

LEASE

This lease is made this 26th day of AUGUST, 2011, by the City of Minot, North Dakota, herein called "Landlord," and the Carnegie Association of Minot, North Dakota, herein called "Tenant."

In consideration of the rents and covenants herein set forth, Landlord lease unto Tenant and Tenant hereby leases from Landlord the following premises situated in Ward County, North Dakota:

The West 100 Feet of Lots 9, 10, 11, and 12, Block 8, Original Townsite, Minot.

1. TERM. The term of this lease is a period of ten (10) years, commencing September 1, 2011, and ending on August 31, 2021.
2. RENT. Tenant will pay the Landlord one dollar (\$1) for the term of the lease.
3. BUILDING REPAIR, MAINTENANCE, OR RENOVATION. Prior to making any changes to the building, the Tenant will first obtain the approval of the Landlord. Tenant will submit all contracts for restoration to the Landlord for approval prior to proceeding with any restoration work.
4. USE OF PREMISES. The Tenant will use the premises as a community center in compliance with all Federal, State, and Municipal Laws and regulations including specifically but without limitation those prohibiting unlawful discrimination. To the extent consistent with such use, and not inconsistent with Tenant's own use of the building, Tenant will rent out on a daily or hourly basis portions or all of the building upon reasonable rents and conditions. Tenant will post a schedule of events to be held in the building and will post a schedule of rental rates for use of the building, in a publicly accessible location in the building.
5. UTILITIES. The Tenant will furnish all utilities at no expense to the Landlord.
6. JANITOR AND SANITATION SERVICES. Tenant will keep the building and grounds clean and will provide its own janitor and sanitation services; all garbage and other refuse of any kind will be removed at the Tenant's expense.
7. INSURANCE. Tenant agrees to indemnify Landlord and hold it harmless from any and all claims for damage or injury to persons or property, including costs of defense against such claims, arising out of or as a result of any transaction or occurrence on or about the premises during the term of this lease, or any breach of Tenant in the performance of any of the Tenant's obligations. Without limiting Tenant's liability hereunder, Tenant further agrees to maintain a comprehensive general liability insurance policy, issued by a reliable company, naming Landlord as an insured party, with liability limits of not less than \$250,000 per person; \$500,000 per occurrence for personal injury; and \$50,000 for property damage. Tenant will deliver to the Landlord evidence of such insurance. Tenant will provide and pay for fire and extended coverage on the building located on the premises, for full insurable value, with proceeds payable to Landlord. Tenant will deliver to Landlord evidence of such insurance.
8. GRANT APPLICATIONS. Grant applications made by the Tenant in the name of the Landlord along with related documentation must be approved by the Landlord prior to applications being made. The Tenant will pay for the local share of all approved grant applications, with no part of that expense to be the responsibility of the Landlord.

9. PRIOR GRANT REPAYMENT. During the term of this lease, the Tenant will reimburse the landlord for the outstanding local share of all prior grants used by the Tenant for the Minot Carnegie Library Rehabilitation Project.

10. ASSIGNABILITY OF LEASE. Tenant agrees that all rights or interests granted in this Lease Agreement shall not be assigned or transferred without the express written consent of the Landlord.

11. AMENDMENTS. Both the Landlord and the Tenant agree that this Lease Agreement may be amended only by written instruction signed by the authorized individuals executing this specific Lease Agreement, or their lawful successors.

12. TERMINATION. Both the Landlord and the Tenant agree that this Lease may be terminated under circumstances in which both parties mutually agree to said termination in a written agreement which is lawfully executed by the appropriate representatives of the City (Landlord) and the Carnegie Association (Tenant).

13. NOTICES. All notices which are required or may be given pursuant to this Lease Agreement must be in writing and sent to the individuals listed below, or their lawful successors, at the business address in existence for each entity at the time of the Notice. Notices shall be delivered via registered mail, postage prepaid, return receipt required, or by a recognized courier service such as Federal Express or UPS requiring signed receipt.

IN WITNESS HEREOF, the Parties of this lease agreement set forth their signatures this 26th day of August, 2011.

CITY OF MINOT

(Corporate Seal)

ATTEST:

Katy Solar
Katy Solar, City Clerk

Curt Zimbelman
Curt Zimbelman, Mayor

CARNEGIE ASSOCIATION

(Corporate Seal)

ATTEST:

By Scott Bexell
Its SCOTT BEXELL
BOARD CHAIRMAN

Its _____