

## LEASE AGREEMENT

This LEASE (the “Lease”) is dated as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between **CITY OF NORTHFIELD** (“Landlord”) and **HEALTHY COMMUNITY INITIATIVE**, a nonprofit corporation under the laws of the State of Minnesota (“Tenant”); (collectively the “parties”).

WHEREAS, in consideration of the Rent hereinafter defined, and the covenants contained herein, Landlord and Tenant hereby agree:

1. **Basic Lease Information/Definitions.**

1.1	Premises	Approximately <b>3676 square feet</b> of space. The Premises is listed and depicted on Exhibit A, which is attached hereto and incorporated herein by reference. <i>(See Section 2.)</i>				
1.2	Building	1651 Jefferson Parkway, Northfield, MN 55057 (“Property”).				
1.3	Commencement Date	January 1, 2025				
1.4	Term	<b>Twelve (12) months</b> unless sooner terminated or extended pursuant to the terms and conditions of this Lease.				
1.5	Base Rent	Base Rent shall be the following amounts for the following periods of time: <table style="margin-left: auto; margin-right: auto;"><thead><tr><th><u>Period Covered</u></th><th><u>Monthly Rent</u></th></tr></thead><tbody><tr><td><b>1/1/2025-12/31/2025</b></td><td><b>\$3767.00</b></td></tr></tbody></table>	<u>Period Covered</u>	<u>Monthly Rent</u>	<b>1/1/2025-12/31/2025</b>	<b>\$3767.00</b>
<u>Period Covered</u>	<u>Monthly Rent</u>					
<b>1/1/2025-12/31/2025</b>	<b>\$3767.00</b>					
1.6	Utilities	Landlord shall pay direct to service provider separately metered utilities, including by not limited to; gas, electricity, water, sewer, and garbage. <i>(See Section 6.)</i>				
1.7	Security Deposit	\$_____ <i>(See Section 4.) To be paid with original lease.</i>				
1.8	Tenant’s Notice Address	1651 Jefferson Parkway, Suite HS-200 Northfield, MN 55057				
1.9	Landlord’s Notice Address	City of Northfield <i>(See Section 19.)</i> 801 Washington St. Northfield, MN 55057				
1.10	Expiration Date	December 31, 2025, unless sooner terminated or extended pursuant to the terms and conditions of this Lease.				

2. **Premises.**

Landlord hereby leases to Tenant the Premises for the Term pursuant to the terms and conditions of this Lease.

3. **Rent.**

3.1 **Base Rent.** Tenant shall pay to Landlord the Base Rent identified in Section 1.5 of this Lease in advance on the first day of each calendar month during the Term mailed or delivered to **City of Northfield, 801 Washington St, Northfield, MN 55057**, or such other location as Landlord shall advise Tenant of from time to time, and Rent checks shall be made payable to “**CITY OF NORTHFIELD**”. Should the Term commence or terminate on a day other than the first day or the last day of a calendar month, Landlord and Tenant agree that Base Rent for the first and last month of the Term shall be prorated, and Base Rent for the remaining months

shall be due and payable on the first of the month as provided above. Base Rent plus all other sums due and owing pursuant to this Lease shall be collectively called "Rent."

3.2 Late Payment. If any installment of Rent or any other sums due from Tenant is not received by Landlord within 5 days following the due date, Tenant will pay to Landlord a late charge equal to 5% of such overdue amount. Landlord and Tenant hereby agree that such late charge represents a fair and reasonable estimate of the costs Landlord would incur as a result of such late payment.

3.3 Common Area Expenditures, Taxes and Insurance. The Base Rent includes Tenant's payment for Tenant's share of common area expenditures, real estate taxes, and insurance for the Building.

4. **Security Deposit.**

A security deposit of \$\_\_\_\_.00 shall be paid by Tenant to Landlord upon execution of the original lease for the Premises. The security deposit shall be held by Landlord for the performance of Tenant's covenants and obligations under this Lease, it being expressly understood that the security deposit shall not be considered an advance payment of Rent or a measure of Landlord's damage in case of default by Tenant. Upon the occurrence of any event of default by Tenant or breach by Tenant of Tenant's covenants under this Lease or the terms and conditions hereof, Landlord may, from time to time, without prejudice to any other remedy, use the security deposit to the extent necessary to make good any arrears of Rent, to remove any items or clean the Premises after Tenant vacates, or to repair any damage or injury, or pay any expense or liability incurred by Landlord as a result of the event of default or breach of this Lease, and any remaining balance of the security deposit shall be returned by Landlord to Tenant upon termination of this Lease following payment of any unpaid amounts due from Tenant. If any portion of the security deposit is so used or applied, Tenant shall upon ten (10) days written notice from Landlord, deposit with Landlord by cash or cashier's check an amount sufficient to restore the security deposit to its original amount.

5. **Use.**

5.1 The Premises shall be used and occupied only for office, meeting space and governmental services. Tenant shall have the right to use the Premises exclusively during the Term for the purpose stated herein and for no other purpose, unless such other use or purpose is authorized in writing by Landlord.

5.2 Tenant shall occupy the Premises, conduct its business and control its agents, employees, invitees, customers, patrons, and visitors in such a manner as is lawful, reputable and will not create a nuisance.

5.3 Tenant shall not permit any waste on the Premises or allow the Premises to be used in any way which would in the opinion of Landlord be extra hazardous on account of fire or which would in any way increase or render void the fire insurance on the Building.

5.4 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 Property, or any of its contents, or cause a cancellation of any insurance policy covering the Premises or Property or any part of the Premises, Property or any of its contents.

5.5 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. Noxious chemicals are those defined as toxic and hazardous substances pursuant to OSHA health standards and applicable regulations.

5.6 Should Tenant intentionally commit or allow to be committed any waste on or destruction of the Premises, Tenant shall immediately restore the Premises to the original condition of the Premises at the inception

of this Lease or as altered in accordance with plans and specifications as submitted to, and approved by the Landlord's City Administrator, or, alternatively, pay to Landlord the cost of restoring the Premises to the condition herein stated, payment to be made within 30 days from the date of written notice given by Landlord to Tenant of the amount of such costs.

5.7 Tenant, at its sole cost and expense, shall comply with all laws, ordinances, orders, rules and regulations of state, federal, municipal or other agencies or bodies having jurisdiction over the use, condition or occupancy of the Premises. Tenant shall comply with the policies, rules and regulations of the Building adopted by Landlord. Landlord shall have the right at all times to change and amend the policies, rules and regulations in any reasonable manner as may be deemed advisable for safety, care, cleanliness, preservation of good order and operation or use of the Building or the Premises.

5.8 During the Term and except as otherwise provided in this Agreement, Tenant shall, at Tenant's sole cost and expense, be responsible for the operation, repair, replacement, and maintenance of the Premises, including but not limited to any Tenant paid and Landlord approved improvements to the Premises.

5.9 In the event that Tenant fails to perform to the Landlord's satisfaction any of the above obligations or any other terms of this Lease, Landlord may perform the work and shall invoice Tenant for all costs incurred by Landlord in performing such work. Invoices shall be due and payable within 30 days of the date of the invoice. Landlord may take any action it is authorized under law to take to recover such unpaid charges, including terminating this Lease.

5.10 Tenant shall be solely responsible for security of the Premises during the Term and for any loss, damage, or destruction thereof. Tenant agrees that it will be solely responsible for security of any and all personal property located therein and for any loss, damage, or destruction thereof. Tenant hereby expressly waives any claims therefore against and indemnifies Landlord for the same.

5.11 During the Term, Tenant shall comply with all applicable laws, regulations, conditions, and covenants affecting the Premises, whether federal, state, local, or contractual.

5.12 Tenant shall, at Tenant's expense, obtain all necessary licenses and/or permits required for its operations on the Premises.

## 6. **Utilities.**

Landlord shall be responsible for payment of the following utilities: gas, water, sewer, garbage, and electricity. Landlord does not warrant that any of the utilities and services referred to above or any other services upon or to the Premises including Section 8 of this Lease will be free from interruption. Tenant acknowledges that any one or more of such utilities or and services may be suspended if there is a strike, an accident, or if repairs or improvements must be made for reasons. Any such interruption or discontinuance of utilities or 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. Tenant shall have no claim for rebate of Rent on account of any interruption in service. Tenant shall at all times keep the Premises adequately heated to prevent the water pipes from freezing. Landlord shall not be liable for any interruption or failure in the supply of any utility or services to the Premises.

## 7. **Condition of Premises.**

Tenant hereby accepts the Premises and any equipment thereon in their condition existing as of the Commencement Date or the date that Tenant takes possession of the Premises, whichever is earlier. Tenant acknowledges that the Premises are in a condition satisfactory to Tenant's purposes. Tenant accepts, acknowledges and agrees that the Premises herein described are in an "as is", "with all faults" condition and agrees

that Landlord has not made, and does not hereby make any representation, warranty or covenant, expressed or implied, with respect to the condition, quality, durability, capability, or suitability of the Premises or against any patent or latent defects therein. Tenant agrees that Landlord shall not be liable to Tenant for any liability, claim, loss, damage or expense of any kind or nature caused directly or indirectly by the Premises or the inadequacy thereof for any purpose, or for any deficiency or defect therein, or for the use, operation or maintenance thereof, or for any repairs, servicing, adjustments, replacement, or expenses thereto or for any damage whatsoever and howsoever caused.

8. **Maintenance and Repairs.**

8.1 **Landlord's Obligations.** Landlord shall not be required to make any improvements, replacements or repairs of any kind or character to the Premises during the Term except as are set forth in this Section. Landlord shall maintain only the HVAC system, phone system, common use data cabling, door access control, plumbing, sewage, roof, foundation, parking and common areas, and the structural soundness of the exterior walls, windows, doors, corridors, and other structures serving the Premises. Landlord shall not be liable to Tenant, except as expressly provided in this Lease, for any damage or inconvenience, and Tenant shall not be entitled to any abatement or reduction of Rent by reason of any repairs, alterations or additions made by Landlord under this Lease.

8.2 **Tenant's Obligations.** Tenant shall, at all times throughout the Term keep and maintain the Premises in a clean, safe, sanitary and first class condition and in compliance with all applicable laws, codes, ordinances, rules and regulations. Tenant's obligations hereunder shall include, but not be limited to, the maintenance, repair and replacement, if necessary, of all lighting fixtures and equipment, all interior walls, floor covering, ceiling tiles, partitions, doors and windows, including the regular painting thereof. Tenant shall keep and maintain all portions of the Premises and areas adjoining the same in a clean and orderly condition, free of accumulation of rubbish. Except as otherwise provided in this Lease, all services required by Tenant shall be supplied and paid for by Tenant.

9. **Alterations and Leasehold Improvements.**

The Premises is rented "as is". Landlord has made no promise to alter, remodel, repair or improve the Premises and has made no representation of the condition of the Premises or the Building other than what is contained in this Lease. Tenant shall not make or allow to be made any alterations or physical additions in or to the Premises without first obtaining the written consent of Landlord, which consent may in the sole and absolute discretion of Landlord be denied. Any alterations, physical additions or improvements to the Premises made by Tenant shall at once become the property of Landlord and shall be surrendered to Landlord upon the termination of this Lease without compensation therefore by Landlord; provided, however, Landlord, at its option, may require Tenant to remove any physical additions and/or repair any alterations in order to restore the Premises to the conditions existing at the time Tenant took possession, all costs of removal and/or alterations to be borne by Tenant. This clause shall not apply to Tenant owned equipment or trade fixtures, which may be removed by Tenant at the end of the Term if Tenant is not then in default and if such equipment and fixtures are not subject to any other rights, liens and interests of Landlord.

10. **Insurance and Indemnification.**

10.1 **Insurance Coverage.** During the Term, Tenant will carry, at its own expense: (a) public liability insurance, in a form and with a company satisfactory to Landlord, (b) a bodily injury and property damage combined single limit policy of at least \$1,000,000 and (c) all other insurance necessary to keep the contents maintained on the Premises insured against fire and other casualty in amounts sufficient to enable Tenant to restore or replace the contents in case of loss by fire or other casualty. All such insurance policies shall be endorsed to name Landlord and Landlord's agent as additional insureds. Tenant shall provide Landlord with thirty (30) days prior written notice of any cancellation or material modification of the insurance policies required to be maintained by Tenant herein. In addition, such policies or certificates evidencing that such policies are in effect, shall be

delivered to Landlord at the commencement of the Term and renewals shall be delivered at least ten (10) full days prior to the expiration or cancellation of any such policy. If the certificate of insurance has any disclaimers regarding additional insured status, Tenant shall provide an endorsement of the policy to Landlord and requested additional insured. If Tenant fails to comply with its covenant to maintain insurance as provided herein, Landlord may, at its option, cause insurance as aforesaid to be issued and, in such event, Tenant shall pay the premiums for such insurance as Additional Rent hereunder. Failure by Tenant to maintain insurance as required herein during the Term hereof, shall constitute a default subject to termination of this Lease.

10.2 **Indemnity.** Landlord shall not be liable to Tenant for and Tenant does hereby release Landlord and its respective agents and employees from liability for any injury, loss or damages to Tenant or to any other person or property occurring upon the Property unless caused by Landlord's negligence or willful misconduct. Tenant agrees to indemnify, defend, and hold Landlord, Landlord's officers, directors, employees and agents (collectively "Landlord Group") harmless against and from any and all liability, loss, costs, damages, expenses, including reasonable attorneys' fees, claims and demands, that may be brought against Landlord Group, for or on account of any damages, loss or injury to persons or property in or about the Property during the Term, or during any occupancy by Tenant prior to the Commencement Date or for any damages, loss or injury to persons or property caused by Tenant whatsoever, unless caused by Landlord's negligence or willful misconduct. For purposes of this Section, "Tenant" shall include Tenant, its employees, agents, servants, customers, patrons, invitees, licensees, contractors, sublessees, and subcontractors. This indemnification shall survive the expiration or earlier termination of this Lease.

10.3 **Hazardous Materials.** Tenant agrees that it shall indemnify, defend and hold Landlord, and its officials, agents and employees harmless from any claims, judgments, damages, penalties, fines, costs, liabilities (including sums paid in settlement of claims and cost of cleanups) or loss including attorney's fees, consultant fees and expert fees that arise during or after the Term of this Lease from or in connection with the presence or suspected presence of toxic or hazardous substances in the soil, groundwater, or soil vapor on or under the Premises, which exist as a result of the operations, acts, defaults, omissions, negligence or willful misconduct of Tenant, its officers, employees, tenants, assignees or agents. Tenant shall not use or engage in the manufacture of hazardous chemicals on the Premises.

10.4 **Waiver of Subrogation.** To the extent permitted by law, and without affecting the coverage provided by insurance required to be maintained hereunder, Landlord and Tenant each waive any right to recover against the other for (a) damages to property, (b) damages to all or any portion of either or both of the Premises and the Property, (c) claims arising by reason of the foregoing, to the extent such damages and claims are insured against, or required to be insured against, by Landlord or Tenant under this Lease, or (d) claims paid by Tenant's workers' compensation carrier. This provision is intended to waive, fully and for the benefit of each party, any rights and/or claims which might give rise to a right of subrogation by any insurance carrier. The coverage obtained by each party pursuant to this Lease shall include, without limitation, a waiver of subrogation by the carrier which conforms to the provisions of this section.

#### 11. **Tenant Assignment and Subletting.**

Tenant shall not assign, in whole or in part, this Lease, or allow it to be assigned, in whole or in part, by operation of law or otherwise or mortgage or pledge the same, or sublet the Premises, in whole or in part, without the prior written consent of Landlord, and in no event shall said such assignment or sublease ever release Tenant or any guarantor from any obligation or liability hereunder.

#### 12. **Subordination/Estoppel Certificates.**

Tenant accepts this Lease, and the tenancy created hereunder, subject and subordinate to any underlying leases, mortgages, deed of trust, leasehold mortgages or other security interests now or hereafter a lien upon or affecting the Premises or any part thereof. Tenant shall, at any time hereafter, on request, execute any instruments that may be required by any mortgage, mortgagee, deed of trust, trustee, or underlying owner or Landlord

hereunder to subordinate Tenant's interest hereunder to the lien of any such mortgages, deed or deeds of trust or underlying lease. Tenant agrees at any time and from time to time upon five (5) business days prior notice by Landlord to execute, acknowledge and deliver to Landlord a statement in writing certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications) and the dates to which Rent and other charges have been paid in advance, if any, and stating whether or not Landlord is in default in performance of any covenant, agreement or condition contained in this Lease and, if so, specifying each such default of which the signer may have knowledge, and such other matters as Landlord may request, it being intended that any such statement hereunder may be relied upon by any third party not a party to this Lease. The failure of Tenant to execute any such instruments, leases or documents shall constitute a Default hereunder.

13. **Default.**

Tenant hereby agrees that the following shall be deemed to be events of default ("Default") by Tenant under this Lease: (1) Tenant shall fail to pay when due any installment of Rent or any other payment required pursuant to this Lease; (2) Tenant shall abandon any substantial portion of the Premises; (3) Tenant shall fail to comply with any term, provision or covenant of this Lease, other than the payment of Rent, and the failure is not cured within ten (10) days after written notice to Tenant; (4) Tenant shall file a petition or if an involuntary petition is filed against Tenant, or becomes insolvent, under any applicable federal or state bankruptcy or insolvency law or admit that it cannot meet its financial obligations as they become due; or a receiver or trustee shall be appointed for all or substantially all of the assets of Tenant; or Tenant shall make a transfer in fraud of creditors or shall make an assignment for the benefit of creditors; or (5) Tenant shall do or permit to be done any act which results in a lien being filed against the Premises or the Building and/or project of which the Premises are a part.

14. **Remedies for Tenant's Default.**

14.1 Upon the occurrence of a Default as defined above, Landlord may elect either: (i) to cancel and terminate this Lease and this Lease shall not be treated as an asset of Tenant's bankruptcy estate, or (ii) to terminate tenant's right to possession only without canceling and terminating Tenant's continued liability under this Lease. Notwithstanding the fact that initially Landlord elects under (ii) to terminate Tenant's right to possession only, Landlord shall have the continuing right to cancel and terminate this Lease by giving three (3) days' written notice to Tenant of such further election, and shall have the right to pursue any remedy at law or in equity that may be available to Landlord.

14.2 In the event of election under Section 14.1 (ii) to terminate Tenant's right to possession only, Landlord may, at Landlord's option, enter the Premises and take and hold possession thereof, without such entry into possession terminating this Lease or releasing Tenant in whole or in part from Tenant's obligation to pay all amounts hereunder for the full stated term. Upon such re-entry, Landlord may remove all persons and property from the Premises and such property may be removed and stored in a public warehouse or elsewhere at the cost and for the account of Tenant, without becoming liable for any loss or damage which may be occasioned thereby. Such re-entry shall be conducted in the following manner: without resort to judicial process or notice of any kind if Tenant has abandoned or voluntarily surrendered possession of the Premises; and, otherwise, by resort to judicial process. Upon and after entry into possession without termination of the Lease, Landlord may, but is not obligated to, relet the Premises, or any part thereof, to anyone other than the Tenant, for such time and upon such terms as Landlord, in Landlord's sole discretion, shall determine. Landlord may make alterations and repairs to the Premises to the extent deemed by Landlord necessary or desirable.

14.3 Upon such re-entry, Tenant shall be liable to Landlord as follows:

- A. For reasonable attorneys' fees incurred by Landlord in connection with exercising any remedy hereunder;

- B. For the unpaid installments of Base Rent, Additional Rent or other unpaid sums which were due prior to such re-entry, including interest and late payment fees, which sums shall be payable immediately;
- C. For the installments of Base Rent, Additional Rent, and other sums falling due pursuant to the provisions of this Lease for the period after re-entry during which the Premises remain vacant, including late payment charges and interest, which sums shall be payable as they become due hereunder;
- D. For all reasonable expenses incurred in releasing the Premises, including leasing commissions, attorneys' fees, and costs of alteration or repairs, which shall be payable by Tenant as they are incurred by Landlord; and
- E. While the Premises are subject to any new lease or leases made pursuant to this Section, for the amount by which the monthly installments payable under such new lease or leases is less than the monthly installment for all charges payable pursuant to this Lease, which deficiencies shall be payable monthly.

14.4 Notwithstanding Landlord's election to terminate Tenant's right to possession only, and notwithstanding any reletting without termination, Landlord, at any time thereafter, may elect to terminate this Lease, and to recover (in lieu of the amounts which would thereafter be payable pursuant to the foregoing, but not in diminution of the amounts payable as provided above before termination), as damages for loss of bargain and not as a penalty, an aggregate sum equal to the amount by which the rental value of the portion of the Term unexpired at the time of such election is less than an amount equal to the unpaid Base Rent and Additional Rent and all other charges which would have been payable by Tenant for the unexpired portion of the Term of this Lease, which deficiency and all expenses incident thereto, including commissions, attorneys' fees, expenses of alterations and repairs, shall be due to Landlord as of the time Landlord exercises said election, notwithstanding that the Term had not expired. If Landlord, after such re-entry, leases the Premises, then the rent payable under such new lease shall be conclusive evidence of the rental value of the unexpired portion of the Term of this Lease.

14.5 If this Lease shall be terminated by reason of bankruptcy or insolvency of Tenant, Landlord shall be entitled to recover from Tenant or Tenant's estate, as liquidated damages for loss of bargain and not as a penalty, the amount determined by the immediately preceding paragraph.

14.6 Neither acceptance of rent by Landlord, with or without knowledge of Default, nor the failure of Landlord to take action on account of any default hereof or to enforce its rights hereunder shall be deemed a waiver of any breach, and absent written notice or consent, said breach shall be a continuing one.

14.7 No right or remedy conferred upon or reserved to Landlord or Tenant by this Lease 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 Lease or by law shall be cumulative and in addition to every other right and remedy

14.8 In the event of a dispute between the parties hereto with respect to the enforcement of either party's obligations contained herein, the prevailing party shall be entitled to reimbursement of reasonable attorney's fees, costs and expenses incurred in connection therewith.

15. **Surrender/Hold Over.**

Tenant shall vacate the Premises at the expiration date or other termination of this Lease and shall remove all goods and effects not belonging to Landlord and shall surrender possession of the Premises and all fixtures and systems thereof in good repair, reasonable wear and tear excepted. If Tenant holds over and remains in possession of the Premises or any part thereof after the Expiration Date or the sooner termination of the Term or Tenant's right to possession hereunder, Tenant shall be deemed to hold the Premises as a tenant at sufferance, subject to all of the terms, conditions and covenants of this Lease, except that Rent payable during such holdover period shall be an amount equal to one hundred fifty percent (150%) of the installments of Rent payable at the time of such

expiration or earlier termination. The provisions of this paragraph do not waive Landlord's right of re-entry or right to regain possession by actions at law or in equity or by any other rights hereunder. Tenant shall additionally pay Landlord all direct damages sustained by reason of Tenant's retention of possession.

16. **Destruction, Fire or Other Casualty.**

In case of damage to the Premises by fire or other casualty, Tenant shall give immediate notice thereof to Landlord, and Landlord, to the extent that insurance proceeds respecting such damage are subject to and, in fact, are under the control and use of Landlord, shall thereupon cause such damage to all property owned by Landlord to be repaired as promptly as possible at the expense of Landlord, due allowance being made for delay which may arise by reason causes beyond Landlord's control, and to the extent that the Premises are rendered untenable, the Rent shall proportionately abate, provided the damage above mentioned occurred without the fault or neglect of Tenant, Tenant's servants, employees, agents, contractors, licensees, customers, patrons, invitees or visitors. Notwithstanding the foregoing, if such damage is due to the fault or neglect of Tenant or any of other said persons, the damage may be repaired by Landlord at Tenant's expense and there shall be no apportionment or abatement of Rent. In the event the damage shall be so extensive to the Premises as to render it uneconomical, in Landlord's opinion, to restore for the use of Tenant, or Landlord shall decide not to repair or rebuild the Premises, this Lease, at the option of Landlord, shall be terminated upon written notice to Tenant and the Rent shall, in such event, be paid to or adjusted as of the date of such damage and Tenant shall thereupon vacate the Premises and surrender same to Landlord, provided that no such termination shall release Tenant from any liability to Landlord arising from such damage or from any breach of the obligations imposed on Tenant hereunder.

17. **Eminent Domain.**

If the entire Premises shall be substantially taken for public purposes, or in the event Landlord shall convey or lease the Premises to any public authority under threat of condemnation or taking, this Lease shall thereupon terminate. In the event of a taking, lease or condemnation, whether or not there is a termination hereunder, Tenant shall have no claim against Landlord other than an adjustment of Rent to the date of taking, lease or condemnation, and Tenant shall not be entitled to any portion of any amount that may be awarded as damages or paid as a result or in settlement of such proceedings or threat. Notwithstanding the foregoing, Tenant may pursue its own claim against the condemning authority for any damages or award permitted under the laws of the State of Minnesota, to be paid to Tenant without diminution or reduction of the award, judgment or settlement received by Landlord.

18. **Rights of Access, Prospective Purchasers and Lenders.**

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, Building and Property, including repairs, alterations, decorations, additions or improvements, whether structural or otherwise, in and about the Building, Property or Premises or any part thereof; and (b) to enter to verify use of the Premises or perform cleaning or other Premises related maintenance services. Landlord may enter upon the Premises and may exercise any or all of the foregoing rights or any other rights provided in this Agreement 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. Nothing in this Agreement shall be interpreted as requiring the Landlord to perform any such acts independent of the requirements of the other provisions of this Lease. Landlord or its authorized agents shall at any and all reasonable times have the right to enter the Premises to inspect the same, to show the Premises to prospective purchasers, lessees, mortgages, insurers or other interested parties. Tenant shall, within five (5) days of Landlord's request therefor, provide Landlord with current information and statements regarding the financial condition of Tenant. Landlord shall have the right to use any and all means which Landlord may deem proper to open any door in an emergency without liability therefor. Tenant shall permit Landlord to erect, use, maintain and repair pipes, cables, conduits, plumbing, vents and wires in, to and through the Premises as often and to the extent that Landlord may now or hereafter deem to be necessary or appropriate for the proper use, operation and maintenance of the Building, provided the same does not unreasonably interfere with Tenant's use or operation of the Premises. The Landlord



may order the immediate cessation of any use, improvements, project or work that exceeds the scope of this Lease or otherwise poses a threat to the life, health, safety or welfare of the public, the Premises, Building or Property.

19. **Notice.**

Any notices required to be served in accordance with the terms of this Lease shall be in writing and delivered to Tenant at the address identified in Section 1.8 and to Landlord at the address identified in Section 1.9. Either party may at any time designate by written notice to the other a change in the above addresses or addressees. All notices, demands and requests shall be deemed sufficiently served or given for all purposes hereunder at the time such notice, demand or request shall be mailed by United States Postal Service registered or certified mail, return receipt requested, or deposited with a reputable overnight courier, at the time such notice, demand or request shall be deposited with the overnight courier.

20. **Patriot Act.**

Tenant represents to Landlord, and Landlord represents to Tenant, that the representing party is not (and such party is not engaged in this transaction on behalf of) a person or entity with which either party is prohibited from doing business pursuant to any law, regulation or executive order pertaining to national security (“Anti-Terrorism Laws”) and such party has not violated and, to the best of such party’s knowledge, it is not under investigation for the violation of any Anti-Terrorism Laws pertaining to money laundering. Anti-Terrorism Laws shall specifically include, but shall not be limited to, the “Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001”, Pub. L. No. 107-56 ( also known as the “U.S.A. Patriot Act”); Executive Order 13224; the Bank Secrecy Act, 31 U.S.C. Section 5311 et seq.; the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et seq.; the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et seq.; sanctions and regulations promulgated pursuant thereto by the Office of Foreign Assets Control (“OFAC”), as well as laws related to the prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

21. **Entire Agreement.**

It is expressly agreed by Tenant, as a material consideration for the execution of this Lease, that this Lease, with the specific references to written extrinsic documents, is the entire agreement of the parties: that there are, and were, no verbal representations, warranties, understandings, stipulations, agreements or promises pertaining to this Lease or to the expressly mentioned written extrinsic documents not incorporated in writing in this Lease.

22. **Amendment.**

This Lease may not be altered, waived, amended or extended except by an instrument in writing signed by Landlord and Tenant.

23. **Miscellaneous.**

23.1 If any term or provision of this Lease or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

23.2 All headings in this Lease are intended for convenience or reference only and are not to be deemed or taken as a summary of the provisions to which they pertain or as a construction thereof.

23.3 Except as otherwise provided, the covenants, conditions and agreements contained in this Lease shall bind and inure to the benefit of Landlord, Tenant, and their respective heirs, distributees, executors, administrators, grantees, successors and assigns.

23.4 This Lease contains all agreements of the parties with respect to any matters contained herein. No prior agreement, proposal or understanding pertaining to any such matter binding unless expressly incorporated herein. This Lease may be modified only in writing and signed by the parties in interest at the time of the modification.

23.5 This Lease shall be governed by and construed in all respects in accordance with the laws of the State of Minnesota.

23.6 Submission of this Lease by Landlord or Landlord's agent, or their respective agents or representatives to Tenant for examination and/or execution shall not in any manner bind Landlord and no obligations on Landlord shall arise under this Lease unless and until this Lease is fully signed and delivered by Landlord and Tenant; provided, however, the execution and delivery by Tenant of this Lease to Landlord or Landlord's agent, or their respective agents or representatives, shall constitute an irrevocable offer by Tenant to enter into this Lease on the terms and conditions herein contained, which offer may not be revoked for thirty (30) days after such delivery.

23.7 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.

23.8 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.

23.9 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 the parties 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.

23.10 Pursuant to Minn. Stat. § 16C.05, subd. 5, Tenant agrees that 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 Tenant and involve transactions relating to this Lease. Tenant agrees to maintain these records for a period of six years from the date of termination of this Lease.

23.11 The parties acknowledge that this Lease is subject to the requirements of Minnesota's Government Data Practices Act, Minn. Stat. c. 13.

23.12 The provisions of any applicable law or ordinance relating to civil rights and discrimination shall be considered part of this Lease as if fully set forth herein.

23.13 The parties agree to negotiate all disputes between them in good faith for a period of 30 days from the date of notice of dispute prior to proceeding to formal dispute resolution or exercising their rights under law.

23.14 Tenant acknowledges that this is an agreement to lease the Premises only and that the Tenant does not in any way acquire title to the Premises, under or by virtue of this Lease.

23.15 All covenants, indemnities, guarantees, releases, representations and warranties by any party or parties, and any undischarged obligations of the parties arising prior to the expiration of this Lease (whether by completion or earlier termination), shall survive such expiration.

23.16 The recitals hereto and exhibits attached to this Lease are considered an integral part of it as if fully set forth within it.

24. **Signage.**

Any sign placed on the Building or grounds must be in conformance with the Landlord's sign criteria, if any, and approved in advance in writing by Landlord. Any sign placed on the Building must be in conformance with City municipal code and other codes governing the Building. Tenant, upon vacation of the Premises, or the removal or alteration of its sign for any reason, shall be responsible for the repair, painting or replacement of the Building fascia surface or other portion of the Building where signs are attached if such repair, replacement or repainting is necessary due to the removal of Tenant's signage. If Tenant fails to do so, Landlord may have the sign removed and the cost of removal and any repairs to the Building therefrom shall be payable by Tenant within thirty (30) days of invoice, and such obligation shall survive termination or expiration of this Lease.

*Remainder of Page Left Intentionally Blank*

*Signature Page to Follow*



