

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") is dated _____, 2026, by and between the City of Albion, Nebraska, a Nebraska municipality ("Lessor"), and 23 Tails, Inc., a Nebraska nonprofit corporation ("Lessee").

1. Leased Property. Lessor hereby leases to Lessee and Lessee hereby leases from Lessor, pursuant to the terms and conditions set forth herein, a fraction of real estate located in the NW1/4 of Section 22, Township 20 North, Range 6 West of the 6th P.M., Boone County, Nebraska consisting of approximately 4.712 acres more or less and specifically detailed in the photograph below (the "Leased Property").



2. Term and Possession.

- a. Term. The term of this Lease shall be for four (4) years (the "Term") beginning on June 15, 2026 (the "Commencement Date") and ending on June 14, 2030.
- b. Acceptance of Leased Property. By occupying the Leased Property, Lessee shall have accepted the Leased Property in its condition as of the date of such occupancy.
- c. Quiet Enjoyment. For so long as Lessee is not in default of any material term, condition or covenant contained in this Lease, Lessee shall have sole and exclusive possession of the Leased Property for the entire Term hereof, subject

to all of the provisions of this Lease.

3. Rent. Lessee agrees to pay annual rental for the Leased Property in the sum of Seven-Hundred Fifty Dollars and no/100 (\$750.00) (the "Annual Rental") payable without any prior demand therefore and without any deduction or offset whatsoever, in lawful money of the United States of America, to Lessor on the execution of this Lease.
4. Utilities. Lessee shall arrange, contract for and pay when due, all utility services to the Leased Property including, but not limited to, all sewer, gas, water, electricity, telephone, internet and all other utilities and communication services.
5. Taxes. Lessor shall be responsible for and shall pay when due all real estate taxes.
6. Insurance and Indemnification.
 - a. Lessee's Insurance. Lessee shall obtain and keep in full force and effect, at its sole cost and expense, the following insurance (the "Lessee's Insurance") with a responsible insurance company or companies admitted to conduct business in the State of Nebraska and otherwise reasonably acceptable to Lessor: Comprehensive general public liability insurance (the "Liability Coverage") issued on an occurrences basis in which the combined single limit of liability for primary coverage shall not be less than Five Hundred Thousand Dollars (\$500,000.00) per occurrence, and One Million Dollars (\$1,000,000.00) in the aggregate.
 - b. Evidence of Lessee's Insurance. Evidence of the insurance coverage required to be maintained by Lessee under this Section, represented by Certificates of Insurance issued by the insurance carrier(s), shall be furnished to Lessor upon request. The Certificate of Insurance evidencing the Liability Coverage shall name Lessor as additional insureds thereunder. Such Certificate of Insurance shall show that all policies required have been endorsed with a (30) day notice of cancellation in favor of the Lessor. Timely renewal certificates shall be provided to Lessor as the coverage renews upon request.
 - c. Leased Property Insurance. Lessee shall obtain and maintain, at its sole cost and expense, a commercial general liability insurance policy, insuring the Leased Property, in which the combined single limit of liability for primary coverage shall not be less than Five Hundred Thousand Dollars (\$500,000.00) per occurrence, and One Million Dollars (\$1,000,000.00) in the aggregate. Lessee shall also obtain and maintain insurance for the Leased Property itself which shall include but not be limited to the building and any improvements.
 - d. Lessee Indemnity. Lessee agrees to indemnify and defend Lessor against and to hold Lessor harmless from any and all claims or demands of any third party,

to the extent caused by or arising out of: (a) the negligence or intentional misconduct of Lessee or anyone acting by, through or under Lessee, wherever occurring, or (b) any occurrence in the Leased Property, except to the extent the occurrence is finally determined by a court of competent jurisdiction to have arisen out of the gross negligence or intentional misconduct of Lessor.

- e. Waiver of Subrogation. To the extent permitted by law, each party hereto does hereby remise, release and discharge the other party hereto and any officer, agent, employee or representative of such party, of and from any liability whatsoever hereafter arising from loss, damage, or injury caused by fire or other casualty for which insurance (permitting waiver of liability and containing a waiver of subrogation) is carried by the other party at the time of such loss, damage or injury to the extent of any recovery by the other party under such insurance.

7. Maintenance, Repair, Replacement and Alterations.

- a. Lessee's Maintenance. During the Term hereof, Lessee shall take good and reasonable care of the Leased Property. Lessee further agrees that all damage or injury done to the Leased Property by Lessee or by Lessee's employees, agents or invitees, shall be repaired by Lessee at its expense. Nothing contained in this section shall act or be interpreted so as to prohibit Lessor or Lessee from collecting any amounts covered by insurance and no party shall be liable to the other for damages to the Leased Property to the extent those damages are covered by insurance and the proceeds thereof are paid to the damaged party and adequate therefor.
- b. Alterations. During the Term hereof, Lessee shall have the right, at Lessee's expense, to make improvements or other alterations to the Leased Property; provided, however, prior to commencing any such work, Lessee shall first obtain the consent of Lessor for the proposed work, which Lessor shall not unreasonably withhold, condition, or delay its consent. Lessee may remove such improvements or trade fixtures, if any, at the termination of this Lease provided Lessee is not then in default and provided further that Lessee repairs any damage caused by such removal.

8. Lessor Reserved Rights.

- a. Entry by Lessor. Lessor, its agents, and employees shall have the right to enter the Leased Property at all reasonable times, to examine the Leased Property, to maintain the Leased Property and make such repairs of the Leased Property as Lessor may elect to make. Lessor shall provide Lessee reasonable advance written notice prior to any entry or repair, provided, however, Lessor may enter the Leased Property at any time if necessary to respond to an emergency.

- b. Transfer by Lessor. Lessor shall not transfer or assign their interest in the Leased Property and this Lease without the consent of Lessee. The obligations of Lessor pursuant to this Lease shall be binding upon Lessor and their successors and assigns.

9. Assignment, Subletting, and Recapture.

- a. Consent Required. Lessee shall not assign, sublease, or otherwise transfer, by operation of law or otherwise, this Lease or the Leased Property or any interest herein or portion thereof without the prior written consent of Lessor, which consent may be withheld by Lessor.
- b. Prohibitions. Partial assignments by contract or operation of law of Lessee's interest in this Lease are prohibited without Lessor's prior written consent, which consent may be withheld. Any sale, assignment, encumbrance, or other transfer of this Lease and any subleasing or occupation of the Leased Property which does not comply with the provisions of this Lease shall be void and of no force or effect and any attempt to do so shall constitute a default under this Lease.
- c. No Release. Lessor's consent to any sale, assignment, encumbrance, subleasing, occupation, or other transfer shall not release Lessee from any of Lessee's obligations hereunder or be deemed to be a consent to any subsequent assignment, subleasing, or occupation unless Lessor so agrees in writing. The collection or acceptance of rent or other payment by Lessor from any person other than Lessee shall not be deemed the acceptance of any assignee or subtenant as the tenant hereunder or a release of Lessee from any obligation under this Lease.

10. Lessee Default and Remedies.

- a. Lessee Events of Default. The occurrence of any one or more of the following events shall constitute an "Event of Default" by Lessee: (i) the failure by Lessee to make any payment of rent or any other payments required to be made by Lessee under this Lease; (ii) the failure by Lessee to observe or perform any of the provisions of this Lease to be observed or performed by the Lessee if such failure continues for a period of thirty (30) days, or such other period if this Lease specifically provides a different period for a particular failure, after written notice by Lessor to Lessee of such failure; provided, however, that with respect to any failure which cannot reasonably be cured within thirty (30) days, an Event of Default shall not be considered to have occurred if Lessee commences to cure such failure within such thirty (30) day period and continues to proceed diligently with the cure of such failure; (iii) at Lessor's option, if Lessee abandons the Leased Property; or (iv) the making of any general assignment or general arrangement for the benefit of creditors by

Lessee, or the filing by or against Lessee of a petition to have Lessee adjudged a bankrupt or a petition for reorganization or arrangement under bankruptcy law or laws affecting creditor's rights unless, in the case of a petition filed against Lessee, such petition is dismissed within sixty (60) days.

- b. Remedies. On the occurrence of a Lessee Event of Default, Lessor may at any time thereafter, with or without notice or demand and without limiting Lessor in the exercise of a right or remedy which Lessor may have by reason of such default or breach, exercise any rights or remedies Lessor may have at law or in equity, including, but not limited to, one or more of the following:
 - i. Declare the Lease at an end and terminated;
 - ii. Sue for the rent due and to become due under the Lease;
 - iii. Sue for any damages to the Leased Property caused by Lessee, normal wear and tear excepted; and
 - iv. Continue the Lease in effect and relet the Leased Property on such terms and conditions as Lessor may deem advisable, with Lessee remaining liable for the Monthly Rental plus the reasonable cost of obtaining possession of the Leased Property, and of any repairs necessary to prepare the Leased Property for reletting, less the rentals received from such reletting, if any. No action by Lessor shall be construed as an election to terminate the Lease unless written notice of such intention be given to Lessee by Lessor.
 - c. Non-Exclusive Remedies. The remedies of Lessor set forth in this Section shall not be exclusive, but shall be cumulative and in addition to all rights and remedies now or hereafter provided or allowed by law or equity, including, but not limited to, the right of Lessor to seek and obtain an injunction and the right of Lessor to damages in addition to those specified herein. Lessee hereby expressly waives any and all rights of redemption granted by or under any present or future law if Lessee is evicted or dispossessed or if Lessor obtains possession of the Leased Property by reason of the breach by Lessee of any of its obligations under this Lease.
11. Lessor Default and Remedies. Failure by Lessor to observe or perform any of the provisions of this Lease to be observed or performed by the Lessor if such failure continues for a period of thirty (30) days, or such other period if this Lease specifically provides a different period for a particular failure, after written notice by Lessee to Lessor of such failure shall constitute a Lessor "Event of Default"; provided, however, that with respect to any failure which cannot reasonably be cured within thirty (30) days, an Event of Default shall not be considered to have occurred if Lessor commences to

cure such failure within such thirty (30) day period and continues to proceed diligently with the cure of such failure. Upon a Lessor Event of Default, Lessee shall have the right to exercise any remedies allowed by law or in equity, including without limitation, the right to bring an action for specific performance. Lessee shall be permitted to cure the default on Lessor's behalf only upon written consent of Lessor. In the event Lessee cures such default on Lessor's behalf, Lessor shall reimburse Lessee within thirty (30) days after receipt of an invoice from Lessee.

12. Damage by Fire or Other Casualty. If, during the term of this Lease, the Leased Property shall be so damaged by fire or any other cause except Lessee's negligent or intentional act so as to render the Leased Property untenable, the rent shall be abated while the Leased Property remains untenable; and, in the event of such damage, Lessor shall elect whether to repair the Leased Property or to cancel this Lease, and shall notify Lessee in writing of its election within ninety (90) days after such damage. In the event Lessor elects to repair the Leased Property, the work or repair shall begin promptly and shall be carried on without unnecessary delay. In the event Lessor elects not to repair the Leased Property, the Lease shall be deemed cancelled as of the date of the damage.
13. Condemnation. If the whole or any part of the Leased Property shall be taken by public authority under the power of eminent domain, then the term of this Lease shall cease on that portion of the Leased Premises so taken, from the date of possession, and the rent shall be paid to that date, with a proportionate refund by Lessor to Lessee of such Rent as may have been paid by Lessee in advance. If the portion of the Leased Property taken is such that it prevents the practical use of the Premises for Lessee's purposes, in Lessee's sole discretion, then Lessee shall have the right either: (a) to terminate this Lease by giving written notice of such termination to Lessor not later than thirty (30) days after the taking; or (b) to continue in possession of the remainder of the Leased Property, except that the rent shall be reduced in proportion to the area of the Leased Property taken. In the event of any taking or condemnation of the Leased Property, in whole or in part, the award of damages shall be the exclusive property of Lessor, except Lessee shall be entitled to all damages awarded as compensation for diminution in value to Lessee's leasehold.
14. Miscellaneous.
 - a. Performance. All payments to be made under this Lease shall be made without prior legal notice or demand unless otherwise provided herein. Time is hereby an essential element to the performance of each and every one and all of the terms, covenants, and conditions to be kept, observed, or performed under this Lease.
 - b. Notices. All notices, requests, demands or other communications hereunder (including notices of all asserted actions, claims or demands) shall be in writing and shall be deemed to have been duly given upon personal delivery to the other party or upon deposit in the U.S. mail, certified or registered mail, return receipt

requested, to the addressee at the address herein designated or such other address as may be designated in writing by notice given in the manner provided herein:

If to Lessor: City of Albion
Attn: Andrew Devine
420 W. Market Street
Albion, NE 68620

If to Lessee: 23 Tails, Inc.
c/o Rori Erickson
P.O. Box 231
Albion, NE 68620

- c. Applicable Laws. This Lease shall be governed by and construed in accordance with the laws of the State of Nebraska.
- d. Counterparts. This Lease may be executed in two or more counterparts, each of which shall constitute an original, and all of which, when taken together, shall constitute a single agreement.
- e. Headings. Headings of sections of this Lease are for convenience of reference only and do not form a part hereof and do not in any way modify, interpret or construe the intentions of the parties.
- f. Modification. This Lease contains all of the terms and conditions agreed upon by the Lessor and Lessee with respect to the Leased Property. All prior negotiation, correspondence, and agreements are superseded by this Lease and any other contemporaneous documents. This Lease may not be modified or changed except by written instrument signed by Lessor and Lessee.
- g. Relationship of Parties. Neither the method of computation of rent nor any other provisions contained in this Lease nor any acts of the parties shall be deemed or construed by the parties or by any third person to create the relationship of principal and agent or of partnership or of joint venture or of any association between Lessor and Lessee, other than the relationship of landlord and tenant.
- h. Waiver. The acceptance of rent or other payments by Lessor or the endorsement or statement on any check or any letter accompanying any check for rent or other payment shall not be deemed an accord or satisfaction or a waiver of any obligation of Lessee regardless of where Lessor had knowledge of any breach of such obligation. Failure to insist on compliance with any of the terms, covenants, or conditions hereof shall not be deemed a waiver of such terms, covenants, or conditions, nor a waiver or relinquishment of any

right or power hereunder, at any future time or times or under any other circumstance(s).

- i. Severability. If any term or provision of this Lease or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Lease shall be valid and enforced to the fullest extent permitted by law.
- j. Interpretations. Any uncertainty or ambiguity existing herein shall not be interpreted against either party because such party prepared any portion of this Lease, but shall be interpreted according to the application of rules of interpretation of contracts generally.
- k. Successors and Assigns. This Lease shall be binding upon and shall inure to the benefit of the parties hereto and their respective permitted, heirs, representatives, successors and consented-to assigns.
- l. Prior Leases. The Lessor and Lessee declare this to be the Lease between the parties. Any and all prior leases or agreements are revoked and considered null and void.

The parties hereto hereby execute this Lease as of the day and year first written above.

LESSOR:

LESSEE:

City of Albion, Nebraska

23 Tails, Inc.

Date: _____

Dated: _____