#1435 15pgs Fee $30.50 COMPARED L.M.W.

Filed for record the 22 day of October A.D. 1971 at 4:41 o'clock P. M,

Mary E. Welty, Recorder

LESSOR'S ORIGINAL

JUL 19 1971

L E A S E

THIS LEASE is made between NATIONAL HOMES CORPORATION, an Indiana corporation having its main office at Earl Avenue and Wallace Street, Lafayette, Indiana, LESSOR and EARLHAM COMMUNITY SCHOOL DISTRICT, EARLHAM, IOWA, LESSEE.

1. For the term, at the rent and upon the terms and conditions hereinafter set out; LESSOR leases to LESSEE and LESSEE leases from LESSOR, the building(s) and equipment described in Exhibit A hereto, which building(s) and equipment are hereinafter called the "leased property". Title to the leased property shall remain in LESSOR unless and until LESSEE purchases the said leased property in accordance herewith.

2. The term of this Lease shall be a period of approximately one year, commencing on the "completion date" as hereinafter defined and ending one year after said date; subject, however, to this Lease being renewed for two (2) successive one year periods as hereinafter provided. These periods shall be known as the first and second renewal periods.

3. LESSOR agrees that it will commence the erection of the leased property on or before _____, such date being referred to herein as the "erection date" PROVIDED the erection site is ready at that time as hereinafter provided and subject to the further provisions of this Lease, and PROVIDED FURTHER that LESSOR shall have a grace period of thirty (30) days

Only that counterpart hereof captioned "Lessor's Original" shall be effective to transfer any rights of LESSOR hereunder to an assignee. All other counterparts have been captioned "Not Lessor's Original."

For Release of Lease
see Misc. Rec. 32-665

after such date within which to commence said erection.

4. The rent for the term of this Lease shall be Ten Thousand Four Hundred Eighty-Six and 88/100 Dollars ($10,486.88).

If the Lease is renewed for the above mentioned first, and second renewal periods, the rent for each such additional period shall be Eight Thousand Seven Hundred Sixty-Four and 18/100 Dollars ($8,764.18).

The rent schedule for the lease term and renewal periods is as follows:

	PRINCIPAL	INTEREST	TOTAL
1. Lease Term	$10,486.88	None	$10,486.88
2. First Renewal Period	7,654.97	$1,109.21	8,764.18
3. Second Renewal Period	8,190.82	573.36	8,764.18

✓ 633.67

Rent for the lease term shall be paid on or before August 1, 1972. Rent for each of the successive renewal periods shall be paid one and two years respectively after said date.

Each installment of rent not paid when due shall bear interest at the rate of eight percent (8%) per annum from the due date thereof until paid; PROVIDED HOWEVER that such interest shall accrue only on the portion of such installment that constitutes principal. LESSEE agrees to pay LESSOR such interest on any delinquent installment.

5. A. At the end of the term of this LEASE, LESSEE shall have the following options:

(1) Renew the Lease for an additional one year (first renewal period) at the rent set out above;

(2) Purchase the leased property from LESSOR for Sixteen thousand nine hundred fifty-five and no/100 Dollars ($16,955.00)

B. At the end of the first renewal period, LESSEE shall have the following options:

(1) Renew the Lease for an additional one year (Second renewal period) at the rent set out above;

(2) Purchase the leased property from LESSOR for Eight thousand one hundred ninety and 82/100 Dollars ($8,190.82)

At least sixty (60) days prior to the end of the lease term and the end of the first renewal period, LESSEE shall give LESSOR notice in writing as to which of the above options it intends to exercise. In the event such notice is only timely delivered to LESSOR, the Lease shall automatically be renewed for an additional one year.

At the end of the second renewal period, LESSEE may purchase the leased property from LESSOR for One Dollar ($1.00). If and

when LESSEE exercises its option to purchase, LESSOR, upon receipt of the full purchase price, shall execute a bill of sale or other pertinent document of conveyance convering the leased property to the order of LESSEE.

6. Any other provision of this Lease to the contrary notwithstanding, LESSEE shall not be entitled to retain any temporary physical possession or occupancy of the leased premises unless it pays LESSOR when due any payment provided above in cash and in full.

7. The leased property shall be erected and installed on real estate owned or controlled by LESSEE, which is described in Exhibit B hereto. Such real estate is hereinafter referred to as the "site". LESSEE will promptly apply in its name to all governmental bodies, persons, agencies, officials, and boards having jurisdiction for all approvals, authorizations and variances under zoning and building laws and all licenses and permits which may be required as a condition to legal occupancy of the leased property, and will pay for and secure same. LESSEE warrants to LESSOR that LESSEE owns the site in fee, free and clear of all liens and encumbrances, or holds same under a valid lease or other interest in land permitting the erection thereon of other leased property as contemplated herein, which interest is not subject to any liens or encumbrances and is for a term exceeding the duration of this Lease. LESSEE further warrants to LESSOR that the entire site is accessible to LESSOR'S equipment and

personnel (which equipment consists generally of large highway type tractors and trailers and mobile cranes) and LESSEE hereby grants to LESSOR, and its employees, agents, contractors and subcontractors the right and easement to use the site and of ingress and egress to and from the site for purposes of installing the leased property, inspecting same from time to time and upon termination of this Lease for any cause or by its own terms to remove the leased property from the site.

LESSEE agrees with LESSOR that LESSEE will, at its own expense, perform and complete or cause to be performed and completed the following installation work to LESSOR'S specifications prior to the aforesaid erection date: proper access for LESSOR'S equipment and the personnel who will take part in the erection of the leased property and site preparation including clearance, grading, installation of foundations and/or piers as necessary, drainage facilities, electricity, gas, water and sanitary sewer lines and any other on site or off site facilities (other than the leased property) required by an official or governmental body or agency, or by any law or ordinance.

8. LESSEE warrants to LESSOR that the site is suitable for the erection of such building(s) and the installation of the equipment described in Exhibit A to this Lease and is not subject to flooding either by the rising of rivers or streams, or by the accumulation of surface water, and is not subject to subsidence because of

quicksand, peat or other instability or because of undermining. In the event of any such damaging occurrences, or other natural disasters or intentional or unintentional acts of violence damaging the leased property, LESSEE agrees that it shall pay LESSOR the full rental stated in paragraph numbered 4 of this Lease, in accordance with such paragraph and that it will also reimburse LESSOR for any damage to such leased property arising out of such occurrence. In the event of total destruction of the leased property from any cause, the amount to be paid shall be the full rent amount stated in the aforementioned paragraph 4 plus the option purchase price stated in this Lease, less insurance, if any, paid to LESSOR. Such sum shall be due and payable immediately upon such total destruction. Risk of loss to the leased property from all causes shall be borne by LESSEE commencing ten (10) days after the completion date of said leased property and shall continue so until the termination of the Lease, PROVIDED that nothing herein contained shall prevent LESSEE from insuring against such losses.

9. The following installation work shall be done when LESSEE exhibits to LESSOR all necessary permits and licenses, by or under the direction of LESSOR and at its expense: erection of the building(s and installation of the equipment to go therein in accordance with Exhibit A hereto. LESSOR shall complete (or stand ready and willing to complete) all its work on or before a date ten days after the erection date aforesaid. This date shall be called the "completion date". LESSOR, however, shall not be responsible for delays

resulting from LESSEE'S failure properly to secure necessary permits or licenses or to complete the installation work to be performed by it, or for delays resulting from causes beyond the control of LESSOR including Acts of God, fire, strikes, riot, rebellion, civil commotion, labor disputes, war, government rules, regulations, ordinances and laws, and the availability of materials.

"Complete" or "completion" as used in this paragraph number 9 shall mean the erection of the building(s) and installation of the equipment in a good and workmanlike manner, in accordance with Exhibit A.

10. LESSEE covenants with LESSOR that it will have all necessary permits and will properly complete its installation work in accordance with paragraph numbered 7 above at least one full day prior to the erection date. In the event LESSEE fails to complete its work for a period of thirty (30) days beyond the erection date specified herein, LESSOR may declare this Lease terminated, repossess all material and equipment on the site.

11. LESSEE will, at all times while the leased property is on the site, at its own expense provide and keep in force for the benefit of and naming LESSOR as an additional insured thereunder policies of insurance written by such company or companies as shall be satisfactory to LESSOR, and upon demand by LESSOR, to furnish to such LESSOR copies of policies:

A. Insuring against loss, damage, injury and destruction to or of the leased property, resulting from fire, lightning,

vandalism, malicious mischief including damage to glass, and from any hazard included in the standard extended coverage endorsement, in an amount equal to the full rent for the full term of the Lease, including the term, the 1st rental period, and the 2nd rental period, plus the option purchase price, or any higher amount. In the event such policy contains deductible provisions, LESSEE agrees to pay either to LESSOR the deductible amount in case of loss or to repair the leased property itself;

B. Insuring against liability for personal injury or death (in the minimum amounts of $100,000.00 per person and $300,000.00 per accident) and for damage to property in the minimum amount of $25,000.00 sustained by any person or persons regardless of the allegations of or on behalf of such person or persons.

12. LESSEE agrees to defend, and indemnify and hold LESSOR harmless from and against any and all damages, costs and expenses arising out of any workmen's compensation claims asserted against LESSOR by all persons except those employed by LESSOR. LESSEE further hereby indemnifies LESSOR and agrees to defend and hold it harmless against any and all such damages, costs and expenses arising out of claims of others asserting a lien or an interest in the site or the leased property adverse to LESSEE'S or LESSOR'S interest.

13. During the term of this Lease, LESSEE shall at all times keep the leased property in good repair and in good and efficient condition and working order, reasonable wear and tear excepted. LESSEE shall supply all parts, service and other items required in

the operation and maintenance of the leased property. All parts, improvements, additions, replacements and substitutions to or for any part of the leased property shall immediately become leased property and be the property of LESSOR. LESSEE assumes all risk of, and LESSEE'S obligations under this Lease shall continue unmodified despite any loss, theft, destruction, damage, obsolescence, condemnation requisition, or taking by eminent domain or other interruption or termination of use of any equipment regardless of the cause thereof. LESSEE agrees further to provide and pay for all utility services including without limitation heat, lights, water, electricity, fuel, gas, oil and telephone if desired, and further agrees that it will not cause nor permit alteration of the leased property without LESSOR'S advance written consent. Upon surrender of possession of the leased property, LESSOR shall have ninety (90) days in which to remove such leased property and shall have the easement for ingress and egress provided for in paragraph 7 above for that purpose. LESSOR shall not be obligated to repair or restore the site after such removal or after the repossession by LESSOR because of LESSEE'S default, this being, by agreement, the obligation of LESSEE.

14. It is understood that the leased property is to be erected upon and affixed to real estate, but it is agreed that notwithstanding such affixation, such leased property shall remain personal property, title to which shall remain in the LESSOR until purchased by LESSEE or given by LESSOR to LESSEE, and LESSEE'S indemnification set out in

paragraph 12 above includes indemnity against loss caused by claims, findings, judgments or decrees to the contrary.

15. LESSEE agrees to pay when due all personal and real property taxes (if any) assessed against the leased property and site during the term of this Lease and any and all special assessments of any nature. Also LESSEE agrees to pay when due all sales, use or excise taxes (if any) that are or may become due as a result of this Lease. No such payments shall be a credit against or reduction of the rent provided herein. LESSOR shall be responsible for and pay all federal and state income taxes due on the rental or sale hereunder.

16. LESSOR may at any time sell, mortgage or otherwise transfer or encumber the leased property, but the rights of any purchaser, mortgagee, transferee, or encumbrancer shall be subject to the LESSEE'S right of occupancy so long as it is not in default hereunder. LESSEE may agree to subordinate its rights. Further, LESSOR may assign or pledge this Lease at any time after the leased property has been completely installed in accordance herewith. In such event, the assignee's right, title and interest in this Lease, to the rental payments and any other amounts provided for herein, and in and to the leased property shall be free from all defenses, set-offs, or counterclaims of any kind or character which LESSEE may be entitled to assert against LESSOR and shall not be reduced or abated for any reason whatsoever (whether or not such reduction or abatement is provided for in any statute); it being agreed that such assignee does not assume any obligations of LESSOR herein named and that it is the intention

of the parties that upon such assignment, LESSEE shall be unconditionally obligated to pay all such rental and other amounts. It is further understood and agreed, however, that LESSEE may separately claim against LESSOR as to any matter which LESSEE may be entitled to assert against LESSOR. Upon notice of any such assignment or pledge LESSEE agrees, within ten (10) days upon written request to LESSOR to acknowledge same in writing, and LESSEE further agrees that it shall, after such notice, make all rent payments directly to such assignee or pledgee, provided that, to the extent of payments so made, it shall be deemed to have complied with its liability for payment of rent hereunder. LESSEE shall not assign this Lease nor sublease the leased property without the prior written consent of LESSOR, nor shall LESSEE encumber or cause or permit the leased property to be encumbered by any lien whatever.

17. In the event that LESSEE fails to make any payment when due, and to keep and perform each and every other condition, covenant and obligation by it to be kept and performed hereunder, LESSOR, may at its option, give LESSEE thirty (30) days written notice and then terminate this Lease without further notice, if such default is not cured within such time. Upon such termination, LESSEE shall forthwith surrender possession of the leased property to LESSOR, and in the event LESSEE fails to do so, LESSOR shall have the right without notice or demand or legal process or liability to enter upon the site or other premises of the LESSEE on which

the leased property is located under the easement for that purpose granted in paragraph 7 above, and repossess the same. Notwithstanding such termination and repossession, LESSEE shall remain liable for all rent to the date of termination together with any other sums required hereby to be paid by LESSEE and also for payment of all reasonable attorneys' fees and repossession and collection expenses incurred by LESSOR. In addition, LESSOR shall have all other remedies available at law or in equity.

18. LESSOR makes no warranties nor representations in connection with this Lease or the leased property, except that the leased property shall be fit for the use intended. Unless expressly provided herein, there are no other warranties nor representations express or implied.

19. All notices required or indicated hereby shall be deemed properly given if deposited in the United States mail, first class postage prepaid, addressed to LESSOR at Earl Avenue at Wallace Street, Lafayette, Indiana, or at such other place as LESSOR may hereafter, from time to time, designate in writing and to LESSEE at Earlham Community School District, Earlham, Iowa50072 or at such other place as LESSEE may hereafter, from time to time designate in writing.

20. This lease contains the entire agreement between the parties and no promise, verbal or written and regardless of when made, shall have any force or effect unless included herein. No

subsequent alteration, modification, extension hereof or hereto shall have any effect unless endorsed hereon in writing and signed by both parties, or unless the parties both execute a formal written supplement or amendment hereto.

No waiver by LESSOR of any requirements herein shall be deemed a waiver of its right to the subsequent enforcement of such requirement. No waiver by either party hereto of any breach of this agreement or any warranty herein contained by the other party shall constitute a waiver of any subsequent or continuing breach. All warranties shall survive the execution of this Lease and continue until its termination.

TIME IS OF THE ESSENCE OF THIS LEASE. All covenants herein contained shall be deemed to be conditions hereof. This Lease shall bind and shall inure to the benefit of the parties hereto and their respective successors and assigns.

Signed by LESSOR this 19th day of July, 1971.

Signed by LESSEE this 19th day of July, 1971.

The effective date of this Lease is the date of the last to sign.

NATIONAL HOMES CORPORATION, LESSOR

By: Robert Uvick, Vice President and Secretary

Attest: Edmund Wasmuth, Treasurer

EARLHAM COMMUNITY SCHOOL DISTRICT, EARLHAM, IOWA

By William D. Martens

Attest:

No School Seal

7/19/71

ARRIX SCHOOL SEAL HERE

STATE OF IOWA
SS:
COUNTY OF Madison

On this 9th day of July, A.D. 1971, before me, a Notary Public, in and for said County, personally appeared William D. Martens and Beverly Jean Reinert to me personally known, who being by me duly sworn, did say that ~~he~~ (they) ~~is~~ (are) the President, Board of Directors (title) and District Secretary (title) of EARLHAM COMMUNITY SCHOOL DISTRICT (name of school) that the seal affixed to said instrument is the seal of said School and that said instrument was signed and sealed on behalf of said School by authority of its Board and that the said William D. Martens and Beverly Jean Reinert acknowledged the execution of said instrument to be the voluntary act and deed of said School by it voluntarily executed.

HILDRED DEVAUL NOTARIAL SEAL

My Commission Expires:
June 4, 1972

Notary Public

STATE OF INDIANA
SS:
COUNTY OF TIPPECANOE

On this 19th day of July, A.D. 1971, before me a Notary Public in and for said County, personally appeared Robert Uvick and Edmund Wasmuth, to me personally known, who being by me duly sworn did say that they are the Vice-President and Secretary and Treasurer of National Homes Corporation; that the seal affixed to said instrument is the seal of said Corporation and that said instrument was signed and sealed on behalf of the said Corporation by authority of its Board of Directors and that the said Robert Uvick and Edmund Wasmuth acknowledged the execution of said instrument to be the voluntary act and deed of said Corporation by it voluntarily executed.

My Commission Expires:
October 8th 1973

Notary Public

NOTARY PUBLIC INDIANA
State of Indiana
County of Tippecanoe

JUL 19 1971

LEGAL DESCRIPTION OF THE EARLHAM COMMUNITY SCHOOL PROPERTY

Lot 6, Block 2, Original Town of Earlham, Iowa
Addition #1: Lots 7, 8, 9, and 10, Block 2 in the town of Earlham, Iowa, as described by the original recorded plat thereof.
Addition #2: Lot 2, of outlots to Academy Additinn, Earlham, Iowa.
Addition #3: Commencing 57 feet West of the Southeast Corner of Lot Five (5) in Block Three (3) of the original town of Earlham, Iowa, Madison County, Iowa running thence North 70 feet, thence West 38 feet, thence South 70 feet, thence East 38 feet to the point of beginning, being a part of Lots Four (4) and Five (5) of said block.
Addition #4: Commencing at the Southwest Corner of the Northwest Quarter NW$\frac{1}{4}$ of Section Six (6) Township Seventy Seven (77), North of Range (28), West of the 5th P. M., Madison County, Iowa and running thence North Twenty-One (21) Rods, Thence South One (1) Rod and Eleven and $\frac{1}{2}$ feet, thence East to a Point Fourteen (14) Rods West of the East Line of the West Fractional One-Half (WFR $\frac{1}{2}$) of said NorthwestQuarter (NW$\frac{1}{4}$), thence South to the South Line of said quarter Section, thence West to the place of beginning.
Addition #5: A ten (10) foot permanent right of way easement located on Outlot (1) of the Academy Addition Outlots in the town of Earlham, Iowa