

## LEASE AGREEMENT

THIS LEASE is made and entered into this \_\_\_\_ day of February, 2008, by and between **BRAMLAGE FAMILY FOUNDATION**, hereinafter called "Landlord", and **BARTON COUNTY COMMUNITY COLLEGE** hereinafter called "Tenant".

### LEASED PREMISE

LANDLORD hereby leases unto Tenant the property, all buildings, fixtures, and other improvements, located at **100 Continental Avenue, Grandview Plaza, Kansas.**

### CONDITION/TERM/USE

**CONDITION: REMODELING AND ADDITION:** Landlord shall, at its expense, complete the remodeling work, as well as the addition to the existing building that is currently located at 100 Continental Avenue, Grandview Plaza, Kansas. Said work will be done in a lien free, good and workmanlike manner and in compliance with all applicable codes and governmental requirements with an estimated completion date of June 30, 2008. The details of said remodeling work, as well as the addition, are more specifically set forth on Exhibits A & C, appended hereto and incorporated herein by reference. Upon completion of the remodeling but prior to occupancy, the Tenant will be given an opportunity to inspect all of the equipment and other fixtures, mechanical systems, plumbing, electrical systems, and HVAC systems relating to or servicing the leased premises, and the Landlord warrants and represents that all of the foregoing shall be in acceptable working condition and will be acceptable to fully service all of the Tenant's needs incident to its occupancy of the Leased Premises. In the event the Tenant finds the same to be unacceptable, then the Landlord shall be given a reasonable period of time, not to exceed thirty (30) days, in which to make said Leased Premises acceptable for the Tenant's occupancy.

Prior to the completion of the improvement work, as well as the addition work, and a tender of the actual possession of the leased premises to Tenant, Tenant may, at its own risk, enter upon the leased premises at such time as it deems appropriate to make improvements thereon by installing fixtures and other equipment, erect signs and install tangible personal property and supplies, all without unreasonably interfering with the progress of the improved work.

**TERM:** The Tenant shall lease the premises for a term of **10** years, commencing on the **1<sup>st</sup> day of July, 2008** and terminating the **30<sup>th</sup> day of June, 2018**. It is hereby mutually agreed that either party hereto may terminate this contract at the end of said term by giving the other party written notice by certified mail thereof at least sixty (60) days prior thereto, but in default of such notice, this contract shall continue upon the same terms and conditions in force immediately prior to the expiration of this term thereof as are herein contained for a further period of one year and so on from year to year until or unless terminated by either party hereto giving the other sixty (60) days written notice for termination previous to the expiration of the current term.

**LEASE TERMINATION:** Landlord hereby acknowledges that Tenant's fiscal year extends from July 1 to June 30 and that Tenant's continued operation of classes in the Leased Premises is dependent upon proper and lawful funding and budget approval each fiscal year. Tenant hereby covenants and agrees to make its best reasonable efforts each fiscal year to seek and obtain the necessary funding and budget approval to continue the operation of its classes in the Leased Premises. Landlord hereby agrees that commencing with Tenant's 2009-2010 fiscal year and continuing each fiscal year thereafter, in the event Tenant exercises lease termination, then the Tenant shall notify the Landlord in writing as provided hereafter by April 1 prior to the commencement of the fiscal year of its intention to terminate the Lease due to the lack of budgetary approval. The Tenant agrees to pay the Landlord a termination fee as set forth on Exhibit B, appended hereto and incorporated herein by reference, on the last day of its occupancy of said Leased Premises due to the abandonment of said leasehold improvements.

**USE:** Tenant shall use the Premise for educational services, plus all other allied and supportive services within the applicable zoning regulations. Tenant shall also comply with all laws, ordinances and regulations affecting the use of the Premise and the cleanliness, safety and occupation of the same.

### RENT

**RENT:** The rent will be the sum of **\$4,000** plus monthly pro-rata taxes estimated at **\$800**, plus monthly

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pro-rata building insurance estimated at **\$150** for a total monthly payment of **\$4,950**. Annual adjustments shall be made to the pro-rata taxes and insurance to account for cost changes from year to year. The sum of **\$9,900** is acknowledged by the Landlord, which represents the deposit (\$4,950.00), first month's rent, and pro-rata taxes. All monthly rental payments will be due on the first day of each month and shall be mailed to the Landlord at P.O. Box 1005, Junction City, KS. 66441. Rent payments made after the 5<sup>th</sup> day of the month shall be considered late and assessed a fee of \$25.00 per occurrence and returned checks will also be assessed a \$25.00 fee per occurrence.

**TRIPLE NET LEASE:** This Lease is intended by both Landlord and Tenant to be an absolute triple net lease, except as set forth in the paragraph dealing with repairs and maintenance. Tenant shall pay all taxes, insurance, maintenance, expenses, and other charges related to the Leased Premises for the term hereof subject to the terms and conditions herein.

#### UTILITIES

TENANT shall be solely responsible for all its own bills and expenses due and payable during the Term hereof which related to all gas, electricity, light, water, heat, power, telephone or other communication services, and Tenant shall indemnify Landlord against any liability or damages on such account.

#### REPAIRS AND MAINTENANCE

LANDLORD shall keep and maintain the exterior walls (exclusive of doors and windows of the leased premises), the main sewer and water lines in the event of sewer collapse or other failure (excluding roto-rooter of backed up toilets). Provided, however, it shall be the duty of the Tenant, not Landlord, to make all repairs and replacements required because of negligence of Tenant or agents or employees.

TENANT shall keep and maintain the leased premises and the roof, heating, plumbing, electrical, air conditioning, and other mechanical systems in good condition and repair and shall replace all broken glass in the leased premises with glass of the same kind and quality as that broken. Tenant shall keep the leased premises under Tenant's control free from filth, nuisance, or danger of fire, and in all respects and at all times shall comply with the health and police regulations and ordinances and all other laws now in force or which may hereafter be enacted by the City of Junction City, the State of Kansas, or the Federal Government. Tenant will not do, allow or permit (i) anything to be done or kept in the leased premises which will cause the cancellation of any insurance maintained by the Landlord on the building in which the leased premises are located, (ii) any disturbance of the peace or loud or boisterous conduct in or about the premises, or (iii) the overloading of floors, walls, plumbing, sewer, water, electrical, or heating systems.

#### ADDITIONS OR CHANGES TO LEASED PREMISES

NO additions, alterations, changes or improvements shall be made to leased premises by Tenant without the written consent of the Landlord. All additions, alterations, changes and improvements made to the Leased Premises by Tenant which become fixtures to the premises shall become the property of the Landlord. Any addition, alteration, change or improvement which is not a fixture shall remain the property of the Tenant.

#### INSURANCE

Landlord shall carry insurance on a "Comprehensive Replacement Cost Form" with a face amount equal to 100% of the replacement value of the insured property, with a standard co-insurance endorsement of not more than 90%, and with a deductible of no more than \$10,000.00 against loss or damage resulting from fire and other insurable casualties. The property insurance shall (a) cover and insure the Leased Premises, (b) name as additional insureds each of the parties hereto, (c) not be able to be canceled or materially changed unless Landlord and Tenant are given written notice of such cancellation or change at least 30 days in advance. Before the beginning of the term of this Lease, Tenant shall deliver to Tenant a certificate of insurance that evidences the existence of the insurance required under this paragraph.

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Landlord agrees that said insurance policy shall contain the following endorsement: "Insurer hereby agrees, as an additional covenant of the policy of insurance to which the endorsement is attached, that Insurer shall have no right of subrogation whatsoever to claims of any named insured for recovery of any casualty, loss, or damage to persons or property insured under the policy against Barton County Community College, or any of its directors, officers, agents, or employees, all such rights being waived. Insured agrees that a copy of the policy, including this endorsement, will be provided to Barton County Community College and that Barton County Community College is authorized to rely on this endorsement."

Tenant further agrees to indemnify, keep and hold Landlord harmless from and against liability for loss or damage with respect to injury to persons and damages to property on the Property arising in connection with the operation of the Property by Tenant during the term of this Lease and any extension or renewal thereof, except for loss or damage caused by Landlord, its employees, contractors, agents or persons otherwise affiliated with Landlord. Tenant agrees to maintain in effect throughout the continuation of this Lease, comprehensive general liability and property damage insurance under its blanket insurance program covering the Property and the business to be conducted thereon, in limits not less than \$1,000,000 combined single limit for each occurrence. Said liability insurance will list Landlord as an additional named insured and shall provide that Tenant may not cancel or change the coverage without prior written notice to Landlord and Landlord shall be furnished with certificates evidencing the existence of the required liability insurance coverage.

If the Leased Premises shall be damaged, destroyed or rendered untenable, in whole or in part, by or as the result or consequence of fire or other casualty, Landlord shall cause the Leased Premises to be restored to such condition substantially similar to that as existed prior to the casualty and if said repairs can be done so that as to not substantially modify the Tenant's use of the premises, then such repairs can be undertaken. If the damage to the premises is to such an extent that the Tenant can no longer use said facility, then the continuation of the Lease will be at the Tenant's option if it wishes the Lease to continue and the Landlord to make said repairs. If the premises are totally destroyed, then the Lease shall terminate and neither party shall have any further obligation pursuant to the terms of said Lease.

#### DEFAULT

Except with respect to any violation or default concerning which provision is elsewhere herein made, in the event either party shall violate or make default under any of the terms or provisions of this Lease, and in the further event that such violating or defaulting party has not cured the defect or commenced appropriate action to remedy said default within fifteen (15) days after receiving written notice pursuant to the terms of this Lease, then the party not in violation or default may at its option and upon notice to the other party cancel this Lease. Such cancellation shall not be the exclusive remedy for such uncured violation or default; rather the right of cancellation shall be cumulative of and in addition to all rights available by law to the party not in violation or in default. In the event of a default by Tenant, the Landlord shall be entitled to retain the security deposit as a portion of the liquidated damages for the breach of said Lease Agreement by the Tenant.

In case of default by Tenant, Landlord may relet the leased premises as the agent for and in the name of Tenant at a commercially reasonable rent amount, applying the proceeds first to the payment of such expense as Landlord may incur by such re-entering, including reasonable attorney's fees, then the repayment of such rent as same becomes due, then toward the fulfillment of the other covenants and agreements of Tenant herein contained, and the balance, if any, shall be paid to Tenant.

#### MISCELLANEOUS

ENTIRE AGREEMENT: This lease represents all the covenants, promises, agreements, conditions, and understandings between Landlord and Tenant, and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between them as Landlord and Tenant other than as herein set forth. No

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alteration, amendment, change, or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by each party.

NOTICES: All notices required by law or this Lease to be given by one party to the other shall be in writing, and the same shall be served by certified mail, return receipt requested, in postage prepaid envelopes addressed to the following addresses or such other addresses as may be by one party to the other designated in writing:

AS TO LANDLORD: Bramlage Family Foundation  
P.O. Box 1005  
Junction City, KS 66441

AS TO TENANT: Barton County Community College  
\_\_\_\_\_  
\_\_\_\_\_

LAWS OF THE STATE OF KANSAS: This Lease shall be governed by, and constructed in accordance with, the laws of the State of Kansas.

HOLDING OVER: If Tenant remains in possession of the Leased Premises after the expiration of this Lease, Tenant at the option of the Landlord, shall be deemed to be occupying the Leased Premises as a Tenant from year-to-year, at the rent established herein and subject to all other conditions, provisions and obligations of this Lease insofar as the same are applicable to a year-to-year tenancy.

**DISCLOSURE**

Lessee acknowledges that Ron R. Bramlage is a licensed Real Estate Broker in the State of Kansas, pursuant to the law #KSA 1989 Supp. 58-3062 (14) and is acting on behalf of the property owner, Bramlage Family Foundation.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease effective the day and year first above written.

**LANDLORD**

X \_\_\_\_\_  
Bramlage Family Foundation  
By: Ron R. Bramlage, Broker

**TENANTS**

X \_\_\_\_\_

X \_\_\_\_\_

Social Security \_\_\_\_\_ Phone \_\_\_\_\_

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### EXHIBIT A

#### Interior of Existing Structure:

- Demo existing interior walls and ceiling
- Construct new finished & painted walls per mutually agreeable architect plans (subject to deviation from rough layout shown in EXHIBIT C)
- New acoustic 2' x 4' ceiling tile and grid throughout existing structure, except in mechanical room
- New recessed fluorescent lighting
- Separate Men's & Women's ADA compliant restrooms
- New commercial carpet throughout existing structure, except VCT tile shall be installed in Reception Area, Restrooms (2), and Break room, and the mechanical room shall be left as concrete flooring
- New HVAC system as needed
- Standard Electrical Service to be provided
- Tenant to install necessary communication wiring

#### Exterior of Existing Structure:

- Remove existing wood shingle overhang and replace with architectural asphalt shingles
- Fill in cracks in parking lot & re-stripe
- 3 Wall pack security lights

#### New Addition:

- 2,000 square foot addition with concrete slab floor
- Front side of addition (South Side) to compliment existing façade.
- 1 Overhead door and 1 entry door for exterior access, as well as 1 interior access to addition from existing structure
- Partition walls in addition to be of unfinished OSB construction
- Overhead lighting and standard electrical to be provided
- New static control furnace in the addition
- 1 Wall pack security light by exterior doors

**EXHIBIT B**

2009-2010	\$180,000.00
2010-2011	\$160,000.00
2011-2012	\$140,000.00
2012-2013	\$120,000.00
2013-2014	\$100,000.00
2014-2015	\$ 80,000.00
2015-2016	\$ 60,000.00
2016-2017	\$ 40,000.00
2017-2018	\$ 20,000.00

