

## COMMERCIAL LEASE AGREEMENT

This Commercial Lease Agreement (“**Lease**”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2024 between [insert Westman Entity], LLC, a Minnesota limited liability company, 110 3rd St. E., Suite A, Northfield, MN 55057 (“**Landlord**”) and City of Northfield, a Minnesota municipal corporation, 801 Washington St., Northfield, MN 55057 (“**Tenant**”); (collectively the “**Parties**”).

### RECITALS

A. Landlord is the owner of the business premises, including land, building, and parking lots located at 1280 Bollenbacher Dr, Northfield, MN 55057, consisting of an ice rink, warehouse, parking, storage and general office space (the “**Building**”).

B. The “**Premises**” includes the Building and adjacent parking in the locations depicted on Exhibit A attached hereto, and the related lawns, landscaping, loading docks, overhead doors, parking lot and drive areas contiguous to the Building, as depicted on Exhibit A (collectively, the “**Premises**”). The Premises is legally described in Exhibit A, attached hereto.

C. The parties desire to enter into this Lease to define their respective rights, duties, and liabilities relating to the Premises.

### AGREEMENT

NOW THEREFORE in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

**1. Premises Leased and Use.** In consideration of the rents to be paid and the covenants and agreements to be performed, Landlord does let to Tenant and Tenant does lease from Landlord the Premises on the terms and conditions set forth herein. Tenant shall at all times use the Premises: (i) for ice rink and ancillary warehouse and office purposes only, and for no other use; and (ii) in compliance with all applicable laws, ordinances and governmental regulations. Tenant shall promptly comply with all laws, ordinances and regulations affecting the Premises or Tenant’s business therein, plus insurance company requirements affecting the cleanliness, safety, use and occupation of the Premises, including the ADA.

**2. Term and Possession.**

2.1. Term. The term of this Lease shall be twenty four (24) months, commencing on [redacted], 2024 (the “**Commencement Date**”) and expiring on [redacted], 2026 (the “**Term**”). Notwithstanding the foregoing or any provision of this Lease, Tenant shall have two options to extend the Term as follow: (1) prior to the expiration of the first 12 months of the Term, Tenant may extend the Term for up to six (6) additional months, by providing written notice from the City Administrator of Tenant, at least ten (10) days prior to expiration of such first 12 months of the Term, and (2) during the second 12 months of the Term, Tenant may extend the Term for up to two (2) additional periods of one (1) month each by providing written notice from the City Administrator of Tenant, at least six (6) months prior to expiration of the Term. Any extensions of the Term shall be under the same terms and conditions as contained herein (except Base Rent during such extension period shall increase by 10% above the Base Rent paid during the previous time period).

2.2. Possession of Premises. Tenant shall be given possession of the Premises on or about the Commencement Date. There shall be no gap between the closing date for the sale of the Premises by Tenant to Landlord and the Commencement Date with respect to continual occupation and use of the Premises by Tenant pre- and post-closing on such sale of the Premises by Tenant to Landlord. On the Commencement Date, Tenant shall be responsible for: (i) payment of utilities and other contracted services, and (ii) providing insurance coverages required by this Lease.

**3. Rent.** The Base Rent and all Additional Rent (both as defined below, and collectively referred to herein as “**Rent**”) shall begin to accrue on the Commencement Date.

3.1. Rent Rate. The “**Base Rent**” payable by Tenant to Landlord during the (i) first year of the Term on a monthly basis shall be \$9,000 per month, or \$108,000 annually, and (ii) second year of the Term on a monthly basis shall be \$10,000 per month, or \$120,000 annually.

3.2. Additional Rent. In addition to the Base Rent, Tenant shall pay on a monthly basis as “Additional Rent” during the Term hereof all TIM Costs, as more particularly defined in Section 14 of this Lease, and will include all property taxes applicable to the Premises, reimbursements, charges, costs, and expenses that Tenant assumes or agrees to pay in this Lease, together with all interest and penalties that may accrue thereon, and all other damages, costs, expenses, and sums that Landlord may suffer or incur, or that may become due, by reason of any default of Tenant or failure by Tenant to comply with the terms and conditions of this Lease shall be deemed to be Additional Rent, and in the event of nonpayment, Landlord shall have all the rights and remedies provided herein for failure to pay Rent.

3.3. Payment of Additional Rent. Tenant’s Proportionate Share of the TIM Costs shall be payable in equal monthly installments on the first day of each month, together with Base Rent. At Landlord’s election, Landlord may direct Tenant to pay all TIM Costs directly to the applicable vendor or issuing entity.

3.4. Payment and Proration. Each monthly Rent payment shall be paid in advance on or before the first day of each and every month during the Term without offset or demand. Rent for any partial month shall be pro-rated. If any Rent payment is not made by the 3rd day of any month, a late fee of \$50 per day shall be assessed for each day after the 3rd day of the month that Rent is not paid. All Rent payments shall be delivered to Landlord at: 110 3<sup>rd</sup> St. E., Suite A, Northfield, MN 55057, Attn: Tyler Westman, Manager, or at any other place that Landlord may from time to time designate to Tenant by written notice.

3.5. No Set-Off. Except as expressly stated elsewhere in this Lease, Tenant waives and disclaims any present or future right to withhold any rent payment or other payment due under this Lease, or to set off any obligation of Landlord against any such payment, however incurred, and agrees that it will not claim or assert any right to so withhold or setoff.

#### **4. Repairs and Maintenance.**

4.1. Landlord Maintenance. Landlord shall not have any obligation to maintain, repair or replace the Premises.

4.2. Tenant Maintenance. Except as provided in the second paragraph of this Section 4.2, Tenant at its expense, shall perform all upkeep, repairs, maintenance, or replacements (if necessary) to the Premises and improvements of which the Premises are a part, and keep the Premises in a tenantable condition, reasonable wear and tear excepted, including but not limited to: (i) commercially reasonable and ordinary day-to-day maintenance and repairs to the Premises; (ii) keep Premises in a clean, orderly and sanitary fashion, at its expense and free of any debris, rodents, vermin, insects, and other pests; (iii) keep any trash, garbage, rubbish or refuse temporarily stored in the Premises in accordance with local codes and to arrange for its removal at Tenant's expense on regular basis; (iv) repair and/or maintain in good condition the interior of the Premises; (v) keep the Premises at a temperature sufficiently high to prevent freezing of water pipes and fixtures; (vi) repairs, maintenance, and replacement of all mechanical systems including plumbing, heating, ventilating, air conditioning, and electrical, telephone, gas service serving the Premises; (vii) keep the outside / exterior of all glass in the doors and windows in the Premises; (viii) keep the exterior mechanical / utility fixtures and facilities servicing the Premises, including plumbing, electrical, and utility systems, phone, and internet, and cable systems, security systems, and sprinkler systems; and (ix) keep the exterior of the Building and Premises in good condition, including all lawn and landscaping repairs, maintenance, upkeep and replacements, and all the clearance of all snow and ice from the Premises. Tenant shall at all times keep the Premises in good order, condition and repair, and in a clean, sanitary, safe

condition and in accordance with all applicable laws, ordinances and regulations of any governmental authority having jurisdiction. All maintenance, repairs and replacements shall be made promptly and in good and workmanlike manner and so that defective parts of the Premises are put in good, tenantable and sanitary condition. Tenant's maintenance and repair obligation under this Section 4.2 shall include, but not be limited to, quarterly maintenance and repairs to any HVAC system serving the Premises in order to keep and maintain such HVAC system in good condition and repair. Quarterly maintenance shall be performed by a qualified, reputable HVAC service contractor acceptable to Landlord and shall include inspection, changing filters and belts and adjustments or maintenance that would generally be covered by a mechanical maintenance service contract. Tenant shall permit no waste, damage or injury to the Premises. If Tenant refuses or neglects to perform its obligations of this Section 4.2 adequately and within ten (10) days after written demand (or such other period reasonably necessary to undertake and complete the work, provided Tenant commences work within such 10 days and diligently completes such work), Landlord may make the repairs without liability to Tenant, and if Landlord makes such repairs, Tenant will pay to Landlord as additional Rent, 110% of the cost thereof, upon demand by Landlord. Tenant shall, at its own cost and expense, maintain, repair and, if necessary, replace with glass of the same quality, appearance, and size, all glass within the Premises, including plate glass or glass or other special breakable materials used in structural portions of the Premises, unless replacement was made necessary by a structural flaw in the Building not caused by Tenant's operation of the Premises. Tenant shall also maintain, repair and replace, at its own cost, all interior and exterior windows, doors and door closers in the Premises, unless damage to same is the result of a structural defect in the Building.

Notwithstanding the foregoing, Tenant is not obligated to replace items that are solely functional to the ice rink functions of the Building, which are the ice generating equipment, de-humidification system for the ice rink, and the bleacher heaters. However, consistent with Section 4.1, Landlord is not obligated to make any replacements of such items either, and Tenant agrees that Tenant is obligated to pay Rent and perform all of its other obligations herein, irrespective of whether or not: (a) the Building can be or is used as an ice rink, or (b) the ice rink in the Building is functioning.

## **5. Tenant's Insurance.**

5.1. Liability. Tenant shall procure and keep in effect during the Term, at its own expense, and for the mutual benefit of Landlord and Tenant, a comprehensive general public liability insurance policy. Such insurance policy shall cover claims for personal injuries, wrongful death, property damage and other occurrences occurring in or from the Premises, with a combined single limit for death / personal injury and property damage of \$1,000,000 per occurrence, and \$2,000,000 in the aggregate. Such insurance shall provide coverage for bodily injury, property damage, personal injury, contractual liability applying to this Lease, on an "occurrence basis" rather than a "claims made" basis. Tenant agrees to promptly notify Landlord upon receiving any notice of such asserted claim, demand, liability or cause of action.

5.2. All-Risk / Hazard. Tenant shall maintain at its own cost and expense "Special" or "All-Risks" form insurance, including Fire, Extended Coverage, Vandalism & Malicious Mischief and Theft, in an amount adequate to cover the cost of replacement of all alterations, changes, wall coverings, floors, furnishings, decorations, additions, fixtures and improvements in the Premises in the event of a loss. The insurance which Tenant agrees to carry in this Section shall insure the full insurable value of the improvements and betterments in the Premises, whether or not the same have been paid for by Tenant and, to the extent Landlord has paid for such improvements, such insurance shall name Landlord as a loss payee. Tenant will deposit the policy or policies of such insurance or certificate thereof with Landlord before Tenant takes possession of the Premises and, upon any renewal of said insurance, not less than thirty (30) days prior to expiration of the term of such insurance.

5.3. Insurance Requirements. All insurance policies to be procured by Tenant shall: (i) be delivered to Landlord at least twenty (20) days before the expiration date of the policy then in force; (ii) be issued in the names of and for the benefit of Tenant and Landlord, as their respective interests may appear; (iii) be

issued by insurance companies with general policy holder's rating of not less than A and a financial rating of not less than Class 6 as rate in the most current "Best's Insurance Reports", and licensed to do business and authorized to issue such policies in the State where the Premises is located; and (iv) provide that the policies shall not be canceled, discontinued, or altered without thirty (30) days' written notice to Landlord, each other named insured. Tenant shall deliver annually to Landlord, and at such other times as Landlord shall request, a certificate or certificates, from Tenant's respective insurers, in form reasonably acceptable to Landlord, evidencing that the insurance required under this Lease is in full force and effect, together with satisfactory evidence of payment of premiums thereon before, and in any event before Tenant's occupancy of the Premises or commencement of the term, whichever occurs first. The certificates must identify Landlord as additional insured as to liability insurance and loss payee as to property insurance.

5.4. Landlord May Provide. If Tenant fails to provide any insurance it is required to provide, Landlord may after five (5) days written notice to Tenant, obtain such insurance and keep the same in effect, and Tenant shall pay as additional Rent the premium cost thereof upon demand by Landlord; provided however, Landlord shall obtain such insurance at commercially reasonable rates from reputable companies licensed to do business in the state where the Premises is located.

5.5. Waiver of Subrogation. Landlord and Tenant hereby release each other and each other's employees, agents, customers and invitees from any and all claims, or liability for any loss, damage or injury to person or Premises occurring in, on or about or to the Premises or personal property upon the Premises, by reason of fire or other casualty which are covered by, or for which coverage is readily commercially available for regardless of whether such coverage is actually obtained, applicable standard fire and extended coverage insurance policies. Without limiting the foregoing, because the provisions of this paragraph will preclude the assignment of any claim mentioned herein by way of subrogation or otherwise to an insurance company or any other person, each party to this Lease shall give to each insurance company which has issued to it one or more policies of fire and extended coverage insurance notice of the terms of the mutual releases contained in this paragraph, and have such insurance policies properly endorsed, if necessary, to prevent the invalidation of insurance coverage by reason of the mutual releases contained in this paragraph.

5.6. No Additional Risk. Tenant shall not carry any stock of goods or do anything in or about the Premises which shall in any way increase insurance rates on the Premises or the Building without the prior written consent of Landlord. If Landlord shall consent to such use, Tenant agrees to pay as Additional Rent any increase in premiums for insurance resulting from the business carried on in the Premises by Tenant. If Tenant installs any electrical equipment that overloads the power lines to the Building, Tenant shall, at its own expense, make whatever changes are necessary to avoid such overload and to comply with the requirements of insurance underwriters and insurance rating bureaus and governmental authorities having jurisdiction.

## **6. Indemnification and Release of Landlord.**

6.1. Release. Tenant agrees that Landlord and its equity owners, directors, officers, and employees, shall not be liable for any loss, injury, death, or damage to persons or property which at any time may be suffered or sustained by Tenant or by any person whomsoever may at any time be using, occupying or visiting the Premises or be in, on, or about the same, whether such loss, injury, death, or damage shall be caused by or in any way result from or arise out of any act, omission, or negligence of Tenant or of any occupant, subtenant, visitor, or user of any portion of the Premises, or shall result from or be caused by any other matter or thing whether of the same kind as or of a different kind than the matters or things set forth above (collectively, "**Losses**").

6.2. Indemnity. Tenant shall indemnify, defend and hold Landlord and its equity owners, directors, officers, and employees, harmless against all claims and demands, liability, loss, actions, damage, costs and expenses whatsoever on account of any such Losses, and such Losses that arise from or relate to: (i)

Tenant's possession, use or occupancy of the Premises; (ii) acts or omissions of Tenant (whether in whole or in part) and its officers, employees, agents, contractors, and invitees; and (iii) any default of Tenant under the Lease. Tenant hereby waives all claims against Landlord for damages to the Building and improvements that are now on or hereafter placed or built on the Premises and to the equipment or other property of Tenant in, on, or about the Premises, and for injuries to persons or property in or about the Premises, from any cause arising at any time during the term hereof, except for Losses arising by reason of: (i) the negligence or willful misconduct of Landlord; or (ii) Landlord's breach of a material obligation of Landlord under this Lease. Indemnification required by the terms hereof shall include, but not by way of limitation, all costs, counsel fees, expenses and liabilities incurred in connection with the defense of such claim. Nothing in this Lease shall be construed to waive any immunities or limitations to which Tenant is entitled under Minn. Stat. Chapter 466 or otherwise.

6.3. Insurance. Nothing contained in this Section 6 shall detract from Landlord's rights to protection under the comprehensive general public liability insurance policy to be paid for by Tenant as specified in Article 5 hereof.

## **7. Improvements.**

7.1. Tenant Acceptance / Landlord Improvements. Tenant agrees that: (i) Tenant currently occupies the Premises and has examined the Premises; (b) the Premises are in good, tenantable and sanitary condition; and (iii) Tenant will accept the Premises in "as-is" "where-is" condition on the Commencement Date.

7.2. Alterations and Improvements. Tenant shall not make any improvement, alterations in or additions to the Premises (collectively, "**Improvements**") nor make any contract therefor, without first procuring Landlord's advance written consent and delivering to Landlord the plans, specifications, names and addresses of contractors, copies of proposed contracts and the necessary permits, all in form and substance satisfactory to Landlord, and furnishing indemnification against liens, costs, damages and expenses as may be required by Landlord. Any consent of Landlord to Tenant's installation of Improvement or trade fixtures may be conditioned on whether or not such Improvements or trade fixtures will be required to be removed upon surrender of the Premises. Any Improvements made by Tenant shall: (i) at the option of Landlord, be and remain the property of Landlord at the expiration or termination of this Lease; and (ii) make such Improvements only in accordance with the terms and conditions of Landlord's consent. All Improvements shall be made in a good and workmanlike manner and in compliance with all laws and regulations of any governmental agency having jurisdiction over the Premises, and in compliance with the plans and specifications submitted to Landlord. Tenant shall promptly pay all contractors and materialmen so as to avoid the possibility of a mechanic's lien attaching to the Premises or the Building, and shall any lien be made, filed, or attached, Tenant shall bond against or discharge the same within ten (10) days of such filing. Tenant shall defend, indemnify, and hold Landlord, the Premises, and the Building harmless against all claims and demands of every kind and character which result from or arise out of the making of such Improvements, including mechanic's and materialman's liens filed, asserted, or claimed. Landlord may enter the Premises at any reasonable hour to inspect any such Improvements and verify compliance with the terms and conditions of Landlord's consent. If Landlord consents to the Improvements, Tenant shall be solely responsible for obtaining, at Tenant's cost, all permits required for the Tenant Alterations and will provide copies of such permits to Landlord before proceeding with the work. Tenant shall perform the Improvements in full compliance with the plans and specifications approved by Landlord and all applicable laws and codes. Upon completion of the Tenant Alterations, Tenant shall furnish Landlord with copies of any certificates of completion and certificates of occupancy that may be issued or available that evidence completion of the Improvements in compliance with this Section.

7.3. Termination. All Improvements and fixtures, other than Tenant's trade fixtures and decorative hanging lighting fixtures, which may be made or installed by either Landlord or Tenant upon the Premises shall be the property of Landlord and, at Landlord's option, shall remain upon and be surrendered with the

Premises as a part thereof, without disturbance, or injury at the termination of the Term of this Lease, whether by the lapse of time or otherwise, all without compensation or credit to Tenant. At the Termination of the Term of this Lease, Tenant shall have the right to remove, at Tenant's expense, any portable items of Tenant's Improvements, including Zamboni, locker storage cabinets and similar items, provided however, Tenant shall be responsible to repair any damage resulting from such removal, and Tenant shall restore the Premises to its original condition.

## **8. Damage or Destruction; Condemnation.**

8.1. Damage or Destruction. If during the Term the Premises shall be injured or destroyed by fire or the elements, or through any other cause, so as to render the Premises unfit for occupancy, or make it impossible to conduct the business of Tenant thereon, or to such an extent that they cannot be repaired with reasonable diligence within one hundred twenty (120) days from the happening of such injury, then Landlord may terminate this Lease from the date of such damage or destruction, and Tenant shall immediately surrender the Premises and all interest therein to Landlord, and Tenant shall pay rent or any other costs or expenses payable by Tenant under this Lease only to the time of such damage or destruction. In case of any such destruction or injury, Landlord may re-enter and repossess the Premises with this Lease so terminated and may dispossess all parties then in possession. If the Premises can be restored within one hundred twenty (120) days from the happening of the injury thereto, and Landlord within twenty (20) days from the occurrence of such injury elects by notice in writing to Tenant to repair or restore the Premises within one hundred twenty (120) days from the happening of the injury thereto, then this Lease shall not end or terminate on account of such injury by fire or otherwise, but the Rent and any other costs and expenses payable by Tenant under this Lease shall not accrue after the injury and during the process of repairs, and up to the time when the repairs shall be completed, except only that Tenant shall during such time pay a pro-rata portion of such Rent apportioned to the portion of the Premises which are in condition for occupancy or which may be actually occupied. If however, the Premises shall be so slightly injured by any cause aforesaid, as not to be rendered unfit for occupancy, then Landlord shall repair the same with reasonable promptness, and in that case the rent shall not cease or be abated during such repairing period.

### **8.2. Condemnation.**

8.2.1 Effect of Total Condemnation. If the entire Premises shall be appropriated or taken under the power of eminent domain by any public or quasi-public authority, this Lease shall terminate and expire as of the date of such taking, and Tenant shall thereupon be released from any and all liability thereafter accruing hereunder, including but not limited to Rent and any other costs and expenses payable by Tenant under this Lease.

8.2.2 Effect of Partial Condemnation. If a substantial portion of the Premises shall be so appropriated or taken and the remainder of the Premises shall not be suitable for the use then being made of the Premises by Tenant, or if the remainder of the Premises is not one undivided parcel of property, Tenant shall have the right to terminate this Lease as of the date of such taking by giving to Landlord written notice of termination within sixty (60) days after Landlord has notified Tenant in writing that the Premises have been so appropriated or taken and Tenant shall thereupon be released from any and all liability thereafter accruing hereunder, including but not limited to Rent and any other costs and expenses payable by Tenant under this Lease.

In the event of such partial taking which does not so terminate this Lease, then this Lease shall continue in full force and effect as to the part not taken, and the rental to be paid by Tenant during the remainder of the term shall be adjusted pro rata by mutual agreement of Landlord and Tenant, or, if they cannot agree, then by a majority of three (3) independent appraisers, one designated by Landlord, one designated by Tenant, and one designated by the first two appraisers named.

8.2.3 Condemnation Award. In the event of the termination of this Lease by reason of the total or partial taking of the Premises by eminent domain, then in any such condemnation proceedings

Landlord and Tenant each shall be free to make a claim against the condemning or taking authority for the amount of any damage done to them, respectively, as a result thereof.

**9. Assignment.** Landlord may assign, transfer or sublet its rights under this Lease with respect to all or part of the Premises, upon written notice to, but without the consent of, Tenant. Tenant may not assign, sublet, or otherwise transfer its rights under this Agreement without the prior written consent of Landlord.

**10. Signs.** Tenant may, at its cost, display, print, maintain, or affix any signs or other advertising matter or material on the Premises. All signs shall comply with the requirements of governmental authorities having jurisdiction over the Building. Except as provided for herein, or otherwise agreed to in writing by the parties, all signage fabrication, and installation shall be at the expense of Tenant. All signage installed by Tenant shall be removed by Tenant at its expense upon surrender of the Premises.

**11. Utilities.** Tenant shall pay before delinquent, all utilities serving the Premises as necessary or desirable for Tenant's use of the Premises, including without limitation, electricity, water, sewer, natural gas, phone, internet and all other utilities. Tenant agrees to keep the HVAC systems operating at levels sufficient to satisfy the requirements of the Premises. Landlord shall not be liable in damages or otherwise if any utility or other service furnished to the Premises shall be interrupted or impaired by fire, repairs, accident, or by any causes beyond Landlord's reasonable control and not caused by Landlord's gross negligence.

**12. Default; Performance for Others.**

12.1. Tenant Default Defined. Tenant shall be in "Default" of this Lease upon the happening of any of the following events: (i) any failure of Tenant to pay any Rent due hereunder within three (3) days after the same is due; or (ii) any failure by Tenant to keep and perform any other of the terms, conditions, covenants, or agreements of this Lease, agreed to be observed or performed by Tenant for more than ten (10) days (or such longer time as is reasonably necessary if cure cannot be completed within ten (10) days, but provided that Tenant has commenced cure within such 10 day period, diligently proceeds with and completes the cure of such breach within a reasonable time, and reasonably timely keeps Landlord informed of the progress of the cure), after written notice of such default or violation shall have been given to Tenant; or (iii) if Tenant shall file any debtor proceedings, including a petition in bankruptcy or insolvency or for reorganization or for the appointment of a receiver or trustee of all or a portion of Tenant's property, or makes an assignment for the benefit of creditors, or petitions for or enters into an arrangement; or (iv) if Tenant shall abandon the Premises, leave the Premises vacant, or suffer this Lease to be taken under any writ of execution.

12.2. Landlord Remedies. If Tenant shall be in Default herein, Landlord shall have the option to: (i) terminate this Lease; (ii) cure the default and charge 110% of the cost of such cure to Tenant; or (iii) collect from Tenant its damages and other sums owed under this Lease.

12.2.1 Termination. If Landlord elects to terminate this Lease based upon Tenant's Default pursuant to Section 12.1, then: (i) the liability of Tenant for the payment of all Rent, and performance of Tenant's covenants and obligations under this Lease, including Sections 4 and 5 above, shall continue through the end of the Term.

12.2.2 Cure/Performance for Others. If Tenant fails or refuses to perform or observe any provision of this Lease on its part to be performed or observed, Landlord may, at its option, perform or observe such provision, and Tenant shall immediately pay to Landlord 110% of the cost of such performance or observance. All sums so paid by Landlord shall accrue interest at the rate of twelve percent (12%) per annum from the date Tenant receives an invoice for such item.

12.2.3 Additional Remedy Provisions. Should termination of Tenant's estate occur as herein provided, then: (i) the liability of Tenant for Rent and its other obligations herein shall not be extinguished

for the balance of the Term; and (ii) Landlord may make such alterations and repairs as may be necessary in order to relet the Premises, or any part thereof. If such rentals received from such reletting during any month be less than that to be paid during that month by Tenant hereunder, Tenant shall pay any such deficiency to Landlord. Such deficiency shall be calculated and paid monthly.

12.2.4 Election. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Lease for such previous breach. Should Landlord at any time terminate this Lease for any breach, in addition to any other remedies it may have, it may recover from Tenant all damages it may incur by reason of such breach, including the worth at the time of such termination of the amount of Rent and charges equivalent to Rent reserved in this Lease for the remainder of the Term, all of which amount shall be immediately due and payable from Tenant to Landlord. Neither termination of this Lease, nor repossession of the Premises, nor expiration of the Term (and any renewal or extension thereof) shall relieve Tenant of its liability for performance of its obligations under this Lease, which liability shall survive and be fully enforceable after any such termination, repossession or expiration. In the event of any such termination or repossession, whether or not the Premises shall have been relet, Tenant shall pay to Landlord the Rent, Additional Rent, and other sums and charges to be paid by Tenant under this Lease.

12.2.5 Cumulative Remedies. The foregoing remedies are not intended to limit or qualify such other remedies the parties may have at law or in equity. All remedies shall be cumulative and the use of one remedy by a party shall not preclude or waive the right to the use of any or all others.

12.3. Automatic Termination. If at anytime during the Term: (i) Tenant shall file in any court a petition in bankruptcy or insolvency or for reorganization, or for arrangement or for the appointment of a receiver or trustee of all or a portion of Tenant's property, (ii) an involuntary petition of any kind referred to in Subdivision (i) of this Section shall be filed against Tenant, and such petition shall not be vacated or withdrawn within thirty (30) days after the date of filing thereof, or (iii) Tenant shall make an assignment for the benefit of creditors, (iv) Tenant shall be adjudicated a bankrupt, or (v) a receiver shall be appointed for the property of Tenant by order of a court of competent jurisdiction (except where such receiver shall be appointed in an involuntary proceeding, if he shall not be withdrawn within thirty (30) days from the date of appointment), Tenant's estate and right to possession hereunder shall terminate ipso facto upon the happening of any one of such events, and Tenant shall then quit and surrender the Premises to Landlord, but Tenant shall remain liable as provided herein.

12.4. Landlord Default. Landlord shall not be in default under this Lease unless Tenant has given Landlord written notice specifying the nature of the default and Landlord fails to cure such default within twenty (20) days after receipt of such notice or such longer time as is reasonably necessary if cure cannot be completed within 20 days, but provided that Landlord has commenced cure within such 20 day period, diligently proceeds with and completes the cure of such breach within a reasonable time.

### **13. Hazardous Materials.**

#### **13.1. Definitions.**

13.1.1 **"Hazardous Materials"** means: (a) "hazardous substances" or "toxic substances" as those terms are defined by the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. § 9601, et seq., or the Hazardous Materials Transportation Act, 49 U.S.C. § 1801, et seq., both as amended; (b) "hazardous wastes," as that term is defined by the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6901, et seq., as amended; (c) any pollutant or contaminant or hazardous, dangerous, or toxic chemicals, materials, or substances within the meaning of any other applicable federal, state, or local law, regulation, or requirement (including consent decrees and administrative orders) relating to or imposing liability or standards of conduct concerning any hazardous, toxic, or dangerous waste substance or material, all as amended; (d) crude oil or any fraction of it that is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute); (e) any radioactive material, including any source, special nuclear, or by-product material as



defined at 42 U.S.C. § 2011, et seq., as amended; (f) asbestos in any form or condition; and (g) polychlorinated biphenyls (PCB's) or substances or compounds containing PCB's.

13.1.2 **“Environmental laws”** means any applicable federal, state, or local law, regulation or ordinance relating to public health and safety and protection of the environment, including those statutes, laws, regulations and ordinances identified in Section 13.1.1, as amended.

13.2. Tenant Use. Tenant shall not: (i) generate, store, treat, handle or otherwise use (or permit the same) or permit any Hazardous Materials upon the Premises in violation of Environmental Laws, or in a manner that may give rise to liabilities, costs, or damages to Landlord; or (ii) dispose (or permit disposal) of Hazardous Materials on or under the Premises, Building, or surrounding land. Tenant shall: (i) handle all Hazardous Materials in strict accordance with all Environmental Laws; (ii) keep appropriate records with respect to its compliance with Environmental Laws; (iii) use the Premises and operate its business in compliance with all Environmental Laws; and (iv) permit Landlord to inspect the Premises from time to time to confirm Tenant's compliance with this Section 13. Tenant, at its sole cost and expense, will comply with all Environmental Laws related to Tenant's use of the Premises.

13.3. Indemnity. Tenant agrees to defend, indemnify and hold Landlord, the Building, and Landlord's successors and assigns, harmless from any and all claims, losses, causes of action, damages, penalties, and costs which may be asserted against or incurred by Landlord resulting from: (i) a breach by Tenant of any of the covenants and obligations contained in Section 13.2 above; and (ii) a spill, disposal or other release or threatened release of Hazardous Material on the Premises caused or permitted by Tenant, or resulting from or due to any violation of any Environmental Laws by Tenant, or otherwise occurring on or with respect to the Premises during the Term. For the purposes of this Section 13.3, Landlord's losses and damages include: (i) claims of third parties (including governmental agencies) for damages, penalties, response costs, injunctive or other relief; (ii) diminution in the value of the Premises or the Building, damages for the loss or restriction of use of rentable or usable space in the Premises or the Building; (iii) expenses, including fees of attorneys and experts, or reporting the existence of Hazardous Materials to any governmental agency; and (iv) any and all expenses or obligations, including attorneys' fees, incurred at, before and after any trial or appeal therefrom or administrative proceeding or appeal therefrom whether or not taxable as costs, including without limitation, attorneys' fees and costs, witness fees (expert and otherwise), and other expenses, all of which shall be paid by Tenant when accrued. Tenant's indemnification of Landlord includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Materials present in the Premises or on or under the Building.

13.4. Tenant's Covenants. On or before the expiration or earlier termination of this Lease, Tenant will completely remove from the Premises (regardless of whether any Environmental Laws require removal), in compliance with all Environmental Laws and at Tenant's sole cost and expense, all Hazardous Materials Tenant causes or permits to be present in, on, under or about the Premises after commencement of the Term. Upon request of Landlord during the Term, Tenant shall promptly, but in event later than 7 days, deliver to Landlord documentation reasonably acceptable to Landlord disclosing the nature and quantity of any Hazardous Materials located at or on the Premises, and evidencing the legal and proper handling, storage and disposal of all Hazardous Materials kept at, removed, or to be removed from the Premises by Tenant. All such documentation will list Tenant or its agent as the responsible party and will not attribute responsibility for any such Hazardous Materials to Landlord. Tenant will comply with and is solely responsible for all reporting and warning obligations required under Environmental Laws arising from or during Tenant's use or occupancy of the Premises.

13.5. Notice of Actions. Tenant will notify Landlord of any of the following actions affecting Landlord, Tenant or the Premises that result from or in any way relate to Tenant's use or occupation of the Premises immediately after receiving notice of the same: (i) any enforcement, clean-up, removal or other governmental or regulatory action instituted, completed or threatened under any Environmental Law;

(ii) any claims, obligations or liabilities made or threatened relating to any Hazardous Materials; and (iii) any reports, records, letters of inquiry and responses, manifests or other documents made by any person, including Tenant, to or from any environmental agency relating to any Hazardous Materials, including any complaints, notices, warnings or asserted violations. Tenant will not take any remedial action in response to the presence of any Hazardous Materials in, on, under or about the Premises, nor enter into any settlement agreement, consent decree or other compromise with respect to any such claims relating to or in any way connected with Hazardous Materials in, on, under or about the Premises, without first notifying Landlord of Tenant's intention to do so and affording Landlord reasonable opportunity to investigate, appear, intervene and otherwise assert and protect Landlord's interest in the Premises..

#### **14. Taxes, Insurance and Maintenance (“TIM”).**

14.1. Proportionate Share. The term “Proportionate Share” shall be 100% except with respect to all TIM Costs.

14.2. Real Property Taxes and Assessments. Tenant is a tax exempt government organization and is not subject to payment of property taxes or assessments. If Tenant does not wish to pay real estate taxes, Tenant shall procure any such exemption for the Premises from applicable taxing authorities. At no cost to Landlord, Landlord will consent to Tenant’s requests for tax exemption. In the event that the Premises’ tax exempt status changes to be taxable or subject to payment of assessments for any reason, the responsibility for timely payment of such property taxes and/or assessments on the Premises shall be borne exclusively by Tenant. In the event that Tenant does not timely pay the same, Landlord may make payment thereof but is not required to. Tenant shall be responsible for and pay as a part of TIM, all real property taxes, general and special assessments, water and sewer assessments, or any other public or governmental charges and assessments, and costs and fees incurred by Landlord in contesting or negotiating with public authorities any of the foregoing which may be levied or assessed against the Building by any lawful authority for each calendar year or portion thereof commencing on the Commencement Date (collectively, “**Real Estate Taxes**”). The Real Estate Taxes will be prorated for any partial year. If the methods of taxation prevailing as of the commencement of this Lease shall be altered so that in addition to, or in lieu of, or as a substitute for the whole or any part of the real estate taxes now levied, assessed or imposed on real estate as such there shall be levied, assessed or imposed: (i) a tax on the rent received from such real estate; or (ii) a license fee measure by the rent receivable by Landlord for the Building or any portion thereof; or (iii) a tax or license imposed upon Landlord which is otherwise measured by or based in whole or in part upon the Building or any portion thereof, then the same shall be included in real estate taxes. Landlord shall take commercially reasonable steps necessary to minimize the Real Estate Taxes assessed against the Building and Premises. Tenant may, at its sole cost, challenge any Real Estate Taxes assessed against the Building and/or Premises with the designated taxing authority. Landlord shall furnish Tenant with copies of such tax and assessment statements from the taxing authority.

14.3. Insurance Provided by Landlord. Tenant shall be responsible for all Insurance costs provided by Landlord commencing on the Commencement Date. The Insurance costs will be prorated for any partial year subject to Tenant’s payment of Additional Rent. Subject to Tenant’s payment of Rent, Landlord agrees to carry, during the Term, Commercial General Liability Insurance (“**Landlord’s Liability Insurance**”) on the Common Areas and Building, providing coverage of not less than One Million Dollars (\$1,000,000.00), or in such greater sum as Landlord deems appropriate. Landlord also agrees to carry, during the Term, all risk property insurance (“**Landlord’s Property Insurance**”) covering fire and extended coverage, vandalism and malicious mischief, sprinkler leakage and all other perils of direct physical loss or damage insuring the improvements and betterments located in the Building, including the Premises and all appurtenances thereto (excluding Tenant's Property) for the full replacement value thereof, and Tenant shall have no interest therein. Landlord’s Liability Insurance and Landlord’s Property Insurance are collectively referred to as “**Insurance**”. Landlord, upon request, shall furnish Tenant a certificate of Landlord’s Insurance. Tenant shall provide for additional insurance directly as provided for in Section 5. If Tenant’s use of the Premises increases the premium rate for Insurance carried by Landlord, Tenant shall pay

Landlord, upon demand, the amount of such premium increase. If Tenant installs any electrical equipment that overloads the power lines to the Building or the Building's wiring, Tenant shall, at Tenant's own expense, make whatever changes are necessary to comply with the requirements of the insurance underwriter, insurance rating bureau, and governmental authorities.

14.4. Payment of TIM. Effective upon the Commencement Date, Tenant shall pay to Landlord, on the first day of each month and together with other Rent, Tenant's Proportionate Share of the Real Estate Taxes, Insurance and costs specified in Section 5 above (collectively the "**TIM Costs**"). Tenant's TIM Costs shall be based upon Landlord's invoiced costs, as provided above, and shall be adequately documented by actual billings, or other suitable evidence, which shall be submitted to Tenant upon Tenant's reasonable written request.

14.5. Adjustments. Within ninety (90) days following the end of each calendar year, Landlord shall furnish Tenant with a statement showing the total TIM Costs for the calendar year just expired, the amount of Tenant's Proportionate Share of such TIM Costs and payments made by Tenant during such calendar year. If Tenant's Proportionate Share of such TIM Costs for such calendar year shall exceed Tenant's payments as shown on such statement, then Tenant shall within thirty (30) days pay the difference to Landlord. If the statement indicates an overpayment by Tenant, then Tenant shall be entitled to offset such excess against payments becoming due or any other payment obligations under this Lease or otherwise receive a refund from Landlord for such amount.

14.6. Tenant's Tax Obligations. In addition to Tenant's obligation to pay to Landlord as Additional Rent on a monthly basis Tenant's Proportionate Share of all Real Estate Taxes, Tenant shall pay, prior to the due date thereof, all real and personal property taxes, and sales and use taxes due upon Tenant's machinery, equipment, inventory, or other personal property or assets of Tenant, and upon all trade fixtures and leasehold improvements installed by Tenant if applicable to a city government unit under State law.

## **15. Surrender.**

15.1. Generally. At the termination or expiration of this Lease by lapse of time or otherwise, Tenant shall: (i) remove all of its personal property and trade fixtures including the Zamboni, and Tenant shall repair any damage caused by such removals at Tenant's own expense, including but not limited to, repairing all damage to adjacent walls, floors and ceilings, patching all holes and removing carpeting if gaps in carpeting result from removal of interior walls, reasonable wear and tear excepted; (ii) return the Premises to a good condition and repair (except only ordinary wear and tear and damage or destruction) which is required by the terms hereof to be repaired, maintained or replaced by Tenant; (iii) quit and surrender the Premises and keys thereto, in good and clean condition; and (iv) repair the damage to the Premises caused by the removal of Tenant's property. If Tenant fails to perform the obligations under this Section 16 or if the Premises is not surrendered at the end of the Term or upon the sooner termination thereof in the condition required by this Lease, then: (i) Tenant shall indemnify, defend and hold harmless Landlord against loss, liability, cost and expense resulting from Tenant's failure to so surrender the Premises; and / or (ii) Landlord may effect such removals and repairs, and Tenant shall pay Landlord the cost thereof, with interest at the rate of ten percent (10%) per annum, or from the date of payment by Landlord.

15.2. Hold-Over. If Tenant remains in possession of the Premises after the expiration or the termination of this Lease: (i) with the consent of Landlord but without execution of a new lease, Tenant shall be deemed to be occupying the Premises as a tenant from month to month, at 150% of the Base Rent, subject to all the other conditions, provisions and obligations of this Lease insofar as the same are applicable to a month-to-month tenancy; and (ii) without the consent of Landlord, Tenant shall be deemed to be occupying the Premises as a tenant at sufferance, subject to immediate eviction without further notice and Tenant shall pay rent to Landlord for such holdover period at 150% of the Base Rent payable immediately prior to expiration of the Term or any renewal or option term thereafter.

**16. Option to Repurchase.** Tenant shall have the option to purchases the Premises at any time during the

Term or any extension thereof.

16.1. Property Optioned. Landlord hereby grants to Tenant the exclusive right and option (the “**Option**”) to be exercised on or before the end of the Option Term (defined below) to purchase the Premises according to the term of this Section 16.

16.2. Option Term. The time period of Tenant’s option to purchase (the “Option Term”) shall commence as of the Commencement Date and shall terminate upon the date of expiration of the Term or any extension thereof.

16.3. Exercise of Option. Written notice of election to exercise the Option to purchase the Premises shall be given by Tenant to Landlord, at least sixty (60) days prior to the expiration of the Option Term. at the address set forth herein.

16.4. Purchase Price and Closing Date. The total purchase price to be paid by Tenant to Landlord for the Premises if the option is exercised in year 1 of this Agreement is One Million One Hundred Fifty Thousand and 00/100 Dollars (\$1,150,000.00) (the “**Purchase Price**”), payable by wire transfer on the Closing Date, which shall be within sixty (60) days from the date of Tenant’s written notice of election to exercise the Option.

16.5. Form of Deed and Closing. Within sixty (60) days from the date of Tenant’s written notice of election to exercise the Option to purchase the Premises for the Purchase Price, Landlord shall execute a standard form quit claim deed (the “**Deed**”) conveying and quit claiming the Premises to Tenant and such other documents as necessary to effectuate the real estate transaction and for Tenant to record the Deed. The Parties may use a title company to act in closing the real estate transaction and Tenant shall pay all such customary fees charged by the title company for closing.

16.6. Prorations. Tenant shall pay all state deed tax regarding the Deed to be delivered by Landlord to Tenant. Real estate taxes and any special assessments, if any, payable in the year of Closing shall be prorated between Landlord and Tenant to the Closing Date. Tenant shall pay real estate taxes and any special assessments, if any, payable after the Closing Date. Tenant will pay the cost of recording the Deed. Landlord shall pay any liens or encumbrances on the Premises on the Closing Date in order that title to the Premises shall be clear of any such liens or encumbrances as well as the cost of recording any documents necessary to perfect its own title. Since Tenant would be in possession of the Premises, all other operating costs of the Premises will be paid by Tenant as of the Closing Date. Each of the parties will pay its own attorneys’, accountants’ and consultants’ fees.

## 17. General Terms.

17.1. Quiet Enjoyment. So long as Tenant is not in Default hereunder, Tenant shall quietly have and enjoy the Premises and appurtenant rights during the Term.

17.2. Notices. All notices, requests, demands and other communications which may or are required to be served or given hereunder (for the purposes of this Section collectively called “**Notices**”) shall be in writing and shall be delivered: (i) personally to an officer of Buyer or Seller; (ii) if transmitted by electronic mail, followed by mailed notice as above required; or (iii) if deposited cost paid with a nationally recognized, reputable overnight courier, properly addressed to the party to receive such Notices as follows:

If to Landlord:

[Redacted] [Westman Entity], LLC  
Attn: [Redacted]  
110 3rd St East STE A  
Northfield, MN 55057  
Email: [Redacted]

If to Tenant: City of Northfield  
Attn: Ben Martig  
801 Washington Street  
Northfield, MN 55057

Either party may, by Notice given as aforesaid, change its address for all subsequent Notices, except that neither party may require Notices to it to be sent to more than two addresses. Notices shall be deemed given when mailed in the manner provided above.

17.3. Severability; Amendment; Binding Effect. Each provision, section, sentence, clause, phrase, and word of this Agreement is intended to be severable. If any provision, section, sentence, clause, phrase, and word hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement, provided that: (i) each party receives the substantial benefit of its bargain with respect to the transaction contemplated hereby; and (ii) the ineffectiveness of such provision would not result in such a material change as to cause completion of the transactions contemplated hereby to be unreasonable.

17.4. Access to Premises. Landlord reserves the right to enter upon the Premises at all reasonable hours for the purpose of inspecting the same, or of making repairs, additions, alterations to the Building and Premises, to exhibit the Premises to prospective tenants, purchasers or others, to display during the last one hundred eighty (180) days of the Term, without hindrance by Tenant, "For Rent" or similar signs on windows or doors in the Premises. The exercise by Landlord of any of its rights under this Section shall not be deemed an eviction or disturbance of Tenant's use and possession of the Premises.

17.5. Minnesota Law. This Lease shall be construed and enforced in accordance with the laws of the State of Minnesota. All disputes concerning this Lease shall be venued and heard in the County in which the Premises is located.

17.6. Entire Agreement. This Lease contains the entire understanding of the parties hereto with respect to the transactions contemplated hereby and supersedes all prior agreements and understandings between the parties with respect to the subject matter. No representations, warranties, undertakings or promises, whether oral, implied, written or otherwise, have been made by either party hereto to the other unless expressly stated in this Lease or unless mutually agreed to in writing between the parties hereto after the date this agreement is signed, and neither party has relied on any verbal representations, agreements or understandings not necessarily set forth herein.

17.7. Waiver. The waiver of Landlord, or the failure of Landlord to take action with respect to any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant, or condition, or subsequent breach of the same, or any other term, covenant, or condition herein contained. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant, or condition of this Lease, other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent.

17.8. Time of the Essence. Time is of the essence of this Lease, and of each and every covenant, term, condition, and provision hereof.

17.9. Section Captions. The captions appearing under the section number designations of this Lease are for convenience only and are not a part of this Lease and do not in any way limit or amplify the terms and provisions of this Lease.

17.10. Survival. The provisions of Sections 2.1, 3, 4.2, 5, 6, 7, 10, 11, 12, 13, 14, 15 and 17 shall survive any assignment, transfer, termination or expiration of this Lease for the applicable statute of limitations time period. In addition to the obligations specifically referred to above, the following

obligations shall survive the expiration or termination of this Lease: (i) obligations herein permitted to be performed after the end of the termination of this Lease; (ii) obligations not reasonably susceptible of performance prior to the termination of this Lease; and (iii) obligations to be performed pursuant hereto at or before the end of the Term which is not so performed.

17.11. Memorandum of Lease. Tenant may not file or record this Lease or any short form Memorandum of Lease without the prior written consent of Landlord.

17.12. Attorneys' Fees. In connection with any Default concerning this Lease, the prevailing party shall be entitled to reimbursement of all of its attorneys' fees and court costs reasonably incurred by such prevailing party in enforcing this Agreement, from the non-prevailing party.

17.13. Counterparts; Electronic Signatures. This Agreement may be executed in one or more counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together will constitute one and the same instrument. Facsimile or PDF counterpart signatures to this Agreement shall be acceptable and binding.

17.14. Subordination. At Landlord's option, this Lease shall be subordinate to or junior to any mortgage that is or may be placed upon the Premises by Landlord, and Tenant shall execute any and all reasonably documents necessary to establish that this Lease is subordinate or junior, provided however, that such future mortgagee consents in writing to permit Tenant's quiet enjoyment of the Premises so long as Tenant observes and performs all the obligations and covenants contained herein.

17.15. Liens. If because of any act or omission of Tenant or anyone claiming by, through, or under Tenant, any mechanic's lien or other lien shall be filed against the Premises or against other property of Landlord (whether or not such lien is valid or enforceable as such), Tenant shall, at its own expense, cause the same to be discharged of record (or adequately bonded over) within a reasonable time after the date of filing thereof, and shall also defend, indemnify and hold Landlord harmless from any and all claims, losses, damages, judgments, settlements, costs and expenses, including attorneys' fees, resulting there from or by reason thereof.

17.16. Compliance. Tenant shall comply with all laws, ordinances, orders and regulations regarding Tenant's particular use, occupancy or alterations of the Premises, and the cleanliness, safety or operation thereof. Tenant shall comply with the reasonable regulations and requirements of any governmental agency, insurance underwriter, inspection bureau or similar agency with respect to that portion of the Premises installed by Tenant. Tenant shall permit Landlord to comply with such recommendations and requirements with respect to that portion of the Premises installed by Landlord.

17.17. Estoppel Certificate. Within twenty (20) days after request therefor by Landlord, Tenant shall provide a signed, dated Estoppel Certificate in recordable form to any proposed mortgagee or purchaser, or to Landlord certifying (if such be the case) that this Lease is in full force and effect and there are no defenses or offsets thereto, or stating those claimed by Tenant and certifying to such other matters as such party shall reasonably require.

17.18. Tenant's Covenants. Tenant hereby covenants, warrants and represents that: (i) by executing this Lease and by using the Premises as permitted by this Lease, it is not violating, has not violated and will not be violating any restrictive covenant or agreement contained in any other lease or contract affecting Tenant or any affiliate, associate or any other person or entity with whom or with which Tenant is related or connected financially or otherwise; and (ii) all financial information provided to Landlord by Tenant prior to the date of this Lease is true and correct in all respects, and fairly presents the financial condition of Tenant as of the date of such financial information, and no material adverse change has occurred in the financial condition reflected therein since the date of such financial information. All financial statements shall be prepared in accordance with generally accepted accounting principles or in such other form as is acceptable to Landlord and shall be certified by Tenant as true, correct and complete.

17.19. 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 Landlord in connection therewith.

17.20. Records—Availability and Retention. Pursuant to Minn. Stat. § 16C.05, subd. 5, Landlord agrees that Tenant, the state auditor of the state of Minnesota, 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 Landlord and involve transactions relating to this Lease. Landlord agrees to maintain these records for a period of six years from the date of termination of this Lease.

17.21. 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.

17.22. Recitals. The recitals hereto are made a part hereof by reference.

[Signature page follows]

IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be executed and delivered as of the date first above written.

**Landlord:**

**[Redacted] [Westman Entity], LLC**

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**Tenant:**

**CITY OF NORTHFIELD**

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

Name: Rhonda Pownell

Its: Mayor

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

Name: Lynette Peterson

Its: City Clerk



**Exhibit A**  
**Description and Depiction of Premises**

**A. Description of Premises**

Street Address: 1280 BOLLENBACHER DR, NORTHFIELD, MN 55057

Legal Description: determined pursuant to the Purchase Agreement.

**B. Depiction of Premises**

The Premises is outlined in red.

