



Special City Council Meeting

Thursday, October 30, 2025, at 1:30 PM

City Council Chambers, City Hall (10 3rd Ave SW)

Any person needing special accommodation for the meeting is requested to notify the City Clerk's office at 857-4752.

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. EXECUTIVE SESSION: CONTRACT NEGOTIATION WITH PATHFINDER SERVICES OF NORTH DAKOTA (PSND) TO LEASE, OPERATE, AND MAINTAIN THE BROADWAY CIRCLE COMPLEX

The topic and purpose of the executive session is to allow the City Council to discuss negotiating strategy and provide negotiating instructions to its attorneys and other negotiators regarding the City's contract with PSND to lease, operate, and maintain the Broadway Circle Complex. For reference, the Broadway Circle Complex consists of a three-unit commercial building, a family homeless shelter, and a seventeen-unit apartment complex for low to moderate income households and is located at 101 19th Ave SW; 15 19th Ave SW, and 45 19th Ave SW, in Minot, North Dakota. An open meeting on this topic would have an adverse fiscal effect on the bargaining position of the City. See N.D.C.C. 44-04-17.1, 44-04-19.1(9), and 44-04-19.2.

4. ACTION ITEMS
- 4.1. PATHFINDER SERVICES OF ND (PSND) BROADWAY CIRCLE AGREEMENTS

RECOMMENDED ACTION

It is recommended City Council consider the attached O&M Agreement and Commercial Lease, and if they meet Council's approval, approve the Agreements and authorize the Mayor and City staff to take all action necessary to carry out the terms of the Agreements.

5. ADJOURNMENT



TO: Mayor and Members of the City Council

FROM: David Lakefield, Finance Director
Stefanie Stalheim, City Attorney

DATE: October 30, 2025

SUBJECT: PATHFINDER SERVICES OF ND (PSND) BROADWAY CIRCLE AGREEMENTS

I. RECOMMENDED ACTION

It is recommended City Council consider the attached O&M Agreement and Commercial Lease, and if they meet Council's approval, approve the Agreements and authorize the Mayor and City staff to take all action necessary to carry out the terms of the Agreements.

II. DEPARTMENT CONTACT PERSONS

David Lakefield, Finance Director, 701-857-4774
Stefanie Stalheim, City Attorney, 701-857-4190

III. DESCRIPTION

A. Background

The "Broadway Circle" complex is a mixed-use development project designed to address both housing and community service needs in the City. Broadway Circle consists of a commercial space (101 19th Ave SW), a Family Homeless Shelter (15 19th Ave SW) and a 17-unit Low to Moderate Income (LMI) Apartment Complex (45 19th Ave SW). On May 5, 2025, the City Council authorized staff to proceed with the development of an agreement with Pathfinder Services of North Dakota (PSND) to operate the commercial space, Family Homeless Shelter, and LMI Apartment Complex, along with reassigning the existing commercial leases with the Lord's Cupboard Food Pantry and Oishii Ramen to PSND.

B. Proposed Project

Staff worked with PSND to generate two agreements for the Council's consideration. The first is a Commercial Lease Agreement whereby the City agrees to lease Broadway Circle to PSND for a term of 20 years with an exclusive and irrevocable option to purchase the property after completion of the initial term. The second is an Operations and Maintenance (O&M) Agreement that defines how PSND will operate and maintain Broadway Circle.

C. Recommendation Detail

Commercial Lease: The Commercial Lease Agreement between the City of Minot and Pathfinder Services of ND (PSND) grants PSND a 20-year lease (Nov 1, 2025–Oct 31, 2045) for the Broadway Circle property. PSND will pay \$4,500/month in rent (waived through March 2026 if reinvested in items necessary to maintain Broadway Circle), assume existing commercial leases (Oishii Ramen and The Lord's Cupboard), and manage all maintenance, utilities, and property taxes. *The lease includes an exclusive option for PSND to purchase the property for \$1.3 million at the end of the term, with rent payments credited toward the purchase price.* PSND must comply with HUD regulations, maintain insurance, and use rental income as program income under federal guidelines.

O&M Agreement: This agreement outlines how PSND will operate and maintain Broadway Circle. Key responsibilities include PSND assuming the City's existing lease agreements with Oishii Ramen and The Lord's Cupboard and acting as their landlord, handling all operations, maintenance, and tenant relations. PSND will operate and maintain the Family Homeless Shelter and LMI Apartments for twenty years in compliance with federal standards. PSND will also be responsible for all interior and exterior maintenance, including HVAC, plumbing, landscaping, snow removal. PSND will be required to maintain HUD compliant financial systems, submit quarterly reports, and undergo annual audits. PSND will also develop and implement an affirmative marketing plan and pursue alternative funding sources to sustain their operations. The City will monitor PSND quarterly, appoint a non-voting board member to PSND's board, and may charge a \$1,000 annual monitoring fee. Both parties have the ability to terminate the agreement for cause or convenience after providing notice and an opportunity to cure.

IV. IMPACT

A. Aspirations

Resilient and Prepared

B. Service/Delivery Impact:

Securing PSND as the operator for the Broadway Circle complex will ensure the project will be professionally managed, maintained, and operated in compliance with federal standards. This arrangement enables consistent delivery of critical services such as emergency shelter, affordable housing, and access to community-based commercial services. It also ensures long-term sustainability through a 20-year affordability period, with PSND responsible for tenant relations, maintenance, rent collection, and compliance reporting. Securing PSND as the operator also frees City staff from the day-to-day operational burdens and allows them to focus on other City priorities.

C. Fiscal Impact

Much of the project is funded in part by the National Disaster Resilience Program (NDRP) following the 2011 flood, but approximately 1.3 million in City funds were invested to complete the construction of the complex after the City took it back from Project BEE. The Commercial Lease terms

contemplate recovery of these City funds through the lease payments made by PSND and the balloon payment at the end of the twenty-year period.

Project Costs

Staff time to draft, refine, and negotiate the Commercial Lease and O&M Agreements.

Project Funding

The Broadway Circle Property was constructed using CDBG-NDR, Allocation 1 funds along with city reserves to complete the project. 1.3 million in City funds were invested in completing the construction of Broadway Circle.

VI. ALTERNATIVES

1. The Council can propose amendments to the Commercial Lease and/or O&M Agreement.
2. The Council can decline to approve the Commercial Lease and/or O&M Agreement.
3. The Council can provide direction on staff on how to proceed with negotiations with PSND. Staff recommends the Council consider scheduling an executive session to provide staff with negotiating parameters if it desires to provide direction that may have an adverse fiscal impact on the City if discussed in an open meeting.



BROADWAY CIRCLE
COMMERCIAL LEASE AGREEMENT

1. The Parties:

- a. This commercial lease agreement ("Agreement") is made by and between:

Landlord: City of Minot, ND
PO Box 5006
Minot, ND 58702-5006

Tenant: Pathfinder Services of ND (PSND)
PO Box 758
Minot, ND 58702-0758

- b. The Landlord and the Tenant are each referred to herein as a "Party", and collectively as the "Parties."

2. Description of Leased Property:

- a. The Landlord agrees to lease to the Tenant the following described properties:

- i. A three (3) unit commercial building consisting of 101 19th Ave SW (12,045 sq ft) – Suite A (4,545 sq ft), Suite B (5,575 sq ft), and Suite C (1,925 sq ft) – collectively referred to as the "Commercial Building"; and
- ii. A family homeless shelter consisting of 15 19th Ave SW (8,335 sq ft) – hereinafter referred to as the "Family Homeless Shelter"; and
- iii. A seventeen (17) unit apartment complex for low to moderate income (LMI) households consisting of 45 19th Ave SW – 17 (16,168 sq ft) – hereinafter referred to as the "LMI Apartment Complex."

- b. The Commercial Building, Family Homeless Shelter, LMI Apartment Complex shall collectively be referred to herein as "Broadway Circle." The total square footage for the entire Broadway Circle lot is 103,255 sq ft.

3. Term:

- a. The term of this Agreement shall be for an Affordability Period of twenty (20) years, starting on November 1, 2025, and expiring at midnight on October 31, 2045 ("Term").

4. Possession of Broadway Circle:

- a. Tenant may take possession of Broadway Circle on November 1, 2025, for the purpose of moving in their possessions and setting up the Premises, so long as all insurance requirements as indicated paragraph "15. Indemnification, Insurance and Bonding" and "Exhibit A," are fully in place.

5. Rent:

- a. During the term of the Affordability Period, the Tenant agrees to pay to the Landlord rent in the amount of four thousand five hundred dollars (\$4,500) per month ("Rental Payments").
- b. Tenant has the unilateral right to increase or decrease the amount of Rental Payments on an

annual basis in order to decrease the price of its Option (see paragraph "16. Option to Purchase"). Tenant shall provide written notice to Landlord of any change in Rental Payments by December 1st of each year to take effect the following calendar year. The Rental Payment shall never go below \$4,500.

- c. The Landlord will waive Rental Payments through March 2026 so long as Tenant applies any and all program income that would have been paid to Landlord as rent to acquiring equipment, services, and installing fixtures necessary to open and operate Broadway Circle. Tenant shall provide Landlord receipts on or before April 1, 2026 demonstrating what equipment, services, and fixtures were purchased with the program income for November 1, 2025 through March 2026. Rental obligations will resume April 1, 2026, unless the Parties agree otherwise in writing.
 - d. Rental Payments are due on the first (1st) of each month. Payments can be delivered to the Landlord at 10 3rd Ave SW, Minot, ND 58701 or mailed to City of Minot, PO Box 5006, Minot, ND 58702-5006.
 - e. If Rental Payments are not received within five (5) days of the due date, Landlord will assess a late fee of five percent (5%) of the monthly rent. As stated in the "13. Termination" clause of this Agreement, if Tenant fails to pay rent within fifteen (15) days of the due date, Landlord may declare Tenant to be in breach and shall have the option to terminate this Agreement.
 - f. If Tenant elects to not exercise its Option (see paragraph "16 Option to Purchase"), at the conclusion of the Affordability Period, this Agreement, including the Rent terms, can be renegotiated as long as the property continues to serve the public as intended at the beginning of the initial Affordability Period (see paragraph "11. Permitted Uses"). If Tenant no longer desires to serve the public as described in Paragraph 11. of this Agreement, Landlord shall have the option to terminate this Agreement.
6. **Security Deposits:**
- a. Tenant will not be required to pay a security deposit to Landlord.
 - b. Landlord will transfer any security deposit received from existing tenants of the Commercial Building to Tenant.
7. **Utilities:** Tenant shall be responsible for all utilities serving Broadway Circle, including but not limited to electricity, gas, water, and sewer.
8. **Maintenance and Repairs:** Tenant and Landlord shall have the following responsibilities regarding regular maintenance and repairs at Broadway Circle:
- a. Tenant Responsibilities:
 - i. Tenant shall be responsible for all regular interior and exterior maintenance, replacements, and repairs at Broadway Circle including, but not limited to the following: plumbing, electrical, HVAC, doors, windows, window treatments, floors, ceilings, and interior walls, snow removal, landscaping, lawn care, playground area maintenance and repairs, refrigerators, washer/dryers, dishwashers, signage, parking lot line painting, gutter cleaning/ repair/replacement, and any other regular property maintenance, repairs, and replacements necessary to keep Broadway Circle operated and maintained in a manner consistent with the standards of a reasonably prudent property owner and landlord.
 - ii. Tenant shall promptly perform any maintenance and make all repairs and replacements necessary to maintain Broadway Circle in compliance with all applicable laws, ordinances, and regulations. If Tenant cannot perform maintenance or make a

necessary repair or replacement within thirty (30) days of discovery of the need to maintain, repair, or replace, they shall promptly notify Landlord of the timeframe in which they perform the maintenance or cure the defect.

- iii. Tenant shall promptly notify Landlord of any need for repairs or maintenance that are Landlord's responsibility under this Lease. Tenant's failure to provide such notice shall constitute a waiver of any claim against Landlord for failure to perform required maintenance or repairs to the extent such failure by Landlord is due to Tenant's failure to provide timely notice.
- iv. Tenant will assist Landlord with tracking any warranty work that needs to be completed at Broadway Circle.

b. **Landlord Responsibilities:**

- v. Landlord shall prioritize funding to assist in the repair of the structural portions of Broadway Circle including the parking areas, driveways, walkways, exterior lighting, exterior walls, and roofs. Notwithstanding the foregoing, if any maintenance or repairs become necessary due to the intentional destruction of property or negligence of Tenant, its employees, agents, customers, licensees, or invitees, Tenant shall pay to Landlord the cost to complete such maintenance or repairs.
- vi. Tenant shall permit Landlord and its authorized representatives to enter the Broadway Circle at reasonable times following reasonable notice (except in emergencies when no notice shall be required) to inspect Broadway Circle and to make any repairs, replacements, or improvements that Landlord is required or permitted to make.
- vii. Landlord shall provide Tenant with all construction and other warranty information in its possession regarding Broadway Circle.
- viii. If Tenant does not exercise its Option under paragraph 16, upon the expiration or earlier termination of this Agreement, Tenant shall surrender Broadway Circle in good condition and repair, reasonable wear and tear excepted, and shall repair any damage to Broadway Circle caused by the removal of Tenant's property.

9. **Property Taxes:** Tenant shall pay all property taxes assessed to any addresses located at Broadway Circle.

10. **Commercial Leases Assignments:**

- a. The Tenant agrees to assume the City's commercial leases for:
 - i. Hibachi Express, LLC, dba Oishii Ramen – 101 19th Ave. SW, Suite A
 - ii. The Welcome Table, dba The Lord's Cupboard – 101 19th Ave. SW, Suite B
- b. Tenant is authorized to rent the commercial space located at 101 19th Ave. SW Suite C, which is currently vacant.
- c. Rental payments received by Tenant are considered program income and must be used in accordance with 24 CFR § 570.504.

11. **Permitted Uses:**

- a. Tenant agrees to use Broadway Circle for the following purposes:
 - i. *The Commercial Building.* These suites can be used for commercial space which may include food services, a childcare center, or office space. No space in this building can be used for temporary or permanent housing. If Tenant rents the commercial space, rental payments received by Tenant are considered program income and must be used in

accordance with 24 CFR § 570.504.

- ii. *Family Homeless Shelter*. The Family Homeless Shelter must be operated according to the Shelter and Housing Standards outlined in 24 CFR § 576.403.
- iii. *LMI Apartment Complex*. This building must be rented to residents who are at or below the eighty percent (80%) income level as identified by the Department of Housing and Urban Development guidelines, which are released on an annual basis. Rental payments received by Tenant are considered program income and must be used in accordance with 24 CFR § 570.504.

12. **Tenant's Holding Over:** If Tenant remains in possession of Broadway Circle after this Agreement expires, and Landlord accepts rent from Tenant, this Agreement shall be deemed renewed on a month-to-month basis with all other terms and conditions of this Agreement remaining in effect until otherwise agreed in writing.

13. **Termination**

- a. If a Party fails to comply with any of the material provisions of this Agreement, other than Tenant's covenant to pay Rent, or materially fails to comply with any duties imposed on a Party by statute, the non-breaching Party will advise the breaching Party in writing of the event justifying a suspension or termination under this paragraph and grant the breaching Party a reasonable amount of time not to exceed thirty (30) days to respond.
- b. If within thirty (30) days after receipt of such notice, the alleged breaching Party has not either corrected the alleged breach or, in the case of failure which cannot be corrected in thirty (30) days, has begun in good faith to correct said failure and thereafter proceed diligently to complete the correction, the non-breaching Party may declare the breaching Party to be in default of this Agreement and proceed to suspend or terminate this Agreement.
- c. If Tenant fails to pay rent within fifteen (15) days of the date and time payable under the terms of Paragraph "5. Rent" of this Agreement, Landlord may declare Tenant to be in breach and Landlord shall have the option to terminate this Agreement.

14. **Notice:**

- a. Any notice, request, instruction or other document to be given hereunder to either Party by the other shall be in writing and delivered personally or sent by certified or registered mail, postage prepaid, to the addresses set forth in this Agreement.
- b. A Party may change the address to which notices are to be sent to it by giving written notice of such a change of address to the other Party in the manner provided for giving notice.
- c. Any such notice, request, instruction or other document shall be conclusively deemed to have been received and be effective on the day on which it was personally delivered or, if sent by certified or registered mail, on the day on which it was received and signed for.
- d. Notices shall be addressed as follows:

City of Minot:
Attn: City Clerk
Address: PO Box 5006, Minot, ND 58702-5006
Phone: 701-857-4752
Email: clerk@minotnd.gov

Pathfinder Services of ND:
Project Contract Manager: Jacki Harasym, Lead Co-Executive Director

Address: PO Box 758, Minot, ND 58702-0758
Phone: 701-837-7500
Email: finance@pathfinder-nd.org

15. **Indemnification, Insurance and Bonding:**

- a. 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 Broadway Circle during the term of this Agreement, or any breach of Tenant in the performance of any of Tenant's obligations.
- b. Tenant must maintain the insurance and bonding for itself and its subcontractors, through companies authorized to offer insurance coverage in North Dakota, as set forth in the attached Exhibit A.
- c. Landlord must maintain the property insurance for the Broadway Circle and Tenant shall timely reimburse Landlord for the costs of annual premiums of such insurance.

16. **Option to Purchase:** The Landlord hereby grants to Tenant the exclusive and irrevocable option to purchase Broadway Circle, and all of the Landlord's right, title, and interest in and to the same, by way of the Landlord transferring title to Tenant after completion of the Term (the "Option").

- a. During the Term of this Agreement, the Landlord may not enter into a purchase sale agreement with any other party for Broadway Circle without prior written agreement of Tenant waiving its Option.
- b. Tenant shall exercise its Option by written notice to the Landlord of its intention to exercise the Option no less than sixty (60) days prior to expiration of the Term.
- c. Tenant and Landlord agree to sign all documents necessary to effectuate the transfer should Tenant decide to exercise its Option.
- d. The purchase price of the Broadway Circle shall be \$1,300,000 (the "Purchase Price"). Tenant's Rental Payments under this Agreement, shall be credited as partial payment of the Purchase Price for the Broadway Circle. Tenant shall pay the difference of \$1,300,000 minus the Rental Payments paid under this Agreement, which shall be due at the time of closing, or as otherwise agreed to by the Parties in writing. The total amount Tenant shall pay for the Option shall not exceed \$1,300,000.
- e. The Parties shall equally share any closing costs. Each Party will pay its own professional and legal fees and expenses associated with the transfer of the property. At closing, Landlord agrees to make, execute, and deliver to Tenant a good and sufficient quit claim deed for Broadway Circle.

17. **Binding Effect:** The terms of this Agreement, including the recitals above, are considered binding and effective promises, agreements, and covenants, fully enforceable by the Parties. This Agreement shall inure to the benefit of the Parties and any of their heirs, successors, personal representatives, officers, and assigns of each.

18. **Parties' Representations and Warranties:** The Parties represent and warrant that the following representations are material inducements for the Parties to enter into this Agreement:

- a. Landlord is a municipal corporation with a home rule charter, existing and

in good standing under the laws of the State of North Dakota; it has all the necessary power and authority to enter into this Agreement and carry out the transactions contemplated herein; and that the execution and delivery hereof and the performance by Landlord of its obligations hereunder will not violate or constitute a default under the terms and provisions of any agreement, law or court order to which Landlord is a party or by which Landlord is bound.

- b. That Tenant is a non-profit organization, has all the necessary power and authority to enter into this Agreement and carry out the transactions contemplated herein; and that the execution and delivery hereof and the performance by Tenant of its obligations hereunder will not violate or constitute a default under the terms and provisions of any agreement, law or court order to which Tenant is a party or by which Tenant is bound.
- c. All actions required to authorize Landlord and Tenant to enter into this Agreement have been taken, and this Agreement is valid and enforceable in accordance with its terms.
- d. Each person executing this Agreement on behalf of Landlord and Tenant have the full power and authority to bind the Parties to the terms hereof.
- e. The following Exhibits are included and incorporated as if fully set forth herein:
 - i. **Exhibit A**: Insurance and Bonding Requirements
 - ii. **Exhibit B**: City of Minot Standard Terms and Conditions

- 19. **Modification**: The Parties agree that this document contains the entire agreement between the Parties, and this Agreement shall not be modified, changed, altered or amended in any way except through a written amendment signed by both Parties.
- 20. **Entire Agreement**: This Agreement sets forth all the covenants, promises, agreements, conditions, and understandings between the Parties, oral or written, relating to the subject matter of this Agreement. Neither Party has made any representations or promises not expressly contained herein. No subsequent alterations, amendments, changes, or additions to this Agreement shall be binding upon a Party unless reduced to writing and signed by a Party's authorized representative.

City of Minot:

By: Mark Jantzer
Title: Mayor, City of Minot

Date: _____

Attest:

By: Mikayla McWilliams
Title: City Clerk

Pathfinder Services of ND:



By: Jacki Harasym
Title: Lead Co-Executive Director

Date: 10/29/2025

Attest:



By: Samantha Koons
Title: Board of Director President

Date: _____

Date: 10/29/2025

Attest:

By: David Lakefield
Title: Finance Director, City of Minot

Date: _____

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Exhibit A
Insurance and Bonding Requirements

- a. Commercial general liability, including premises or operations, contractual and products or completed operations coverages (if applicable), with minimum liability limits of \$2,000,000 per occurrence.
- b. Property insurance insuring the full and true replacement value of all Tenant's real property and personal property located on or in the buildings in which the leased premises are located for all losses.
- c. Automobile liability, including owned (if any), hired, and non-owned automobiles, with minimum liability limits of \$500,000 per person and \$2,000,000 per occurrence.
- d. Workers' Compensation coverage meeting all statutory requirements. The policy must provide coverage for all states of operation that apply to the performance of this Agreement. For the purposes of this Agreement, the only state of operation is North Dakota.
- e. Employer's liability or "stop gap" insurance of not less than \$2,000,000 as an endorsement on the worker's compensation or commercial general liability insurance.
- f. Professional errors and omissions with minimum limits of \$2,000,000 per claim and in the aggregate. PSND must continually maintain such coverage during the Affordability Period and for three (3) years thereafter.

The insurance coverage listed above must meet the following additional requirements:

- g. Any deductible or self-insured retention amount or other similar obligation under the policies is the sole responsibility of PSND. The amount of any deductible or self-retention is subject to approval by the City.
- h. This insurance may be in policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form and must be placed with insurers rated "A-" or better by A.M. Best Company, Inc., provided any excess policy follows form for coverage. Less than an "A-" rating must be approved by the City.
- i. The duty to defend, indemnify, and hold harmless the City under this Agreement shall not be limited by the insurance required in the Agreement.
- j. The City shall be endorsed on the commercial general liability policy on a primary and noncontributory basis, including any excess policies (to the extent applicable), as additional insured. The City shall have all the benefits, rights, and coverage of an additional insured under these policies that shall not be limited to the minimum limits of insurance required by this Agreement or by the contractual indemnity obligations of PSND.
- k. A "Waiver of Subrogation" waiving any right of recovery the insurance company may have against the City.
- l. PSND shall furnish a certificate of insurance to the City before commencement of this Agreement.
- m. Failure to provide insurance as required in this Agreement is a material breach of the contract, entitling the City to terminate this Agreement immediately.
- n. PSND shall provide thirty (30) days' notice of any cancellation or material change to the policies or endorsements. PSND shall provide on an ongoing basis a certificate of insurance during the term of the Agreement. A renewal certificate will be provided ten (10) days prior to coverage expiration. An updated, current certificate of insurance shall be provided within ten (10) days in the event of any change in policy.

Exhibit B
City of Minot Standard Terms and Conditions

1. **Applicable Law/Venue:** This Agreement and all provisions herein shall be construed and enforced in accordance with the laws of the State of North Dakota. Venue for any action arising out of this Agreement shall be adjudicated in Ward County District Court.
2. **Severability:** If any immaterial provision of this Agreement is declared to be illegal or unenforceable by a court of competent jurisdiction, the validity of the remaining terms is unaffected and, if possible, the rights and obligations of the Parties are to be construed and enforced as if this Agreement did not contain that term. If a material provision of this Agreement is declared to be illegal or unenforceable by a court of competent jurisdiction, then the parties will reopen the contract for good faith negotiations to resolve the material provision.
3. **Counterparts:** This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together constitute one and the same instrument. Electronic and scanned signatures shall be valid and binding.
4. **Headings:** Any headings or subheadings preceding the texts of the several parts hereof shall be solely for the convenience of reference and shall not constitute a part of this Agreement, nor shall it affect its meaning, construction or effect.
5. **Force Majeure:** Neither Party shall be liable for any delay or failure to perform its obligations under this Agreement if such delay or failure results from causes beyond its reasonable control, including but not limited to acts of God, natural disasters, labor disputes, or government actions.
6. **Independent Contractor Status:** This Agreement does not create any employer-employee relationship. Tenant is an independent contractor, and the Landlord is not responsible for benefits, payroll, taxes or insurance for Tenant staff.
7. **Survival:** The terms and conditions of this Agreement shall survive execution of any additional documents contemplated by this Agreement unless the subsequent documents clearly reference this Agreement and contain a statement or statements that the terms and conditions of this Agreement are amended or are suspended.
8. **Waiver:** The Landlord's failure to act with respect to a breach by Tenant does not waive its right to act with respect to subsequent or similar breaches. Any failure of the Landlord to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.



**BROADWAY CIRCLE
OPERATIONS & MAINTENANCE AGREEMENT**

THIS OPERATIONS AND MAINTENANCE AGREEMENT ("Agreement") is entered into this _____ day of _____, 2025 between the City of Minot ("City") and Pathfinder Services of ND ("PSND"). City and PSND are referred to throughout this document individually as a "Party" and collectively referred to as the "Parties."

The purpose of this Agreement is to define how PSND will operate and maintain the Broadway Circle project ("Premises"), which includes:

1. A three-(3) unit commercial building ("Commercial Building"); and
2. A Family Homeless Shelter; and
3. A seventeen- (17) unit apartment complex for low- to- moderate income (LMI) households ("LMI Apartment Complex").

The addresses for units within the Broadway Circle project include: 101 19th Ave SW, 15 19th Ave SW, 45 19th Ave SW #101, 45 19th Ave SW #102, 45 19th Ave SW #103, 45 19th Ave SW #104, 45 19th Ave SW #105, 45 19th Ave SW #106, 45 19th Ave SW #108, 45 19th Ave SW #110, 45 19th Ave SW #201, 45 19th Ave SW #202, 45 19th Ave SW #203, 45 19th Ave SW #204, 45 19th Ave SW #205, 45 19th Ave SW #206, 45 19th Ave SW #207, 45 19th Ave SW #208, 45 19th Ave SW #210 – all located in Minot, North Dakota.

I. Recitals

WHEREAS, the City received \$74.3 million from the U.S. Department of Housing and Urban Development ("HUD") pursuant to Public Law PL 113-2 (the Appropriations Act) and the Federal Register Notice dated June 7, 2016, at Federal Register/ Vol. 81, No. 109, for activities authorized under Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et. seq.) and described in the City of Minot's National Disaster Resilience Competition Action Plan ("Action Plan"); and

WHEREAS, a portion of the federal award described in the preceding paragraph was used to acquire and build the Broadway Circle project; and

WHEREAS, on May 5, 2025, the City accepted a proposal from PSND to lease, operate and maintain the Broadway Circle project; and

WHEREAS, there are presently two (2) units in the Broadway Circle project leased to third-parties – one (1) unit to The Welcome Table, dba The Lord's Cupboard (hereinafter "The Lord's Cupboard"), and one (1) unit to Chen Cheng Huan, dba The Hibachi Express, LLC, aka Oishii Ramen (hereinafter, "Oishii Ramen") and Lease Agreements with these third parties are attached hereto as Exhibit A and Exhibit B, respectively, and said Lease Agreements will be assigned to PSND; and

WHEREAS, PSND agrees to comply with the applicable requirements of Title 24 of the Code of Federal Regulations, Part 570 of HUD's regulations concerning CDBG, including subpart K of these regulations, except as may be otherwise stated in this Agreement and as CDBG-DR regulatory waivers have been granted by HUD and alternative requirements have been specified pursuant to FR-Vol. 81, No. 109/Tuesday June 7 2016. PSND also agrees to comply with all other applicable federal, state and local laws, regulations, and policies; and

WHEREAS, Parties acknowledge their intention to perform the terms of this Agreement in good faith; and

NOW, THEREFORE, in consideration of the promises and the mutual representations, warranties, and

covenants herein contained, the Parties hereby agree as follows:

II. PSND Obligations

1. **Operate and Maintain the Commercial Building.** PSND has assumed the City's interest in the existing Commercial Leases for the Broadway Circle commercial building and will be responsible for operating and maintaining both the common areas and the individual leased spaces. PSND shall act as the landlord for all commercial tenants, with full responsibility for day-to-day operations, tenant communications, lease administration, rent collection, and all maintenance and repair obligations related to the commercial building.
2. **Operate and Maintain Family Homeless Shelter.** PSND will operate and maintain the Family Homeless Shelter according to the Federal Shelter and Housing Standards located at 24 CFR 576.403 for an Affordability Period of twenty (20) years. The start date of this period will begin on October 1, 2025.
3. **Operate and Maintain the LMI Apartment Complex.** PSND will operate and maintain the seventeen (17) unit LMI Apartment Complex for a twenty (20) year Affordability Period. The start date of this period will begin on the date the Parties have signed this Agreement.
 - a. During the twenty (20) year Affordability Period, PSND must ensure all seventeen (17) units will be LMI at the eighty percent (80%) level as defined by HUD's annual income guidelines for the duration of the Affordability Period. PSND must keep documentation to prove tenants meet HUD LMI requirements.
 - b. Rents for all units are limited to the HOME program rents furnished by HUD on a yearly basis (Exhibit C). The rents for a CDBG contribution plus project-based rental subsidy is the rent allowable under the Federal or State project-based rental subsidy program, LMI tenants have household incomes at or below eighty percent (80%) of the area median income ("AMI") for Ward County, North Dakota. Maximum rental amounts are adjusted annually by HUD based on income limits prevailing for the location of the rental housing, which are published by HUD for the Section 8 rental assistance program on HUD's website. PSND will adjust the maximum rental amount within thirty (30) days of publication of the new income limits and apply the maximum amount to all new leases executed after that time. Assisted rental units including rent and utilities may not exceed the Fair Market Rent ("FMR") for existing housing for comparable units in the area as established by HUD under 24 CFR 888.111.
4. **PSND Minimum Maintenance and Repair Standards.** PSND shall be responsible for all regular maintenance on the property and all interior maintenance and repair including plumbing, electrical, HVAC, doors, windows, window treatments, floors, ceilings, and interior walls, snow removal, landscaping, lawn care, playground area maintenance and repairs, refrigerators, washer/dryers, dishwashers, signage, parking lot line painting, gutter cleaning/ repair/replacement, and any other regular property maintenance, repairs, and replacements necessary to keep Broadway Circle operated and maintained in a manner consistent with the standards of a reasonably prudent property owner and landlord.
 - a. PSND shall promptly notify City of any need for repairs or maintenance that are Landlord's responsibility under this Agreement. PSND's failure to provide such notice shall constitute a waiver of any claim against City for failure to perform required maintenance or repairs to the extent such failure by City is due to PSND's failure to provide timely notice.
 - b. PSND shall permit City and its authorized representatives to enter the Broadway Circle at reasonable times following reasonable notice (except in emergencies when no notice shall be required) to inspect the Broadway Circle and to make any repairs, replacements, or improvements that City is required or permitted to make.
 - c. If PSND does not exercise its option under Paragraph 16 of the Commercial Lease Agreement, upon the expiration or earlier termination of this Agreement, PSND shall surrender the Broadway Circle in good condition and repair, reasonable wear and tear excepted and shall repair any damage to the Broadway Circle caused by the removal of PSND's property.
 - d. City shall prioritize funding to assist in the repair and maintenance of the structural portions of the Broadway Circle including the parking areas, driveways, walkways, exterior lighting, exterior

walls, and roofs. Notwithstanding the foregoing, if any maintenance or repairs become necessary due to negligence of Tenant, its employees, agents, customers, licensees, or invitees, PSND shall pay to City the cost of such maintenance or repairs.

- e. Minimum expectations are set forth in more particularity in the attached Exhibit E.
5. **Maintain HUD Compliant Financial and Administrative Systems.** PSND will comply with the requirements and standards of 24 CFR et. seq. as applicable, including establishing and/or maintaining compliant accounting systems. Such systems will be subject to monitoring from time to time by City and/or by HUD.
6. **Program Income.** PSND must follow 24 CFR 570.504 when using any income generated from the Broadway Circle project. Any use of Program Income must align with the activities permitted under this Agreement.
7. **Legal Notices and General Legal Compliance.** PSND will provide all notices and comply with laws, ordinances, building codes and regulations of the City as needed to perform project activities.
 - a. **Obligation to actively pursue alternate funding sources.** PSND agrees that it will pursue alternate funding sources to continue the operation and maintenance of the Broadway Circle Project and that any federal funding provided by the City will supplement, not replace, other available funding.
 - b. **Compliance with all agreements.** PSND agrees to comply with the terms and conditions stated in this Agreement and the terms and conditions contained in all City Agreements relating to the Broadway Circle project.
8. **Conflicts-of-Interest.** PSND shall comply with all HUD Conflict-of-Interest requirements and incorporate those requirements into all contractor and subcontractor agreements.
9. **Mandatory Reporting.** PSND must provide the following mandatory reports at no cost to City
 - a. **Annual Audit.** PSND shall provide City with an annual financial audit performed by an outside company.
 - b. **Quarterly Progress Reports.** PSND will provide a quarterly progress report to City as to activities conducted at the Broadway Circle project.
 - c. **Quarterly Rent Reports.** PSND will provide quarterly progress rent reports to City as well as any new or updated income verification gathered for Broadway Circle tenants.
10. **Site Access.** PSND shall provide access to the Broadway Circle project upon receipt of the City's request.
11. **Affirmative Marketing Plan.** PSND shall provide an Affirmative Marketing Plan (Exhibit D) to the City prior to generating new rental activity. If there is a higher-than-normal vacancy rate, PSND will provide, as supplemental information in its quarterly monitor session, with a written report to the City that may include: (1) evidence of a Marketing Plan in place to fill the vacant units; (2) documentation of all advertisements, website postings, listings, open houses, etc. PSND has undertaken to fill the vacant units; (3) information relating to the number and location of each vacant unit; (4) documentation establishing the seventeen (17) apartment units are being operated and maintained according to HUD Quality Standards for affordable housing set forth in 24 CFR, section 982.401 and City of Minot Code.
12. **Property Taxes and Special Assessments.** PSND shall remain current with all property taxes and special assessments relating to 101 19th Ave SW, 15 19th Ave SW, 45 19th Ave SW #101, 45 19th Ave SW #102, 45 19th Ave SW #103, 45 19th Ave SW #104, 45 19th Ave SW #105, 45 19th Ave SW #106, 45 19th Ave SW #108, 45 19th Ave SW #110, 45 19th Ave SW #201, 45 19th Ave SW #202, 45 19th Ave SW #203, 45 19th Ave SW #204, 45 19th Ave SW #205, 45 19th Ave SW #206, 45 19th Ave SW #207, 45 19th Ave SW #208, 45 19th Ave SW #210. Failure to remain current with all property taxes and special assessments shall be considered a material breach of this Agreement.

13. **Audit Finding Resolution.** PSND must work with the City to resolve any deficiencies noted in audit reports within thirty (30) days after PSND's receipt of the deficiencies.
14. **Indemnification, Insurance and Bonding.**
 - a. PSND agrees to indemnify City 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 Broadway Circle during the term of this Agreement, or any breach of PSND in the performance of any of PSND's obligations.
 - b. PSND must maintain insurance and bonding for itself and its subcontractors, through companies authorized to offer insurance coverage in North Dakota, as set forth in the attached Exhibit F.
 - c. City must maintain property insurance for Broadway Circle and PSND shall timely reimburse City for the costs of annual premiums of such insurance.

III. City Obligations

1. **PSND Board of Directors Appointment.** The City will appoint a representative to be a non-voting member of PSND's Board of Directors during the twenty (20) year Affordability Period.
2. **Monitoring.** City will monitor PSND quarterly to ensure compliance with HUD rules and this Agreement. The City may perform this activity or may contract a firm qualified, at the City's sole discretion and expense, to perform the monitoring.
 - a. **Criteria.** City will consider the information provided in PSND's annual audit and quarterly reports to determine compliance with this Agreement, as well as any observations made during site visits, but such reports and observations may not be the sole basis on which to confirm compliance.
 - b. **Fee.** The City may charge an annual fee of \$1,000 to cover the costs of ongoing monitoring and inspections to comply with the Affordability Period requirements. PSND agrees to pay any fee imposed by the City within thirty (30) days of receipt of an invoice from the City.
 - c. **Mandatory Compliance with Monitoring.** Failure to permit on-site monitoring or failure to provide the required monitoring and inspection information and documentation may result in the termination of this Agreement.

IV. General Conditions

1. **Compliance with Federal, State, and Local Laws.** The Parties agree to comply with all applicable federal, state, and local laws, city ordinances, HUD rules and regulations, and policies governing the funds provided under this Agreement including the applicable Federal Requirements attached hereto as Exhibit G.
2. **Confidential Tenant Data.** The Parties will ensure confidential tenant information collected pursuant to this Agreement is maintained in confidence in accordance with applicable state and federal privacy laws. The Parties understand that the use or disclosure of such information, when not directly connected to activities required by this Agreement or federal or state law, is prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.
3. **Transfer of Interest in Property.** Neither Party shall sell or otherwise transfer any of their interest in the Broadway Circle project without first giving notice to the other Party. PSND shall not sell or transfer their interest in this Agreement or the Broadway Circle project without first receiving prior written permission from the City. In the event the City approves of PSND transferring any interest in this Agreement or the Broadway Circle project to a third party, all PSND obligations shall be conveyed to the transferee by written agreement, and the obligations of this Agreement shall be acknowledged and agreed to by the transferee through the full term of the Affordability Period described in this Agreement. PSND must provide a copy of the written final agreement between PSND and the transferee within three (3) business days of execution. Failure to comply with the obligations in this paragraph shall be considered a material breach of this Agreement and may result in termination in the City's sole discretion.

4. **Records.**

- a. **Access.** All PSND records related to this Agreement shall be made available to the City and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours and as often as deemed necessary by the City. Any deficiencies noted in audit reports must be fully cleared by PSND within thirty (30) days after receipt of the audit findings by PSND. PSND's failure to comply with these requirements will constitute a violation and could lead to termination of this Agreement.
- b. **Compliance with Public Records Laws.** PSND understands that the City must disclose to the public, upon request, any records it receives from PSND. PSND further understands that any records obtained or generated by PSND under this Agreement may be open to the public upon request under the North Dakota public records law and NDCC Statute for Open Records. At no additional cost to the City, PSND agrees to contact the City promptly upon receiving a request for information under the public records request laws and to comply with the City's instructions on how to respond to the request.

5. **Independent Contractor Status.** This Agreement does not create any employer-employee relationship. PSND is an independent contractor, and the City is not responsible for benefits, payroll, taxes, or insurance for PSND staff.

6. **Waiver.** The City's failure to act with respect to a breach by PSND does not waive its right to act with respect to subsequent or similar breaches. Any failure of the City to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

7. **Suspension or Termination.**

- a. **Suspension or Termination for Cause by City.** Pursuant to 2 CFR 200, City may suspend or terminate this Agreement if PSND does any of the following:
 - i. Fails to comply with any rules, regulations, laws that affects or is contemplated by, or any of the terms of this Agreement;
 - ii. Fails to meet the deadlines or performance expectations outlined in this Agreement;
 - iii. Submits reports that are false or incomplete in a significant way; or
 - iv. Commits another significant breach of this Agreement.
- b. **Suspension or Termination for Cause by PSND.** PSND may exercise any rights available to it under North Dakota law to terminate this Agreement for cause upon the failure of City to comply with the terms and conditions of this Agreement.
- c. **Notice and an Opportunity to Cure Required.** The terminating and suspending Party will advise the other Party in writing of the event justifying a suspension or termination under this paragraph and grant the other Party a reasonable amount of time not to exceed thirty (30) days to respond. If within thirty (30) days after receipt of such notice, the alleged breaching Party has not either corrected the alleged breach or, in the case of failure which cannot be corrected in thirty (30) days, has begun in good faith to correct said failure and thereafter proceed diligently to complete the correction - the non-breaching Party may declare the breaching Party to be in default of this Agreement and proceed to suspend or terminate this Agreement.
- d. **Termination for Convenience.** In accordance with 2 CFR 200, either Party may terminate this Agreement (or parts of the Agreement) for convenience with written notice stating the reason, effective date, and what parts of the Agreement (if not the entire Agreement) are being terminated.
- e. **Termination by City if Material Change to Operation and Maintenance of Broadway Circle.** The City reserves the right to terminate this Agreement in whole or in part if there are material changes to the operation and maintenance of Broadway Circle that would significantly alter the terms of this Agreement and/or materially alter the feasibility of satisfactorily performing the operation and maintenance activities of this Agreement.

8. **Notice.** Any notice, request, instruction or other document to be given hereunder to either Party by the other shall be in writing and delivered personally or sent by certified or registered mail, postage prepaid, to the addresses set forth in this Agreement. A Party may change the address to which notices are to be sent to it by giving written notice of such a change of address to the

other Party in the manner provided for giving notice. Any such notice, request, instruction or other document shall be conclusively deemed to have been received and be effective on the day on which it was personally delivered or, if sent by certified or registered mail, on the day on which it was received and signed for. Notices shall be addressed as follows:

City of Minot:

Attn: City Clerk

Address: PO Box 5006, Minot, ND 58702-5006

Phone: 701-857-4752

Email: clerk@minotnd.gov

Pathfinder Services of ND:

Project Contract Manager: Jacki Harasym, Finance and Grant Specialist

Address: PO Box 758, Minot, ND 58702-0758

Phone: 701-837-7500

Email: finance@pathfinder-nd.org

9. **Severability.** The provisions of this Agreement are severable and if for any reason a clause, sentence, paragraph or other part of this Agreement shall be determined to be invalid by a court or federal or state agency, board or commission having jurisdiction over the subject matter thereof, such invalidity shall not affect other provisions which can be given effect without the invalid provision.
10. **Headings.** Any headings or subheadings preceding the texts of the several parts hereof shall be solely for the convenience of reference and shall not constitute a part of this Agreement, nor shall it affect its meaning, construction or effect.
11. **Governing Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of North Dakota. The Parties agree that any lawsuit filed to enforce, terminate, or interpret this Agreement will be filed in a District Court located in Ward County, North Dakota.
12. **Assignability.** PSND shall not assign any interest in this Agreement by assignment, transfer, or novation, without prior written consent of the City.
13. **Amendments.** The Parties may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by duly authorized representatives of both Parties.
 - a. Any amendment or modification of this Agreement shall be effective only in the specific instance and only for the purpose for which it is given. Such amendments shall not invalidate this Agreement, nor relieve or release the City or PSND from their obligations under this Agreement.
 - b. The City may, in its discretion, amend this Agreement to conform with federal, State or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both the City and PSND except that any change resulting from PSND noncompliance with the terms and conditions of this Agreement shall not require PSND's signature to a written amendment.
14. **Authority to Execute Agreement.** By signing below, each Party represents and warrants that this Agreement has been duly authorized, executed and delivered by it; that the undersigned representatives are fully authorized to sign this Agreement on behalf of the Party for whom they are signing and whom they represent and that this Agreement constitutes a valid and binding obligation, enforceable against each Party, its successors and assigns in accordance with its terms.

15. **Exhibits.** The following Exhibits are included and incorporated as if fully set forth herein:

- a. **Exhibit A:** Lease Assignment Agreement, Welcome Table (dba Lord's Cupboard)
- b. **Exhibit B:** Lease Assignment Agreement, Chen Cheng Huan, dba Hibachi Express, LLC (dba Oishii Ramen)
- c. **Exhibit C:** Affordable Housing Requirements and Income Limits
- d. **Exhibit D:** Affirmative Marketing Plan
- e. **Exhibit E:** Maintenance Responsibilities and Expectations
- f. **Exhibit F:** Insurance and Bonding Requirements
- g. **Exhibit G:** Applicable Federal Requirements

16. **Entire Agreement.** This Agreement and any Exhibits specifically incorporated herein by reference, constitutes the entire Agreement between the City and PSND.

City of Minot:

By: Mark Jantzer

Title: Mayor

Date: _____

Attest:

By: Mikayla McWilliams

Title: City Clerk

Date: _____

Attest:

By: David Lakefield

Title: Finance Director, City of Minot

Date: _____

Pathfinder Services of ND:



By: Samantha Koons

Title: Board of Director President

Date: 10/29/2025

Attest:



By: Jacki Harasym

Title: Lead Co-Executive Director

Date: 10/29/2025



LEASE ASSIGNMENT AGREEMENT

An Agreement to assign City of Minot's interest in its lease with The Welcome Table (aka The Lord's Cupboard) to Pathfinder Services of ND (PSND)

This Lease Assignment Agreement (Agreement) is entered into by and between the City of Minot (City/Assignor), a municipal corporation and political subdivision of the State of North Dakota, and Pathfinder Services of ND (PSND/Assignee). City and PSND are collectively referred to herein as the "Parties", and each a "Party" as the context allows, to assign City's interest in the following standard commercial lease to PSND:

1. Commercial Lease Agreement, A lease agreement entered into on November 18, 2023 by and between City and The Welcome Table, to lease Suite B, located at 1901 South Broadway, Minot, ND 58701, containing 5,575 square feet, for a term commencing on December 1, 2023 and expiring at midnight on December 31, 2033, with an option to renew from January 1, 2034 until December 31, 2043. Rent in the amount of \$2,500.00 is made payable on the 1st of each month, and a security deposit in the amount of \$2,500 was required upon the signing of the lease agreement. This lease agreement is attached hereto as Exhibit A, and is referred to throughout this Agreement as the "Lease Agreement."

WHEREAS, City/Assignor entered into three agreements with Project BEE to construct and develop the "Broadway Circle Project"; and

WHEREAS, the premises described in the Lease Agreement is located on property that is considered a part of the Broadway Circle Project; and

WHEREAS, Project BEE entered into the Lease Agreement attached hereto as Exhibit A with The Lord's Cupboard; and

WHEREAS, after advising the City that it could not complete its remaining obligations under its agreements with the City, Project BEE assigned its interest in the Lease Agreement to the City (hereinafter referred to as "Initial Lease Assignment"); and

WHEREAS, City/Assignor now wishes to assign their rights and obligations under the Lease Agreement to the PSND/Assignee; and

WHEREAS, PSND/Assignee wishes to assume City/Assignor's rights and obligations under the Lease Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and promises recorded herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

1. Recitals Incorporated. The recitals set forth above are true and correct, and considered a part of this Agreement.
2. Assignment of Lease Agreement. City/Assignor and PSND/Assignee hereby agree that by signing this Agreement, City/Assignor assigns, and PSND/Assignee assumes, all of City/Assignor's rights, titles, and interests,

obligations, responsibilities and duties under the Lease Agreement, unless stated otherwise in this Agreement, effective as of the date the last party signed this Agreement (Assignment Date).

- a. Transfer of Security Deposit. Pursuant to the Lease Agreement, City/Assignor accepted a security deposit in the amount of \$2,500.00 upon the signing the Initial Lease Assignment from Project BEE and agrees to transfer the security deposit to PSND/Assignee.
3. Assignment Agreement Contingent upon Execution and Compliance with Operations and Maintenance Agreement. City/Assignor and PSND/Assignee have also executed an Operations and Maintenance Agreement ("O&M Agreement"). The Parties acknowledge, understand, and agree that this Agreement shall be terminable at the City/Assignor's option should PSND/Assignor fail to comply with any of the terms and conditions of the O&M Agreement.
4. Indemnification by PSND/Assignee. Notwithstanding the foregoing, PSND agrees to defend and indemnify City/Assignor from any and all claims, actions, judgments, liabilities, proceedings, and costs, including reasonable attorney's fees and other costs of defense and damages resulting from PSND/Assignee's performance after the assignment of the Lease Agreement to the PSND/Assignee.
5. Parties Responsible for Costs. The Parties shall be responsible for their own direct and indirect costs associated with this Agreement.
6. PSND's Representations and Warranties. PSND represents and warrants the following as a material inducement for the PSND to enter into this Agreement:
 - a. PSND is a non-profit organization, validly existing and in good standing under the laws of the State of North Dakota; it has the power and authority necessary to enter into this Agreement and carry out the transactions contemplated herein, and that the execution and delivery of this Agreement to the City will not violate or constitute a default under the terms and provisions of any agreement, law, or court order to which PSND is a party or by which PSND is bound.
 - b. All actions required to authorize PSND to enter into this Agreement have been taken, and that this Agreement is a valid and binding obligation of PSND, enforceable in accordance with its terms.
 - c. The person executing this Agreement on behalf of PSND has the full power and authority to bind PSND to the terms hereof.
7. City's Representations and Warranties. The City represents and warrants the following as a material inducement for the City to enter into this Agreement:
 - a. The City is a municipal corporation with a home rule charter, existing and in good standing under the laws of the State of North Dakota; that it has all the necessary power and authority to enter into this Agreement and carry out the transactions contemplated herein; and that the

execution and delivery hereof and the performance by the City of its obligations hereunder will not violate or constitute a default under the terms and provisions of any agreement, law or court order to which the City is a party or by which the City is bound.

- b. All actions required to authorize the City to enter into this Agreement have been taken, and this Agreement is a valid and binding obligation of City, enforceable in accordance with its terms.
 - c. The person executing this Agreement on behalf of the City has the full power and authority to bind the City to the terms hereof.
8. Non-Litigation Covenant. The release in this Agreement may be plead as a full and complete defense to, and may be used as the basis for an injunction against any action, suit, or other proceeding which may be instituted, prosecuted, or attempted in breach of the release contained herein, and the Parties shall not in any manner challenge this Agreement. Notwithstanding any mutual releases contained in this Agreement, nothing in this Agreement is, nor shall be deemed to be, a release of the obligations, terms, and conditions of this Agreement, and nothing herein shall in any manner limit or otherwise preclude the Parties from commencing an action solely for the purpose of enforcing any obligation, term, or condition of this Agreement.
9. Binding Effect. The terms of this Agreement, including the recitals above, are considered binding and effective promises, agreements, and covenants, fully enforceable by the Parties. This Agreement shall inure to the benefit of the Parties and any of their heirs, successors, personal representatives, officers, and assigns of each.
10. Notices. Notices, statements, and other communications to be given under the terms of this Agreement shall be delivered in a timely fashion (and in any event within any time limits established elsewhere in this Agreement) and shall be in writing and delivered by hand or sent by U.S. Mail (return receipt requested), and addressed as follows:
- a. To City/Assignor: City of Minot
 Attn: City Clerk
 P.O. Box 5006
 Minot, ND 58702-5006
 - b. To PSND/
 Assignee: PSND
 P.O. Box 758
 Minot, ND 58703-0758
11. Records Maintenance. The Parties agree that this Agreement and all documents relative to this Agreement are subject to North Dakota's open records laws and shall remain accessible to the City upon written request by the City.
12. Waiver. The waiver by either Party of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained. No covenant, term or condition of this Agreement shall be deemed

to have been waived by either Party, unless such waiver is in writing signed by the Party against whom such waiver is asserted.

13. Successors and Assigns. All the rights, benefits, duties, liabilities, and obligations of the Parties hereto shall inure to the benefit of and be binding upon their respective successors and assigns.

- a. Transfers and Assignments. PSND shall not sell, convey, assign, transfer, pledge, or otherwise dispose of all or any part of its interest, if any, in this Agreement, or any of the contractual rights or obligations related to this Agreement without first obtaining the prior written consent of the City.

14. Applicable Law/Venue. This Agreement and all provisions herein shall be construed and enforced in accordance with the laws of the State of North Dakota. Venue for any action arising out of this Agreement shall be in Ward County District Court.

15. Representation by Counsel/Voluntary Nature of Agreement. The Parties acknowledge and represent that they have been, or have waived the opportunity to consult and be, represented by legal counsel in connection with the consideration and execution of this Agreement. The Parties represent and declare that in executing this Agreement, they relied solely upon their own judgment, belief, and knowledge, and after consultation with their legal counsel concerning the nature, extent, and duration of their rights and claims, and that they were not induced into executing this Agreement by any representations not expressly contained or referred to herein. By entering into this Agreement, the Parties acknowledge and expressly warrant and represent to each other that, as a part of the consideration for the promises contained herein, that before executing this Agreement they have fully and completely read its terms and that the terms of this Agreement are fully understood and voluntarily accepted by each Party, without duress or coercion of any kind.

16. Severability. If any provisions of this Agreement, the deletion of which would not adversely affect the receipt of any material benefit by any party hereunder or substantially increase the burden on any party hereto, shall be found invalid or unenforceable to any extent, the same shall be considered severed, and shall not adversely affect the validity or enforceability of the remainder of this Agreement.

17. Further Assurances. The Parties hereby agree to execute and deliver any and all instruments, agreements, documents, and take any other such action as may be necessary and appropriate to carry out the transactions described in this Agreement.

18. Titles and Captions. Titles and captions are for convenience of reference only and do not define, describe, or limit the scope or intent of this Agreement or any of its terms. Reference to section numbers are to sections in this Agreement unless expressly stated otherwise.

19. Entire Agreement. This Agreement sets forth all the covenants, promises, agreements, conditions, and understandings between the Parties, oral or written, relating to the subject matter of this Agreement. Neither Party has

made any representations or promises not expressly contained herein. No subsequent alterations, amendments, changes, or additions to this Agreement shall be binding upon a Party unless reduced to writing and signed by a Party's authorized representative.

IN WITNESS THEREOF, the Parties have caused this Agreement to be executed by their undersigned officials as duly authorized,

ASSIGNOR: CITY OF MINOT

Mayor

Date

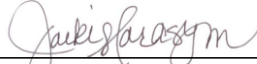
Attest:

By:
City Clerk

Date

Attest:

Finance Director, City of Minot

Date**ASSIGNEE: PSND**

By: Jacki Harasym
Title: Lead Co-Executive Director

10/29/2025
Date

Attest:



By: Samantha Koons
Title: Board of Director President

10/29/2025
Date

Exhibit A**COMMERCIAL LEASE AGREEMENT**

THE PARTIES: This Lease Agreement agreed on November 18 2023 is between:

The Lessor is a business entity known as Project BEE with a mailing address of 1901 S Broadway, STE 3, Minot, North Dakota, 58701, hereinafter referred to as the "Lessor."

AND

The Lessee is a business entity known as The Welcome Table with a mailing address of the Property's Address, hereinafter referred to as the "Lessee."

The Lessor and Lessee hereby agree as follows:

DESCRIPTION OF LEASED PREMISES. The Lessor agrees to lease to the Lessee the following described Soup Kitchen/Food Pantry located at 1901 S Broadway, Ste 2, Minot, North Dakota, 58701.

Hereinafter referred to as the "Premises".

USE OF LEASED PREMISES: The Lessor is leasing the Premises to the Lessee and the Lessee is hereby agreeing to lease the Premises for any legal use allowed in accordance with local, State, and Federal laws.

Any change in use or purpose of the Premises other than as described above shall be upon prior written consent of Lessor only otherwise the Lessee will be considered in default of this Lease Agreement.

EXCLUSIVE USE. The Lessee shall not hold exclusive rights on the Premises. The Lessor shall hold the rights to lease other areas of the Property to any same or like use as the Lessee.

TERM OF LEASE. This Lease shall commence on December 1 2023 and expire at Midnight on December 31 2033 ("Initial Term").

RENT AMOUNT. Payment shall be made by the Lessee to the Lessor in the amount of \$2,500.00 per month for the Initial Term of this Lease Agreement hereinafter referred to as the "Rent."

RENT PAYMENT. The Rent shall be paid under the following instructions:

Rent shall be paid by the Lessee to the Lessor on a per month basis with payment due no later than the 1st of every month.

Rent shall be paid by the Lessee to the Lessor's mailing address of 1901 S Broadway, STE 3, Minot, North Dakota, 58701.

RETURNED CHECKS (NSF). If the Lessee attempts to pay Rent with a check that is not deemed valid by a financial institution due to non-sufficient funds, or any other reason for it to be returned, the Lessee will be subject to a fee of \$35 in addition to any late fee.

Page 1

LATE FEE. The Lessor shall charge a late payment fee if rent is not paid on time in the following amount:

The Lessee shall be charged a late fee in the amount of \$25 daily until the rent is fully satisfied, including any late payment fees, if the rent is not paid after the 5th day payment is due.

OPTION TO RENEW. The Lessee shall have the right to renew this Agreement under the following conditions:

Lessee shall have the right to renew this Lease Agreement, along with any renewal period, and be required to exercise such renewal period(s) by giving written notice via certified mail to the Lessor no less than 60 days prior to the expiration of the Initial Term or any subsequent renewal period. The Lessee shall have a total of 1 renewal periods which will continue to abide by the same covenants, conditions and provisions as provided in this Lease Agreement as described:

RENEWAL PERIODS

The first (1st) renewal period shall begin on January 1 2034 and end on December 31 2043 with the Rent to be paid per month with the Rent for the renewal period to be negotiated in good faith upon the Lessee providing notice of their intention to renew.

EXPENSES. In accordance with a Gross Lease the responsibility of the expenses shall be attributed to the following:

It is the intention of the Parties, and they hereby agree, that the above mentioned Rent is the entirety of the payment due per month and expenses payable by Lessee to Lessor and Lessee is not obligated to pay any additional expenses including real estate taxes, insurance (other than on the Lessee's personal property) liens, charges or expenses of any nature whatsoever in connection with the ownership and operation of the Premises. The Lessor shall be obligated to maintain the general exterior structure of the Premises and, in addition, shall maintain all major systems such as the heating, plumbing and electrical, and shall maintain the parking area and shall also provide snow removal and ground maintenance of the grounds and lands surrounding the Premises, except as hereinafter set forth. The Lessee will maintain, at their expense, casualty insurance insuring the leased Premises against loss by fire and negligence. The Lessee shall provide and maintain personal liability and property damage insurance as a lessee and will designate the Lessor as an "also named insured". The Lessee shall provide the Lessor with a copy of such insurance certification or policy prior to the effective date of this Lease, at least to the limits of \$1,000,000.00.

UTILITIES. The Lessee shall be responsible for any and all utilities to the Premises in relation to the total property area.

SECURITY DEPOSIT. A security deposit in the amount of \$2,500.00 shall be due and payable in advance upon the signing of this Lease and which amount shall be held in escrow by the Lessor in a separate, interest-bearing savings account as security for the faithful performance of the terms and conditions of the Lease.

Provided the Premises is returned to the Lessor in the same condition as the Start the Initial Term, less any normal "wear and tear", the Lessee shall have their Security Deposit amount of \$2,500.00 returned within 30 days.

FURNISHINGS. The Lessor will not provide any furnishings to the Lessee under this Lease.

PARKING. Parking shall be provided to the Lessee in a shared manner provided on the Premises. There is no set number of parking spaces provided to the Lessee.

There shall be no fee charged to the Lessee for the use of the Parking Space(s).

LEASEHOLD IMPROVEMENTS. The Lessee agrees that no leasehold improvements, alterations or changes of any nature, (except for those listed on any attached addenda) shall be made to the leasehold Premises or the exterior of the building without first obtaining the consent of the Lessor in writing, which consent shall not be unreasonably withheld, and thereafter, any and all leasehold improvements made to the Premises which become affixed or attached to the leasehold Premises shall remain the property of the Lessor at the expiration or termination of this Lease Agreement. Furthermore, any leasehold improvements shall be made only in accordance with applicable federal, state or local codes, ordinances or regulations, having due regard for the type of construction of the building housing the subject leasehold Premises. If the Lessee makes any improvements to the Premises the Lessee shall be responsible for payment.

Nothing in the Lease shall be construed to authorize the Lessee or any other person acting for the Lessee to encumber the rents of the Premises or the interest of the Lessee in the Premises or any person under and through whom the Lessee has acquired its interest in the Premises with a mechanic's lien or any other type of encumbrance. Under no circumstance shall the Lessee be construed to be the agent, employee or representative of Lessor. In the event a lien is placed against the Premises, through actions of the Lessee, Lessee will promptly pay the same or bond against the same and take steps immediately to have such lien removed. If the Lessee fails to have the Lien removed, the Lessor shall take steps to remove the lien and the Lessee shall pay Lessor for all expenses related to the Lien and removal thereof and shall be in default of this Lease.

LICENSES AND PERMITS. A copy of any and all local, state or federal permits acquired by the Lessee which are required for the use of the Premises shall be kept on-site at all times and shall be readily accessible and produced to the Lessor and/or their agents or any local, state, or federal officials upon demand.

MAINTENANCE: The Lessor and Lessee shall have shared responsibilities of the repairs and maintenance on the Premises.

The Lessor shall have the following responsibilities: Cleaning of exterior of building, snow removal, groundskeeping

The Lessee shall have the following responsibilities: Replacing interior lightbulbs, interior cleaning

SALE OF PROPERTY. Lessee shall, in the event of the sale or assignment of Lessor's interest in the building of which the premises form a part, or in the event of any proceedings brought for the foreclosure of, or in the event of exercise of the power of sale under any mortgage made by Lessor covering the premises, attorn to the purchaser and recognize such purchaser as Lessor under this Lease.

Page 3

HVAC MAINTENANCE. Lessor will provide or engage a reputable and experienced firm for the purpose of periodically inspecting and maintaining the heating-ventilating, and air conditioning equipment located on the Premises, hereinafter referred to as the "HVAC System." In addition, the Lessor shall be responsible for all costs associated to the everyday upkeep and maintenance of said HVAC System.

COMMON AREAS. The Lessor shall be responsible for any costs related to the maintenance and upkeep of the common areas which is defined as space used by more than one (1) of the Lessees on the Property. Common areas, include but are not limited to, entry-ways, bathrooms, meeting rooms, and any other space on the Property that is shared by the Lessees or Co-Tenants.

INSURANCE. In the event Lessee shall fail to obtain insurance required hereunder and fails to maintain the same in force continuously during the term, Lessor may, but shall not be required to, obtain the same and charge the Lessee for same as additional rent. Furthermore, Lessee agrees not to keep upon the premises any articles or goods which may be prohibited by the standard form of fire insurance policy, and in the event the insurance rates applicable to fire and extended coverage covering the premises shall be increased by reason of any use of the premises made by Lessee, then Lessee shall pay to Lessor, upon demand, such increase in insurance premium as shall be caused by said use or Lessee's proportionate share of any such increase.

SUBLET/ASSIGNMENT. The Lessee may not transfer or assign this Lease, or any right or interest hereunder or sublet said leased premises or any part thereof.

DAMAGE TO LEASED PREMISES. In the event the building housing the leased premises shall be destroyed or damaged as a result of any fire or other casualty which is not the result of the intentional acts or neglect of Lessee and which precludes or adversely affects the Lessee's occupancy of the leased premises, then in every such cause, the rent herein set forth shall be abated or adjusted according to the extent to which the Premises have been rendered unfit for use and occupation by the Lessee and until the demised premises have been put in a condition at the expense of the Lessor, at least to the extent of the value and as nearly as possible to the condition of the premises existing immediately prior to such damage. It is understood, however, in the event of total or substantial destruction to the Premises that in no event shall the Lessor's obligation to restore, replace or rebuild exceed an amount equal to the sum of the insurance proceeds available for reconstruction with respect to said damage.

The Lessee shall, during the term of this Lease, and in the renewal thereof, at its sole expense, keep the interior of the leased premises in as good a condition and repair as it is at the date of this Lease, reasonable wear and use excepted. This obligation would include the obligation to replace any plate glass damaged as a result of the neglect or acts of Lessee or her guests or invitees. Furthermore, the Lessee shall not knowingly commit nor permit to be committed any act or thing contrary to the rules and regulations prescribed from time to time by any federal, state or local authorities and shall expressly not be allowed to keep or maintain any hazardous waste materials or contaminants on the premises. Lessee shall also be responsible for the cost, if any, which would be incurred to bring her contemplated operation and business activity into compliance with any law or regulation of a federal, state or local authority.

HAZARDOUS MATERIALS LAWS. Shall mean any and all federal, state, or local laws, ordinances, rules, decrees, orders, regulations, or court decisions relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions on, under, or about the

Premises, the Building, or the Property, or soil and ground water conditions, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), the Resource Conservation and Recovery Act (RCRA), the Hazardous Materials Transportation Act, any other law or legal requirement concerning hazardous or toxic substances, and any amendments to the foregoing.

LESSEE'S DEFAULT AND POSSESSION. In the event that the Lessee shall fail to pay said rent and expenses as set forth herein, or any part thereof, when the same are due and payable, or shall otherwise be in default of any other terms of said Lease for a period of more than 15 days, after receiving notice of said default, then the parties hereto expressly agree and covenant that the Lessor may declare the Lease terminated and may immediately re-enter said premises and take possession of the same together with any of Lessee's personal property, equipment or fixtures left on the premises which items may be held by the Lessor as security for the Lessee's eventual payment and/or satisfaction of rental defaults or other defaults of Lessee under the Lease. It is further agreed, that if the Lessee is in default, that the Lessor shall be entitled to take any and all action to protect its interest in the personal property and equipment, to prevent the unauthorized removal of said property or equipment which threatened action would be deemed to constitute irreparable harm and injury to the Lessor in violation of its security interest in said items of personal property. Furthermore, in the event of default, the Lessor may expressly undertake all reasonable preparations and efforts to release the Premises including, but not limited to, the removal of all inventory, equipment or leasehold improvements of the Lessee's, at the Lessee's expense, without the need to first procure an order of any court to do so, although obligated in the interim to undertake reasonable steps and procedures to safeguard the value of Lessee's property, including the storage of the same, under reasonable terms and conditions at Lessee's expense, and, in addition, it is understood that the Lessor may sue the Lessee for any damages or past rents due and owing and may undertake all and additional legal remedies then available.

LESSOR'S DEFAULT. The Lessee may send written notice to the Lessor stating duties or obligations that have not been fulfilled under the full performance of this Lease Agreement. If said duties or obligations have not been cured within 30 days from receiving such notice, unless the Lessor needs to more time to cure or remedy such issue in accordance with standard industry protocol, then the Lessor shall be in default of this Lease Agreement.

If the Lessor should be in default the Lessee shall have the option to terminate this Lease Agreement and be held harmless against any of its terms or obligations.

DISPUTES. If any dispute should arise in relation to this Lease Agreement the Lessor and Lessee shall first negotiate amongst themselves in "good faith." Afterwards, if the dispute is not resolved then the Lessor and Lessee shall seek mediation in accordance with the laws in the State of North Dakota. If the Lessor and Lessee fail to resolve the dispute through mediation then the American Arbitration Association shall be used in accordance with their rules. Lessor and Lessee agree to the binding effect of any ruling or judgment made by the American Arbitration Association.

INDEMNIFICATION. The Lessee hereby covenants and agrees to indemnify, defend and hold the Lessor harmless from any and all claims or liabilities which may arise from any cause whatsoever as a result of Lessee's use and occupancy of the premises, and further shall indemnify the Lessor for any losses which the Lessor may suffer in connection with the Lessee's use and occupancy or care, custody and control of the premises. The Lessee also hereby covenants and agrees to indemnify and hold harmless the Lessor from any and all claims or liabilities which may arise from any latent defects in the

subject premises that the Lessor is not aware of at the signing of the lease or at any time during the lease term.

BANKRUPTCY - INSOLVENCY. The Lessee agrees that in the event all or a substantial portion of the Lessee's assets are placed in the hands of a receiver or a Trustee, and such status continues for a period of 30 days, or should the Lessee make an assignment for the benefit of creditors or be adjudicated bankrupt, or should the Lessee institute any proceedings under the bankruptcy act or any amendment thereto, then such Lease or interest in and to the leased premises shall not become an asset in any such proceedings and, in such event, and in addition to any and all other remedies of the Lessor hereunder or by law provided, it shall be lawful for the Lessor to declare the term hereof ended and to re-enter the leased land and take possession thereof and all improvements thereon and to remove all persons therefrom and the Lessee shall have no further claim thereon.

SUBORDINATION AND ATTORNMENT. Upon request of the Lessor, Lessee will subordinate its rights hereunder to the lien of any mortgage now or hereafter in force against the property or any portion thereof, and to all advances made or hereafter to be made upon the security thereof, and to any ground or underlying lease of the property provided, however, that in such case the holder of such mortgage, or the Lessor under such Lease shall agree that this Lease shall not be divested or in any way affected by foreclosure, or other default proceedings under said mortgage, obligation secured thereby, or Lease, so long as the Lessee shall not be in default under the terms of this Lease. Lessee agrees that this Lease shall remain in full force and effect notwithstanding any such default proceedings under said mortgage or obligation secured thereby. Lessee shall, in the event of the sale or assignment of Lessor's interest in the building of which the Premises form a part, or in the event of any proceedings brought for the foreclosure of, or in the event of exercise of the power of sale under any mortgage made by Lessor covering the Premises, attorn to the purchaser and recognize such purchaser as Lessor under this Lease.

USAGE BY LESSEE. Lessee shall comply with all rules, regulations and laws of any governmental authority with respect to use and occupancy. Lessee shall not conduct or permit to be conducted upon the premises any business or permit any act which is contrary to or in violation of any law, rules or regulations and requirements that may be imposed by any authority or any insurance company with which the premises is insured, nor will the Lessee allow the premises to be used in any way which will invalidate or be in conflict with any insurance policies applicable to the building. In no event shall explosives or extra hazardous materials be taken onto or retained on the premises. Furthermore, Lessee shall not install or use any equipment that will cause undue interference with the peaceable and quiet enjoyment of the premises by other Lessees of the building.

SIGNAGE. Lessee shall not place on any exterior door, wall or window of the premises any sign or advertising matter without Lessor's prior written consent and the approval of the local municipality. Thereafter, Lessee agrees to maintain such sign or advertising matter as first approved by Lessor in good condition and repair. Furthermore, Lessee shall conform to any uniform reasonable sign plan or policy that the Lessor may introduce with respect to the building. Upon vacating the premises, Lessee agrees to remove all signs and to repair all damages caused or resulting from such removal.

PETS. No pets shall be allowed on the premises without the prior written permission of Lessor unless said pet is required for reasons of disability under the Americans with Disability Act.

CONDITION OF PREMISES/INSPECTION BY LESSEE. The Lessee acknowledges they have had the opportunity to inspect the Premises and acknowledges with its signature on this Lease that the

Premises are in good condition and comply in all respects with the requirements of this Lease. The Lessor makes no representation or warranty with respect to the condition of the premises or its fitness or availability for any particular use, and the Lessor shall not be liable for any latent or patent defect therein. The Lessee represents that Lessee has inspected the premises and is leasing and will take possession of the premises with all current fixtures present in their "as is" condition as of the date hereof.

AMERICANS WITH DISABILITY ACT. Per 42 U.S. Code § 12183 if the Lessee is using the Premises as a public accommodation (e.g. restaurants, shopping centers, office buildings) or there are more than 15 employees the Premises must provide accommodations and access to persons with disabilities that is equal or similar to that available to the general public. Owners, operators, lessors, and lessees of commercial properties are all responsible for ADA compliance. If the Premises is not in compliance with the Americans with Disability Act any modifications or construction will be the responsibility of the Lessor.

RIGHT OF ENTRY. It is agreed and understood that the Lessor and its agents shall have the complete and unencumbered right of entry to the Premises at any time or times for purposes of inspecting or showing the Premises and for the purpose of making any necessary repairs to the building or equipment as may be required of the Lessor under the terms of this Lease or as may be deemed necessary with respect to the inspection, maintenance or repair of the building. In accordance with State and local laws, the Lessor shall have the right to enter the Premises without the consent of the Lessee in the event of an emergency.

ESTOPPEL CERTIFICATE. Lessee at any time and from time to time, upon at least ten (10) days prior notice by Lessor, shall execute, acknowledge and deliver to Lessor, and/or to any other person, firm or corporation specified by Lessor, a statement certifying that the Lease is unmodified and in full force and effect, or if the Lease has been modified, then that the same is in full force and effect except as modified and stating the modifications, stating the dates to which the fixed rent and additional rent have been paid, and stating whether or not there exists any default by Lessor under this Lease and, if so, specifying each such default.

HOLDOVER PERIOD. Should the Lessee remain in possession of the Premises after the cancellation, expiration or sooner termination of the Lease, or any renewal thereof, without the execution of a new Lease or addendum, such holding over in the absence of a written agreement to the contrary shall be deemed to have created and be construed to be a tenancy from month to month with the Rent to be due and payable in the same amount as the previous month, terminable upon 30 days' notice by either party.

WAIVER. Waiver by Lessor of a default under this Lease shall not constitute a waiver of a subsequent default of any nature.

GOVERNING LAW. This Lease shall be governed by the laws of the State of North Dakota.

NOTICES. Notices shall be addressed to the following:

Lessee: The Welcome Table
1901 S Broadway, Ste 2, Minot, North Dakota, 58701

AMENDMENT(S). No amendment of this Lease shall be effective unless reduced to writing and subscribed by the parties with all the formality of the original.

SEVERABILITY. If any term or provision of this Lease Agreement is illegal, invalid or unenforceable, such term shall be limited to the extent necessary to make it legal and enforceable, and, if necessary, severed from this Lease. All other terms and provisions of this Lease Agreement shall remain in full force and effect.

BINDING EFFECT. This Lease and any amendments thereto shall be binding upon the Lessor and the Lessees and/or their respective successors, heirs, assigns, executors and administrators.

LESSOR SIGNATURE

Signature [Signature] Date 11/17/2023
Elizabeth Larsen, Executive Director of Project BEE

LESSEE SIGNATURE

Signature [Signature] Date 11/17/2023
Gerald Roise, Chair



LEASE ASSIGNMENT AGREEMENT

An Agreement to assign City of Minot's interest in its lease with Chen Cheng Huan, dba Hibachi Express, LLC. (aka Oishii Ramen) to Pathfinder Services of ND (PSND)

This Lease Assignment Agreement (Agreement) is entered into by and between the City of Minot (City/Assignor), a municipal corporation and political subdivision of the State of North Dakota, and Pathfinder Services of ND (PSND/Assignee). City and PSND are collectively referred to herein as the "Parties", and each a "Party" as the context allows, to assign City's interest in the following standard commercial lease to PSND:

1. Commercial Lease Agreement, A lease agreement entered into on April 7, 2025 by and between City and Chen Cheng Huan, dba Hibachi Express, LLC, to lease Suite A, located at 101 19th Ave. SW, Minot, ND 58701, containing 4,545 square feet, for a term of five (5) years with an extension, unless sooner terminated, for an initial monthly payment of \$7,000 per month with a 2% increase per year for the five (5) year term, with rates to be negotiated at the beginning of each five (5) year lease. This lease agreement is attached hereto as Exhibit B and is referred to throughout this Agreement as the "Lease Agreement."

WHEREAS, City/Assignor entered into three agreements with Project BEE to construct and develop the "Broadway Circle Project"; and

WHEREAS, the premises described in the Lease Agreement is located on property that is considered a part of the Broadway Circle Project; and

WHEREAS, Project BEE entered into the Lease Agreement attached hereto as Exhibit B with Chen Cheng Huan; and

WHEREAS, after advising the City that it could not complete its remaining obligations under its agreements with the City, Project BEE assigned its interest in the Lease Agreement to the City (hereinafter referred to as "Initial Lease Assignment"); and

WHEREAS, City/Assignor now wishes to assign their rights and obligations under the Lease Agreement to the PSND/Assignee; and

WHEREAS, PSND/Assignee wishes to assume City/Assignor's rights and obligations under the Lease Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and promises recorded herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

1. Recitals Incorporated. The recitals set forth above are true and correct, and considered a part of this Agreement.
2. Assignment of Lease Agreement. City/Assignor and PSND/Assignee hereby agree that by signing this Agreement, City/Assignor assigns, and PSND/Assignee assumes, all of City/Assignor's rights, titles, and interests, obligations, responsibilities and duties under the Lease Agreement, unless

1. stated otherwise in this Agreement, effective as of the date the last party signed this Agreement (Assignment Date).
3. Assignment Agreement Contingent upon Execution and Compliance with Operations and Maintenance Agreement. City/Assignor and PSND/Assignee have also executed an Operations and Maintenance Agreement ("O&M Agreement"). The Parties acknowledge, understand, and agree that this Agreement shall be terminable at the City/Assignor's option should PSND/Assignor fail to comply with any of the terms and conditions of the O&M Agreement.
4. Indemnification by PSND/Assignee. Notwithstanding the foregoing, PSND agrees to defend and indemnify City/Assignor from any and all claims, actions, judgments, liabilities, proceedings, and costs, including reasonable attorney's fees and other costs of defense and damages resulting from PSND/Assignee's performance after the assignment of the Lease Agreement to the PSND/Assignee.
5. Parties Responsible for Costs. The Parties shall be responsible for their own direct and indirect costs associated with this Agreement.
6. PSND's Representations and Warranties. PSND represents and warrants the following as a material inducement for the PSND to enter into this Agreement:
 - a. PSND is a non-profit organization, validly existing and in good standing under the laws of the State of North Dakota; it has the power and authority necessary to enter into this Agreement and carry out the transactions contemplated herein, and that the execution and delivery of this Agreement to the City will not violate or constitute a default under the terms and provisions of any agreement, law, or court order to which PSND is a party or by which PSND is bound.
 - b. All actions required to authorize PSND to enter into this Agreement have been taken, and that this Agreement is a valid and binding obligation of PSND, enforceable in accordance with its terms.
 - c. The person executing this Agreement on behalf of PSND has the full power and authority to bind PSND to the terms hereof.
7. City's Representations and Warranties. The City represents and warrants the following as a material inducement for the City to enter into this Agreement:
 - a. The City is a municipal corporation with a home rule charter, existing and in good standing under the laws of the State of North Dakota; that it has all the necessary power and authority to enter into this Agreement and carry out the transactions contemplated herein; and that the execution and delivery hereof and the performance by the City of its obligations hereunder will not violate or constitute a default under the terms and provisions of any agreement, law or court order to which the City is a party or by which the City is bound.

- b. All actions required to authorize the City to enter into this Agreement have been taken, and this Agreement is a valid and binding obligation of City, enforceable in accordance with its terms.
 - c. The person executing this Agreement on behalf of the City has the full power and authority to bind the City to the terms hereof.
8. Non-Litigation Covenant. The release in this Agreement may be plead as a full and complete defense to, and may be used as the basis for an injunction against any action, suit, or other proceeding which may be instituted, prosecuted, or attempted in breach of the release contained herein, and the Parties shall not in any manner challenge this Agreement. Notwithstanding any mutual releases contained in this Agreement, nothing in this Agreement is, nor shall be deemed to be, a release of the obligations, terms, and conditions of this Agreement, and nothing herein shall in any manner limit or otherwise preclude the Parties from commencing an action solely for the purpose of enforcing any obligation, term, or condition of this Agreement.
9. Binding Effect. The terms of this Agreement, including the recitals above, are considered binding and effective promises, agreements, and covenants, fully enforceable by the Parties. This Agreement shall inure to the benefit of the Parties and any of their heirs, successors, personal representatives, officers, and assigns of each.
10. Notices. Notices, statements, and other communications to be given under the terms of this Agreement shall be delivered in a timely fashion (and in any event within any time limits established elsewhere in this Agreement) and shall be in writing and delivered by hand or sent by U.S. Mail (return receipt requested), and addressed as follows:
 - a. To City/Assignor: City of Minot
Attn: City Clerk
P.O. Box 5006
Minot, ND 58702-5006
 - b. To PSND/
Assignee: PSND
P.O. Box 758
Minot, ND 58703-0758
11. Records Maintenance. The Parties agree that this Agreement and all documents relative to this Agreement are subject to North Dakota's open records laws and shall remain accessible to the City upon written request by the City.
12. Waiver. The waiver by either Party of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained. No covenant, term or condition of this Agreement shall be deemed to have been waived by either Party, unless such waiver is in writing signed by the Party against whom such waiver is asserted.
13. Successors and Assigns. All the rights, benefits, duties, liabilities, and obligations of the Parties hereto shall inure to the benefit of and be binding upon their respective successors and assigns.

- a. Transfers and Assignments. PSND shall not sell, convey, assign, transfer, pledge, or otherwise dispose of all or any part of its interest, if any, in this Agreement, or any of the contractual rights or obligations related to this Agreement without first obtaining the prior written consent of the City.
14. Applicable Law/Venue. This Agreement and all provisions herein shall be construed and enforced in accordance with the laws of the State of North Dakota. Venue for any action arising out of this Agreement shall be in Ward County District Court.
15. Representation by Counsel/Voluntary Nature of Agreement. The Parties acknowledge and represent that they have been, or have waived the opportunity to consult and be, represented by legal counsel in connection with the consideration and execution of this Agreement. The Parties represent and declare that in executing this Agreement, they relied solely upon their own judgment, belief, and knowledge, and after consultation with their legal counsel concerning the nature, extent, and duration of their rights and claims, and that they were not induced into executing this Agreement by any representations not expressly contained or referred to herein. By entering into this Agreement, the Parties acknowledge and expressly warrant and represent to each other that, as a part of the consideration for the promises contained herein, that before executing this Agreement they have fully and completely read its terms and that the terms of this Agreement are fully understood and voluntarily accepted by each Party, without duress or coercion of any kind.
16. Severability. If any provisions of this Agreement, the deletion of which would not adversely affect the receipt of any material benefit by any party hereunder or substantially increase the burden on any party hereto, shall be found invalid or unenforceable to any extent, the same shall be considered severed, and shall not adversely affect the validity or enforceability of the remainder of this Agreement.
17. Further Assurances. The Parties hereby agree to execute and deliver any and all instruments, agreements, documents, and take any other such action as may be necessary and appropriate to carry out the transactions described in this Agreement.
18. Titles and Captions. Titles and captions are for convenience of reference only and do not define, describe, or limit the scope or intent of this Agreement or any of its terms. Reference to section numbers are to sections in this Agreement unless expressly stated otherwise.
19. Entire Agreement. This Agreement sets forth all the covenants, promises, agreements, conditions, and understandings between the Parties, oral or written, relating to the subject matter of this Agreement. Neither Party has made any representations or promises not expressly contained herein. No subsequent alterations, amendments, changes, or additions to this Agreement shall be binding upon a Party unless reduced to writing and signed by a Party's authorized representative.

IN WITNESS THEREOF, the Parties have caused this Agreement to be executed by their undersigned officials as duly authorized,

ASSIGNOR: CITY OF MINOT

Mayor

Date

Attest:

City Clerk

Date

Attest:

Finance Director, City of Minot

Date

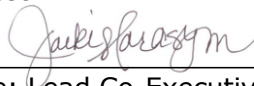
ASSIGNEE: PSND



Title: Board of Director President

10/29/2025

Date

Attest:


Title: Lead Co-Executive Director

10/29/2025

Date

**AMENDMENT OF LEASE AGREEMENT AND EXERCISE OF OPTION TO
EXTEND LEASE AGREEMENT**

THIS AGREEMENT is entered into this 7th day of April, 2025, between City of Minot as their respective agent ("Landlord") with a principal address of 420 3rd Ave SW, Minot, ND 58701 and Hibachi Express LLC dba Oishii Ramen, ("Tenant") with a principal address of 1501 32nd Ave SW, Minot, ND 58701.

WITNESSETH:

WHEREAS, Tenant entered into a lease agreement dated April 6, 2020, with an effective date of April 6, 2020, ("Lease Agreement") with LSS Housing, Inc., property manager, for the property located in the City of Minot described as approximately 4,500 square feet located at 1901 South Broadway, Suite 1, Minot, ND 58701, ("Premises");

WHEREAS, the Lease Agreement entered into by the Tenant was for an initial term of five (5) years commencing on April 6, 2020 with the option to extend the lease in accordance with two (2) five-year options;

WHEREAS, Management of the Premises was thereafter acquired by the City of Minot took over management of the Premises;

WHEREAS, Tenant is currently in possession of the Premises and pays monthly rent in the sum of \$4,300.00;

WHEREAS, Section 1 of the Lease Agreement states that if Tenant exercises any of its options, the Lease shall continue on the same terms and conditions except for rent.

WHEREAS, Tenant now wishes to extend the Lease for a subsequent five-year period in accordance with the terms and provisions set forth in the Lease Agreement;

NOW THEREFORE, with the above recitals incorporated herein, Tenant and Landlord hereby agree to extend the Lease for a five-year period, commencing May 1, 2025 and expiring April 30, 2030 subject to the following amended payment schedule.

3. **RENT:** Tenant shall pay to Landlord as rental for the premises, the following:

Year	Monthly Rent
6	\$7,000.00
7	\$7,140.00
8	\$7,283.00
9	\$7,429.00
10	\$7,578.00

Pursuant to the above table, there shall be a 2% increase per year for the 5-year term; with option by parties to renew for one additional 5-year term (rates negotiated at beginning of this 5-year term).

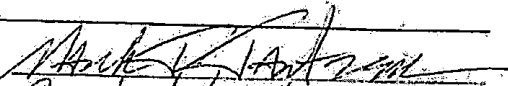
Notwithstanding the specific lease term, either Tenant or Landlord may terminate the Lease for convenience by providing written notice of termination to the other party at least 365 days prior to the desired termination date.

All other terms and provisions of the Lease Agreement not specifically addressed in this Amendment of Lease Agreement and Option to Extend Lease Agreement will remain unchanged and in full force and effect, including paragraphs two and three of Section 3, subject to the exception that any reference to "five-year option" in the Lease shall be replaced with the option periods specifically provided for herein.

IN WITNESS WHEREOF, the parties have caused this AGREEMENT, consisting of two (2) typewritten pages, to be duly executed as of the day and year first written above.

LANDLORD:

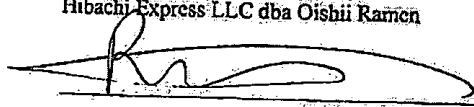
City of Minot

By: 

Its: President/Acting Mayor

TENANT:

Hibachi Express LLC dba Oishii Ramen

By: 

Its: president

Exhibit A

STANDARD COMMERCIAL LEASE

ARTICLE 1. BASIC LEASE TERMS

1.1 **PARTIES.** This Gross Lease Agreement also known as full service lease ("Lease") is entered into this 1st day of ~~July, 2020~~ ^{April 6, 2020} by and between LSS Housing Inc, Inc a corporation ("Landlord") and Chen Cheng Huan dba Grand Hibachi Buffet, Inc or similar. (Tenant).

1.2 **DEMISED PREMISES:** In consideration of the rents, terms, provisions and covenants of this Lease, Landlord hereby leases, lets and demises to Tenant the following described premises ("Premises"): approximately 4,500 sq. ft located at 1901 South Broadway in Minot ND 58107 ("Building").

Property:	Broadway Circle
Address:	1901 South Broadway in Minot ND
Area of Building:	12,000 sq. ft.
Area of Demised Premises:	4,500 sq. ft.
Space or Unit Number:	Suite 1
Permitted Use:	The operation of Chinese/Japanese Restaurant or other similar restaurant.
Common area footage:	All measurements based on BOMA standards to include common area load factor. Common area charged at base rent amount described in Section 1.4 of this Agreement.

1.3 **TERM.** Subject to and upon the conditions set forth herein, the term of this Lease shall commence on April 6, 2020 with a term of five (5) years with two-five year extensions unless sooner terminated as hereinafter provided.

Possession Date: Business is in possession due to previous lease that was assumed by LSS Housing Inc.

1.4 **MONTHLY PAYMENT.** Monthly rent payment for year one is \$4,000 (annualized total of \$48,000) and Common Area Maintenance charges, which for year one are fixed at \$0.00 per month (annualized total of \$0.00).

1.5 **Base Rent Adjustment:** 2% increase per year for the 5 year term; with option by parties to renew for two additional 5 year terms (rates negotiated at beginning of each 5 year term)

Common Area Maintenance Charge Adjustment: Not Applicable

1.6 ADDRESSES:

Landlord's Mailing Address:	LSS Housing Inc. PO Box 2148, Fargo, ND 58107-2148
Tenant's Mailing Address:	1501 32 nd Ave SW, Minot ND 58701
Place of Payments:	LSS Housing Inc. PO Box 2148, Fargo, ND 58107-2148
Check Payable To:	LSS Property Management Group, LLC

1.7 UTILITIES:

Electricity	Included in Base Rent
Natural Gas	Included in Base Rent except for gas meter for all kitchen appliances, which will be the responsibility of the Tenant
Water/Sewer	Included in Base Rent
Garbage	Tenant responsibility

Grease Disposal	Tenant responsibility
Internet/cable	Tenant responsibility

1.8 SECURITY DEPOSIT: \$0.

1.9 COMMON AREA MAINTENANCE CHARGES – (not applicable as full service lease)

1.10 PARKING:

Tenant and employee guest parking shall be provided at no additional cost to tenant.

1.10 INSURANCE:

Tenant is required to carry insurance and provide proof to landlord upon request (as per Section 7.3).

Liability for property damage	\$1,000,000
Liability for bodily injury per person	\$1,000,000
per occurrence	\$2,000,000

ARTICLE 2. RENT

2.1 BASE RENT. Tenant agrees to pay monthly as base rent during the term of this Lease the sum of money set forth in Section 1.4 of this lease, which amount shall be payable to Landlord at the address shown above. One monthly installment of rent shall be due and payable on the date of execution of this Lease by Tenant for the first month's rent prorated to date of possession, with a full monthly installment due and payable on or before the first day of each succeeding calendar month during the term of this lease. Tenant shall pay, as additional rent, all other sums due under this Lease. Notwithstanding anything in this Lease to the contrary, if Landlord, for any reason whatsoever (other than Tenant's default), cannot deliver possession of the Premises to the Tenant on the Commencement date, this Lease shall not be void or voidable, nor shall Landlord be liable to Tenant for any loss or damage resulting therefrom, nor shall the expiration of the term be extended, but all rent shall be abated until Landlord delivers possession. All base rent, additional rent and other sums payable by Tenant pursuant to this Lease are payable without demand and without any reduction, abatement, counter claims or setoff.

2.2 OPERATING EXPENSES. Landlord will pay the operating expenses for the Building other than expenses noted as tenant expenses in Section 1.7 and also for tenant's own cleaning expenses of its space, as well as its own insurance expense.

2.3 DEFINITION OF OPERATING EXPENSES. The term "operating expenses" includes expenses other than noted in Section 1.7 incurred by Landlord with respect to the maintenance and operation of the Building of which the Premises are a part, including, but not limited to, the following: maintenance, repair costs, electricity, fuel, water, sewer, gas and other common Building utility charges; security charges; security snow removal; landscaping and pest control; supplies, repairs or other expenses for maintaining and operating the Building or project including parking and common areas; all other expenses which would generally be regarded as operating, repair, and maintenance expenses; all real property taxes and installments of special assessments, including dues and assessments by means of deed restrictions and/or owner's associations which accrue against the Building during the term of this Lease and legal fees incurred in connection with actions to reduce the same; and all insurance premiums Landlord is required to pay or deems necessary to pay, including fire and extended coverage, public liability insurance, with respect to the Building.

2.4 LATE PAYMENT CHARGE. If the monthly rental payment or any other payment due from Tenant to Landlord is not received by Landlord on or before the due date thereof, Landlord shall be entitled to exercise any remedy for nonpayment provided in this Lease and, in addition, if such payment is not received on or before ten (10) days after the due date, a late payment charge of five percent (5%) of such past due amount shall become due and payable by Tenant in addition to such amounts owed under this Lease.

2.5 INCREASE IN INSURANCE PREMIUMS. If an increase in any insurance premiums paid by Landlord for the Building is caused by Tenant's use of the Premises or if Tenant vacates the Premises and causes an increase in such premiums, then Tenant shall pay as additional rent the amount of such increase to Landlord.

2.6 SECURITY DEPOSIT. The security deposit set forth in Section 1.8 shall be held by Landlord for the performance of Tenants covenants and obligations under this Lease, it being expressly understood that the security deposit shall not be considered an advance payment of rental 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, 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, 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 covenant, and any remaining balance of the security deposit shall be returned by Landlord to Tenant upon termination of this Lease. If any portion of the security deposit is so used or applied, Tenant shall upon ten (10) days written notice from the Landlord, deposit with Landlord by cash or cashier's check an amount sufficient to restore the security deposit to its original amount. Security deposits will be held by the Landlord in compliance with the laws of the State of North Dakota, including interest as set forth by the laws of the State of North Dakota.

2.7 HOLDING OVER. In the event that Tenant does not vacate the Premises upon the expiration or termination of this Lease, Tenant shall be a tenant at will for the holdover period and all of the terms and provisions of this Lease shall be applicable during that period, except that Tenant shall pay Landlord as base rental for the period of such holdover an amount equal to one hundred and ten percent (110%) times the base rent which would have been payable by Tenant had the holdover period been a part of the original term of this Lease, together with all additional rent as provided in this Lease. Tenant agrees to vacate and deliver the Premises to Landlord upon Tenant's receipt of notice from Landlord to vacate. The rental payable during the holdover period shall be payable to Landlord on demand. No holding over by Tenant, whether with or without the consent of Landlord, shall operate to extend the term of this Lease.

ARTICLE 3. OCCUPANCY AND USE

3.1 USE. Tenant warrants and represents to Landlord that the Premises shall be used and occupied only for the purpose as set forth in Section 1.2. Tenant shall occupy the Premises, conduct its business and control its agents, employees, invitees and visitors in such a manner as is lawful, reputable and will not create a nuisance. Tenant shall not permit any operation which intrudes into other portions of the Building use, otherwise interfere with, annoy or disturb any other lessee in its normal business operations or Landlord in its management of the Building. Tenant shall neither permit any waste on the Premises nor 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.

3.2 SIGNS AND WINDOW COVERINGS. No sign of any type or description shall be erected, placed or painted in or about the Premises or project except those signs submitted to Landlord in writing and approved by Landlord in writing, and which signs are in conformance with state, city or local laws. See Exhibit B for guidelines related to signage on or about the Premises. No window coverings (other than "Building Standard" window coverings) or window shadings anywhere within the Demised Premises shall be erected or maintained by the Tenant unless Tenant shall obtain the prior written approval of Landlord.

3.3 COMPLIANCE WITH LAWS, RULES, AND REGULATIONS. All initial construction completed by Tenant shall comply with all applicable laws, ordinances, orders, rules and regulations of state, federal, municipal or other agencies or bodies having jurisdiction over the Premises. Subject to Landlord's obligation herein, Tenant, at Tenant's 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 covenants and agrees to comply fully with any and all reasonable rules and regulations, and all amendments and supplements thereto; (a) which have been promulgated or adopted by Landlord for the Building; (b) of which Tenant shall have received actual notice; and (c) which apply to the Demised Premises, the Building Common Facilities, the Building, the Property or the

violation at Tenant's expense and in compliance with all requirements of governmental authorities and insurance underwriters.

ARTICLE 4. UTILITIES AND SERVICE

4.1 **BUILDING SERVICES.** Landlord shall pay when due, all charges for utilities furnished to or for the use or benefit of the Tenant or the Premises.

4.2 **THEFT OR BURGLARY.** Landlord shall not be liable to Tenant for losses to Tenant's property or personal injury caused by criminal acts or entry by unauthorized persons into the Premises or the Building.

ARTICLE 5. REPAIRS AND MAINTENANCE

5.1 **LANDLORD REPAIRS.** Landlord shall not be required to make any improvements, replacements or repairs of any kind or character to the Premises or the Building during the term of this Lease except as are set forth in this Section. Landlord shall be responsible for the cost of replacing the roof, foundation, parking lot, exterior walls, doors, corridors, primary heating and cooling system, and other structures serving the Premises if and only if required to maintain the structural soundness of said roof, foundation, parking lot, exterior walls, 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 unless, the Landlord has problems of a significant nature, involving the above mentioned building components, which interferes with the Tenants use of the premises.

5.2 **TENANT DAMAGES.** Tenant shall not allow any damage to be committed on any portion of the Premises or Building or common areas, and at the termination of this Lease, by lapse of time or otherwise, Tenant shall deliver the Premises to Landlord in as good condition as existed at the Commencement Date of this Lease, ordinary wear and tear excepted. The cost and expense of any repairs necessary to restore the condition of the Premises shall be borne by Tenant.

ARTICLE 6. ALTERATIONS AND IMPROVEMENTS

6.1 **LANDLORD IMPROVEMENTS.** If construction to the Premises is to be performed by Tenant during Tenant's occupancy, Tenant will complete the construction of the improvements to the Premises in accordance with plans and specifications agreed to by Landlord and Tenant, which plans and specifications are made a part of this Lease by reference. Within seven (7) days of receipt of plans and specifications, Tenant shall execute a copy of the plans and specifications and, if applicable, change orders setting forth the amount of any costs to be borne by Tenant. In the event Tenant fails to execute the plans and specifications and change order within the seven (7) day period, Landlord may, at its sole option, declare this Lease canceled or notify Tenant that the base rent shall commence on the completion date even though the improvements to be constructed by Landlord may not be complete. Any changes or modifications to the approved plans and specifications shall be made and accepted by written change order or agreement signed by Landlord and Tenant and shall constitute an amendment to this Lease.

6.2 **TENANT IMPROVEMENTS.** Tenant shall not make or allow to be made any alterations or physical additions in or to the Premises without first obtaining consent of Landlord, which consent may not be unreasonably 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. A summary of initial Landlord-approved Tenant Improvements is included as a reference in Exhibit E.

ARTICLE 7. CASUALTY AND INSURANCE

7.1 SUBSTANTIAL DESTRUCTION. If all or a substantial portion of the Premises or the Building should be totally destroyed by fire or other casualty, or if the Premises or the Building should be damaged so that rebuilding cannot reasonably be completed within ninety (90) working days after the date of written notification by Tenant to Landlord of the destruction, or if insurance proceeds are not made available to Landlord, or are inadequate, for restoration, this Lease shall terminate at the option of Landlord by written notice to Tenant within (60) days following the occurrence, and the rent shall be abated for the unexpired portion of the Lease, effective as of the date of the written notification.

7.2 PARTIAL DESTRUCTION. If the Premises should be partially damaged by fire or other casualty, and rebuilding or repairs can reasonably be completed within ninety (90) working days from the date of written notification by Tenant to Landlord of the destruction, and insurance proceeds are adequate and available to Landlord for restoration, this Lease shall not terminate, and Landlord shall at its sole risk and expense proceed with reasonable diligence to rebuild or repair the Building or other improvements to substantially the same condition in which they existed prior to the damage. If the Premises are to be rebuilt or repaired and are untenantable in part following the damage, and the damage or destruction was not caused or contributed to by actor negligence of Tenant, its agents, employees, invitees or those for whom Tenant was responsible, the rent payable under this Lease during the period for which the Premises are untenantable shall be adjusted so that Tenant is not obligated to pay rent for space which cannot be occupied or used by Tenant prior to the completion of any repair. In the event the premises as a whole are not useable, under the same circumstances as stated above, then the tenant shall be entitled to rent abatement. In the event that Landlord fails to complete the necessary repairs or rebuilding within ninety (90) working days from the date of written notification by Tenant to Landlord of the destruction, Tenant may at its option terminate this Lease by delivering written notice of termination to Landlord, whereupon all rights and obligations under this Lease shall cease to exist.

7.3 PROPERTY INSURANCE. Landlord shall not be obligated in any way or manner to insure any personal property (including, but not limited to, any furniture, machinery, goods or supplies) of Tenant upon or within the Premises, any fixtures installed or paid for by Tenant upon or within the Premises, or any improvements which Tenant may construct on the Premises. Tenant shall maintain property insurance on its personal property and shall also maintain plate glass insurance. Tenant shall have no right in or claim to the proceeds of any policy of insurance maintained by Landlord even if the cost of such insurance is borne by Tenant as set forth in Article 2.

7.4 WAIVER OF SUBROGATION. Anything in this Lease to the contrary notwithstanding, Landlord and Tenant hereby waive and release each other of and from any and all right of recovery, claim, action or cause of action, against each other, their agents, officers and employees, for any loss or damage that may occur to the Premises, the improvements of the Building or person property within the Building, by reason of fire or the elements, regardless of cause or origin, including negligence of Landlord or Tenant and their agents, officers and employees. Landlord and Tenant agree immediately to give their respective insurance companies which have issued policies of insurance covering all risk of direct physical loss, written notice of the terms of the mutual waivers contained in this Section.

7.5 HOLD HARMLESS. Landlord shall not be liable to Tenant's employees, agents, invitees, licensees or visitors, or to any other person, for an injury to person or damage to property on or about the Premises caused by any act or omission of Tenant, its agents, servants or employees, or of any other person entering upon the Premises under express or implied invitation by Tenant, or caused by the improvements located on the Premises being out of repair, the failure or cessation of any service provided by Landlord (including security service and devices), or caused by leakage of gas, oil, water or steam or by electricity emanating from the Premises. Tenant agrees to indemnify and hold harmless Landlord of and from any loss, attorney's fees, expenses or claims arising out of any such damage or injury but for intentional acts of Landlord.

7.6 PUBLIC LIABILITY INSURANCE. Tenant shall during the term hereof keep in full force and effect at its expense a policy or policies of public liability insurance with respect to the Premises and the business of Tenant, on terms and with companies approved in writing by Landlord, in which both Tenant and

Landlord shall be covered by being named as insured parties under reasonable limits of liability not less than \$1,000,000 or such greater coverage as Landlord may reasonably require, combined single limit coverage for injury or death. Such policy or policies shall provide that thirty (30) days' written notice must be given to Landlord prior to cancellation thereof. Tenant shall furnish evidence satisfactory to Landlord at the time this Lease is executed that such coverage is in full force and effect.

ARTICLE 8. CONDEMNATION

8.1 SUBSTANTIAL TAKING. If all or a substantial part of the Premises are taken for any public or quasi-public use under any governmental law, ordinance or regulation, or by right of eminent domain or by purchase in lieu thereof, and the taking would prevent or materially interfere with the use of the Premises for the purpose for which it is then being used, this Lease shall terminate and the rent shall be abated during the unexpired portion of this Lease effective on the date physical possession is taken by the condemning authority. Tenant shall have no claim to the condemnation award or proceeds in lieu thereof, except that Tenant shall be entitled to a separate award for the cost of removing and moving its personal property.

8.2 PARTIAL TAKING. If a portion of the Premises shall be taken for any public or quasi-public use under any governmental law, ordinance or regulation, or by right of eminent domain or by purchase in lieu thereof, and this Lease is not terminated as provided in Section 8.1 above, the rent payable under this Lease during the unexpired portion of the term shall be adjusted to such an extent as may be fair and reasonable under the circumstances. Tenant shall have no claim to the condemnation award or proceeds in lieu thereof, except that Tenant shall be entitled to a separate award for the cost of removing and moving its personal property.

ARTICLE 9. ASSIGNMENT OR SUBLEASE

9.1 LANDLORD ASSIGNMENT. Landlord shall have the right to sell, transfer or assign, in whole or in part, its rights and obligations under this Lease and in the Building. Any such sale, transfer or assignment shall not operate to release Landlord from any and all liabilities under this Lease arising after the date of such sale, assignment or transfer.

9.2 TENANT ASSIGNMENT. Tenant may 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 (including without limitation by transfer of a majority interest of stock, merger, or dissolution, which transfer of majority interest of stock, merger or dissolution shall be deemed an assignment) or mortgage or pledge the same or sublet the Premises, in whole or in part, with the prior written consent of Landlord, which written consent may not be unreasonably denied. In no event shall such assignment or sublease ever release Tenant or any guarantor from any obligation or liability hereunder. No assignee or sublease of the Premises or any portion thereof may assign or sublet the Premises or any portion thereof.

9.3 CONDITIONS OF ASSIGNMENT. If Tenant desires to assign or sublet all or any part of the Premises, it shall so notify Landlord at least thirty (30) days in advance of the date on which Tenant desires to make such assignment or sublease. Tenant shall provide Landlord with a copy of the proposed assignment or sublease and such information as Landlord might request concerning the proposed sublease or assignee to allow Landlord to make informed judgments as to the financial condition, reputation, operations and general desirability of the proposed sublease or assignee. Within seven (7) days after Landlord's receipt of Tenant's proposed assignment or sublease and all required information concerning the proposed sublease or assignee, Landlord shall have the following options: (1) cancel this Lease as to the Premises or portion thereof proposed to be assigned or sublet; (2) consent to the proposed assignment or sublease, and, if the rent due and payable by any assignee or sublease under any such permitted assignment or sublease (or a combination of the rent payable under such assignment or sublease plus any bonus or any other consideration or any payment incident thereto) exceeds the rent payable under this Lease for such space, Tenant shall pay to Landlord fifty (50%) of all such excess rent and other excess consideration within ten (10) days following receipt thereof by Tenant; or (3) refuse, in its sole and absolute discretion and judgment, to consent to the proposed assignment or sublease, which refusal shall be deemed to have been exercised unless Landlord gives Tenant written notice providing otherwise. Upon the occurrence of an event of default, if all or any part of the Premises are then assigned or sublet, Landlord, in addition to any other remedies provided by this Lease or provided by law, may, at its

option, collect directly from the assignee or sublease all rents becoming due to Tenant by reason of the assignment or sublease, and Landlord shall have a security interest in all unsecured properties on the Premises to secure payment of such sums. Landlord from the assignee or sublease directly shall not construe any collection to constitute a novation or a release of Tenant or any guarantor from the further performance of its obligations under this Lease.

9.4 RIGHTS OF MORTGAGE. Tenant accepts this lease subject and subordinate to any recorded mortgage presently existing or hereafter created upon the Building and to all existing recorded restrictions, covenants, easements and agreements with respect to the Building. Landlord is hereby irrevocably vested with full power and authority to subordinate Tenant's Interest under this Lease to any first mortgage lien hereafter placed on the Premises, and Tenant agrees upon demand to execute additional instruments subordinating this Lease as Landlord may require. If the interests of Landlord under this Lease shall be transferred by reason of foreclosure or other proceedings for enforcement of any first mortgage or deed of trust on the Premises, Tenant shall be bound to the transferee (sometimes called the "Purchaser") at the option of the purchaser. Under the terms, covenants and conditions of this Lease for the balance of the term remaining, including any extensions or renewals, with the same force and effect as if the Purchaser were Landlord under this Lease, and, if requested by the Purchaser, Tenant agrees to attorn the Purchaser, including the first mortgagee under any such mortgage if it be the Purchaser, as its Landlord. Notwithstanding the foregoing, Tenant shall not be disturbed in its possession of the Premises so long as Tenant is not in default hereunder.

9.5 TENANT STATEMENT. Tenant agrees to furnish, from time to time, within ten (10) days after receipt of a request from Landlord or Landlord's mortgagee, a statement certifying, if applicable, the following: Tenant is in possession of the Premises; the Premises are acceptable; the Lease is in full force and effect; the Lease is unmodified; Tenant claims no present charge, lien, or claim of offset against rent; the rent is paid for the current month, but is not prepaid for more than one month and will not be prepaid for more than one month in advance; there is no existing default by reason of some act or omission by Landlord; and such other matters as may be reasonably required by Landlord or Landlord's mortgagee. Tenant's failure to deliver such statement, in addition to being a default under this Lease, shall be deemed to establish conclusively that this Lease is in full force and effect except as declared by Landlord, that Landlord is not in default of any of its obligations under this Lease, and that Landlord has not received more than one month's rent in advance. The Tenant hereby grants the Landlord permission to check references and other resources regarding the Tenant's credit experience including banking, loans, public records and other credit accounts.

ARTICLE 10. DEFAULT AND REMEDIES

10.1 DEFAULT BY TENANT: 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 fifteen (15) 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 at 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.

In the event that an order for relief is entered in any case under Title 11, U.S.C. (the "Bankruptcy Code") in which Tenant is the debtor and: (A) Tenant as debtor-in-possession, or any trustee who may be appointed in the case (the "Trustee") seeks to assume the Lease, then Tenant, or Trustee if applicable, in addition to providing adequate assurance described in applicable provisions of the Bankruptcy Code, shall provide adequate assurance to Landlord of Tenant's future performance under the Lease by depositing with Landlord a sum equal to the lesser of twenty-five percent (25%) of the rental and other charges due for the balance of the Lease term of six (6) months' rent ("Security"); to be held (without any allowance for interest thereon) to secure Tenant's obligations under the Lease, and (B) Tenant, or Trustee if applicable, seeks to assign

the Lease after assumption of the same, then Tenant In addition to providing adequate assurance described in applicable provisions of the bankruptcy Code, shall provide adequate assurance to Landlord of the proposed assignee's future performance under the Lease by depositing with Landlord a sum equal to the Security to be held (without any allowance or interest thereon) to secure performance under the Lease. Nothing contained herein expresses or implies, or shall be construed to express or imply, that Landlord is consenting to assumption and/or assignment of the Lease by Tenant, and Landlord expressly reserves all of its rights to object to any assumption and/or assignment of the Lease. Neither Tenant nor any Trustee shall conduct or permit the conduct of any "fire", "bankruptcy", "going out of business" or auction sale in or from the Premises.

10.2 REMEDIES FOR TENANT'S DEFAULT. 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, 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.

In the event of election under (ii) to terminate Tenant's right to possession only, Landlord may, at Landlord's option, enter into the Premises and take and hold possession thereof, without such entry into possession terminating this Lease or releasing Tenant in whole or part from Tenant's obligation to pay all amounts hereunder for the full stated term. Upon such reentry, 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 of and for the account of Tenant, without becoming liable for any loss or damage which may be occasioned thereby. Such reentry 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 any one 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.

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

- A. For all 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 reentry, 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 reentry 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 expenses incurred in releasing the Premises, including leasing commissions, attorneys' fees, and costs of alterations and repair, 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.

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, percentage 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 reentry, 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.

If this Lease shall be terminated by reason of the 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.

10.3 LANDLORD'S RIGHT TO PERFORM FOR ACCOUNT OF TENANT. If Tenant shall be in Default under this Lease, Landlord may cure the Default at anytime for the account and at the expense of Tenant. If Landlord cures Default on the part of Tenant, Tenant shall reimburse Landlord upon demand for any amount expended by Landlord in connection with the cure, including, without limitation, attorney's fees and interest.

10.4 INTEREST AND ATTORNEYS FEES. In the event of a Default by Tenant: (1) If a monetary default, interest shall accrue on any sum due and unpaid at the rate of the lesser of eighteen percent (18%) per annum or the highest rate permitted by law and, if Landlord places in the hands of an attorney the enforcement of all or any part of this Lease, the collection of any rent due or to become due or recovery of the possession of the Premises, Tenant agrees to pay Landlord's costs of collection, including reasonable attorney's fees for the services of the attorney, whether suit is actually filed or not.

10.5 ADDITIONAL REMEDIES, WAIVERS, ETC.

- A. The rights and remedies of Landlord set forth herein shall be in addition to any other right and remedy now and hereafter provided by law. All rights and remedies shall be cumulative and not exclusive of each other. Landlord may exercise its rights and remedies at any times, in any order, to any extent, and as often as Landlord deems advisable without regard to whether the exercise of one right or remedy precedes, concurs with or succeeds the exercise of another.
- B. A single or partial exercise of a right or remedy shall not preclude a further exercise thereof, or the exercise of another right or remedy from time to time.
- C. No delays or omission by Landlord in exercising a right or remedy shall exhaust or impair the same or constitute a waiver of, or acquiesce to, Default.
- D. No waiver of Default shall extend to or affect any other Default or impair any right or remedy with respect thereto.
- E. No action or inaction by Landlord shall constitute a waiver of Default.
- F. No waiver of Default shall be effective unless it is in writing and signed by Landlord.

ARTICLE 11. AMENDMENT AND LIMITATION OF WARRANTIES

11.1 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, understanding, stipulations, agreements or promises pertaining to this lease or to the expressly mentioned written extrinsic documents not incorporated in writing in this lease.

11.2 AMENDMENT. This lease may not be altered, waived, amended or extended except by an instrument in writing signed by landlord and tenant.

ARTICLE 12. MISCELLANEOUS

12.1 ACT OF GOD. Landlord shall not be required to perform any covenant or obligation in this Lease, or be liable in damages to Tenant, so long as the performance or non-performance of the covenant or obligation is delayed, caused or prevented by an act of God, force majeure or by Tenant.

12.2 SUCCESSORS AND ASSIGNS. This lease shall be binding upon and inure to the benefit of Landlord and Tenant and their respective heirs, personal representatives, successors and assigns; it is hereby covenanted and agreed that should Landlord's interest in the Premises cease to exist for any reason during the term of this Lease, then notwithstanding the happening of such event this lease nevertheless shall remain unimpaired and in full force and effect, and Tenant hereunder agrees to attorn to the then owner of the Premises.

12.3 CAPTIONS. The captions appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of any Section.

12.4 NOTICE. All rent and other payments required to be made by Tenant shall be payable to Landlord at the address set forth in Section 1.5. All payments required to be made by Landlord to Tenant shall be payable to Tenant at the address set forth in Section 1.5, or at any other address within the United States as Tenant may specify from time to time by written notice. Any notice or document required or permitted to be delivered by the terms of this Lease shall be deemed to be delivered (whether or not actually received) when deposited in the United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the parties at the respective addresses set forth in Section 1.5.

12.5 SUBMISSION OF LEASE. Submission of this Lease to Tenant for signature does not constitute a reservation of space or an option to lease. This Lease is not effective until execution by and delivery to both Landlord and Tenant.

12.6 CORPORATE AUTHORITY. If Tenant executes this Lease as a corporation, each of the persons executing this Lease on behalf of Tenant does hereby personally represent and warrant that Tenant is a duly authorized and existing corporation, that Tenant is qualified to do business in the state in which the Premises are located, that the corporation has full right and authority to enter into this Lease, and that each person signing on behalf of the corporation is authorized to do so. In the event any representation or warranty is false, all persons who execute this Lease shall be liable, individually, as Tenant.

12.7 HAZARDOUS SUBSTANCES. Tenant not may bring or permit to remain on the Premises or the Building substances defined as hazardous materials or hazardous substances under federal, state, or local law or regulation ("Hazardous Materials"). Tenant shall indemnify, hold harmless and defend Landlord from and against any claims, damages, penalties, liabilities, and costs (including reasonable attorney fees and court costs) caused by or arising out of the presence or any release of any Hazardous Materials on, under, or about the Premises or the Building during the term of the Lease in conformance with the requirements of applicable law. Tenant shall immediately give Landlord written notice of any suspected breach of this paragraph; upon learning of the presence of any release of any Hazardous Materials, and upon receiving any notices from governmental agencies pertaining to Hazardous Materials which may affect the Premises or the Building. The obligations of Tenant hereunder shall survive the expiration or earlier termination, for any reason, of this Lease.

12.8 SEVERABILITY. If any provision of this Lease or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Lease and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

12.9 BROKERAGE. Landlord and Tenant each represents and warrants to the other that there is no obligation to pay any brokerage fee, commission, finder's fee or other similar charge in connection with this Lease. Each party covenants that it will defend, indemnify and hold harmless the other party from and against any loss or liability by reason of brokerage or similar services alleged to have been rendered to, at the instance

of, or agreed upon by said indemnifying party. Notwithstanding anything herein to the contrary, Landlord and Tenant agree that there shall be no brokerage fee or commission due on expansions, options or renewals by Tenant. Any brokerage fee or commissions paid by Landlord as a result of this lease agreement shall not be deemed "operating expenses" as defined within this agreement.

12.10 FURNISHING OF FINANCIAL STATEMENTS: Prior to the execution of the Lease Agreement, and from time to time as requested by Landlord or if Tenant is in default as defined by this Agreement, then upon Landlord's written request, Tenant shall promptly furnish Landlord with business financial statements certified by Tenant to be true and correct, reflecting Tenant's then current financial condition. At Landlord's request, such financial statements shall be audited in accordance with generally accepted accounting practices. The financial statements shall include a current balance sheet, a profit and loss statement, and other statements deemed necessary by Landlord for the most recent twelve (12) month period. Upon Landlord's request, Tenant and Landlord shall semi-annually meet to review the operating statements and balance sheet for the business entity operating in the Demised Premises. Tenant may request Landlord to sign a confidentiality statement prepared by Tenant prior to meeting. If Landlord does not sign confidentiality statement, Tenant is under no obligation to disclose any information.

12.11 NOTIFICATION TO TENANT: Landlord hereby notifies Tenant that the corporation authorized to execute this Lease and manage the Premises is LSS Property Management Group, LLC.

12.12 EXHIBITS. Reference is made to the following Exhibits which are attached hereto and made a part hereof:

ARTICLE 13. SIGNATURES

SIGNED effective the day and year first above written:

LANDLORD
LSS Housing Inc


Paulette Paulson, Director

TENANT
Chen Cheng Huan

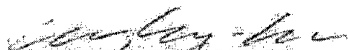

Chen Cheng Huan, Owner

EXHIBIT B. SIGNAGE GUIDELINES

Building Signage

1. Written request for building signage installation will include dimensions, style, color, and layout of signage as it relates to the leased space along with cross section including installation specifications and shop drawings.
2. All signage must have written approval from Lessor prior to installation.
3. Style of lettering is open to be pre-approved by Lessor.
4. Color of lettering face is open to be pre-approved by Lessor.

Monument signage

1. All signage copy requires pre-approval from Lessor.
2. Location on the monument is at the sole discretion of Lessor and its location will be directed to the sign company via the Lessor.

Glass door signage

1. All signage copy requires pre-approval from Lessor.
2. All lettering must be installed on the inside of the glass.
3. All lettering installed 48 to 66 inches from finished floor. One door section only. Text will only indicate business name, credit card acceptance and hours of operation. No other signage allowed on the business entrance door(s).

Stationary glass signage and/or banner installation

1. All signage copy and banner / advertisements require pre-approval from Lessor.
2. All lettering must be installed on the inside of the glass.
3. All lettering installed 48 to 66 inches from finished floor.
4. Banner / advertisements may not cover more than 25% of total store front glass.
5. Painted on the glass lettering is not allowed.

Exterior service door

1. All signage copy requires pre-approval from Lessor.
2. White lettering, upper case, letter height to be 2 inches.
3. First row of lettering 18 inches from top of door, 3 lines maximum.

Common corridor or service hall

1. Each door from the corridor will be labeled with business name and may include text such as, designated employee entrance, private door only, deliveries only, or similar, and this signage will be installed by Lessor and billed directly to Lessee for reimbursement.

Coming Soon banner

1. Tenant may install on the inside glass of the demised, and only after lease execution a banner indicating the arrival of Tenant to the center. Banner may include the text "coming soon" or similar language. Should the banner be installed prior to possession date, Landlord shall not be responsible for the interior glass cleaning. Banner may not cover access to the doors.

Portable/changeable copy mobile signs.

1. Vendors of mobile signs need to be approved in advance.
2. Only two colors of letters/numbers to be used, fluorescent pink and/or fluorescent yellow. They can also produce business logos.
3. Lessor must pre approve the copy before vendor is contacted. Request must be presented to Lessor 15 calendar days prior to planned placement of sign. A \$45.00 charge is due and payable to Landlord upon sign request.
4. Sign cannot be in place more than 30 consecutive days.
5. Each Lessee can lease a sign and place on property a maximum of 3 times in a 12-month period.
6. Can reserve a 30-day period up to 12 months in advance.
7. Cannot reserve the same 30 days, within a 24-month period, unless no other Lessee has requested those particular days in advance.
8. Only two signs at property at any one time.
9. All grand openings must have the words "grand opening" or similar and must be put in service within 120 days of opening doors for business to the general public. Only one grand opening is permitted.
10. Conditions listed above subject to change at Landlord's discretion.
11. Conditions listed above subject to change as required by City of Jamestown.

General Restrictions

- No flashing, moving, or audible signs, to include time and or temperature signs.
- No signs employing exposed raceways, exposed neon tubes, exposed ballast boxes, or exposed transformers.

Landlord reserves the right to entertain and approve any variances, presented by Tenant, from the above listed criteria.

EXHIBIT C. RULES AND REGULATIONS OF THE LANDLORD

1. No smoking shall be permitted in the Building.
2. No awning, shade, sign, advertisement, or notice shall be inscribed, painted or affixed on or to any part of the outside of the Building except by the written consent of Landlord, and except it be of such color, size and style and in such place upon or in the Building, as may be designated by Landlord.
3. No physician, surgeon or dentist shall advertise his business in any manner prohibited by the Code of Ethics of the American Medical Association.
4. Landlord shall prescribe the weight, size and position of all safes used in the Building, and such safes shall in all cases stand on wood or metal of such size as shall be designated by Landlord. All damage done to the Building, by putting in, or taking out or maintaining a safe, shall be repaired at the expense of Tenant.
5. The sidewalks, halls, passages, exits, entrances, elevators and stairways of the Building shall not be obstructed by Tenant or used by it for any purpose other than for ingress to and egress from the Demised Premises. The halls, passages, exits, entrances, elevators, and stairways are not for the use of general public, and Landlord shall in all cases retain the right to control and prevent access thereto of all persons whose presence in the judgment of Landlord would be prejudicial to the safety, character, reputation and interest of the Building and its tenants, provided that nothing herein contained shall be construed to prevent such access to persons with whom Tenant normally deals in the ordinary course of its business, unless such persons are engaged in illegal activities. Tenant shall not go upon the roof of the Building.
6. The Demised Premises shall not be used for the storage of unrelated merchandise or for lodging. Cooking shall be done or permitted by Tenant on the Demised Premises, provided that such use is in accordance with all applicable federal, state and local laws, codes, ordinances, rules and regulations.
7. Landlord will furnish Tenant with two (2) keys to the Demised Premises, free of charge. No additional locking devices shall be installed in the Demised Premises by Tenant, nor shall any locking device be changed or altered in any respect without the prior written consent of Landlord. All locks installed in the Demised Premises, excluding Tenant's vaults and safes, or special security areas (which shall be designated by Tenant in a written notice to Landlord), shall be keyed to the Building master key system. Landlord may make reasonable charge for any additional lock of any bolt (including labor) installed on any door of the Demised Premises. Tenant, upon the termination of its tenancy, shall deliver to Landlord all keys to doors in the Demised Premises.
8. Tenant shall schedule with Landlord, by written notice given no less than forty-eight (48) hours in advance, its move into or out of the Building, and Tenant shall reimburse Landlord upon demand for any additional security or other charges incurred by Landlord as a consequence of such moving. The persons employed by Tenant to move equipment or other items in or out of the Building must be acceptable to Landlord. The floors, corners and walls of elevators and corridors used for the moving of equipment or other items in or out of the Building must be adequately covered, padded and protected, and Landlord may provide such padding and protection, at Tenant's expense. Landlord will not be responsible for loss of or damage to any such property from any case, and all damages done to the Building by moving or maintaining Tenant's property shall be repaired at the expense of Tenant.
9. Tenant shall not use or keep in the Demised Premises or the Building any material which is prohibited by standard local codes. Tenant shall not use, keep or permit or suffer the Demised Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Building by reason of noise, odors, and/or vibrations, or interfere in any way with other tenants or those having business in the Building other than activity normally associated with the standard operation of the Tenants business.
10. No curtains, draperies, blinds, shutters, shades, screens or other coverings, hangings or decorations other than standard window coverings shall be attached to, hung or placed in, or used in connection with any window of the Building without the prior written consent of Landlord.

11. Tenant shall see that the doors of the Demised Premises are closed and locked and that all water faucets, water apparatus and utilities are shut off before Tenant or Tenant's employees leave the Demised Premises, so as to prevent waste or damage, and for any default or carelessness in this regard Tenant shall make good all injuries sustained by other tenants or occupants of the Building or Landlord. On multiple-tenancy floors, all tenants shall keep the doors to the Building corridor closed at all times except for ingress and egress and all tenants shall at all times comply with any rules or orders of the fire department with respect to ingress and egress.
12. The toilet rooms, toilets, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed, no foreign substance of any kind whatsoever shall be deposited therein, and any damage resulting to same from Tenant's misuse thereof shall be paid for by Tenant.
13. Except with the prior consent of Landlord, Tenant shall not sell, or permit the sale from the Demised Premises of, or use or permit the use of any sidewalk or common area adjacent to the Demised Premises for the sale of, newspapers, magazines, periodicals, theater tickets or any other goods, merchandise, or service, nor shall Tenant carry on, or permit or allow any employee or other person to carry on, business in or from the Demised Premises for the service or accommodation of occupants of any other portion of the Building, nor shall the Demised Premises be used for manufacturing of any kind, or for any business or activity other than that specifically provided for in Tenant's lease.
14. Tenant shall not install any radio or television antenna, loudspeaker, or other device on or about the roof area or exterior walls of the Building without Landlord's written permission.
15. Tenant shall not use in any space, or in the common areas of the Building, any hand trucks except those equipped with rubber tires and side guards or such other materials-handling equipment as Landlord may approve. No other vehicles of any kind shall be brought by Tenant into the Building or kept in or about the Demised Premises.
16. Tenant shall store all its trash and garbage within the Demised Premises until removal of same to such location outside the Building as may be designated from time to time by Landlord. No material shall be placed in the Building trash boxes or receptacles if such material is of such nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of trash and garbage in the City without being in violation of any law or ordinance governing such disposal.
17. All loading, unloading and delivery of merchandise, supplies, materials, garbage and refuse shall be made on and through such entryways and elevators and at such times as Landlord shall designate. In its use of the Loading areas of the Building, Tenant shall not obstruct or permit the obstruction of said loading areas, and at no time shall Tenant park vehicles therein except for immediate loading and unloading purposes.
18. Canvassing, soliciting, peddling or distribution of handbills or any other written material outside of demised property is prohibited and Tenant shall cooperate to prevent same.
19. Landlord reserves the right to select the name of the Building and to make such changes or changes of name as it may deem appropriate from time to time, and Tenant shall not refer to the Building by any name other than: (i) the name as selected by Landlord (as same may be changed from time to time), or (ii) the postal address, approved by the United States Post Office. Tenant shall not use the name of the Building in any respect other than as an address of its operation in the Building without the prior written consent of Landlord. Landlord will compensate Tenant for reasonable replacement costs to signage, promotional material and stationery.
20. Tenant assumes all responsibility for protecting its premises from theft, robbery and pilferage, which includes keeping doors locked and other means of entry closed.
21. All incoming mail and package deliveries shall be received at the area in the Building designated by Landlord for such purposes.

22. Landlord reserves the right to exclude or expel from the Building any person who is, in the judgment of Landlord, intoxicated or under the influence of alcohol or other drug or who is in violation of any of the Rules or Regulations of the Building.
23. No animals, birds or livestock shall be permitted in the Demised Premises or the Building.
24. Landlord may waive any one or more of these Rules and Regulations for the benefit of any particular Tenant or tenants, but no such waiver by Landlord shall be construed as a waiver of these Rules and Regulations in favor of any other tenant or tenants, nor prevent Landlord from thereafter enforcing any such Rules and Regulations against any or all of the tenants of the Building.
25. Landlord reserves the right at any time to change or rescind any one or more of these Rules and Regulations, or to make such other, and further reasonable Rules and Regulations as in Landlord's judgment may from time to time be necessary for the safety, care and cleanliness of the Demised Premises, and for the preservation of good order therein.
26. Wherever the word "Tenant" occurs in these Rules and Regulations, it is understood and agreed that it shall mean Tenant's assigns, agents, clerks, employees and visitors. Wherever the word "Landlord" occurs in these Rules and Regulations, it is understood and agreed that it shall mean Landlord's assigns, agents, clerks, employees and visitors.
27. These Rules and Regulations are in addition to, and shall not be construed in any way to modify, alter or amend, in whole or part, the terms, covenants, agreements and conditions of any lease of premises in the Building.
28. Tenant shall be responsible for the observance of all of the foregoing Rules and Regulations by Tenant's employees, agents, clients, customers, invitees and guests.
29. So long as the parking shall remain on the premises of the Center, Landlord reserves the right to designate and enforce employee parking areas should it become necessary in Landlord's sole judgment to do so.

Exhibit C
Affordable Housing Requirements and Income Limits

PSND acknowledges and agrees that one hundred percent (100%) of the seventeen (17) units located at 45 19th Ave SW, Minot, ND 58701, will benefit households having initial incomes at or below eighty percent (80%) of the AMI, adjusted for household size, as established under income guidelines of HUD. These income limits are determined according to HUD's income limits for the area which the address is located.

Based upon 2025 HUD-described income limits for this area, the following income limits apply for all beneficiaries of the housing units developed using CDBG funds.

HUD Household 2025 80% Income Limits, Ward County, ND

Category	1 Per	2 Per	3 Per	4 Per	5 Per	6 Per	7 Per	8 Per
EXTRA LOW INCOME	23,600	27,000	30,350	33,700	37,650	43,150	46,650	54,150
VERY LOW INCOME	29,350	44,950	50,550	56,150	60,650	65,150	69,650	74,150
LOW INCOME	62,900	71,900	80,900	89,850	97,050	104,250	111,450	118,650

The above-referenced income limits may be periodically adjusted, based upon HUD's annual adjustments. Upon any adjustment, PSND shall apply the most current income limits in effect at the time of each rental application.

Exhibit D

Affirmative Marketing Plan

Prior to rental activity, PSND shall cause to be established and implemented a written Affirmative Marketing Plan and procedures defining actions to provide information and to otherwise attract eligible persons in the housing market area to the following addresses: 45 19th Ave SW #101, 45 19th Ave SW #102, 45 19th Ave SW #103, 45 19th Ave SW #104, 45 19th Ave SW #105, 45 19th Ave SW #106, 45 19th Ave SW #108, 45 19th Ave SW #110, 45 19th Ave SW #201, 45 19th Ave SW #202, 45 19th Ave SW #203, 45 19th Ave SW #204, 45 19th Ave SW #205, 45 19th Ave SW #206, 45 19th Ave SW #208, 45 19th Ave SW #208, 45 19th Ave SW #207, 45 19th Ave SW #210 without regard to race, color, national origin, sex, religion, familial status, or disability. The Affirmative Marketing Plan shall include, but not necessarily be exclusively limited to:

1. The method to be used in informing the public and potential renters about the availability of housing at the following property addresses: 45 19th Ave SW #101, 45 19th Ave SW #102, 45 19th Ave SW #103, 45 19th Ave SW #104, 45 19th Ave SW #105, 45 19th Ave SW #106, 45 19th Ave SW #108, 45 19th Ave SW #110, 45 19th Ave SW #201, 45 19th Ave SW #202, 45 19th Ave SW #203, 45 19th Ave SW #204, 45 19th Ave SW #205, 45 19th Ave SW #206, 45 19th Ave SW #208, 45 19th Ave SW #208, 45 19th Ave SW #207, 45 19th Ave SW #210.
2. Procedures to be used to inform and solicit application from people in the housing market area not likely to apply for housing without special outreach.
3. The use of the federal Equal Housing Opportunity logotype or slogan shall be contained on all advertisements, press releases, brochures, and materials used in the solicitation of housing beneficiaries or to otherwise inform the public about the availability of housing under this Agreement.
4. A Fair Housing poster shall be displayed, in locations available to the public, at the office of PSND, any sales/rental office and, in the case of rental property, at any community room on the property.
5. A brochure or similar printed document, describing federal Fair Housing laws shall be provided to each applicant for housing under this Agreement.
6. An annual record of PSND's actions to affirmatively markets units shall be maintained by PSND and made available for City inspection.
7. During the twenty (20) year Affordability Period, PSND shall annually assess its success of affirmative marketing actions, and provide said assessment, in writing, to the City within sixty (60) days following the end of each calendar year. PSND shall take necessary and appropriate action to correct deficiencies found from the annual assessment, whether identified by PSND or reasonably required of the City.

Exhibit E
Maintenance Responsibilities and Expectations
Broadway Circle Project (Premises) – Pathfinder Services of ND (PSND)

Pursuant to the Operations and Maintenance Agreement between the City of Minot and Pathfinder Services of ND ("PSND"), PSND agrees to operate and maintain the Broadway Circle project in a manner consistent with the standards of a reasonably prudent property owner and landlord. PSND shall, at its sole cost and expense, be responsible for all maintenance, repairs, and replacements necessary to keep the Premises, including the interior and exterior portions, structural components, roof, plumbing, HVAC, electrical systems, parking areas, sidewalks, landscaping, and all other improvements, in good condition and repair throughout the term of this Lease, reasonable wear and tear excepted. PSND shall promptly make all repairs and replacements necessary to maintain the Premises in compliance with all applicable laws, ordinances, and regulations. The following maintenance responsibilities and expectations shall apply to all structures and grounds within the Broadway Circle project, including the commercial building, the homeless shelter, and the low-to-moderate income (LMI) apartment complex.

I. General Maintenance Responsibilities

- Building Structure and Interior
- HVAC Systems
- Plumbing and Water Systems
- Electrical Systems
- Life Safety Systems
- Appliances and Fixtures
- Surveillance Equipment
- Roofing

II. Grounds and Exterior Maintenance

- Snow and Ice Removal
- Lawn and Landscaping
- Trash and Debris
- Exterior Lighting
- Pest Control
- Parking Lot striping
- Painting, Siding Maintenance
- Property signage
- Playground Upkeep

III. Routine System Checks and Preventative Maintenance

- Monthly walk-throughs of all common areas and building systems
- Quarterly testing of fire and life safety systems
- Biannual HVAC system checks (spring and fall)
- Annual roof, foundation, and exterior inspection reports
- Annual maintenance of mechanical systems (boilers, water heaters, sump pumps, etc.)

IV. Recordkeeping and Reporting

- PSND shall maintain logs of all maintenance activities, inspections, work orders, and repairs
- Records shall be made available to the City and HUD upon request and during routine monitoring visits
- PSND shall notify the City within forty-eight (48) hours of any emergency condition that affects habitability or major system failure (e.g., HVAC outage, gas leak, fire damage)

Exhibit F Insurance and Bonding Requirements

- a. Commercial general liability, including premises or operations, contractual and products or completed operations coverages (if applicable), with minimum liability limits of \$2,000,000 per occurrence.
- b. Property insurance insuring the full and true replacement value of all Tenant's real property and personal property located on or in the buildings in which the leased premises are located for all losses.
- c. Automobile liability, including owned (if any), hired, and non-owned automobiles, with minimum liability limits of \$500,000 per person and \$2,000,000 per occurrence.
- d. Workers' compensation coverage meeting all statutory requirements. The policy must provide coverage for all states of operation that apply to the performance of this Agreement. For the purposes of this Agreement, the only state of operation is North Dakota.
- e. Employer's liability or "stop gap" insurance of not less than \$2,000,000 as an endorsement on the worker's compensation or commercial general liability insurance.
- f. Professional errors and omissions with minimum limits of \$2,000,000 per claim and in the aggregate. PSND must continually maintain such coverage during the Affordability Period and for three (3) years thereafter.

The insurance coverage listed above must meet the following additional requirements:

- g. Any deductible or self-insured retention amount or other similar obligation under the policies is the sole responsibility of PSND. The amount of any deductible or self-retention is subject to approval by the City.
- h. This insurance may be in policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form and must be placed with insurers rated "A-" or better by A.M. Best Company, Inc., provided any excess policy follows form for coverage. Less than an "A-" rating must be approved by the City.
- i. The duty to defend, indemnify, and hold harmless the City under this Agreement shall not be limited by the insurance required in the Agreement.
- j. The City shall be endorsed on the commercial general liability policy on a primary and noncontributory basis, including any excess policies (to the extent applicable), as additional insured. The City shall have all the benefits, rights, and coverage of an additional insured under these policies that shall not be limited to the minimum limits of insurance required by this Agreement or by the contractual indemnity obligations of PSND.
- k. A "Waiver of Subrogation" waiving any right of recovery the insurance company may have against the City.
- l. PSND shall furnish a certificate of insurance to the City before commencement of this Agreement.
- m. Failure to provide insurance as required in this Agreement is a material breach of the contract, entitling the City to terminate this Agreement immediately.
- n. PSND shall provide thirty (30) days' notice of any cancellation or material change to the policies or endorsements. PSND shall provide on an ongoing basis a certificate of insurance during the term of the Agreement. A renewal certificate will be provided ten (10) days prior to coverage expiration. An updated, current certificate of insurance shall be provided within ten (10) days in the event of any change in policy.

Exhibit G

Applicable Federal Requirements

A. Civil Rights Compliance

If applicable to the CDBG eligible activity related to the acquisition of real property, PSND shall comply with Title VI of the Civil Rights Act of 1964 as amended, and Title VIII of the Civil Rights Act of 1968 as amended, Section 104 (B) and Section 109 of Title I of the Housing and Community Development Act of 1974, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

B. Non-Discrimination

PSND shall comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 2 CFR 570.607, as revised by Executive Order 13279. PSND will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital status, or status with regard to public assistance. PSND will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation and selection for training, including apprenticeship.

C. Section 504 of the Rehabilitation Act of 1973

With respect to contracts for the rental development, PSND shall comply with any federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. 706) which prohibits discrimination against the handicapped in any federally assisted program. Upon written request from PSND, the City shall provide the PSND with guidelines necessary for compliance with that portion of the Regulations in force during the term of this Agreement.

D. Title VI of the Civil Rights Act of 1974

PSND agrees to comply with Title VI, as well as other antidiscrimination laws, at all times including emergencies. Title VI provides that:

“no person in the United States shall, on the grounds of race, color, or national origin be excluded from participation in, be denied the benefits, or be subjected to discrimination under any program or activity receiving Federal financial assistance”

Title VI requires that recipients of federal financial assistance are prohibited from implementing facially neutral policies and practices that have a disproportionate impact on protected groups. Additionally, Title VI requires recipients to ensure that LMI persons have meaningful access to programs or activities, benefits, services, and vital information. To avoid violations of federal law, recipients must ensure that their actions do not exclude individuals because of their race, color, or national origin, including Limited English Proficiency (LEP).

E. Employee Restrictions/Prohibited Activity

PSND is prohibited from using program income received from rental contracts/leases in the administration of the program for political activities; sectarian or religious activities; lobbying, political patronage, and nepotism activities.

F. OSHA

Where employees of PSND are engaged in activities not covered under the Occupational Safety and Health Act of 1970 (OSHA), they shall not be required or permitted to work, be trained, or receive services in buildings or surroundings or under working conditions which are unsanitary, hazardous or dangerous to the participant's health or safety.

G. Conflict of Interest

PSND shall abide by the provisions of 24 CFR 570.611, which include (but are not limited to) the following:

1. PSND shall maintain a written code or Standards of Conduct that shall govern the performance of its officers, employees and/or agents engaged in the award and administration of contracts supported by federal funds.
2. No employee, officer or agent of PSND shall participate in the selection, or in the award, or administration of a contract if a conflict of interest, real or apparent.
3. No covered persons who exercise or have exercised any functions or responsibilities with respect or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of PSND or any designated public agency.

PSND hereby certifies that:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement; and
2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, PSND will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. PSND will require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that PSND shall certify and disclose accordingly:

This certification is a material representation of fact upon which reliance was placed when this transaction Agreement was made or entered into. Submission of this certification is a prerequisite for making or entering into this Agreement imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

H. Copyright

If this Agreement results in any copyrightable material or inventions, PSND and/or the City reserve the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use to authorize others to use, the work or materials for governmental purposes.

I. Copeland Anti-Kickback Act of 1934

When applicable, PSND shall comply with the Copeland "Anti-kickback" Act of 1934, (40 USC 3145) prohibits and prescribes penalties for "kickbacks" of wages in federally financed or assisted construction activities.

J. Lead Based Paint Poisoning Prevention Act of 1971, (42 USC 4831)

When applicable, PSND shall comply with the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35 and all other related federal regulations, prohibits the use of lead-based paint in residential structures constructed or rehabilitated with federal assistance; requires notification to purchasers and tenants of such housing of the hazards of lead-based paint and of the symptoms and treatment of lead-based paint poisoning; requiring inspection and testing of such housing and requires elimination of any lead-based paint hazards in such housing that is to be rehabilitated, modernized or improved under this Agreement.

K. Section 3 Housing/Community Development Act of 1968

When applicable, PSND shall comply with Section 3 of the Housing and Community Development Act of 1968, and 24 CFR part 135 as amended, provides that, to the greatest extent feasible, opportunities for training, employment, and new contracting opportunities that arise through HUD financed projects under this Program will be given to lower income persons who qualify as a Section 3 resident in the unit of the project area of the Family Homeless Shelter?, and that contracts be awarded to businesses located in the project area Broadway Circle? owned, in substantial part, by Section 3 eligible residents of the project area Broadway Circle or who have thirty percent (30%) or more of their full-time employees qualify as a Section 3 residents. The regulation applies to any HUD grant exceeding \$200,000 and any subaward exceeding \$100,000. PSND will provide the City with verification of compliance with Section 3 for contractors and subcontractors define timeline for providing verification.

As a condition of receiving Federal funds, PSND is required to comply with Section 3 of the Housing and Urban Development (HUD) Act of 1968 (Section 3), PSND is required to pass down the Section 3 requirements to construction contractors and subcontractors funded with HUD funds and to monitor contractors and subcontractors for compliance with these requirements.

L. Acquisition Policy

1. PSND shall comply with Sections 301-304 of Title III (Uniform Real Property Acquisition Policy) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. Chapter 61), and HUD implementing instructions at 24 CFR Part 42 and 24 CFR §570.606; and
2. PSND shall inform affected persons of their rights and of the acquisition policies and procedures set forth in the HUD regulations at 24 CFR Part 42.