

Minnesota
STATE COLLEGES
& UNIVERSITIES

LEASE AGREEMENT– MNSCU AS LANDLORD, CITY OF MARSHALL AS TENANT

TOTAL AMOUNT: \$138,064.50 (not including parking and/or electrical work to be determined)

THIS LEASE AGREEMENT is made by and between State of Minnesota, by and through the Board of Trustees of Minnesota State Colleges and Universities on behalf of Southwest Minnesota State University located at 1501 State Street, Marshall, MN 56258, hereafter referred to as MNSCU or LANDLORD, and the City of Marshall, a **Municipal Corporation**, located at 344 West Main Street, Marshall, MN 56258, hereafter referred to as TENANT.

WHEREAS, the Board of Trustees of Minnesota State Colleges and Universities is empowered by Minn. Stat. §136F.06, to govern Board-related property, and

WHEREAS, MNSCU has under its control the Social Sciences Building located 441 State Street, and has space in that building, and

WHEREAS, TENANT intends to use the space for **City of Marshall staff to conduct official city business while their offices at 344 West Main Street, Marshall, MN are being remodeled.**

NOW THEREFORE, MNSCU and TENANT, in consideration of the rents, covenants, and considerations hereinafter specified, do hereby agree each with the other as follows.

1. LEASED PREMISES.

MNSCU grants and TENANT accepts the lease of the following described Leased Premises located in the City of Marshall, County of Lyon, Minnesota: more particularly described as:

Approximately 9,312 square feet of usable space in the Social Sciences building at 441 State Street, Marshall, as shown on the floor plan or survey on attached Exhibit A described below:

<u>Address/Room No. / Location</u>	<u>Square Feet</u>
ss 209	115
ss 210	115
ss 211	115
ss 212	104
ss 213	115
ss 214	104
ss 215	115

ss 216	111
ss 217	115
ss 218	104
ss 219	115
ss 220	104
ss 221	115
ss 222	111
ss 223	115
ss 225	115
ss 227	115
ss 229	115
ss 231	115
19 rooms	2133

ss 143	602
ss 141	602
ss 139	785
ss 128	870
ss 237	588
ss 235	945
ss 228	870
ss 226	221
ss 224a	368
ss 224	870
total	6721

SS 137	237
SS 233	221
total	458

TOTAL 9,312

Hereafter referred to as the "Leased Premises".

1.1 Unless otherwise provided in this Lease Agreement, the TENANT is taking the Leased Premises in its "as is" condition, and MNSCU is under no obligation to make any alterations or modifications to accommodate TENANT's use. TENANT's taking possession of the Leased Premises is evidence that the Leased Premises was in tenantable condition as of the day of occupancy.

1.2 MNSCU reserves the right in its sole discretion to maintain and repair the structural elements and utilities that serve the Leased Premises, including, but not limited to the walls, roof, conduits, heating and cooling and other structural elements. MNSCU may at any time construct, modify, add on or demolish elements of the Building of which the Leased Premises is a part, provided MNSCU makes reasonable efforts to minimize the impact of such work on TENANT and its use of the Leased Premises.

1.3 Parking. MNSCU shall allow TENANT, its staff, visitors, guests and invitees the use of 14 to 16 parking spaces in the B2 and B3 lots for visitor parking and 13 spaces in the B3 lot for a City Motor Pool space during the term of this Lease. MNSCU reserves the right to change, modify or otherwise redirect the location of the parking at its sole and absolute discretion. TENANT agrees to comply with MNSCU's parking program.

City of Marshall shall purchase a parking permit for designated City employees at the current SMSU employee parking rates and then may park in any applicable space on campus. See Exhibit B for parking and signage maps.

The TENANT is allowed to replace the "15-Minute Loading/Unloading" signs with "15-Minute Parking" signs during the duration of the Agreement.

Parking restriction signage will be provided, installed and removed by the TENANT as approved by MNSCU.

2. TERM.

The term of this Lease Agreement shall commence on Monday, December 2, 2019 (the "Commencement Date"), and end on *June 1, 2021*, unless otherwise sooner terminated or extended as set forth below. MNSCU grants and TENANT accepts a right to enter the Leased Premises 14 days prior to the Commencement Date at no charge to install furnishings, fixtures and equipment (FF&E) necessary to allow TENANT's occupancy, provided MNSCU has received and approved TENANT's certificate of liability insurance evidencing that TENANT has satisfactorily met all MNSCU insurance requirements as set forth in Paragraph 11, Insurance, and in the attached Exhibit C, General Insurance Requirements.

Landlord and Tenant mutually agree that the term of this lease may be extended beyond the June 1, 2021 terminate date if circumstances warrant. The end date of the City Hall remodel project is subject to change, and as such, it may be necessary for TENANT to extend the term of this lease. TENANT shall give LANDLORD 60 days written notice if the term of this lease is to be extended. Lease extension shall not exceed 180 days. Rent due for any lease extensions shall be calculated at a rate of \$250.00/calendar day.

3. PAYMENT OF RENT.

3.1 As rent for the Leased Premises and in consideration for all covenants, representations and conditions of this Lease Agreement, TENANT shall pay to MNSCU the sum of **One Hundred Thirty-eight Thousand Sixty-four and 50/100 dollars (\$138,064.50)** for the initial term of the Lease Agreement, such amount to be paid in advance, in six (6) equal *quarterly* installments of \$23,010.75 on the first day of each *quarter*, promptly and with no invoicing, by check, money

order, or electronic funds transfer made payable to Southwest Minnesota State University. Rent paid more than five days late is subject to a \$230 late fee. Rent shall be paid in accordance with the following schedule:

Lease Period	Quarterly Payment	Annual Rent	Total due over Term
December 2, 2019 –March 1, 2020	\$23,010.75	\$23,010.75	\$115,053.75
March 2, 2020-June 1, 2020	\$23,010.75	\$46,021.50	\$92,043.00
June 2, 2020-Sept. 1, 2020	\$23,010.75	\$69,032.25	\$69,032.25
Sept. 2, 2020-Dec. 1, 2020	\$23,010.75	\$92,043.00	\$46,021.50
Dec. 2, 2020-March 1, 2021	\$23,010.75	\$115,053.75	\$23,010.75
March 2, 2021-June 1, 2021	\$23,010.75	\$138,064.50	
Total	\$138,064.50		

3.2 If TENANT uses and occupies the Leased Premises prior to the Commencement Date for other than installation of FF&E, TENANT shall pay to MNSCU a daily rent of **Two Hundred Fifty and no/100 dollars (\$250.00)** for each day prior.

3.3 Bond Financed Property. If MNSCU used General Obligation bonds (including Higher Education Asset Preservation and Repair “HEAPR”) to purchase, construct or improve the Leased Premises, TENANT agrees to comply with all requirements imposed by the Commissioner of the Department of Management and Budget, his or her successor and assigns, up to and including furnishing any documents as the Commissioner determines to be necessary to ensure that interest paid on the General Obligation Bonds, if any, used to purchase, construct or improve the property of which the Leased Premises is a part, is exempt from federal taxation.

4. USE.

TENANT shall use and occupy the Leased Premises only as *office space for official City of Marshall business purposes* and for no other purposes without MNSCU’s prior written consent for each instance.

5. TERMINATION.

5.1 This Lease may be terminated by MNSCU with cause at any time upon giving thirty (30) days prior written notice of such termination to TENANT. TENANT has the right to terminate early with thirty (30) days prior written notice of such termination to MNSCU. Early termination shall result in pro-rated rental credit of \$250.00 per day.

5.2 Surrender of Leased Premises TENANT hereby agrees that at the expiration or earlier termination of this Lease or extension thereof:

- a. TENANT shall remove its personal property and vacate and surrender possession of the Leased Premises to MNSCU by the end of the day the Lease terminates in as good condition as when TENANT took possession, ordinary wear and tear and damage by the elements excepted.

- b. All personal property not so removed will conclusively be deemed to have been abandoned by TENANT and may be sold, stored, destroyed or otherwise disposed of by MNSCU without notice to TENANT or to any other person and without obligation to account for them. TENANT will pay MNSCU all expenses incurred in connection with MNSCU'S disposition of such personal property, including without limitation the cost of repairing any damage to the building or premises caused by removal of such property. TENANT'S obligation to pay all of MNSCU'S expenses incurred in connection with removal of TENANT'S personal property shall survive the termination of this Lease.

6. DUTIES OF LANDLORD.

MNSCU shall provide light and heat to the Leased Premises, common areas and public access areas, including stairways, elevators, lobbies, and hallways. MNSCU shall furnish and provide, at its expense, the following utilities and services:

6.1 Utilities: MNSCU shall bear the cost of the utilities except telephone and internet services:

6.2. Janitorial Service: MNSCU shall provide janitorial services and supplies to the Leased Premises and common areas of the building on a daily basis, Monday through Friday.

6.3 Trash Removal: MNSCU shall provide the Leased Premises with a means or system of waste or trash disposal. Consistent with Minn. Stat. 16B.24, subd. 6(d), MNSCU shall provide space for recyclable materials. MNSCU shall provide recycling services at its expense.

6.4 Common Areas: MNSCU shall provide yard care for the complex.

6.5 Snow Removal: MNSCU shall keep the public sidewalks adjacent to the building and any sidewalks or stairways leading from the public sidewalks to the building cleared of snow, ice and debris, including the parking lot.

6.6 Maintenance: MNSCU shall maintain in working condition all appurtenances within the scope of this Lease Agreement, including the maintenance of proper plumbing, wiring, heating (and, where applicable, cooling) devices and ductwork. MNSCU shall also maintain the foundation, roof and exterior walls of the building.

6.7 Repairs: MNSCU shall make such necessary repairs so as to continue to provide all such service appurtenances as are required by this Lease Agreement, provided, however, that MNSCU shall not be responsible for repairs upon implements or articles which are the personal property of TENANT, nor shall MNSCU bear the expense of repairs to the Leased Premises necessitated by damage caused by TENANT beyond normal wear and tear. TENANT will be responsible to maintain the interior walls, ceilings, windows and doors of the Leased Premises, as well as any equipment that is located within and exclusively serves the Leased Premises.

6.8 Delivery of Leased Premises: MNSCU covenants that it will deliver the Leased Premises to TENANT in good condition with all services and appurtenances included within the scope of this Lease Agreement in effect and in good running order.

6.9 Quiet Enjoyment: TENANT shall have the quiet enjoyment of the Leased Premises during the full term of the Lease Agreement and any extension or renewal thereof.

6.10 Energy Conservation: MnSCU shall operate within MnSCU energy guidelines and may enact energy initiatives to reduce energy consumption. MnSCU participates in energy conservation measures enacted by State or Federal authority as may be specifically required by such governmental orders or regulations.

6.11 Accessibility: MNSCU agrees to provide and maintain the Leased Premises and the building of which the Leased Premises are a part in compliance with accessibility and facilities meeting code requirements for handicapped persons, pursuant to all applicable laws, rules, ordinances and regulations as issued by any federal, state or local political subdivisions having jurisdiction and authority in connection with said property.

6.12 Shutdowns: MNSCU reserves the right to shut down electricity, heat, water or air conditioning when necessitated by safety, repairs, alterations or upgrades. MNSCU will give TENANT at least one (1) day notice of such shutdown, except in case of emergency, which shall require no advance notification. MNSCU will use reasonable efforts to not shut down TENANT's utilities during business hours. MNSCU will have no liability to TENANT for any loss, damage or expense that TENANT may sustain due to such shut down.

7. DUTIES OF TENANT.

7.1. Telephone and Telecommunications. TENANT shall arrange for its own telephone and internet service and pay all charges for installation and telephone usage directly to the provider. *[insert the campus or communications/telephone company]*.

7.2 Window coverings, interior painting and alterations, subject to MNSCU's prior written approval, see Paragraph 8, Alterations.

7.3 Identification signs, subject to MNSCU'S prior written approval, see Paragraph 8, Alterations.

7.4 Furniture, Fixtures, and Equipment. TENANT shall supply all furnishings necessary for its use of the Leased Premises.

7.5 Condition of Premises. TENANT agrees to maintain the Leased Premises in a reasonably clean and sanitary condition.

7.6 Energy Conservation. TENANT agrees to observe reasonable precautions to prevent waste of heat, electricity, water, air conditioning and other utility or service, whether such is furnished by MNSCU or obtained and paid for by TENANT.

7.7 Compliance with Laws. TENANT shall comply with all applicable municipal, county and state laws, ordinances and regulations, and shall obtain and pay for all licenses and permits (and special use permits, if applicable) as may be required by its use of the Leased Premises.

- 7.8 Tax or Impositions. In the event that a state or local tax is imposed upon MNSCU due to TENANT'S occupancy, use, valuable possession or valuable leasehold interest of or in the real property hereby leased, the obligation for the payment of the tax will be wholly that of TENANT.
- 7.9 Human Rights: When applicable, TENANT certifies that it has received a certificate of compliance from the Commissioner of Human Rights pursuant to Minnesota Statutes, Section 363A.36, or that it has not had more than 40 full-time employees at any time during the previous 12 months and claims exemption from Minnesota Statutes, Section 363A.36
- 7.10 Repairs. TENANT shall, except as otherwise specified herein, maintain in good repair and condition the Leased Premises including the building and any and all equipment, fixtures or appurtenances furnished by MNSCU under this Lease. TENANT will be responsible to maintain the interior walls, ceilings, windows and doors of the Leased Premises, as well as any equipment that is located within and exclusively serves the Leased Premises.
- 7.11 Nuisance. TENANT agrees not to use the Leased Premises in any way which, in the judgment of MNSCU, poses a hazard to building occupants, the Leased Premises or the building, in part or whole, nor shall TENANT use the Leased Premises so as to cause damage, annoyance, nuisance or inconvenience to building occupants or others.
- 7.12 No Smoking. TENANT shall comply with the campus policy on tobacco use on campus grounds.

8. ALTERATION OF LEASED PREMISES.

TENANT shall make no alterations, additions, or changes in the Leased Premises without the advance written consent of MNSCU. All alterations, additions, improvements and fixtures (including floor coverings), which may be made or installed by MNSCU upon the Leased Premises and which in any manner are attached to the floors, walls or ceilings, at the termination of this lease shall remain the property of MNSCU, and shall remain upon and be surrendered with the Leased Premises as a part thereof, without damage or injury beyond normal wear and tear.

- 8.1 Alterations, additions or changes shall comply with all applicable codes and MNSCU Design and Construction Standards. TENANT shall at all times observe all fire and building codes relating to its operation and use of the Leased Premises. TENANT shall comply with all applicable laws and requirements including, but not limited to the City, County, and State of Minnesota as to sanitary, health and safety conditions and as to the use of the Leased Premises by TENANT
- 8.2 Alterations, additions or changes shall be at TENANT's sole cost and expense to furnish all labor and materials to make all alterations and structural changes necessary for use of the building as permitted by this Lease.
- 8.3 TENANT shall be responsible for ensuring that building contractors employed by TENANT shall provide and maintain a performance bond and construction insurance as established by Minnesota State Colleges and Universities. TENANT shall provide copies of said

performance bond and construction insurance to MNSCU prior to any work performed by any contractors on behalf of TENANT.

8.4 Tenant may, at its own expense, remodel, redecorate, make alterations, additions and changes in and to the interior of the premises (except those of a structural nature); provided, however, that no alterations, additions or changes may be made without first procuring the approval in writing of MNSCU. All alterations, additions or changes to be made to the Leased Premises which require the approval of MNSCU shall be made under the supervision of a competent architect or competent licensed structural engineer and made in accordance with plans and specifications approved in writing by MNSCU before commencement of work. All work related to any alterations, additions or changes shall be done in a good and workmanlike manner and diligently completed so that the premises shall be a complete unit at all times except during the period of construction. TENANT will not make or allow to be made any structural changes or additions to the building or the premises, or make or allow to be made any changes, additions or hook ups to any utility services, including electrical, plumbing, heating, HVAC, or any transformers, lines, wires, or equipment associated with same, without the prior written approval of MNSCU. TENANT shall be responsible for the cost of any build out of the Leased Premises in preparation for occupancy. TENANT and MNSCU shall develop plans and specifications for building out the TENANT space.

8.5 TENANT shall have no right to encumber or subject the interest of MNSCU in the Leased Premises to any mechanic's liens, material liens or other liens of any nature whatsoever, and TENANT shall have any such lien discharged within 10 days after the date of recording of the lien. TENANT shall be liable to MNSCU for any MNSCU's costs and attorney fees incurred in regard to this section.

8.6 Leased Premises Condition at Termination. TENANT shall vacate the Leased Premises in good order and in the same repair as which the Leased Premises existed at the commencement of this Lease Agreement, ordinary wear and tear excepted, and, shall remove all its property and fixtures there from so MNSCU can repossess the Leased Premises not later than the day after the expiration of this Lease Agreement or any renewal thereof, whether upon notice or by holdover or otherwise. TENANT may at any time prior to or upon the termination of this Lease Agreement or any renewal or extension thereof, remove from the Leased Premises all materials, equipment and property of every other sort or nature installed by TENANT thereon, provided that such property is removed without substantial injury to the Leased Premises. No injury or damage shall be considered substantial if it is promptly corrected by restoration to the condition prior to the installation of such property or equipment. MNSCU may require TENANT to remove same from the Leased Premises, at MNSCU's sole discretion, if MNSCU provides TENANT with written notice at least 15 days prior to termination of the lease.

9. ASSIGNMENT AND SUBLETTING.

TENANT shall not assign nor in any manner transfer this Lease or any interest therein, nor sublet said Leased Premises or any parts thereof.

10. MNSCU'S ACCESS.

MNSCU, acting through its designated agent, employees or officials shall have the right, upon prior notification to TENANT (or without such notice in case of an emergency), to enter the Leased Premises at all reasonable times.

11. INSURANCE.

11.1 **General Liability.** TENANT shall acquire and maintain, at its sole expense, all the insurance described on **Exhibit C**, attached hereto and made a part of this Lease Agreement, naming both Minnesota State Colleges and Universities and Southwest Minnesota State University as additional insureds.

11.2. **Property Damage.** It shall be the duty of MNSCU and TENANT to maintain insurance on their own property, both real and personal. MNSCU may maintain either insurance or self-insurance. Notwithstanding anything apparently to the contrary of this Lease Agreement, MNSCU and TENANT hereby release one another and their respective partners, officers, employees and property manager from any and all liability or responsibility to the other or anyone claiming through or under them by way of subrogation or otherwise for loss or damage covered by said insurance, even if such loss or damage shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible.

12. LIABILITY.

MNSCU and TENANT agree that each party will be responsible for its own acts and the results thereof to the extent authorized by law and shall not be responsible for the acts of any others and the results thereof. MNSCU'S liability shall be governed by the provisions of the Minnesota Tort Claims Act, Minnesota Statutes, Section 3.736, and other applicable law.

13. MUTUAL HOLD HARMLESS.

MNSCU shall not be liable for any suits, actions or claims of any character for injury, death or property damage made by or on behalf of any person or persons, firm or corporation arising out of the conduct, management or use of the Leased Premises by TENANT or arising out of any work or thing whatsoever done in or about the premises or structures or equipment therein when such has been authorized by TENANT, except as such injury, death or property damage is attributable to MNSCU'S negligence as determined by a court of law. TENANT shall indemnify MNSCU and hold it harmless from any and all such suits, actions or claims. This provision shall apply at all times during the term of this Lease Agreement.

TENANT shall not be liable for any suits, actions or claims of any character for injury, death or property damage made by or on behalf of any person or persons, firm or corporation arising out of the conduct, management or use of MNSCU property not lease to TEANT herein, or arising out of any work or thing whatsoever done in or about MNSCU premises or structures or equipment when such has not been authorized by TENANT, except as such injury, death or property damage is attributable to TENANT'S negligence as determined by a court of law.

14. PERSONAL PROPERTY RISK.

All personal property in or about the Leased Premises belonging to or placed therein by TENANT or its occupants or visitors shall be there at the sole risk of TENANT or such other person only, and MNSCU shall not be liable for theft or misappropriation thereof.

15. DAMAGE BY FIRE OR OTHER CASUALTY.

If all or a substantial part of the Leased Premises is rendered untenable or inaccessible by damage to all or any part of the building from fire, the elements, accident, or other casualty (a "Casualty"), MNSCU shall have the option, at its sole and absolute discretion, to either:

- a. Use reasonable efforts to restore the Leased Premises to substantially its former condition to the extent permitted by applicable law; provided, however, that in no event shall MNSCU have any obligation: 1) to make repairs or restoration beyond the extent of insurance proceeds received by MNSCU for such repairs or restoration or 2) repair or restore any of TENANT's alterations. If MNSCU elects to repair damage to the Leased Premises, then

- 1) This Lease Agreement shall remain in full force and effect but Rent from the date of the Casualty though the date of substantial completion of the repair shall be abated with regard to any portion of the Leased Premises that TENANT is prevented from using by reason of such damage or its repair; and

- 2) In no event shall MNSCU be liable to TENANT by reason of any injury to or interference with TENANT's business or property arising from a Casualty or by reason of any repairs to any part of the building necessitated by the Casualty.

OR

- b. Terminate this Lease and end the term hereof, in which case the rent shall be paid to the date of such fire or other casualty, and all further obligations on the part of either party shall cease. If MNSCU elects to terminate the Lease Agreement, MNSCU shall notify TENANT in writing within 90 days of the date of the Casualty.

16. HOLDING OVER.

In the event TENANT remains in possession of the Leased Premises herein leased after the expiration of this Lease and without the execution of a new lease, it shall be deemed occupying said Leased Premises as a tenant, subject to all the conditions, provisions and obligations of this Lease insofar as the same can be applicable to a month-to-month tenancy, except that if TENANT holds over for more than five days, the amount of Rent due each month will be doubled. The increased Rent payment will be due each month, including the first month Tenant holds over, until TENANT vacates the Leased Premises. TENANT will also be liable to MNSCU for all costs, losses, claims or liabilities that MNSCU may incur as a result of TENANT's failure to surrender possession of the Leased Premises to MNSCU upon the expiration or earlier termination of the Lease.

17. DEFAULT BY TENANT.

If TENANT defaults in any of its promises or covenants under the Lease and fails to cure the same within thirty (30) days after receipt of written notice of default from MNSCU, MNSCU may exercise one or more of the following remedies, or any other remedy available at law or in equity:

- a. terminate the Lease and recover from TENANT all damages it has incurred by reason of such breach;
- b. re-enter the Leased Premises and remove all persons and property from the Leased Premises, without terminating the Lease or releasing TENANT from its obligations under the Lease;
- c. re-let the Leased Premises without terminating the Lease. All amounts received from such re-letting shall be applied: first, to the payment of any costs of re-letting, and second, to the payment of Rent due and owing under this Lease Agreement. If the amount received from re-letting in any month is less than the amount of Rent to be paid by TENANT, TENANT will pay any such deficiency to MNSCU upon demand.

18. SELF-HELP RIGHT.

If TENANT defaults in the performance of any term of this Lease Agreement, MNSCU, in addition to any other rights and remedies it has under this Lease and without waiving such default, may perform the same for the account of and at the expense of TENANT (but shall not be obligated to do so), without notice in a case of emergency and in any other case if such default continues after five (5) days from the date that MNSCU gives written notice to TENANT of its intention to do so. TENANT must pay upon demand bills for all amounts paid by MNSCU and all losses, costs and expenses incurred by MNSCU, in connection with any such performance by MNSCU pursuant to this section, including, without limitation, all amounts paid and costs and expenses incurred by MNSCU for any property, material, labor or services provided by MNSCU to TENANT.

19. WAIVER OF COVENANTS.

The failure of MNSCU to insist in any one or more instances upon performance of any of the terms, covenants or conditions of this Lease shall not be construed as a waiver or relinquishment of the future performance of any such term, covenant or condition, but TENANT'S obligation with respect to such future performance shall continue in full force and effect.

20. BUILDING ACCESS.

MNSCU shall provide for access to the Leased Premises *16* hours per day for authorized employees of TENANT. Building hours are: *6:00 a.m. to 10 p.m. City Employees will have access by key to the building at other hours.*

21. NOTICES.

All notices, requests, and other communications between MNSCU and TENANT that are required or that MNSCU or TENANT elect to deliver shall be deemed sufficiently given or rendered if in writing and delivered to either party personally, by a recognized overnight courier service or by United States mail, first-class, certified or registered, postage prepaid, (return receipt required) addressed as follows:

TENANT: *City of Marshall*

344 West Maint Street.
Marshall, MN 56258
ATTN: Kyle Box, City Clerk

MNSCU: Southwest Minnesota State University
1501 State Street
Marshall, MN 56258
ATTN: Deb Kerkaert, Vice President for Finance & Administration

With a copy to: Minnesota State Colleges and Universities
30 E. 7th Street, Suite 350
St. Paul, MN 55101
ATTN: Real Estate Services

22. NEW LANDLORD.

In the event the Leased Premised or the building of which the same is a part shall be sold, conveyed, transferred, assigned, leased or sublet, or if MNSCU shall sell, convey, transfer, or assign this Lease Agreement or rents due under this Lease Agreement, or if for any reason there shall be a change in the manner in which the rental reserved hereunder shall be paid to MNSCU, proper written notice of such change must be delivered to TENANT as promptly as possible.

23. AUDIT.

MNSCU is a State of Minnesota entity. The books, records, documents and accounting procedures and practices of the TENANT (whether in hard copy or electronic format) regarding this Lease Agreement shall be subject to reasonable examination by the State, MNSCU, MNSCU's Internal Auditor or Independent Auditor and/or the Legislative Auditor during the term of the Lease and for a maximum of six (6) years after the Lease's expiration or termination.

24. ENVIRONMENTAL.

TENANT shall not use in any way, or permit or suffer the use of the Leased Premises or any part thereof, to either directly or indirectly prepare, produce, generate, manufacture, refine, treat, transport, store, maintain, handle, dispose of, transfer, or process any Hazardous Substance as defined below, unless it has received the prior written consent of MNSCU, which may not be unreasonably withheld. "Hazardous Substance" means any pollutant, contaminant, toxic or hazardous waste, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, PCBs, or any other substance the removal of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling, or ownership of which is restricted, prohibited, regulated, or penalized by any and all federal, state, county, or municipal statutes or laws now or at any time hereafter in effect, including but not limited to, the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. § 9601, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. § 5101 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. § 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.), the Clean Air Act (42 U.S.C. § 7401 et seq.), the Toxic Substances Control Act, as amended (15 U.S.C. § 2601 et seq.), and the Occupational Safety and Health Act (29 U.S.C. § 651 et seq.) as these laws have been amended or supplemented. TENANT agrees to

hold harmless and indemnify MNSCU from any and all damages, costs, fines and expenses, including all attorney's fees incurred by MnSCU that might arise as a result of TENANT's violation of this provision. This provision shall survive the termination of this Lease.

25. ENTIRE AGREEMENT.

The Lease Agreement documents, which constitute the entire Lease Agreement between the parties except for agreed upon written amendments issued after execution of this Lease Agreement, are enumerated as follows:

- Lease Agreement
- **EXHIBIT A**, Leased Premises
- **EXHIBIT B**, Parking & Signage
- **EXHIBIT C**, Insurance Requirements
- **Any Subsequent amendments, addendum properly executed by the parties.**

Signature Block is on Next Page

LEASE NO: L-075-20-001

IN WITNESS WHEREOF, the parties have set their hands on the date(s) indicated below intending to be bound thereby.

TENANT: *City of Marshall*

TENANT certifies that the appropriate person(s) have executed the contract on behalf of TENANT as required by applicable articles, by-laws, resolutions, or ordinances.

By: _____
Robert J. Byrnes

Its: _____
Mayor

Date: _____

MNSCU: STATE OF MINNESOTA, BY AND THROUGH THE BOARD OF TRUSTEES OF MINNESOTA STATE COLLEGES AND UNIVERSITIES, ON BEHALF OF SOUTHWEST MINNESOTA STATE UNIVERSITY

By: _____
[PRINT NAME]

Its: _____
[INSERT TITLE]

Date: _____

By: _____

Its: _____

Date: _____

AS TO FORM AND EXECUTION:

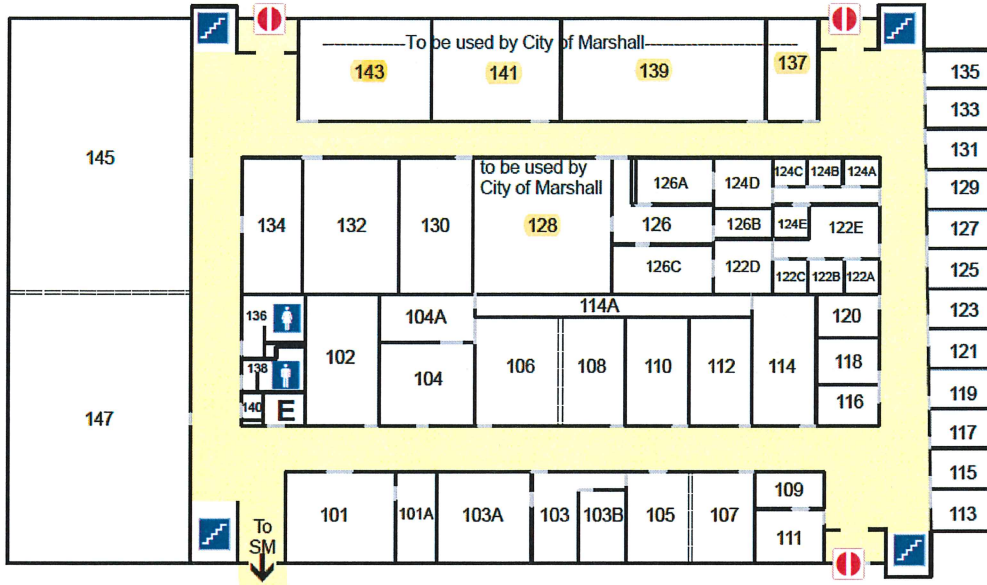
By: _____

Title: _____

Date: _____

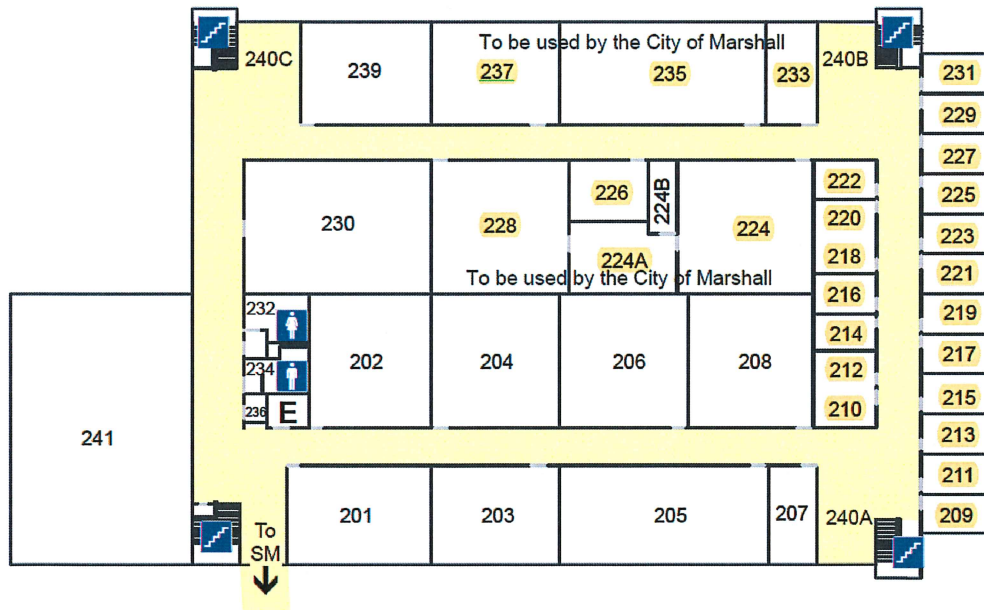
EXHIBIT A – LEASED PREMISES

**Social Science (SS)
First Floor**



**Social Science (SS)
Second Floor**

Highlighted Office numbers to be used by the City of Marshall



Lease Cost of Space

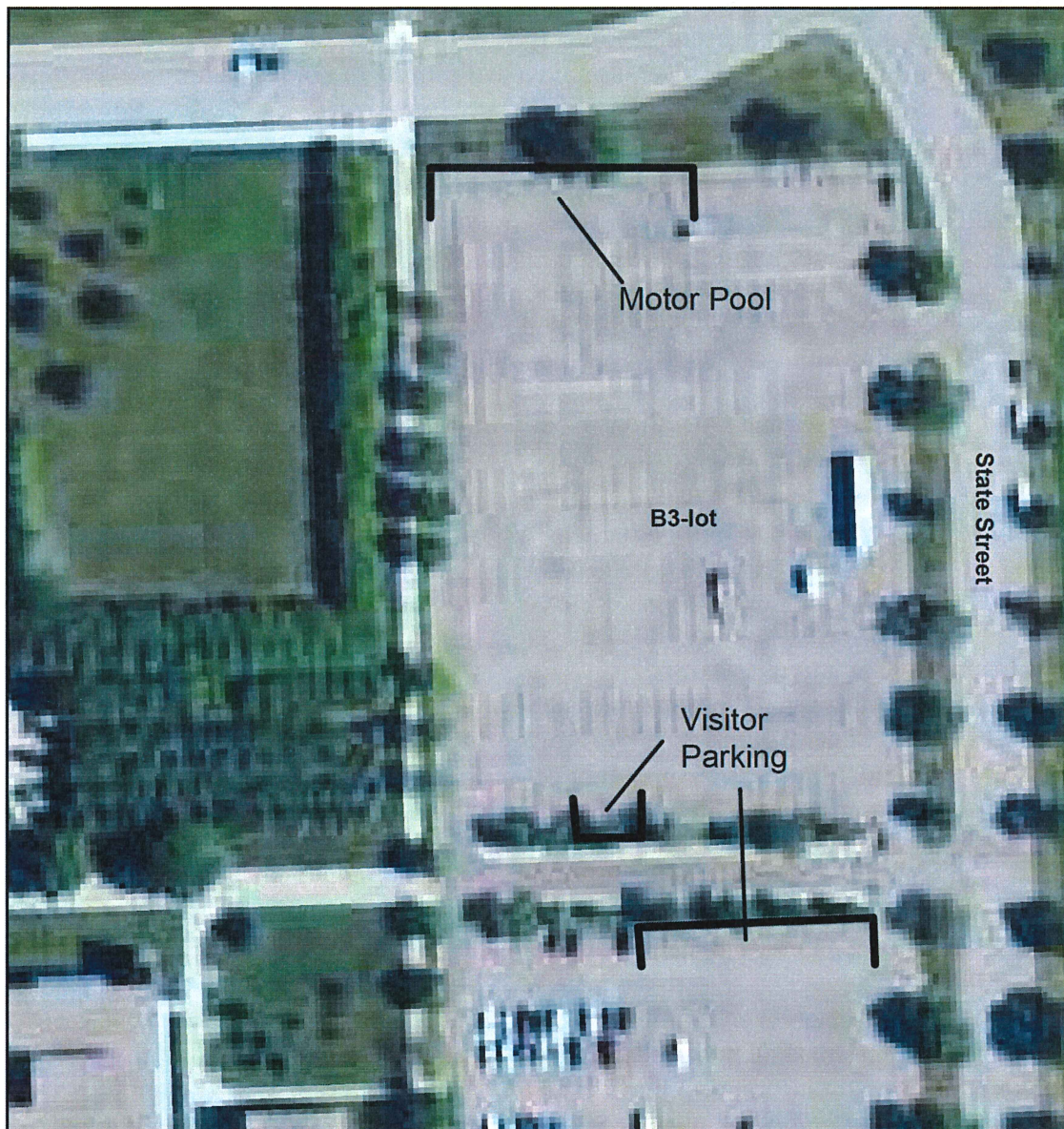
Offices 209-231		square feet	
	SS 209	115	
	SS 210	115	
	SS 211	115	
	SS 212	104	
	SS 213	115	
	SS 214	104	
	SS 215	115	
	SS 216	111	
	SS 217	115	
	SS 218	104	
	SS 219	115	
	SS 220	104	
	SS 221	115	
	SS 222	111	
	SS 223	115	
	SS 225	115	
	SS 227	115	
	SS 229	115	
	SS 231	115	
11.50/sq ft	19 rooms	2133	24,529.50
Classrooms		square feet	
9.50/sq ft	ss 143	602	
	ss 141	602	
	ss 139	785	
	ss 128	870	
	ss 237	588	
	ss 235	945	
	ss 228	870	
	ss 226	221	
	ss 224a	368	
	ss 224	870	
	total	6721	63,849.50
Conference rooms		square feet	
8.00/sq ft	SS 137	237	
	SS 233	221	
	total	458	3,664.00
		Total	92,043.00

EXHIBIT B – PARKING

SMSU proposes to place the City Motor Pool parking (13 spaces) at the NW corner of the B3 lot. It is close to a main sidewalk.

We also propose to place the City Visitor Parking along the NE boulevard of the B2 lot (12-13 spaces), and also along the SW boulevard of the B3 lot (2-3 spaces).

City Parking Proposal



**EXHIBIT C
GENERAL INSURANCE REQUIREMENTS**

The TENANT shall not commence work in, or occupy, the Leased Premises under this Lease Agreement until TENANT has obtained all the insurance described below and the State of Minnesota has approved such insurance. All policies shall remain in force and effect throughout the term of the Lease Agreement.

POLICY REQUIREMENTS

1. Workers' Compensation Insurance

- A. Statutory Compensation Coverage
- B. Coverage B – Employers Liability with limits of not less than:
 - \$100,000 Bodily Injury by Disease per Employee
 - \$500,000 Bodily Injury by Disease Aggregate
 - \$100,000 Bodily Injury by Accident

2. General Liability Insurance

- A. Minimum Limits of Liability:
 - \$2,000,000 – Per Occurrence
 - \$2,000,000 – Annual Aggregate
 - \$2,000,000 – Annual Aggregate applying to Products/Completed Operations
- B. Coverages:
 - Premises and Operations Bodily Injury and Property Damage
 - Personal & Advertising Injury
 - Blanket Contractual
 - Products and Completed Operations
 - Other; if applicable, please list _____
 - State of Minnesota or Minnesota State Colleges and Universities named as Additional Insured

Additional Insurance Conditions

- TENANT's policy(ies) shall be primary insurance to any other valid and collectible insurance available to the State of Minnesota with respect to any claim arising out of the TENANT's performance under this Lease Agreement.
- TENANT agrees to notify the State of Minnesota within five (5) business days with a copy of the cancellation notice, unless TENANT's policy(ies) contain a provision that coverage afforded under the policy(ies) will not be cancelled without at least thirty (30) days advance written notice to the State of Minnesota
- TENANT is responsible for payment of Lease Agreement related insurance premiums and deductibles.
- If TENANT is self-insured, a Certification of Self-Insurance must be attached.
- TENANT's policy(ies) shall include legal defense fees in addition to the liability policy limits.
- TENANT shall obtain insurance policy(ies) from insurance company(ies) having an "AM Best" rating of A- (minus), Financial Size Category of VII or better, and authorized to do business in the State of Minnesota.
- An Umbrella or Excess Liability insurance policy may be used to supplement the TENANT's policy limits to satisfy the full policy limits required by the Lease Agreement.