

LEASE AGREEMENT BETWEEN YELLOWSTONE COUNTY AND NORTHERN INTERNATIONAL LIVESTOCK EXPOSITION

This agreement is dated as of the 26th day of September, 2023, by and between Yellowstone County, Montana (hereinafter called LESSOR), and Northern International Livestock Exposition, Billings, Montana (hereinafter called LESSEE).

LESSOR, in consideration of the material covenants hereinafter set forth, agrees to lease to the LESSEE the following premises: The single level white stucco building located at the southwest end of the MetraPark grounds, in the treed, grassy area adjacent to what is currently known as the Budweiser Stage.

1. Contract Times

This agreement will be for a period of 33 months effective October 1, 2023, and expiring June 30, 2026. Any changes in remuneration or to the terms of this Agreement will be included in any extensions. Either party has the right to terminate this lease without cause by giving written notice 90 days prior to the date of cancellation.

2. Amount of Lease

The amount of the rent for said premises listed above will be \$1,000.00 per month for the first nine months, ending June 30, 2024. The next twelve months, July 1, 2024 – June 30, 2025 will incur a 5% escalator, making the new rent amount \$1,050.00. Over the final twelve months, from July 1, 2025 – June 30, 2026, another 5% escalator will apply, making the rent \$1,102.50 until the end of this lease term.

3. Use of Premises

LESSEE shall at all times maintain the premises in a neat, orderly condition.

4. Alterations

Subject to the prior written consent of LESSOR, LESSEE may perform such remodeling and alternations as it deems desirable for the operation of its business on the Premises. Any such alterations shall be of good workmanship and material at least equal in quality to that of the original construction and shall not reduce the size or strength of the then existing improvements on the demised premises. All previously approved improvements receipts shall, upon completion of the improvements, be submitted to the LESSEE to be applied to a deduction from the current monthly rental fee.

All fixtures and equipment which LESSEE may install on the leased premises which are permanently affixed shall be the property of the Lessors at the end of the lease and any extensions or renewals thereof, provided, however, that any trade fixtures, shelving and display counters or the like may be removed and retained by Lessee at the end of the lease, with Lessee being responsible for repairing any damage caused by such removal.

5. Maintenance

a) LESSOR shall, at its expense, maintain the roof, structural exterior and interior portions of the building in good condition. LESSOR shall also, at its expense, repair and maintain all water,

sewer, gas, plumbing, electrical, heating and air conditioning lines and equipment in and to the building and premises.

b) LESSEE shall not do or permit to be done on said premises any act in violation of the conditions of any policy of insurance on the leased premises.

c) In the event of damage by fire, windstorm, other insured casualty, or foundation-related damage not due to the negligence of the LESSEE, its agents or employees, and such damage is so extensive as to render the building on the premises totally unusable for office purposes, or if LESSOR shall, within a reasonable time, decide not to rebuild, this lease shall cease and terminate, and the rent shall be apportioned to the date of the damage. In all other cases where the leased premises are damaged by fire, windstorm or other insured casualty not due to the negligence of the LESSEE, its agents or employees, LESSOR shall repair the damage with all reasonable dispatch after written notice of such damage, and if such damage has rendered the premises untenable, in whole or in part, then the rent shall not abate but shall be apportioned in the ratio which the tenable portion of the premises bears to the entire premises. In determining what constitutes reasonable dispatch, consideration shall be given to delays caused by strikes, adjustments of insurance and other causes beyond LESSOR'S control.

d) At all times the existence of this lease and any renewals or extensions thereof, LESSEE shall carry insurance against fire and hazards covered by standard extended coverage endorsement in an insurance company or companies authorized to do business in the State of Montana on the equipment and other personal property owned by it and located in the building in amounts at least equal to the fair market value of the insured property.

6. Reasonable Access

a) LESSOR shall have reasonable access to the demised premises during business hours for the purpose of examining or inspecting the same.

b) Upon the expiration or cancellation of this lease, and any extensions thereof, the LESSEE shall surrender possession of the demised premises to LESSOR in as good condition as when it took possession thereof reasonable wear and tear alone excepted.

7. Utilities

LESSOR is responsible for utilities that are not separately metered from utilities it already pays on the MetraPark grounds, such as gas, water, and electric. LESSEE pays all other occupancy expenses. LESSOR is not responsible for telephone or internet connection costs.

8. Hold Harmless Provision

The LESSEE agrees to hold the LESSOR free and harmless of and from all liabilities arising out of or occasioned by the use and occupancy by LESSEE of demised premises during the term of this lease, and further agrees to carry general public liability insurance for bodily injury in amounts not less than seven hundred and fifty thousand dollars (\$750,000.00) per occurrence and one million, five hundred thousand (\$1,500,000.00) in the aggregate, and property damage insurance in an amount no less than one million dollars (\$1,000,000).

9. Loss of Profits

LESSOR shall not be liable for any damages or any loss of profits, or for interruption of business resulting from fire or the elements, foundation-related damage, repairs to the structure or

roof, strikes or lockouts, or from the termination or cancellation of this lease or any extensions thereof.

10. Quiet and Peaceable Possession

LESSOR covenants with the LESSEE that upon LESSEE'S paying the rental herein provided and performing the covenants for which it is obligated herein, the LESSEE shall quietly have, hold and peaceably enjoy the premises leased hereby during the term thereof and any authorized renewals and extensions thereof.

11. Default by LESSEE

Default will occur in the event that LESSEE fails in the timely payment of any financial obligations or in the performance of any other obligations to be kept or performed by LESSEE under the terms of this lease.

LESSOR shall allow a thirty-day (30) grace period to allow LESSEE to cure any default. Thereafter, should the default persist, this Lease will immediately terminate, and LESSEE shall reimburse LESSOR for any necessary cost LESSOR may incur in enforcing the terms of this lease agreement, including (but not by way of limitation) remodeling and re-letting costs and attorney's fees.

12. No Waiver

One or more waivers of any covenant or condition by LESSOR shall not be construed as a waiver of any further breach of the same covenant or condition, and the consent or approval of LESSOR to any act shall not be deemed to waive or render unnecessary LESSOR'S Consent or approval to any subsequent similar act by the LESSEE.

13. Assignment Without Consent of LESSOR

The LESSEE shall not, without the prior written consent of the LESSOR, assign this lease or sublet the demised premises, either in whole or in part, but such consent shall not be unreasonably withheld.

14. Notices

All notices provided for herein shall be in writing and shall be sent by certified mail to the following addresses:

LESSOR: Yellowstone County
Attn: MetraPark General Manager
P.O. Box 2514
Billings, MT, 59103

LESSEE: Northern International Livestock Exposition
Attn: Leah Morgan Clark, General Manager
P.O. Box 1981
Billings, MT, 59103

The address of either part may be changed by written notice hereof to the other party given in advance of any such notice.

15. Binding Upon Successors and Assigns

All of the covenants and agreements herein contained shall be binding upon and shall inure to the benefit of LESSOR and LESSEE, their heirs, successors and assigned.

16. Provisions Severable

Each of the provisions of this agreement shall be severable one from the other and if any part or portion hereof shall be held invalid by any court of competent jurisdiction, all other parts and portions hereof shall nevertheless, for all purposes remain in full force and effect.

IN WITNESS WHEREOF, LESSOR and LESSEE have signed this Agreement in duplicate. One counterpart each will be delivered to LESSOR and LESSEE. All portions of the Lease Agreement have been signed, initialed or identified by LESSOR and LESSEE.

LESSEE:

Yellowstone County
Billings, MT 59101

LESSOR:

Northern International Livestock Exposition
Billings, MT 59103

John Ostlund, Yellowstone County
Board of County Commissioners
Chairman

Leah Morgan Clark, General Manager

Attest:

Jeff Martin, Clerk and Recorder