



SIREPA

**SOUTHEAST IOWA REGIONAL
ECONOMIC & PORT AUTHORITY**

August 27, 2021

**Meeting of the Board of Directors
2:00pm – 3:00pm**

**In-person at: SIREPA Building
2495 280th St, Montrose, IA**

And Via Zoom

Call-In: (312) 626-6799 Meeting ID: 876 5845 2821

<https://us02web.zoom.us/j/87658452821>

Agenda

- I. Call to Order, Chair (Boyer):
 - Roll Call:
 - a. Director Denise Boyer, Chair
 - b. Director Mike Hickey, Vice-Chair
 - c. Director Michael Dunn, Treasurer
 - d. Director Jack Smith
 - e. Director, Bob Dodds
 - f. Director, Bruce Hardy
 - g. Ex-Officio, Garry Seyb, Lee County Supervisor
 - h. Ex-Officio, Rick Larkin, Lee County Supervisor
 - i. Ex-Officio, Matt Larson, State Treasurer's Office

- II. Approval of Agenda of August 27, 2021 Meeting (Board Action)

- III. Approval of Minutes of July 27, 2021 Meeting (Board Action)

- IV. Resolution No. 3-2021 to apply for Lee County ARPA Broadband Funds in amount of \$1,950,000 to partner with Danville Telco Lee County Broadband Proposal to Serve Tier 1 Underserved Areas (Board Action)

- V. LCEDG Lease Agreement (Board Action)

- VI. Matters from the Floor

- VII. Adjourn (Board Action)



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Minutes of the SIREPA Board of Directors
Tuesday, July 27, 2021, 1:00 p.m.
Via Zoom or in Person at KL Megla Building
2495 280th St, Montrose, IA

I. **Call to Order** at 1:00 p.m. by Mike Hickey

Roll Call:

Members Present: Director Mike Hickey (Vice Chair); Director Michael Dunn (Treasurer) via Zoom; Director Jack Smith via Zoom; Director Bob Dodds; Director Bruce Hardy; Matt Larson, Ex-Officio via Zoom

Members Absent: Director Denise Boyer (Chair); Garry Seyb, Ex-Officio; Rick Larkin, Ex-Officio
SEIRPC Staff Present: Mike Norris; Sherri Jones via Zoom

Guest(s) Present: Chuck Vandenberg, Pen City Current; Dennis Fraise, Lee County Economic Development Group; Nancy Snaadt, Alliant Energy via Zoom; Tim Fencl, Danville Telecom

II. **Consider Approval of Agenda (Board Action):**

Smith made a motion to approve the July 27, 2021, meeting agenda, second by Hardy. All ayes, motion carried.

III. **Consider Approval of Meeting Minutes (Board Action):**

Hardy made a motion to approve the June 16, 2021, Meeting Minutes, second by Dodds. All ayes, motion carried.

IV. **Public Hearing: Danville Telco Lee County Broadband Proposal to Serve Tier 1 Underserved Areas (Board Action):**

Hickey opened the Public Hearing at 1:03 p.m. Norris gave a project background stating that Lee County has multiple areas underserved by broadband providers. SIREPA members and stakeholders identified broadband expansion in Lee County as a top priority in the SIREPA 5-year Strategic Plan and process. Lee County Economic Development Group (LCEDG) paid to have a telecommunications engineering firm develop a plan to serve the unserved areas of Lee County designated as Tier 1 areas. The plan to serve Tier 1 areas included Danville Mutual Telephone Co. Danville has invested over \$6 million into fiberoptic expansion into Lee County, which is in Danville's service area. The total plan cost estimate to serve Tier 1 areas in Lee County is \$5,462,000 which includes 60 miles of fiber backbone, 55 miles of other fiber service to customers, and 121 individual customers in the Tier 1 area. Project funding breakdown consists of \$3,552,250 (65% OCIO Grant) and \$1,912,750 (35% SIREPA/ARPA). Tim Fencl, Danville Mutual Telephone Company, discussed the proposal in more detail. SIREPA would own the fiber backbone and Danville own the service to individual customers. SIREPA would lease the backbone to Danville over 10 years for a fee of half the local match in total and Danville would own the backbone after 10 years. Hickey asked for comments, and no further comments were made. Smith made a motion to close the Public Hearing: Danville Telco Lee County Broadband Proposal to Serve Tier 1 Underserved Areas at 1:36 p.m., second by Hardy. All Ayes, motion carried.

V. Resolution No. 2-2021: A Resolution to Support Lee Co Tier 1 Broadband Project with Danville Mutual Telephone Co. (Board Action):

Dodds made a motion to approve Resolution No. 2-2021: A Resolution to Support Lee Co Tier 1 Broadband Project with Danville Mutual Telephone Co., second by Smith. A roll call vote was taken. All ayes, motion carried.

VI. Pre-Lease Letter of Understanding with LCEDG (Board Action):

Norris reviewed the letter of understanding with Lee County Economic Development Group regarding pre-lease occupation of the KL Megla Building. This letter acts as official communication to LCEDG to occupy the facility in advance of a formal lease agreement as one is forthcoming. Dodds made a motion to approve the Pre-Lease Letter of Understanding with LCEDG as presented, second by Hardy. All ayes, motion carried.

VII. Matters from the Floor:

Norris mentioned that By-Laws need to be updated and SEIRPC will be invoicing soon. No action necessary.

VIII. Adjourn (Board Action):

Smith made a motion to adjourn at 1:49 p.m., second by Hardy. All ayes, motion carried.



SIREPA

SOUTHEAST IOWA REGIONAL
ECONOMIC & PORT AUTHORITY

Resolution No. 3-2021

To Make Application to Lee County ARPA Funds for Tier 1 Unserved Area Broadband Project with Danville Mutual Telephone Co.

WHEREAS, The Southeast Iowa Regional and Economic Port Authority (hereinafter SIREPA) is a recognized Municipality of the State of Iowa under Chapter 28J, Code of Iowa;

WHEREAS, SIREPA has an interest and purpose to further economic development and vitality, quality of life and general resiliency of Lee County, Keokuk and Fort Madison; and

WHEREAS, SIREPA believes additional broadband capacity and availability in Lee County to serve underserved and unserved areas (in this case Tier 1 or areas under 25 mbps download and 3 mbps upload) fulfills the purpose and interest of SIREPA; and

WHEREAS, SIREPA can partner with Danville Mutual Telephone Co. of Danville, IA and leverage available resources for local match to apply for State of Iowa OCIO NOFO 6 funds to serve Tier 1 areas of Lee County with a fiber backbone and fiber service to the resident or business; and

WHEREAS, Should the grant application be successful, SIREPA intends to own the fiber backbone upon completion and enter into agreement with Danville Mutual Telephone Co. to lease back the fiber backbone over 10 years, ending in ownership by Danville Mutual Telephone Co., with a starting value of 50 percent of the initial cost, amortized through equal bi-annual payments over 10-year (120 months) duration totaling 20 equal payments; and

THEREFORE BE IT RESOLVED this 26th day of July, 2021,

The SIREPA Board of Directors authorizes SIREPA Administrator Mike Norris to make application to Lee County, Iowa, for ARPA funds in the amount of \$1,950,000 to implement the Tier 1 fiber backbone and fiber to home project in Lee County, Iowa, to fulfill intent of the partnership with Danville Mutual Telephone Co. to provide matching funds to the State of Iowa OCIO NOFO 6 grant previously applied for by Danville Mutual Telephone Co.

Denise Boyer, Chair

LEASE AGREEMENT

This Lease ("Lease") is made this 19th day of October, 2020 by and between **SOUTHEAST IOWA REGIONAL ECONOMIC AND PORT AUTHORITY** (hereinafter referred to as "Landlord") and **LEE COUNTY ECONOMIC DEVELOPMENT GROUP, INC.**, an Iowa non-profit corporation, (hereinafter referred to as "Tenant"), who hereby mutually covenant and agree as follows:

I. PREMISES AND TERM

1.0 Premises. Landlord, for and in consideration of the rents herein reserved and of the covenants and agreements herein contained to be performed on the part of the Tenant, hereby leases to Tenant, and Tenant hereby leases from Landlord, **Approximately 2,596** square feet located in the finished office space of the eastern part of the building (the "Building") known as 2495 280th St, Montrose, Iowa, as shown in Exhibit A, and all improvements now located on the Premises, or to be located thereon during the term of this Lease together with all appurtenances belonging to or in any way related to the Premises (all of which improvements and appurtenances shall be referred to in this Lease as the "Premises"). Tenant shall have a license to (a) use the common areas of the property as reasonable and necessary.

1.1 Initial Term. The Initial Term of this Lease shall commence September 3, 2021 (the "Commencement Date"), and shall end at 11:59 p.m. on September 2, 2024, unless sooner terminated as provided herein or unless renewed in accordance with the provisions of Section 1.2 of this Lease.

1.2 Renewal Option. Provided this Lease is in full force and effect, Tenant shall have the right to extend the term of this Lease for the Premises at the end of the Initial Term, September 2, 2024, for a Renewal Term of one (1) years, commencing September 3, 2024 and ending at 11:59 p.m. on September 2, 2025, provided Tenant shall notify Landlord in writing not less than thirty (30) days prior to the expiration of the Initial Term that Tenant desires such extension and provided further that such extension shall be upon the same terms, provisions, covenants, and conditions as are contained in this Lease, except as to the duration of the term hereof, the rental rate and such provisions in this Lease which by its terms are only applicable to the Initial Term. If Tenant chooses to exercise such Renewal Option, the Lease will renew at the then current market rental rate.

1.3 Termination Option. Provided that Tenant is not in default of this Lease, Tenant shall have the right to terminate the Lease at any time. Tenant may exercise such termination right by giving 30 days advance notice to Landlord.

1.4 Condition of Premises. Subject to Landlord's obligation to make improvements as set forth in this Lease, Tenant agrees to accept the Premises in the condition then existing as of the execution of this Lease.

1.5 Information Request. Upon request of Landlord, Tenant, from time to time, shall execute and deliver to Landlord an instrument in form reasonably satisfactory to Landlord, stating whether Tenant has exercised its renewal option as contained in Section 1.2; however, Tenant's failure to execute or deliver any such instrument shall not vitiate any of the provisions of this Article and if Tenant's time to exercise an option has not yet expired, the giving of such notice shall not preclude such exercise thereafter.

II. POSSESSION

2.0 Except as otherwise expressly provided herein (or by written instrument signed by Landlord or Agent), Landlord shall deliver possession of the Premises to Tenant on the Commencement Date. If Landlord gives possession prior to the Commencement Date, such occupancy shall be subject to all the terms and conditions of this Lease. If Landlord shall be unable to deliver possession of the Premises on the Commencement Date for any cause beyond the control of Landlord, Landlord shall not be subject to any liability for the failure to give possession on said date, nor shall the validity of this Lease or the obligations of Tenant hereunder be in any way affected. Under such circumstances, unless the delay is solely the fault of Tenant, rent and other charges hereunder shall not commence until the later of the date possession of the Premises is given or the Commencement Date. Any and all agreed upon Improvements to the Premises as detailed in Exhibit A shall be complete by the Commencement Date. In the event Landlord's Improvements are not completed prior to the Commencement Date and such delay is within the control of Landlord, Tenant shall be credited two (2) days of free rent for each day that completion of the Improvements is delayed beyond

the Commencement Date. Landlord shall also pay all holdover costs that Tenant should suffer as a result of Landlord's failure to deliver the Premises to Tenant by such date. Landlord represents that the Premises have been (or will be) constructed in compliance with all applicable building, zoning and other ordinances and codes, and all applicable state, federal, county and local statutes, rules, regulations and orders.

III. PURPOSE

3.0 Purpose. The Premises shall be used and occupied only for the purpose of an office of the Tenant, except that no such use shall (a) violate any certificate of occupancy or applicable law affecting the Premises, (b) cause injury to the improvements, (c) cause the value or usefulness of the Premises or any part thereof to diminish, (d) constitute a public or private nuisance or waste, or (e) render any applicable insurance on the Premises void or the insurance risk more hazardous. Landlord represents and warrants that the certificate of occupancy for the Premises permits general office use.

3.1 Prohibition of Use. If as a result of any action of Tenant the use of the Premises should at any time during the Lease term be prohibited by law or ordinance or other governmental regulation, or prevented by injunction, this Lease shall not be thereby terminated, nor shall Tenant be entitled by reason thereof to surrender the Premises or to any abatement or reduction in rent, nor shall the respective obligations of the parties hereto be otherwise affected. If through no fault or action of Tenant the use of the Premises should at any time during the Lease term be prohibited by law or ordinance or other governmental regulation, or prevented by injunction, this Lease shall terminate and Tenant shall surrender the Premises and the rent shall abate as of the date Tenant vacates the Premises (in which event Tenant shall have no liability or obligation under this Lease for the period rent is abated).

IV. RENT

4.0 Rent. Beginning with the Commencement Date, Tenant shall pay Landlord as rent for the use and possession of the Premises the sum of One Dollar (\$1.00) annually for approximately 2,596sf. Such Rent shall remain fixed for the duration of the Initial Term. Each annual payment of the Rent shall be due on the first day of each month, commencing on the Commencement Date. The Rent shall be paid to or upon the order of Landlord at 211 North Gear Avenue, Suite 100, West Burlington, Iowa, 52655 or such other place as designated by Landlord. Landlord shall have the right to change the payee or the address of the payee of the rent by giving written notice thereof to Tenant. Except as otherwise permitted by this Lease, all payments of rent shall be made without deduction, set off, discount or abatement in lawful money of the United States. No rent shall be charged for Tenant's use of basement level space for limited storage, as determined by Landlord.

4.1 Renewal Term Rent. As provided in section 1.2, if Tenant exercises their Renewal Option, Lease shall renew at the then current market rental rates.

4.2 Interest on Late Payments. Each and every installment of rent and each and every payment of other charges hereunder which shall not be paid when due shall bear interest at the rate of twelve percent (12%) per annum, from the date when the same is payable under the terms of this Lease until the same shall be paid.

V. TAXES and OTHER IMPOSITIONS

5.0 Taxes. Landlord shall pay all general real property taxes, user fees, special assessments allocable to the Premises and other amounts in the nature of property taxes ("Impositions") due with respect to the Premises during the term of this Lease.

VI. INSURANCE

6.0 Kinds and Amounts.

(a) Landlord shall obtain and pay the premiums for any policy or policies of insurance insuring the replacement cost of the Building and the improvements at any time situated upon the Premises against loss or damage by fire, lightning, wind storm, hail storm, aircraft, vehicles, smoke, explosion, riot or civil commotion as provided by the Standard Fire and Extended Coverage Policy and all other risks of direct physical loss as insured against under Special Extended Coverage Endorsement. The insurance coverage shall be in an amount acceptable to Landlord with all proceeds of insurance payable to Landlord. In addition, Landlord shall procure and carry throughout the term of this Lease commercial general liability insurance protecting against all claims, demands or actions for injury to or death of any person in an amount of not less than \$1,000,000, for injury to or death of more than one person in any one occurrence in an amount of not less than \$1,000,000, and for damage to property in an amount of not less than \$100,000 made by, or on behalf of, any person or persons, firm or corporation arising from, related to or connected with the Building and the property on which the Building is located.

(b) Tenant shall procure and maintain policies of insurance, at Tenant's sole cost and expense, insuring:

(i) Tenant from all claims, demands or actions for injury to or death of any person in an amount of not less than \$1,000,000, for injury to or death of more than one person in any one occurrence in an amount of not less than \$1,000,000, and for damage to property in an amount of not less than \$100,000 made by, or on behalf of, any person or persons, firm or corporation arising from, related to or connected with the Premises.

(ii) To the extent required by the laws of Iowa, Tenant from all worker's compensation claims arising on or about the Premises.

(iii) All contents, and Tenant's trade fixtures, machinery, equipment, furniture and furnishings in the Premises to the extent acceptable to Tenant.

6.1 Form of Insurance. The insurance required under Section 6.0 shall be with financially responsible insurance companies. Tenant will provide the Insured Parties with thirty (30) days prior written notice of any cancellation or termination of the policies required hereunder where such cancellation or termination does not result in equal or greater coverage. A certificate evidencing the insurance to be maintained by Tenant shall be provided to Landlord upon the Commencement Date and thereafter from time to time upon request, but not more often than annually.

6.2 Mutual Waiver of Subrogation Rights. Whenever (a) any property loss, cost, damage or expense resulting from fire, explosion or any other casualty or occurrence is incurred by either of the parties to this Lease, or anyone claiming by, through, or under it in connection with the Premises, and (b) such party is then covered in whole or in part by insurance with respect to such property loss, cost, damage or expense or is required under this Lease to be so insured, then the party so insured (or so required) hereby releases the other party from any liability said other party may have on account of such property loss, cost, damage or expense to the extent of any amount recovered by reason of such insurance (or which could have been recovered had such insurance been carried as so required) and waives any right of subrogation which might otherwise exist in or accrue to any person on account thereof.

6.3 Additional Insured Status. Tenant agrees that Landlord shall be added by endorsement as additional insured, to the extent of Tenant's negligence, to Tenant's policy of insurance described in 6.0(b)(i) herein. The insurance coverages to be afforded to Landlord under these coverages shall be with respect to liability arising out of Tenant's lease, occupancy and use of the Premises and shall be primary/noncontributory to any insurance carried independently by Landlord, which shall be excess and noncontributory.

VII. DAMAGE OR DESTRUCTION

7.0 Obligation To Rebuild. In the event of damage to, or destruction of, any improvements on the Premises, or of the fixtures and equipment therein, by fire or other casualty, Landlord shall promptly, at its expense, repair, restore or rebuild the same to the condition existing prior to the happening of such fire or other casualty; provided, however, that if the damage or destruction is material or substantial, Landlord or Tenant shall have the right to terminate this Lease, effective on the date of such damage or destruction, by giving written notice thereof to the other party within

sixty (60) days after the event causing the damage or destruction. Rent shall be reduced or abated during the period of such repair, restoration or rebuilding proportionate to the extent Tenant is unable to use the Premises.

VIII. CONDEMNATION

8.0 Taking of Whole. If (i) the whole of the Premises shall be taken or condemned for a public or quasi-public use or purpose by a competent authority, or (ii) if such a portion of the Premises shall be so taken that as a result thereof the balance cannot be used for the same purpose and with substantially the same size and utility to Tenant as immediately prior to such taking, or (iii) if the taking is material and substantial and either Landlord or Tenant elects to terminate this Lease, which election shall be made by giving written notice thereof to the other party within thirty (30) days after delivery of possession to the condemning authority, then in any of such events, the Lease term shall terminate upon delivery of possession to the condemning authority, and any award, compensation or damages as compensation for diminution of the value of the leasehold estate or the fee of the Premises (hereinafter sometimes called the "Award") shall be paid to and be the sole property of Landlord and Tenant hereby assigns to Landlord all of Tenant's right, title and interest in and to any and all of the Award. For purposes of this Section, "Award" shall not include any amount, compensation or damages Tenant is or may be entitled to receive for any compensable interest other than the leasehold or other interest in the Premises. Tenant shall be entitled to retain any payment to or for Tenant that is not part of the Award. Tenant shall continue to pay rent and other charges hereunder until the Lease is terminated.

8.1 Partial Taking. If only a part of the Premises shall be so taken or condemned, but the Lease is not terminated pursuant to Section 8.0 hereof, Landlord, at its sole cost and expense, shall repair and restore the Premises and all improvements thereon. If the size of the Premises is reduced as a result of the taking, the rent shall be proportionately reduced because of such taking or condemnation, Landlord shall promptly and diligently proceed to make a complete architectural unit of the remainder of the Premises. Landlord shall advise Tenant of any repair or restoration work contemplated hereunder.

IX. MAINTENANCE AND ALTERATIONS

9.0. Maintenance.

(a) Landlord shall be responsible only to keep and maintain the structural components of the Premises and the other portions of the Building and Building systems, including, but not limited to, maintaining the common areas, HVAC, plumbing, and electrical systems, grass areas, sidewalks, parking lots, and be responsible for all mowing, snow and trash removal and janitorial services with respect to the Building and site of which the Premises is a part. Tenant specifically accepts the Premises in its "as is" condition existing as of the Commencement Date. Landlord shall be responsible for all repairs or maintenance of the parking lots, driveways and sidewalks. The "structural components" shall include the floor, foundation, exterior walls, load bearing walls, roof structure and elevator. In the event of Landlord's failure to perform any of Landlord's maintenance and repair responsibilities as specified in this Section 9.0(a), and such failure or nonperformance shall continue for a period of thirty (30) days from the date Tenant notifies Landlord of the need for such repair, then, in that event, Tenant shall have the right to effect such repairs at Landlord's expense and deduct the cost thereof from future rental payments.

(b) Except for the maintenance required by Landlord under Section 9.0(a), above, Tenant shall perform all other maintenance and repair of the Premises required or reasonably necessary in order keep and maintain the Premises in good condition and repair. Tenant shall keep the Premises in full compliance with all health, safety and policy regulations in force; provided, however, that Tenant shall not be required to perform any alterations or capital improvements to the Premises. Notwithstanding any provision to the contrary, Tenant, subject to Section 6.2 above, shall further be solely responsible for items of maintenance and repair to the Premises occasioned by Tenant's own negligent act or omission or the acts of any employee, agent, invitee or customer of Tenant. Tenant shall keep the Premises in clean and sanitary condition. In the event of Tenant's failure to perform any of Tenant's maintenance and repair responsibilities as specified in this Section 9.0(b) and such failure or nonperformance shall continue for a period of thirty (30) days from the date Landlord notifies Tenant of the need for such maintenance or repair, then, in that event, Landlord shall have the right to effect such maintenance or repairs, at Tenant's expense, and add the cost thereof to the rental payment due for the next following month.

9.1 Alterations.

(a) Tenant shall not create any openings in the roof or exterior walls, or make any other Alterations to the Premises without Landlord's prior written consent, which consent shall not be unreasonably withheld. Any damage to any portion of the Premises due to any Alteration undertaken by Tenant or any repair or maintenance arising therefrom shall be repaired, restored or replaced, as the case may be, at the sole cost and expense of Tenant.

(b) As to any Alterations to which Landlord consents, and as to any replacements whatsoever, such work shall be performed with new materials, in a good and workmanlike manner, strictly in accordance with plans and specifications approved by Landlord and in accordance with all applicable laws and ordinances. Upon completion of any such work by or on behalf of Tenant, Tenant shall provide Landlord with such documents as Landlord may require (including, without limitation, sworn contractors' statements and supporting lien waivers) evidencing payment in full for such work, and "as built" working drawings.

(c) Landlord agrees that Tenant may make improvements to the Premises prior to the Commencement Date. Any remodeling, build-ups or Alterations required by Tenant prior to its occupancy of the Premises shall be treated as Alterations in accordance with Section 9.1(a) and (b).

(d) Notwithstanding anything in this Lease to the contrary, Tenant may without Landlord's consent make non-structural Alterations to the Premises (e.g. paint and carpet); provided, however, that the cost thereof does not exceed \$15,000 during any 12 consecutive month period.

X. ASSIGNMENT AND SUBLETTING

10.0 Assignment and Subletting. Tenant may sublet all or a part of the Premises for any use pursuant to economic development, with Landlord's prior written consent.

10.1 Merger or Consolidation. Tenant may, with Landlord's written consent, assign this Lease or sublet the Premises or any part thereof to a parent, subsidiary, affiliate, , including any of its subsidiaries or affiliates, or to any corporation or entity resulting from a merger, consolidation or sale of all or substantially all of the assets of Tenant upon the following conditions (a) that the total assets and net worth of such assignee after such consolidation or merger shall be equal to or more than \$500,000.00; (b) that Tenant is not at such time in default hereunder; and (c) that such successor shall execute an instrument in writing fully assuming all of the obligations and liabilities imposed upon Tenant hereunder and deliver the same to Landlord. If the aforesaid conditions are satisfied, Tenant shall be discharged from any further liability hereunder.

10.2 Other Transfer of Lease. Except as otherwise provided herein, Tenant shall not allow or permit any transfer of this Lease, or any interest hereunder, by operation of law, or convey, mortgage, pledge, or encumber this Lease or any interest herein.

XI. LIENS AND ENCUMBRANCES

11.0 Encumbering Title. Tenant shall not do any act which shall in any way encumber the title of Landlord in and to the Premises, nor shall the interest or estate of Landlord in the Premises in any way be subject to any claim by way of lien or encumbrance, whether by operation of law or virtue of any express or implied contract by Tenant. Any claim to, or lien upon, the Premises arising from any act or omission of Tenant shall accrue only against the leasehold estate of Tenant and shall be subject and subordinate to the paramount title and rights of Landlord in and to the Premises.

11.1 Liens and Right to Contest. Tenant shall not permit the Premises to become subject to any liens on account of labor or material furnished to Tenant or claimed to have been furnished to Tenant in connection with work of any character performed or claimed to have been performed on the Premises by, or at the direction or sufferance of Tenant; provided, however, that Tenant shall have the right to contest, in good faith and with reasonable diligence, the validity of any such lien or claimed lien if Tenant shall give to Landlord such security or bond in an amount equal to the amount of the claim or lien to assure payment thereof and to prevent any sale, foreclosure, or forfeiture of the Premises by reason of nonpayment thereof; provided further, however, that on final determination of the lien or claim for lien, Tenant shall immediately pay any judgment rendered, with all proper costs and charges, and shall have the lien released and any judgment satisfied.

XII. UTILITIES

12.0 Utilities. Tenant shall be responsible to pay for utilities (electricity, natural gas, water, sewer, etc.) and trash removal that serve or benefit the Premises. It is anticipated that (i) Tenant will pay its own telephone, data, cable bill, or other communications costs, if any. All shared utility services shall be in the name of Tenant. Landlord reserves the right to establish commercially reasonable policies regarding utilities used by Tenant. The purpose of the policies includes, but is not limited to, cost savings and energy efficiency.

XIII. INDEMNITY AND WAIVER

13.0 Indemnity.

(a) Except to the extent of Landlord's negligence or intentional misconduct, Tenant will protect, indemnify and save harmless Landlord from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including without limitation, reasonable attorneys' fees and expenses) imposed upon or incurred by or asserted against Landlord by reason of (i) any accident, injury to or death of persons or loss of or damage to property occurring on or about the Premises or any part thereof or the adjoining sidewalks, curbs, streets or ways, resulting from any act or omission of Tenant, or Tenant's employees, agents, representatives, customers or invitees, or anyone claiming by, through, or under Tenant; or (ii) performance of any labor or services or the furnishing of any materials or other property in respect of the Premises or any part thereof at the direction or under the control of Tenant, its employees or agents.

(b) Except to the extent of Tenant's negligence or intentional misconduct, Landlord will protect, indemnify and save harmless Tenant from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including without limitation, reasonable attorneys' fees and expenses) imposed upon or incurred by or asserted against Tenant by reason of (i) any accident, injury to or death of persons or loss of or damage to property occurring on or about the Premises or any part thereof or the common areas, adjoining sidewalks, curbs, streets or ways, resulting from any act or omission of Landlord, or Landlord's employees, agents, representatives, customers or invitees, or anyone claiming by, through, or under Landlord; or (ii) performance of any labor or services or the furnishing of any materials or other property in respect of the Premises or any part thereof or any common areas at the direction or under the control of Landlord, its employees or agents.

13.1 Waiver of Certain Claims. All property belonging to Tenant or any occupant of the Premises other than Landlord that is in or on any part of the Premises shall be there at the risk of Tenant or of such other person only, and Landlord shall not be liable for any damage thereto or for the theft or misappropriation thereof. Tenant waives all claims it may have against Landlord for damage or injury to property sustained by Tenant or any persons claiming through Tenant or by any occupant of the Premises, or by any other person, resulting from any part of the Premises or any of its improvements, equipment or appurtenances becoming out of repair, or resulting from any accident on or about the Premises, or resulting directly or indirectly from any act or neglect of any person, including Landlord to the extent permitted by law. Notwithstanding the provisions of this Section 13.1, nothing contained herein shall relieve Landlord of its obligations under this Lease to repair or maintain the Building in which the Premises is located. This Section 13.1 shall include, but not by way of limitation, damage caused by water, snow, frost, steam, excessive heat or cold, sewage, gas, odors, or noise, or caused by bursting or leaking of pipes or plumbing fixtures, and shall apply equally whether any such damage results from the act or neglect of Tenant or any other person, including Landlord to the extent permitted by law, and whether such damage be caused by or result from any thing or circumstance above mentioned or referred to, or to any other thing or circumstance whether of a like nature or of a wholly different nature.

XIV. RIGHTS RESERVED TO LANDLORD

14.0 Rights Reserved to Landlord. Without limiting any other rights reserved or available to Landlord under this Lease, at law or in equity, Landlord reserves the following rights to be exercised at Landlord's election:

(a) To inspect the Premises and to make repairs, additions or Alterations to the Premises, upon twenty-four (24) hours advance notice;

(b) To show the Premises to prospective purchasers, mortgagees, or other persons having a legitimate

interest in viewing the same, upon twenty-four (24) hours notice; provided, however, that Landlord may show the Premises to prospective tenants only during the last 90 days of the Lease term;

(c) To place and maintain "For Sale" signs on the exterior of the Building; and

(d) To set commercially reasonable policies for security to provide for safety of all tenants and occupants of the Building, including but not limited to restrictions on Building access.

14.1 Relocation. The parties acknowledge and agree that, in the event Landlord enters into a contract to sell the Premises to a third party and that third party desires to take possession of the Premises at an earlier time than the expiration of the Lease term, then Landlord shall make all efforts to locate other suitable space for Tenant if Tenant must vacate the Premises early. If Tenant is forced to re-locate upon such terms, Landlord shall pay all of Tenant's additional leasing costs, moving costs and reprinting costs of all stationery not to exceed \$7,200.

Landlord may enter upon the Premises for any and all of said purposes and may exercise any and all of the foregoing rights hereby reserved, during normal business hours unless an emergency exists, without being deemed guilty of any eviction or disturbance of Tenant's use or possession of the Premises, and without being liable in a manner to Tenant.

XV. QUIET ENJOYMENT

15.0 Quiet Enjoyment. So long as Tenant is not in default under the covenants and agreements of this Lease and except as otherwise provided herein, Tenant's quiet and peaceable enjoyment of the Premises shall not be disturbed or interfered with by Landlord, any prior encumbrance or title holder, or by any person claiming by, through or under Landlord.

XVI. SUBORDINATION OR SUPERIORITY

16.0 Subordination or Superiority. If the mortgagee or trustee named in any first mortgage or first trust deed hereafter made shall agree that, if it becomes the owner of the Premises by foreclosure or deed in lieu of foreclosure, it will recognize the rights and interest of Tenant under the Lease and not disturb Tenant's use and occupancy of the Premises if and so long as Tenant is not in default under the Lease (which agreement may, at such mortgagee's option, require attornment by Tenant), then all or a portion of the rights and interests of Tenant under this Lease shall be subject and subordinate to such first mortgage or first trust deed and to any and all advances to be made thereunder, and to the interest thereon, and all renewals, replacements and extensions thereof. Any such mortgagee or trustee may elect that, instead of making this Lease subject and subordinate to its first mortgage or first trust deed, the rights and interest of Tenant under this Lease shall have priority over the lien of its mortgage or trust deed. Provided that the mortgagee or other superior party agrees to recognize Tenant's interest in the Premises and accepts the Premises subject to the terms and conditions of this Lease, Tenant agrees that it will, within ten (10) business days after demand in writing, execute and deliver a reasonable form of an instrument that may be required, either to make the Lease subject and subordinate to such a mortgage or trust deed, or to give the Lease priority over the lien of the mortgage or trust deed, whichever alternative may be elected by the mortgagee or trustee.

XVII. SURRENDER

17.0 Surrender. Upon the termination of this Lease, whether by forfeiture, lapse of time or otherwise, or upon termination of Tenant's right to possession of the Premises, Tenant will at once surrender and deliver up the Premises, together with all improvements thereon, to Landlord, in good repair and "broom clean" or similar condition, subject to reasonable wear and tear, casualty loss and loss by public taking. Said improvements shall include all plumbing, lighting, electrical, heating, cooling and ventilating fixtures and equipment, and all Alterations (as said term is defined Section 9.1 hereof) whether or not permitted under Section 9.1. Tenant may, upon Landlord's prior written consent, remove any Alterations or improvements made at Tenant's expense, provided Tenant repairs any damage to the Premises caused by such removal. All Alterations, temporary or permanent, made in or upon the Premises by Tenant and not removed by Tenant shall become Landlord's property and shall remain upon the Premises on any such termination without compensation, allowance or credit to Tenant; provided, however, that if Landlord gives written notice to Tenant at the time Landlord consents to any Alteration, then Landlord shall have the right to require Tenant to remove any Alterations and restore the Premises to their condition prior to the making of such Alterations, repairing any damage occasioned by such removal and restoration. Said right shall be exercised by Landlord's giving written notice thereof to Tenant on or before thirty (30) days before such termination. If Landlord requires removal of any Alterations

and Tenant does not make such removal in accordance with this Section at the time of such termination, or within thirty (30) days after such request, whichever is later, Landlord may remove the same (and repair any damage occasioned thereby), and dispose thereof or, at its election, deliver the same to any other place of business of Tenant or warehouse the same. Tenant shall pay the costs of such removal, repair, delivery and warehousing to Landlord on demand.

17.1 Removal of Tenant's Property. Upon the termination of this Lease, Tenant shall remove Tenant's articles of personal property incident to Tenant's business ("Trade Fixtures"); provided, however, that Tenant shall repair any injury or damage to the Premises which may result from such removal, and shall restore the Premises to the same condition as prior to the installation thereof. If Tenant does not remove Tenant's Trade Fixtures from the Premises prior to the expiration or earlier termination of the Lease term, Landlord may, at its option, remove the same (and repair any damage occasioned thereby) and dispose thereof or deliver the same to any other place of business of Tenant or warehouse the same, and Tenant shall pay the cost of such removal, repair, delivery and warehousing to Landlord on demand, or Landlord may treat such Trade Fixtures as having been conveyed to Landlord with this Lease as a Bill of Sale, without further payment or credit by Landlord to Tenant.

17.2 Holding Over. Tenant shall have no right to occupy the Premises or any portion thereof after the expiration of the Lease or after termination of the Lease or of Tenant's right to possession pursuant to Section 18.0 hereof. In the event Tenant or any party claiming by, through or under Tenant holds over, Landlord may exercise any and all remedies available to it at law or in equity to recover possession of the Premises, and for damages. For each and every month or partial month that Tenant or any party claiming by, through or under Tenant remains in occupancy of all or any portion of the Premises after the expiration of the Lease or after termination of the Lease or Tenant's right to possession, Tenant shall pay, as minimum damages and not as a penalty, monthly rental at a rate equal to 115% of the rate of rent and other charges payable by Tenant hereunder immediately prior to the expiration or other termination of the Lease or of Tenant's right to possession. The acceptance by Landlord of any lesser sum shall be construed as a payment on account and not in satisfaction of damages for such holding over.

XVIII. REMEDIES

18.0 Tenant Defaults. Tenant agrees that any one or more of the following events shall be considered events of default as said term is used herein:

- Tenant shall be adjudged an involuntary bankrupt, or a decree or order approving, as properly filed, a petition or answer filed against Tenant asking reorganization of Tenant under the Federal bankruptcy laws as now or hereafter amended, or under the laws of any state, shall be entered, and any such decree or judgment or order shall not have been vacated or set aside within sixty (60) days from the date of the entry or granting thereof; or
 - Tenant shall file or admit the jurisdiction of the court and the material allegations contained in any petition in bankruptcy or any petition pursuant or purporting to be pursuant to the Federal bankruptcy laws as now or hereafter amended, or Tenant shall institute any proceeding or shall give its consent to the institution of any proceedings for any relief of Tenant under any bankruptcy or insolvency laws or any laws relating to the relief of debtors, readjustment or indebtedness, reorganization, arrangements, composition or extension; or
- (c) Tenant shall make any assignment for the benefit of creditors or shall apply for consent to the appointment of a receiver for Tenant or any of the property of tenant; or
- (d) The Premises are levied upon by any revenue officer or similar officer; or
- (e) A decree or order appointing a receiver of the property of Tenant shall be made and such decree or order shall not have been vacated or set aside within sixty (60) days from the date of entry or granting thereof; or
- (f) Tenant shall abandon the Premises or vacate the same, along with non-payment of Rent, during the term hereof; or
- (g) Tenant shall default in any payment of rent or in any other payment required to be made by Tenant hereunder when due as herein provided, or shall default under Sections 6.0 or 6.1 or 6.3 hereof, and any such default shall continue for five (5) days after notice thereof in writing to Tenant; or

(h) Tenant shall fail to contest the validity of any lien or claimed lien and give security to Landlord to assure payment thereof, or, having commenced to contest the same and having given such security, shall fail to prosecute such contest with diligence, or shall fail to have the same released and satisfy any judgment rendered thereon, and such default continues for ten (10) days after notice thereof in writing to Tenant; or

(i) Tenant shall default in keeping, observing or performing any of the other covenants or agreements herein contained to be kept, observed and performed by Tenant, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant; or

(j) Tenant shall repeatedly be late in the payment of rent or other charges required to be paid hereunder or shall repeatedly default in the keeping, observing, or performing of any other covenants or agreements herein contained to be kept, observed or performed by Tenant (provided notice of such payment or other defaults shall have been given to Tenant, but whether or not Tenant shall have timely cured any such payment or other defaults of which notice was given). For purposes of this provision, "repeatedly" shall mean three (3) or more occasions in any 12 month period.

18.1 Landlord Defaults. Landlord shall be in default in the performance of any obligation required to be performed by Landlord under the Lease if Landlord has failed to perform such obligation within thirty (30) days after the receipt of notice from Tenant specifying the nature of Landlord's failure to perform; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for its performance, Landlord shall not be deemed in default if it shall commence such performance within thirty (30) days and thereafter diligently pursues the same to completion.

18.2 Remedies. Upon the occurrence of any one or more of such events of default, Landlord may at its election terminate this Lease or terminate Tenant's right to possession only, without terminating the Lease.

Upon termination of the Lease, or upon any termination of the Tenant's right to possession without termination of the Lease, the Tenant shall surrender possession and vacate the Premises immediately, and deliver possession thereof to the Landlord, and hereby grants to the Landlord the full and free right, without demand or notice of any kind to Tenant (except as hereinabove expressly provided for), to enter into and upon the Premises in such event with or without process of law and to repossess the Premises as the Landlord's former estate and to expel or remove the Tenant and any others who may be occupying or within the Premises without being deemed in any manner guilty of trespass, eviction, or forcible entry or detainer, without incurring any liability for any damage resulting therefrom and without relinquishing the Landlord's rights to rent or any other right given to the Landlord hereunder or by operation of law. Upon termination of the Lease, Landlord shall be entitled to recover as damages all rent and other sums due and payable by Tenant on the date of termination, plus an amount equal to the present value of (1) the rent and other sums provided herein to be paid by Tenant for the residue of the stated term hereof; less the fair rental value of the Premises for the residue of the stated term (taking into account the time and pro rata share of expenses necessary to obtain a replacement tenant or tenants, including expenses hereinafter described relating to recovery of the Premises, preparation for reletting and for reletting itself), and (2) the cost of performing any other covenants to be performed by the Tenant.

If the Landlord elects to terminate the Tenant's right to possession only without terminating the Lease, the Landlord may, at the Landlord's option, enter into the Premises, remove the Tenant's signs and other evidences of tenancy, and take and hold possession thereof as hereinabove provided, without such entry and possession terminating the Lease or releasing the Tenant, in whole or in part, from the Tenant's obligations to pay the rent hereunder for the full term or from any other of its obligations under this Lease. Landlord may, but shall be under no obligation so to do, relet all or any part of the Premises for such rent and upon such terms as shall be satisfactory to Landlord (including the right to relet the Premises as a part of a larger area, and the right to change the character or use made of the Premises). For the purpose of such reletting, Landlord may decorate or make any repairs, changes, alterations or additions in or to the Premises that may be necessary. If Landlord does not relet the Premises, Tenant shall pay to Landlord on demand damages equal to the amount of the rent, and other sums provided herein to be paid by Tenant for the remainder of the Lease term. If the Premises are relet and a sufficient sum shall not be realized from such reletting, after deducting the amortizable portion (determined by dividing the remaining months in the Lease by the number of months in the new lease) of the expenses of such decorations, repairs, changes, alterations, additions, the expenses of such reletting and the collection of the rent accruing therefrom (including, but not by way of limitation, attorneys' fees and brokers' commissions), to satisfy the rent and other charges herein provided to be paid for the remainder of the Lease term, Tenant shall pay to Landlord on demand any deficiency and Tenant agrees that Landlord may file suit to recover any sums

falling due under the terms of this Section from time to time.

If Tenant shall default under Section 18.0(i) and if such default cannot with due diligence be cured within said period of thirty (30) days after notice in writing shall have been given to Tenant, and if Tenant promptly commences to eliminate the causes of such default, then Landlord shall not have the right to declare said term ended by reason of such default or to repossess without terminating the Lease so long as Tenant is proceeding diligently and with reasonable dispatch to take all steps and do all work required to cure such default, and does so cure such default, provided, however, that the curing of any default in such manner shall not be construed to limit or restrict the right of Landlord to enforce all of its rights and remedies hereunder for any other default not timely cured.

Upon any default by Landlord, Tenant may exercise any of its rights provided in law or at equity and shall have the right, but not the obligation, to cure any such default by Landlord and to deduct the costs incurred by Tenant to cure such default, including legal fees and expenses, from the amounts next due and owing under the Lease. In the event that the obligations of Landlord under the Lease are not performed during the pendency of a bankruptcy or insolvency proceeding involving the Landlord as the debtor, or following the rejection of this Lease in accordance with Section 365 of the United States Bankruptcy Code, then notwithstanding any provision of this Lease to the contrary, Tenant shall have the right to set off against rents next due and owing under this Lease (a) any and all damages caused by such non-performance of Landlord's obligations under the Lease by Landlord, debtor-in-possession, or the bankruptcy trustee, and (b) any and all damages caused by the non-performance of Landlord's obligations under the Lease following any rejection of the Lease in accordance with Section 365 of the United States Bankruptcy Code.

18.3 Remedies Cumulative. No remedy herein or otherwise conferred upon or reserved to either party shall be considered to exclude or suspend any other remedy but the same shall be cumulative and shall be in addition to every other remedy given hereunder, or now or hereafter existing at law or in equity or by statute, and every power and remedy given by this Lease to either party may be exercised from time to time and so often as occasion may arise or as may be deemed expedient.

18.4 No Waiver. No delay or omission of either party to exercise any right or power arising from any default shall impair any such right or power or be construed to be a waiver of any such default or any acquiescence therein. No waiver of any breach of any of the covenants of this Lease shall be construed, taken or held to be a waiver of any other breach, or as a waiver, acquiescence in or consent to any further or succeeding breach of the same covenant. The acceptance by Landlord of any payment of rent or other charges hereunder after the termination by Landlord of this Lease or of Tenant's right to possession hereunder shall not, in the absence of agreement in writing to the contrary by Landlord, be deemed to restore this Lease or Tenant's right to possession hereunder, as the case may be, but shall be construed as a payment on account, and not in satisfaction of damages due from Tenant to Landlord.

XIX. MISCELLANEOUS

19.0 Estoppel Certificate. Tenant shall at any time and from time to time upon not less than ten (10) business days prior written request from Landlord, execute, acknowledge and deliver to Landlord, in form reasonably satisfactory to Tenant and Landlord and/or Landlord's mortgagee, a written statement certifying (if true) to Tenant's knowledge that Tenant has accepted the Premises, that this Lease is unmodified and in full force and effect (or, if there have been modifications, that the same is in full force and effect as modified and stating the modifications), that Landlord is not in default hereunder (or, if Landlord is in default, specifying the nature of such default), the date to which the rental and other charges have been paid in advance, if any, and such other accurate factual certifications as may reasonably be required by Landlord or Landlord's mortgagee, agreeing to give copies to any mortgagee of Landlord of all notices by Tenant to Landlord and agreeing to afford Landlord's mortgagee a reasonable opportunity (not to exceed 30 days) to cure any default of Landlord. It is intended that any such statement delivered pursuant to this subsection may be relied upon by any prospective purchaser or mortgagee of the Premises that is the addressee of such certificate and their respective successors and assigns.

19.1 Landlord's Right to Cure. Landlord may, but shall not be obligated to, cure any default by Tenant (specifically including, but not by way of limitation, Tenant's failure to obtain insurance, make repairs, or satisfy lien claims); and whenever Landlord so elects, all costs and expenses paid by Landlord in curing such default, including without limitation reasonable attorneys' fees, shall be so much additional rent due on the next rent date after such payment together with interest (except in the case of said attorneys' fees) at the rate of twelve percent (12%) per annum (or, if lower, the highest rate permitted by applicable law) from the date of the advance to the date of repayment by Tenant to Landlord.

19.2 Amendments Must Be in Writing. None of the covenants, terms or conditions of this Lease, to be kept and performed by either party, shall in any manner be altered, waived, modified, changed or abandoned except by a written instrument, duly signed and delivered by the other party.

19.3 Notices. All notices to or demands upon Landlord or Tenant desired or required to be given under any of the provisions hereof shall be in writing. Any notices or demands from Landlord to Tenant shall be deemed to have been duly and sufficiently given if a copy thereof has been mailed by United States registered or certified mail in an envelope properly stamped or delivered to a nationally recognized overnight carrier (e.g. FedEx) for overnight delivery and addressed to Tenant at the addresses set forth below or at such other address as Tenant may theretofore have designated by written notice to Landlord:

LEE COUNTY ECONOMIC
DEVELOPMENT GROUP
Attn: CEO
331 W. 3rd St.
Suite 200
Davenport, IA 52801-1212

Any notices or demands from Tenant to Landlord shall be deemed to have been duly and sufficiently given if mailed by United States registered or certified mail in an envelope properly stamped or delivered to a nationally recognized overnight carrier (e.g. FedEx) for overnight delivery and addressed to Landlord at Landlord's Address or at such other address or to such other agent as Landlord may theretofore have designated by written notice to Tenant, with a copy to any first mortgagee of the Leased Premises, the identity and address of which Tenant shall have received written notice. The effective date of any notice sent by nationally recognized overnight carrier shall be the next business day. The effective date of any notice sent by certified mail shall be three (3) business days after delivery of the same to the United States Postal Service.

19.4 Short Form Lease. This Lease shall not be recorded, but the parties agree, at the request of either of them, to execute a Short Form Lease for recording, containing the names of the parties, the legal description and the term of the Lease.

19.5 Time of Essence. Time is of the essence of this Lease, and all provisions herein relating thereto shall be strictly construed.

19.6 Relationship of Parties. Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent or of partnership, or of joint venture, by the parties hereto, it being understood and agreed that no provision contained in this Lease nor any acts of the parties hereto shall be deemed to create any relationship other than the relationship of Landlord and Tenant.

19.7 Captions. The captions of this Lease are for convenience only and are not to be construed as part of this Lease and shall not be construed as defining or limiting in any way the scope or intent of the provisions hereof.

19.8 Severability. If any term or provision of this Lease shall to any extent be held invalid or unenforceable, the remaining terms and provisions of this Lease shall not be affected thereby, but each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law, unless and except to the extent the invalid or unenforceable term was a material inducement to the Lease.

19.9 Law Applicable. This Lease shall be construed and enforced in accordance with the laws of the State of Iowa and any and all actions arising out of the Lease shall have the limited jurisdiction of the Des Moines County

District Court located in Burlington, Iowa.

19.10 Covenants Binding on Successors. All of the covenants, agreements, conditions and undertakings contained in this Lease shall extend and insure to be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto, the same as if they were in every case specifically named, and wherever in this Lease reference is made to either of the parties hereto, it shall be held to include and apply to, wherever applicable, the heirs, executors, administrators, successors and assigns of such party. Nothing herein contained shall be construed to grant or confer upon any person or persons, firm, corporation or governmental authority, other than the parties hereto, their heirs, executors, administrators, successors and assigns, any right, claim or privilege by virtue of any covenant, agreement, condition or undertaking in this Lease contained.

19.11 Signs. Tenant shall install no sign without Landlord's prior written approval of detailed plans and specifications. Any signs shall comply with all applicable laws and ordinances. All signs shall be removed at the cost of Tenant and the space repaired at the time Tenant vacates the property. Door and directory signage shall be provided and installed by the Landlord in accordance with Building standards at Landlord's expense.

19.12 Enforcement Expenses. Landlord and Tenant agree to pay on demand the expenses of the other, including reasonable attorneys' fees, expenses and administrative hearing and court costs incurred either directly or indirectly in enforcing any obligation of the other party under this Lease, in curing any default by the other party, in connection with appearing, defending or otherwise participating in any action or proceeding arising from the filing, imposition, contesting, discharging or satisfaction of any lien or claim for lien, in defending or otherwise participating in any legal proceedings initiated by or on behalf of the other party wherein the party seeking the payment of expenses is not adjudicated to be in default under this Lease. Tenant agrees to pay any reasonable expenses of Landlord incurred in connection with any investigation or review of any conditions or documents in the event Tenant requests Landlord's approval or consent to any action of Tenant which may be desired by Tenant or required of Tenant hereunder.

19.13 Execution of Lease by Landlord. This document shall become effective and binding only upon the execution and delivery hereof by Landlord and by Tenant. All negotiations, considerations, representations and understandings between Landlord and Tenant are incorporated herein.

19.14. Parking. Landlord agrees to provide at no cost to Tenant adequate parking to Tenant for Tenant's employees, clients and invitees to park adjacent to the Premises. Such parking shall consist of not less than 10 spaces for Tenant.

19.15. Civil Rights. Tenant shall not discriminate against any qualified employee or applicant for employment because of race, color, national origin, religion, sex, age or physical or mental disability.

19.16. Audits and Inspections of Records.

(a) Tenant shall make available to the Landlord all of its records pertaining to matters covered by this Lease and only matters relating to this Lease. Said audit or inspections shall occur at a reasonable time as mutually agreed to by both parties during normal business hours and as frequently as deemed necessary.

(b) Tenant shall retain all records pertaining to this Lease in Tenant's possession for a period of three (3) years after the expiration of the Lease or any extensions thereof. All records shall be retained beyond the three (3) year period if audit findings have not been resolved within that period or if other disputes have not been resolved

19.17. Environmental Compliance.

(a) Landlord warrants and represents to Tenant that it has no knowledge of the presence or of the release, now or in the past, of any hazardous substance or material on the Premises. Landlord agrees to hold Tenant free, harmless and indemnified from any penalty, fine, liability, cost or charge whatsoever related to the damage or condition that might be caused by any existing environmental condition that currently exists on the Premises.

(b) Tenant covenants and agrees that throughout the Term its use and occupancy of the Premises will at all times be in strict compliance with all governmental regulations, be they federal, state or local, that pertain to the use

and storage of hazardous materials and substances, and Tenant shall save and hold Landlord free, harmless and indemnified from any penalty, fine, cost or charge whatsoever which Landlord may incur by reason of Tenant's failure to comply with this Paragraph. Such covenants, however, shall not apply to any condition that existed at the time Tenant first took possession of any part of the Premises, or which is caused or results from acts of others, including Landlord.

(c) Tenant's obligations under this Paragraph shall automatically terminate and expire one (1) year after Tenant no longer occupies the Premises unless an action has been filed in a judicial tribunal of competent jurisdiction prior to that time which related to a period during which Tenant in fact did occupy any part of the Premises.

19.18. Right of Information. Landlord agrees to inform Tenant in the event any remaining space becomes available for lease in the Building. The information shall consist of Landlord's reasonable determination of the fair market rate of the available space and location of the space.

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

Landlord:

SOUTHEAST IOWA REGIONAL ECONOMIC AND PORT AUTHORITY

BY: _____

Denise Boyer, Chair

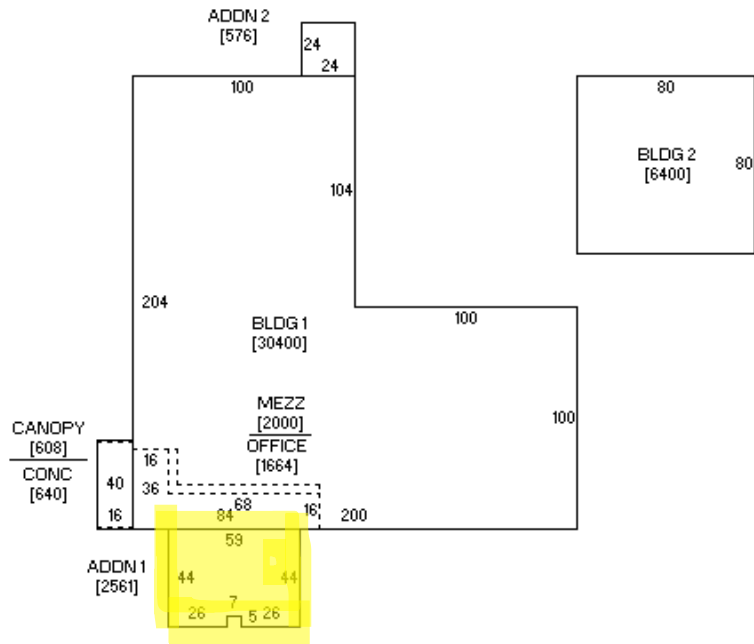
Tenant:

LEE COUNTY ECONOMIC DEVELOPMENT GROUP, INC.

BY: _____

Jenny Steffensmeier, Chair

EXHIBIT A – FLOOR PLAN OF PREMISES



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