

LEASE - BUSINESS PROPERTY - SHORT FORM

THIS AGREEMENT, made and entered into this 4th day of January, 2013, by and between City of Bettendorf Parks and Recreation ("Landlord"), whose address, for the purpose of this lease, is 1609 State St, Bettendorf, Iowa 52722, and QC Dekhockey Inc ("Tenant"), whose address for the purpose of this lease is

The parties agree as follows:

1. PREMISES AND TERM. Landlord leases to Tenant the following real estate, situated in Scott County, Iowa:

A portion of Crow Creek Park as more fully described and shown on the attached Exhibit "A" together with all improvements thereon, and all rights, easements and appurtenances thereto belonging, for a term beginning on the 1st day of January, 2014, and ending on the 31st day of December, 2025, upon the condition that Tenant performs as provided in this lease.

2. RENT. Tenant agrees to pay Landlord as rent \$1 per year to be paid on the 31st day of December, 2014. Thereafter, Tenant shall pay Landlord as rent \$4,000.00 per year to be paid on the 31st day of December, 2015. Rent shall be paid on the 31st day of December each subsequent year during the term of this lease. The rental amount shall increase 2.4% per year for each year subsequent to 2015.

3. POSSESSION. Tenant shall be entitled to possession on the first day of the lease term, and shall yield possession to Landlord at the termination of this lease. SHOULD LANDLORD BE UNABLE TO GIVE POSSESSION ON SAID DATE, TENANT'S ONLY DAMAGES SHALL BE A PRO RATA ABATEMENT OF RENT.

4. USE. Tenant shall use the premises only for a Dekhockey court(s) and viewing platform; misc food and beverage may be served/sold, but no alcohol may be sold without permission of the landlord.

5. CARE AND MAINTENANCE.

(a) Tenant takes the premises as is, except as herein provided.

(b) Landlord shall keep the following in good repair: Parking lot adjacent to the Dekhockey rink(s).

(c) Tenant shall maintain the premises in a reasonable safe, serviceable, clean and presentable condition, and except for the repairs and replacements provided to be made by Landlord in subparagraph (b) above, shall make all repairs, replacements and improvements to the premises, INCLUDING ALL CHANGES, ALTERATIONS OR ADDITIONS ORDERED BY ANY LAWFULLY CONSTITUTED GOVERNMENT AUTHORITY DIRECTLY RELATED TO TENANT'S USE OF THE PREMISES. Tenant shall make no structural changes or alterations without the prior written consent

of Landlord. Unless otherwise provided, and if the premises include the ground floor, Tenant agrees to remove all snow and ice and other obstructions from the sidewalk on or abutting the premises.

6. UTILITIES AND SERVICES. Tenant shall pay for all utilities and services which may be used on the premises, except the following to be furnished by Landlord: electric. Landlord shall not be liable for damages for failure to perform as herein provided, or for any stoppage for needed repairs or for improvements or arising from causes beyond the control of Landlord, provided Landlord uses reasonable diligence to resume such services.

7. SURRENDER. Upon the termination of this lease, Tenant will surrender the premises to Landlord in good and clean condition, except for ordinary wear and tear or damage without fault or liability of Tenant. Continued possession, beyond the term of this Lease and the acceptance of rent by Landlord shall constitute a month-to-month extension of this lease.

8. ASSIGNMENT AND SUBLETTING. No assignment or subletting, either voluntary or by operation of law, shall be effective without the prior written consent of Landlord, which consent shall not unreasonably be withheld.

9. INSURANCE.

A. **PROPERTY INSURANCE.** Landlord and Tenant agree to insure their respective real and personal property for the full insurable value. Such insurance shall cover losses included in the special form causes of loss (formerly all risks coverage). To the extent permitted by their policies the Landlord and Tenant waive all rights of recovery against each other.

B. **LIABILITY INSURANCE.** Tenant shall obtain commercial general liability insurance in the amounts of \$1,000,000 each occurrence and \$1,000,000 annual aggregate per location. This policy shall be endorsed to include the Landlord as an additional insured.

10. LIABILITY FOR DAMAGE. Each party shall be liable to the other for all damage to the property of the other negligently, recklessly or intentionally caused by that party (or their agents, employees or invitees), except to the extent the loss is insured and subrogation is waived under the owner's policy.

11. INDEMNITY Except for any negligence of Landlord, Tenant will protect, defend, and indemnify Landlord from and against any and all loss, costs, damage and expenses occasioned by, or arising out of, any accident or other occurrence causing or inflicting injury or damage to any person or property, happening or done in, upon or about the premises, or due directly or indirectly to the tenancy, use or occupancy thereof, or any part thereof by Tenant or any person claiming through or under Tenant.

12. DAMAGE. In the event of damage to the premises, so that Tenant is unable to conduct business on the premises, this lease may be terminated at the option of either party. Such termination shall be effected by notice of one party to the other within 20 days after such notice; and both parties shall thereafter be released from all future obligations hereunder.

13. MECHANICS' LIENS. Neither Tenant, nor anyone claiming by, through, or under Tenant, shall have the right to file any mechanic's lien against the premises. Tenant shall give notice in advance to all contractors and subcontractors who may furnish, or agree to furnish, any material, service or labor for any improvement on the premises.

14. LANDLORD'S LIEN AND SECURITY INTEREST. As security for all sums due or which will become due from Tenant to Landlord, Tenant hereby grants to Landlord, in addition to any statutory liens, a security interest as provided in the Iowa Uniform Commercial Code and a contractual lien in any and all personal property kept or used on the real estate by Tenant.

15. DEFAULT, NOTICE OF DEFAULT AND REMEDIES.

EVENTS OF DEFAULT

A. Each of the following shall constitute an event of default by Tenant: (1) Failure to pay rent when due; (2) failure to observe or perform any duties, obligations, agreements, or conditions imposed on Tenant pursuant to the terms of the lease; (3) abandonment of the premises. "Abandonment" means the Tenant has failed to engage in its usual and customary business activities on the premises for more than fifteen (15) consecutive business days; (4) institution of voluntary bankruptcy proceedings by Tenant; institution of involuntary bankruptcy proceedings in which the Tenant thereafter is adjudged a bankruptcy; assignment for the benefit of creditors of the interest of Tenant under this lease agreement; appointment of a receiver for the property or affairs of Tenant, where the receivership is not vacated within ten (10) days after the appointment of the receiver.

NOTICE OF DEFAULT

B. Landlord shall give Tenant a written notice specifying the default and giving the Tenant ten (10) days in which to correct the default. If there is a default (other than for nonpayment of a monetary obligation of Tenant, including rent) that cannot be remedied in ten (10) days by diligent efforts of the Tenant, Tenant shall propose an additional period of time in which to remedy the default. Consent to additional time shall not be unreasonably withheld by Landlord. Landlord shall not be required to give Tenant any more than three notices for the same default within any 365 day period.

REMEDIES

C. In the event Tenant has not remedied a default in a timely manner following a Notice of Default, Landlord may proceed with all available remedies at law or in equity, including but not limited to the following: (1) Termination. Landlord may declare this lease to be terminated and shall give Tenant a written notice of such termination. In the event of termination of this lease, Landlord shall be entitled to prove claim for and obtain judgment against Tenant for the balance of the rent agreed to be paid for the term herein provided, plus all expenses of Landlord in regaining possession of the premises and the reletting thereof, including attorney's fees and court costs, crediting against such claim, however, any amount obtained by reason of such reletting; (2) Forfeiture. If a default is not remedied in a timely manner, Landlord may then declare this lease to be forfeited and shall give Tenant a written notice of such forfeiture, and may, at the time, give Tenant the notice to quit provided for in Chapter 648 of the Code of Iowa.

16. **SIGNS.** Landlord, during the last 90 days of this lease, shall have the right to maintain on the premises either or both a "For Rent" or "For Sale" sign. Tenant will permit prospective tenants or buyers to enter and examine the premises.

17. **NOTICES AND DEMANDS.** All notices shall be given to the parties hereto at the addresses designated unless either party notifies the other, in writing, of a different address. Without prejudice to any other method of notifying a party in writing or making a demand or other communication, such notice shall be considered given under the terms of this lease when it is deposited in the U.S. Mail, registered or certified, properly addressed, return receipt requested, and postage prepaid.

18. **PROVISIONS BINDING.** Each and every covenant and agreement herein contained shall extend to and be binding upon the respective successors, heirs, administrators, executors and assigns of the parties hereto.

19. **CERTIFICATION.** Tenant certifies that it is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person" or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and it is not engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity or nation. Tenant hereby agrees to defend, indemnify and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification.

20. ADDITIONAL PROVISIONS.

- a) Dekhockey games shall be played no later than 10:30 pm.
- b) Bettendorf residents shall be allowed to play on the same terms and conditions of all other participants.
- c) Landlord shall not allow any other Dekhockey activities on City of Bettendorf facilities for the term of this lease.
- d) In the event of default on the part of Tenant, in addition to the remedies described in Section 15(c) above, Tenant agrees that it will be responsible for paying to Landlord Thirty Seven Thousand Five Hundred Dollars (\$37,500.00) as reimbursement for the improvements and remodeling that are being installed by Landlord to accommodate the Dekhockey facilities. Any rental payments already having been made shall be credited against the total amount due.
- e) On or before June 1, 2025, Tenant may exercise an option to renew and extend this lease for a five year term under these same conditions. The rental amount shall be fixed at 2.4% above the previous year's rental payment and shall continue to increase on an annual basis consistent with paragraph 2 of this agreement. If the option is exercised, the extended lease shall end on December 31, 2030. A second five year term may be exercised on or before June 1, 2030 under these same conditions.

City of Bettendorf Parks and Recreation, LANDLORD
By: Chair of Park and Recreation Commission

QC Dekhockey Inc, TENANT
By: Patrick Levesque, President

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THE IOWA STATE BAR ASSOCIATION

Official Form No. 165

Recorder's Cover Sheet

Preparer Information: (name, address and phone number)

Kristine Stone, 1609 State St, Bettendorf, Ia 52722, Phone: (564) 344-4000

Taxpayer Information: (name and complete address)

City of Bettendorf 1609 State St Bettendorf Iowa 52722

Return Document To: (name and complete address)

City Attorney, 1609 State St Bettendorf, Iowa 52722

Grantors:

QC Dekhockey Inc

Grantees:

City of Bettendorf Parks and Recreation

Legal Description: See Exhibit A

Document or instrument number of previously recorded documents: n/a