CSB
Attn: Britt Nagel

DELAWARE COUNTY IOWA
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BOOK 2004 PAGE 110
DEBORAH L. PETTON
DELAWARE COUNTY RECORDER
Rec. 0.00

Prepared by: James W. Radig, PO Box 5878, Cedar Rapids, IA 52406, 319-364-0900

LEASE - BUSINESS PROPERTY

THIS LEASE AGREEMENT, is entered into effective December 1, 2003 by Wall Leasing, L.L.C. ("Landlord") whose address for the purpose of this lease is 201 4th Street SW, Oelwein, Iowa 50662, and XL Specialized Trailers Inc. ("Tenant") whose address for the purpose of this lease is 201 4th Street SW, Oelwein, Iowa 50662,

WITNESSETH THAT:

1. **LEASED PREMISES AND TERM.** The Landlord, in consideration of the rents, agreements and conditions herein contained, leases to the Tenant and Tenant leases from Landlord, according to the terms of this lease, the following described property situated in Delaware County, Iowa:

> See Exhibit A attached hereto and by this reference made a part hereof and locally known as 1086 South 3rd St., Manchester, Iowa 52057.

with the improvements thereon, and all rights, easements and appurtenances, which, more particularly, includes the space and premises as may be shown on "Exhibit A," if attached ("Leased Premises"), for a term of twenty-one (21) years, commencing at midnight of the day previous to the first day of the lease term, which shall be on December 1, 2003 and ending at midnight on the last day of the lease term, which shall be on November 30, 2024, upon the condition that the Tenant pays rent therefor, and otherwise performs as in this lease provided.

2. **RENTAL.** A. Tenant agrees to pay to Landlord as rental for said term, as follows: Nine Thousand Dollars ($9,000.00) per month, in advance, the first rent payment becoming due upon November 1, 2003 and the same amount, per month, in advance, on the first day of each month thereafter, during the term of this lease.

All sums shall be paid at the address of Landlord, as above designated, or at such other place in Iowa, or elsewhere, as the Landlord may, from time to time, designate in writing. Delinquent payments shall draw interest at 18% per annum from the due date, until paid.

B. **"TRIPLE NET"PROVISION"** Tenant agrees that all duties and obligations to repair, maintain and provide utilities and services (paragraphs 6 and 7), to pay taxes and special assessments (paragraph 10) and to pay for casualty and liability insurance (paragraph 11) shall be borne solely by Tenant during the term of this lease. All duties and obligations set forth in paragraphs 6, 7, and 10 shall be performed by the Tenant.

3. **POSSESSION.** Tenant shall be entitled to possession on the first day of the term of this lease, and shall yield possession to the Landlord at the end of the lease term, except as herein otherwise expressly provided. Should Landlord be unable to give possession on said date, Tenant's only damages shall be a rebating of the pro rata rental.

4. **USE OF LEASED PREMISES.** Tenant covenants and agrees during the term of this lease to use and to occupy the Leased Premises only for commercial purposes consistent with allowable zoning.

5. **QUIET ENJOYMENT.** Landlord covenants that its estate in said Leased Premises is in fee simple and that the Tenant, if not in material default, shall peaceably have, hold and enjoy the Leased Premises for the term of this lease subject to the lien of any mortgages now upon the Leased Premises; provided, however, that Landlord shall provide Tenant with the agreement of any current lender that Tenant's use and possession of the Leased Premises shall not be disturbed as long as Tenant is not in material default of this Lease. Landlord shall have the right to mortgage all of its right, title, and interest in said Leased Premises at any time without notice subject to this Lease.

6. **EQUIPMENT, DECORATING, REPLACEMENT, REPAIR AND MAINTENANCE.**

DEFINITIONS

"Maintain" means to clean and keep in good condition.
"Repair" means to fix and restore to good condition after damage, deterioration or partial destruction.

CONDITIONS OF LEASED PREMISES

A. Tenant takes the Leased Premises in its present condition, except for such repairs and alterations as may be expressly otherwise provided in this lease.

REPAIRS AND MAINTENANCE

B. Repair shall be performed and paid for by the parties as follows:

	PERFORMANCE	PAYMENT	
	L=LANDLORD T=TENANT	% Landlord	% Tenant
Interior walls, floors and ceilings	T		100%
Sewer, plumbing fixtures, pipes, wiring, electrical fixtures within the structure	T		100%
Heating equipment	T		100%
Air conditioning	T		100%
Plate glass (replacement)	T		100%
Sidewalks	T		100%
Parking areas	T		100%
Other common areas (strike if inapplicable)	T		100%

C. Tenant shall be responsible for all other maintenance.

D. Any repair or maintenance not specifically provided for above shall be performed and paid for by Tenant.

E. Each party shall perform their responsibilities of repair and maintenance to the end that the Leased Premises will be kept in a safe and serviceable condition. Neither party will permit nor allow the Leased Premises to be damaged or depreciated in value by any act, omission to act, or negligence of itself, its agents or employees.

EQUIPMENT, DECORATING AND ALTERATIONS

F. The following items of equipment, furnishings and fixtures shall be supplied and replaced by the parties as follows:

	SUPPLIED L=Landlord T=Tenant	REPLACED L=Landlord T=Tenant
Heating equipment	L	T
Air conditioning equipment	L	T
Carpeting/floor covering	L	T
Drapes, shades, blinds	L	T

Any similar equipment, furnishings, and fixtures not specifically provided for above shall be provided and paid for by Tenant.

Any equipment, furnishings or fixtures to be supplied by Tenant shall be subject to the Landlord's prior written approval as to quality and method of installation. Tenant shall provide all trade equipment, furnishings and fixtures used in connection with the operation of its business, such as telephones, computers, desks, chairs, shelving and similar items.

G. Landlord shall provide and pay for the following items of interior decorating: none. Thereafter, Tenant shall be responsible for all interior decorating. Tenant shall make no structural alterations or improvements without the prior written consent of the Landlord.

AMERICANS WITH DISABILITIES ACT

H. Tenant will make no unlawful use of said Leased Premises and agrees to comply with all valid regulations of the Board of Health, City Ordinances or applicable municipality, the laws of the State of Iowa and the Federal government, but this provision shall not be construed as creating any duty by Tenant to members of the general public, provided, however, responsibility for compliance with the Americans with Disabilities Act shall be performed and paid for by the parties as follows:

	% Landlord	% Tenant
Common areas	100%	0%
Tenants area:		

Initial compliance (specify)	100%	0%
Future compliance	0%	100%

7. **UTILITIES AND SERVICES.** Utilities and services shall be furnished and paid for by the parties as follows:

	PERFORMANCE	PAYMENT	
	L=Landlord T=Tenant	% Landlord	% Tenant
Electricity	T		100%
Gas	T		100%
Water and Sewer	T		100%
Garbage/Trash	T		100%
Janitor/Cleaning	T		100%
Common areas	T		100%
Other:	T		100%

8. **TERMINATION, SURRENDER OF LEASED PREMISES AT END OF TERM -- REMOVAL OF FIXTURES.**

(a) **TERMINATION.** This lease shall terminate upon expiration of the original term; or if this lease expressly provides for any option to renew, and if any such option is exercised by the Tenant, then this lease will terminate at the expiration of the option term or terms.

(b) **OPTION TO RENEW**. None.

(c) **SURRENDER.** Tenant agrees that upon termination of this lease it will surrender and deliver the Leased Premises in good and clean condition, except the effects of ordinary wear and tear and depreciation arising from lapse of time, or damage without fault or liability of Tenant.

(d) **HOLDING OVER.** Continued possession by Tenant, beyond the expiration of its tenancy, coupled with the receipt of the specified rental by the Landlord (and absent a written agreement by both parties for an extension of this lease, or for a new lease) shall constitute a month to month extension of the lease.

(e) **REMOVAL OF FIXTURES.** Tenant may, at the expiration of its tenancy, if Tenant is not in default, remove any fixtures or equipment which Tenant has installed in the Leased Premises, providing Tenant repairs any and all damages caused by removal.

9. **ASSIGNMENT AND SUBLETTING.** Any assignment of this lease or subletting of the Leased Premises or any part thereof, without the Landlord's written

permission shall, at the option of the Landlord, make the rental for the balance of the lease term due and payable at once. Such written permission shall not be unreasonably withheld.

10. **REAL ESTATE TAXES.**

A. All installments of real estate taxes which would become delinquent if not paid during the term of this lease, shall be paid by the parties in the following proportions:

Landlord	Tenant
0%	100%

B. Any increase in such installments shall be paid:

Landlord	Tenant
0%	100%

C. PERSONAL PROPERTY TAXES. Tenant agrees to timely pay all taxes, assessments or other public charges levied or assessed by lawful authority against its personal property on the Leased Premises during the term of this lease.

D. SPECIAL ASSESSMENTS. Special assessments that would be delinquent if not paid during the term of this lease shall be timely paid by the parties in the following proportions:

Landlord	Tenant
0%	100%

E. Each party reserves its right of protest of any assessment of taxes.

11. **INSURANCE.**

A. PROPERTY INSURANCE. Tenant agrees to insure both Landlord's and Tenant's respective real and personal property for the full insurable value and for not less than 100% of the replacement costs. Such insurance shall cover losses included in the Insurance Services Official Broad Form Causes of Loss (formerly fire and extended coverage).

B. LIABILITY INSURANCE. Tenant shall obtain commercial general liability insurance in the amounts of $500,000 each occurrence and $500,000 annual aggregate per location. Such policy shall include liability arising from Leased Premises operations, independent contractors, personal injury, products and completed operations and liability assumed under an insured contract. This policy shall be endorsed to include the Landlord as an additional insured.

C. CERTIFICATES OF INSURANCE. Prior to the time the lease takes effect the Tenant will provide the Landlord with a certificate of insurance evidencing its compliance with these property and liability insurance

requirements, such certificate shall include 30 days advance notice of cancellation to the Landlord. A renewal certificate shall be provided prior to expiration of the current policies.

D. ACTS BY TENANT. Tenant will not do or omit doing of any act which would invalidate any insurance, or increase the insurance rates in force on the Leased Premises.

E. RECOMMENDATIONS - IOWA INSURANCE SERVICES OFFICE. Tenant further agrees to comply with recommendations of Iowa Insurance Services Office and to be liable for and to promptly pay, as if current rental, any increase in insurance rates on said Leased Premises and on the building of which said Leased Premises are a part, due to increased risks or hazards resulting from Tenant's use of the Leased Premises otherwise than as herein contemplated and agreed.

F. LEASE COPY. Landlord and Tenant shall each provide a copy of this lease to their respective insurers.

12. **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.

13. **INDEMNITY.** Except for the negligence or willful misconduct of Landlord, Tenant will protect, defend and indemnify Landlord from and against 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 Leased 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.

14. **FIRE AND CASUALTY.** (a) **PARTIAL DESTRUCTION OF LEASED PREMISES.** In the event of a partial destruction of or damage to the Leased Premises, which is a business interference which prevents the conducting of a normal business operation and which damage is repairable within sixty (60) days after its occurrence, this lease shall not terminate but the rent for the Leased Premises shall abate during the time of such business interference. In the event of a partial destruction, Landlord shall repair such damages within sixty (60) days of its occurrence unless prevented from doing so by acts of God, government regulations, or other causes beyond Landlord's reasonable control.

(b) **ZONING.** Should the zoning ordinance of the municipality in which this property is located make it impossible for Landlord to repair or rebuild so that Tenant is not able to conduct its business on the Leased Premises, then such partial destruction shall be treated as a total destruction as provided in the next paragraph.

(c) **TOTAL DESTRUCTION OF BUSINESS USE.** In the event of a destruction of or damage to the Leased Premises including the parking area (if parking area is a part of this lease) so that Tenant is not able to conduct its business on the Leased Premises or the then current legal use for which the Leased Premises are being used and which damages cannot be repaired within sixty (60) days this lease may be terminated at the option of either the Landlord or Tenant. Such termination in such event shall be effected by written notice of one party to the other, within twenty (20) days after such destruction. Tenant shall surrender possession within ten (10) days after such notice issues and each party shall be

released from all future obligations, and Tenant shall pay rent pro rata only to the date of such destruction. In the event of such termination of this lease, Landlord at its option, may rebuild or not, at its discretion.

15. **CONDEMNATION.**

(a) **DISPOSITION OF AWARDS.** Should the whole or any part of the Leased Premises be condemned or taken for any public or quasi-public purpose, each party shall be entitled to retain, as its own property, any award payable to it. Or in the event that a single entire award is made on account of the condemnation, each party will then be entitled to take such proportion of said award as may be fair and reasonable.

(b) **DATE OF LEASE TERMINATION.** If the whole of the demised Leased Premises shall be condemned or taken, the Landlord shall not be liable to the Tenant except and as its rights are preserved in paragraph 15 (a) above.

16. **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 within ten (10) days after delivery of written notice of non-payment by Landlord to Tenant.

2. Failure to observe or perform any duties, obligations, agreements or conditions imposed on Tenant pursuant to terms of the lease within thirty (30) days after delivery of written notice of non-performance by Landlord to Tenant.

3. Abandonment of the Leased Premises, "Abandonment" means the Tenant has failed to engage in its usual and customary business activities on the Leased Premises for more than fifteen (15) consecutive business days without payment of rent.

4. Institution of voluntary bankruptcy proceedings in which the Court orders relief against the Tenant as a debtor; 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.

REMEDIES

B. 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 Leased 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 the 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.

17. **RIGHT OF EITHER PARTY TO MAKE GOOD ANY DEFAULT OF THE OTHER.** If default shall be made by either party in the performance of, or compliance with, any of the terms or conditions of this lease, and such default shall have continued for thirty (30) days after written notice thereof from one party to the other, the person aggrieved, in addition to all other remedies now or hereafter provided by law, may, but need not, perform such term or condition, or make good such default and any amount advanced shall be repaid forthwith on demand, together with interest at the rate of 18% per annum, from date of advance.

18. **SIGNS.** (a) Tenant shall have the right and privilege of attaching, painting or exhibiting signs on the Leased Premises, provided only (1) that any sign shall comply with the ordinances of the municipality in which the property is located and the laws of the State of Iowa; (2) such sign shall not change the structure of the building; (3) such sign, if and when removed, shall not damage the building; and (4) such sign shall be subject to the written approval of the Landlord, which approval shall not be unreasonably withheld.

(b) Landlord during the last ninety (90) days of this lease, or extension, shall have the right to maintain in the windows or on the building or on the Leased Premises either or both a "For Rent" or "For Sale" sign and Tenant will permit, at such time, prospective tenants or buyers to enter and examine the Leased Premises.

19. **MECHANIC'S LIENS.** Neither the Tenant nor anyone claiming by, through, or under the Tenant, shall have the right to file or place any mechanic's liens or other lien of any kind or character whatsoever, upon said Leased Premises or upon any building or improvement thereon, or upon the leasehold interest of the Tenant, and notice is hereby given that no contractor, sub-contractor, or anyone else who may furnish any material, service or labor for any building, improvements, alteration, repairs or any part thereof, shall at any time be or become entitled to any lien on the Leased Premises, and for the further security of the Landlord, the Tenant covenants and agrees to give actual notice thereof in advance, to any and all contractors and sub-contractors who may furnish or agree to furnish any such material, service or labor.

20. **LANDLORD'S LIEN AND SECURITY INTEREST.** Said Landlord shall have, in addition to any lien given by law, a security interest as provided by the Uniform Commercial Code of Iowa, upon all personal property and all substitutions thereof, kept and used on said Leased Premises by Tenant, which lien Landlord agrees is subordinate to the lien granted thereon by Tenant to Community Savings Bank or it successor. Landlord agrees to execute such subordination agreement as such bank shall require with respect to such senior bank lien. Landlord may proceed at law or in equity with any remedy provided by law or by this lease for the recovery of rent, or for termination of this lease because of Tenant's default in its performance.

21. [RESERVED]

22. **SUBSTITUTION OF EQUIPMENT, MERCHANDISE. ETC.** (a) During its tenancy, the Tenant shall have the right to sell or otherwise dispose of any personal property of the Tenant situated on the Leased Premises, when in the judgment of the Tenant it shall have become obsolete, outworn or unnecessary in connection with the operation of the business on the Leased Premises; provided, however, that the Tenant shall, in such instance (unless no substituted article or item is necessary) at its own expense, substitute for such items a new or other item in substitution thereof, in like or greater value.

(b) Nothing herein contained shall be construed as denying to Tenant the right to dispose of inventoried merchandise in the ordinary course of the Tenant's trade or business.

23. **RIGHTS CUMULATIVE.** The various rights, powers, options, elections and remedies of either party, provided in this lease, shall be construed as cumulative and no one of them as exclusive of the others, or exclusive of any rights, remedies or priorities allowed either party by law, and shall in no way affect or impair the right of either party to pursue any other equitable or legal remedy to which either party may be entitled as long as any default remains in any way unremedied, unsatisfied or undischarged.

24. **NOTICES AND DEMANDS.** Notices as provided for in this lease shall be given to the respective parties hereto at the respective addresses designated on page one of this lease 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 message shall be considered given under the terms of this lease when sent, addressed as above designated, postage prepaid, by certified mail deposited in a United States mail box.

25. **PROVISIONS TO BIND AND BENEFIT SUCCESSORS, ASSIGNS, ETC.** 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; except that if any part of this lease is held in joint tenancy, the successor in interest shall be the surviving joint tenant.

26. **CHANGES TO BE IN WRITING.** None of the covenants, provisions, terms or conditions of this lease shall be modified, waived or abandoned, except by a written instrument duly signed by the parties. This lease contains the whole agreement of the parties.

27. **RELEASE OF DOWER.** [RESERVED]

28. **CONSTRUCTION.** Words and phrases herein, including acknowledgment hereof, shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender according to the context.

In Witness Whereof, the parties hereto have duly executed this Lease in duplicate this 16 day of January, 2004.

TENANT:

XL SPECIALIZED TRAILERS INC.

BY: George Wall Pres
George Wall, President

BY: Scott A Wall Secretary
Scott Wall, Secretary

LANDLORD:

WALL LEASING, L.L.C.

By: George Wall Pres
George Wall, President

BY: Scott A. Wall Secretary
Scott Wall, Secretary

STATE OF IOWA, Delaware COUNTY, ss:

On this 16 day of January 2004, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared George Wall and Scott Wall, to me personally known, who, being by me duly sworn, did say that they are the President and Secretary respectively of Wall Leasing, L.L.C., an Iowa limited liability company, executing the foregoing instrument, that the instrument was signed on behalf of Wall Leasing, L.L.C. by authority of its members; and that they as such officers acknowledged the execution of the instrument to be the voluntary act and deed of the limited liability company by it and by them voluntarily executed.

DONNA S. HOEGER
Commission Number 223743
My Commission Expires
7-28-05

Donna S. Hoeger
Notary Public in and for the State of Iowa

STATE OF IOWA, Delaware COUNTY, ss:

On this 16 day of January 2004, before me, the undersigned, a Notary Public in and for said State, personally appeared George Wall and Scott Wall, to me known, who being by me duly sworn, did say that they are the President and Secretary, respectively, of XL Specialized Trailers Inc.; that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and that the said George Wall and Scott Wall, as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

Donna S. Hoeger
Notary Public in and for the State of Iowa

DONNA S. HOEGER
Commission Number 223743
My Commission Expires
7-28-05

EXHIBIT A

LEGAL DESCRIPTION

Parcel I, part of the S ½ – SE ¼ of Sec. 32, T89N, R5W and part of the NE ¼ - NW ¼, Sec. 5, T88N, R5W all of the Fifth P.M., City of Manchester, Delaware County, Iowa, according to plat recorded in Book 2002, Page 3367, as corrected by Affidavit recorded in Book 2002, Page 4222.