenant's property from the Premises. Tenant shall pay Landlord upon demand the cost of repairing any damage to the Premises caused by such removal. Tenant shall leave the Premises in its pre-Lease condition, reasonable wear and tear and any approved improvements and alterations excepted. If Tenant fails or refuses to remove Tenant's property from the Premises, Tenant shall be presumed to have abandoned the property and Landlord may dispose of the property without incurring liability, at Tenant's expense.

ARTICLE SEVENTEEN
Compliance with Laws, Ordinances and Regulations

17.1 Throughout the Lease Term, Tenant, at its sole cost and expense, shall promptly comply with all present and future laws, ordinances, orders, rules, opinions, directives, regulations and requirements of all federal, state, city and other local governments.

17.2 Tenant shall likewise observe and comply with, or shall cause to be observed and complied with, all the requirements of all policies of comprehensive general liability, fire and other insurance at any time in force with respect to the Premises.

ARTICLE EIGHTEEN
Insurance

18.1 Tenant shall maintain, at Tenant's expense, insurance on Tenant's property located in and upon the Premises, and shall assume the risk of loss to such property on the Premises. Tenant shall also meet all of the insurance requirements contained in the Joint Powers Agreement, which requirements are incorporated herein by reference.

18.2 Landlord shall maintain property insurance on the existing Fire Station building located on the Premises. Tenant shall reimburse Landlord for the costs to insure the Premises. Landlord shall provide a copy of Landlord's above-mentioned insurance policy to Tenant upon request.

ARTICLE NINETEEN
Default and Remedies

19.1 If Tenant shall default in the payment of any installment of the Rent or in the payment of any other sum required to be paid by Tenant under this Lease and such default shall continue for fifteen (15) days after written notice to Tenant, or if Tenant shall default in the observance or performance of any of the other covenants or conditions in this Lease, which Tenant is required to observe or perform, and such default shall continue for thirty (30) days after written notice to Tenant, or if a default involves a hazardous condition and is not cured by Tenant immediately upon written notice to Tenant, or if the interest of Tenant in this Lease shall be levied upon under execution or other legal process, or if any voluntary petition in bankruptcy or for corporate reorganization or any similar relief shall be filed by Tenant, or if any involuntary petition in bankruptcy shall be filed against Tenant under any federal or state bankruptcy or insolvency act and shall not have been dismissed within thirty (30) days following the filing thereof, or if a receiver shall be appointed for Tenant or any of the property of Tenant by any court and such receiver shall not be dismissed within thirty (30) days from the date of appointment, or if Tenant shall make an assignment for the benefit of creditors, or if Tenant shall abandon or vacate the Premises, then Landlord may treat the occurrence of any one or more of the foregoing events as a breach of this Lease and thereupon at its option may, without notice or demand of any kind to Tenant or any other person, terminate this Lease and immediately repossess the Premises, in addition to all other rights and remedies provided at law or in equity. The provisions of this section shall survive any termination of this Lease.

19.2 No right or remedy conferred upon or reserved to Landlord or Tenant by this Agreement shall be exclusive of any other right or remedy herein or by law provided; all rights and remedies conferred upon Landlord and Tenant by this Agreement or by law shall be cumulative and in addition to every other right and remedy.

ARTICLE TWENTY
Notices

20.1 All notices required under the terms of this Lease shall be deemed to have been properly served or given three (3) days after their deposit in the United States mail if sent by registered or certified mail, return receipt requested, postage prepaid, or two (2) days after deposit in a nationally recognized overnight courier service, addressed to Landlord or Tenant at the addresses identified in Article One or to such other address within the continental limits of the United States and to the attention of such Party as the Parties may from time to time designate by written notice to the other.

ARTICLE TWENTY-ONE
Landlord's Title

21.1 Tenant acknowledges that this is an agreement to operate, maintain and use the Premises only and that the Tenant does not in any way acquire title to the Premises under this Agreement.

21.2 Without the prior written consent of Landlord, Tenant agrees not to do any act to encumber, convert, pledge, sell, assign, lease, lend, conceal, abandon, give up possession of, or destroy the Premises.

ARTICLE TWENTY-TWO

Miscellaneous

22.1 **Voluntary and Knowing Action.** The Parties, by executing this Lease, state that they have carefully read this Lease and understand fully the contents thereof; that in executing this Lease they voluntarily accept all terms described in this Lease without duress, coercion, undue influence, or otherwise, and that they intend to be legally bound thereby.

22.2 **Authorized Signatories.** The Parties each represent and warrant to the other that (1) the persons signing this Lease are authorized signatories for the entities represented, and (2) no further approvals, actions or ratifications are needed for the full enforceability of this Lease against it; each Party indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.

22.3 **No Partnership, Joint Venture, or Fiduciary Relationship.** Nothing contained in this Lease shall be interpreted as creating a partnership, joint venture, or relationship of principal and agent between the Parties, it being understood that the sole relationship created hereby is one of landlord and tenant. No third party is entitled in any way to rely upon any provision in this Lease. This Lease is intended solely for the benefit of Landlord and Tenant and no third party shall have any rights or interest in any provision of this Lease, or as a result of any action or inaction of the Landlord in connection therewith.

22.4 **Records—Availability and Retention.** Pursuant to Minn. Stat. § 16C.05, subd. 5, the Tenant agrees that the Landlord, the State Auditor, or any of their duly authorized representatives at any time during normal business hours and as often as they may reasonably deem necessary, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., which are pertinent to the accounting practices and procedures of the Tenant and involve transactions relating to this Lease. The Tenant agrees to maintain these records for a period of six years from the date of termination of this Lease.

22.5 **Governing Law.** This Lease shall be deemed to have been made and accepted in Rice County, Minnesota, and the laws of the State of Minnesota shall govern any interpretations or constructions of the Lease without regard to its choice of law or conflict of laws principles.

22.6 **Data Practices.** The Parties acknowledge that this Lease is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 et seq.

22.7 **No Waiver.** Any party's failure in any one or more instances to insist upon strict performance of any of the terms and conditions of this Lease or to exercise any right herein conferred shall not be construed as a waiver or relinquishment of that right or of that party's right to assert or rely upon the terms and conditions of this Lease. Any express waiver of a term of this Lease shall not be binding and effective unless made in writing and properly executed by the waiving party.

22.8 **Severability.** The invalidity or unenforceability of any provision of this Lease shall not affect the validity or enforceability of any other provision. Any invalid or unenforceable provision shall be deemed severed from this Lease to the extent of its invalidity or unenforceability, and this Lease shall be construed and enforced as if the Lease did not contain that particular provision to the extent of its invalidity or unenforceability.

22.9 **Headings and Captions.** Headings and captions contained in this Lease are for convenience only and are not intended to alter any of the provisions of this Lease and shall not be used for the interpretation of the validity of the agreement or any provision hereof.

22.10 **Survivability.** All covenants, indemnities, guarantees, releases, representations and warranties by either Party or both Parties, and any undischarged obligations of Landlord and the Tenant arising prior to the expiration of this Lease (whether by completion or earlier termination), shall survive such expiration.

22.11 **Exhibits.** The exhibits attached to this Lease are considered an integral part of it as if fully set forth within it. In the event of a conflict or inconsistency between the terms of this Agreement and those of the Joint Powers Agreement, the terms of this Agreement shall govern.

22.12 **Entire Agreement.** All prior understandings, letters of intent, discussions and agreements are merged in the governing terms of this Lease, which is a complete and final written expression of the intent of the Parties.

22.13 **Modification/Amendment.** Any alterations, variations, modifications, amendments or waivers of the provisions of this Lease shall only be valid when they have been reduced to writing, and signed by authorized representative of the Landlord and the Tenant.

[Remainder of page left intentionally blank]

IN TESTIMONY WHEREOF, as of the day and year first hereinabove written the Parties have executed this Lease.

**LANDLORD:
CITY OF NORTHFIELD**

BY: _____
Rhonda Pownell, Its Mayor

BY: _____
Deb Little, Its City Clerk

STATE OF MINNESOTA)
) ss.
COUNTY OF RICE)

The foregoing instrument was acknowledged before me this ____ day of _____, 2018, by Rhonda Pownell and by Deb Little, respectively the Mayor and City Clerk of the City of Northfield, a Minnesota municipal corporation, on behalf of the municipal corporation and pursuant to the authority granted by its City Council.

Notary Public

EXHIBIT A
Depiction of Premises

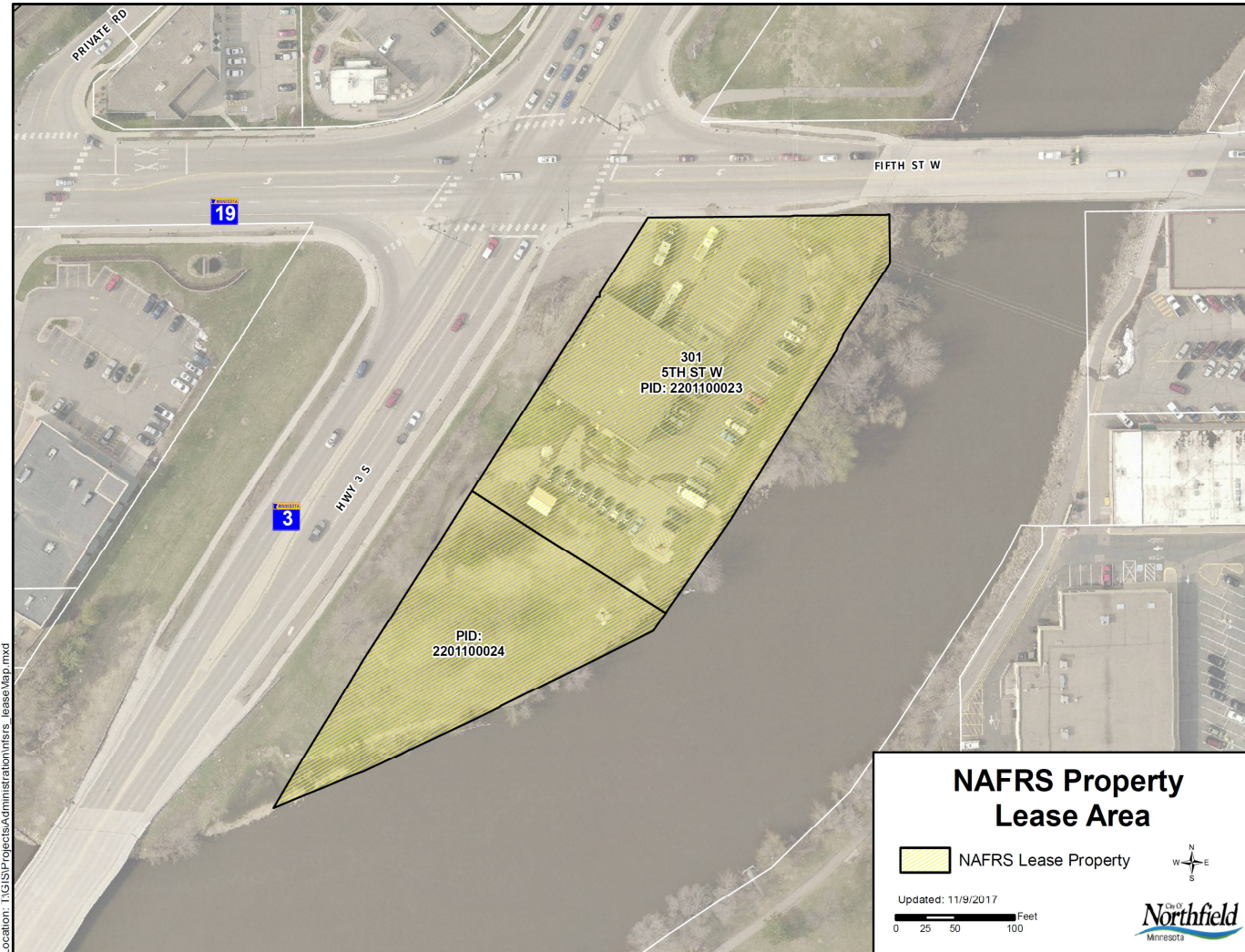


EXHIBIT B

Rent Schedule

Payment Date	Base Rent	Northfield Base Rent	Amount Net of Northfield Base Rent	2018 Bond Debt Service Rent	Northfield 2018 Bond Debt Service Rent	Amount Net of Northfield 2018 Bond Debt Service Rent	Total Rent Payable to Landlord
[A]	[B]	[C] 71.57% [*] x[B]	[D] [B]-[C]	[E]	[F] 72.22% [*] x[E]	[G] [E]-[F]	[H] [D]+[G]
1/31/2019				\$149,615.81	\$107,080.04	\$42,535.78	\$42,535.78
7/31/2019				\$149,615.81	\$107,080.04	\$42,535.78	\$42,535.78
1/31/2020				\$150,724.88	\$107,873.79	\$42,851.08	\$42,851.08
7/31/2020				\$150,724.88	\$107,873.79	\$42,851.08	\$42,851.08
1/31/2021				\$149,073.75	\$106,692.08	\$42,381.67	\$42,381.67
7/31/2021				\$149,073.75	\$106,692.08	\$42,381.67	\$42,381.67
1/31/2022				\$149,913.75	\$107,293.27	\$42,620.48	\$42,620.48
7/31/2022				\$149,913.75	\$107,293.27	\$42,620.48	\$42,620.48
1/31/2023				\$150,609.38	\$107,791.13	\$42,818.25	\$42,818.25
7/31/2023				\$150,609.38	\$107,791.13	\$42,818.25	\$42,818.25
1/31/2024				\$151,155.38	\$108,181.90	\$42,973.47	\$42,973.47
7/31/2024				\$151,155.38	\$108,181.90	\$42,973.47	\$42,973.47
1/31/2025				\$148,872.94	\$106,548.36	\$42,324.58	\$42,324.58
7/31/2025				\$148,872.94	\$106,548.36	\$42,324.58	\$42,324.58
1/31/2026				\$149,118.38	\$106,724.02	\$42,394.35	\$42,394.35
7/31/2026				\$149,118.38	\$106,724.02	\$42,394.35	\$42,394.35
1/31/2027				\$149,199.75	\$106,782.26	\$42,417.49	\$42,417.49
7/31/2027				\$149,199.75	\$106,782.26	\$42,417.49	\$42,417.49
1/31/2028				\$149,060.63	\$106,682.69	\$42,377.94	\$42,377.94
7/31/2028				\$149,060.63	\$106,682.69	\$42,377.94	\$42,377.94
1/31/2029				\$151,318.13	\$108,298.38	\$43,019.74	\$43,019.74
7/31/2029				\$151,318.13	\$108,298.38	\$43,019.74	\$43,019.74
1/31/2030				\$150,635.63	\$107,809.92	\$42,825.71	\$42,825.71
7/31/2030				\$150,635.63	\$107,809.92	\$42,825.71	\$42,825.71
1/31/2031				\$149,817.94	\$107,224.70	\$42,593.24	\$42,593.24
7/31/2031				\$149,817.94	\$107,224.70	\$42,593.24	\$42,593.24
1/31/2032				\$151,487.44	\$108,419.56	\$43,067.88	\$43,067.88
7/31/2032				\$151,487.44	\$108,419.56	\$43,067.88	\$43,067.88
1/31/2033				\$150,308.81	\$107,576.02	\$42,732.80	\$42,732.80
7/31/2033				\$150,308.81	\$107,576.02	\$42,732.80	\$42,732.80
1/31/2034				\$148,985.81	\$106,629.15	\$42,356.67	\$42,356.67
7/31/2034				\$148,985.81	\$106,629.15	\$42,356.67	\$42,356.67
1/31/2035				\$150,140.81	\$107,455.78	\$42,685.03	\$42,685.03
7/31/2035				\$150,140.81	\$107,455.78	\$42,685.03	\$42,685.03
1/31/2036				\$150,993.94	\$108,066.36	\$42,927.58	\$42,927.58

* If the Party Contribution for the Landlord, as defined in and determined in accordance with Section 7 of the Joint Powers Agreement, is any amount other than 71.57% for any 2-year period during the Lease Term, commencing in 2018, the amounts set forth in Columns [C], [D], [F], [G] and [H] of **Exhibit B** shall be recalculated by the Landlord's Finance Director for such 2-year period and the Landlord's Finance Director shall mail a revised **Exhibit B** to the parties, which revised **Exhibit B** shall be incorporated by reference and made a part of this Agreement as if fully set forth herein.

7/31/2036	\$150,993.94	\$108,066.36	\$42,927.58	\$42,927.58
1/31/2037	\$148,977.94	\$106,623.51	\$42,354.43	\$42,354.43
7/31/2037	\$148,977.94	\$106,623.51	\$42,354.43	\$42,354.43
1/31/2038	\$149,428.13	\$106,945.71	\$42,482.42	\$42,482.42
7/31/2038	\$149,428.13	\$106,945.71	\$42,482.42	\$42,482.42