

MULTI-YEAR LEASE AGREEMENT

This Multi-Year Lease Agreement ("Agreement") is made and entered into this 17th day of July, 2023, by and between New Hampton Schools ("Lessor") and Little Sprouts Daycare ("Lessee"), collectively referred to as the "Parties."

1. Premises

The Lessor agrees to lease the daycare space located at 206 West Main Street, New Hampton, Iowa, hereinafter referred to as the "Premises," to the Lessee for the duration of this Agreement.

2. Lease Term

The lease term shall be for a period of 25 years, commencing on the 1st day of August, 2023, and terminating on the 31st day of July, 2048, unless otherwise terminated in accordance with the terms of this Agreement. This lease is for 12 months of the year.

3. Rent

The Lessee agrees to pay the Lessor an annual rent of \$1, payable in full at the beginning of each lease year. Rent for the initial year of this Agreement shall be paid upon signing this Agreement.

4. Utilities and Internet Access

The Lessor shall be responsible for providing utilities, including but not limited to water, electricity, and heating, necessary for the operation of the daycare facility. Additionally, the Lessor shall provide reliable Internet access to the Lessee for their business needs.

5. Office Space and Laundry Facilities

The Lessor shall allocate a designated office space within the Premises for the Lessee's administrative tasks. Furthermore, the Lessee shall have access to the laundry facilities on the Premises for laundering daycare-related items.

6. Custodial Needs

The Lessee agrees to be responsible for the custodial needs of the Premises. This includes maintaining cleanliness, waste disposal, and general upkeep of the daycare space. The Lessee may use the Lessors dumpsters to dispose of any trash from the daycare space. The Lessee shall ensure that the Premises are kept in a safe and hygienic condition at all times.

7. Phone Access

The Lessee shall arrange and bear the costs for their phone access, including installation, monthly charges, and any associated expenses.

8. Maintenance and Repairs

The Lessor shall be responsible for all major repairs and structural maintenance of the Premises. The Lessee shall promptly notify the Lessor of any necessary repairs or maintenance required for the Premises.

9. Insurance

The Lessee shall maintain adequate (at least 1 million dollars) liability coverage and list the Lessor as an also insured on the policy.

10. Food and Meal Services

The Lessee shall have the daycare students participate in the school lunch program during the school year. This means the daycare students will use their lunch tickets when eating breakfast or lunch. The Lessee shall provide all snacks and drinks that are outside of the regular breakfast and lunch meal. Summer meals will be determined between the district and the daycare provider.

10. Future of the Facility if the district relocates or closes

It is the hope of all parties to this agreement that if at some point in the future, the district builds a new elementary school or relocates the current building to another location, that daycare facilities will be included in the new elementary school.

11. Compliance with Laws and Regulations

The Lessee shall comply with all applicable federal, state, and local laws, regulations, and licensing requirements related to operating a daycare facility.

12. Termination

Either party may terminate this Agreement with written notice of at least 90 days prior to the desired termination date. Upon termination, the Lessee shall vacate the Premises and return them to the Lessor in the same condition as when received, except for reasonable wear and tear.

13. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the state of Iowa.

14. Entire Agreement

This Agreement constitutes the entire understanding between the Parties and supersedes any prior agreements or understandings, whether written or oral, relating to the subject matter hereof.

IN WITNESS WHEREOF, the Parties have executed this Multi-Year Lease Agreement as of the date first above written.

New Hampton Schools (Lessor):

[Authorized Representative]

Little Sprouts Daycare (Lessee):

[Authorized Representative]