LEASE AGREEMENT

THIS LEASE is entered into by Pelican Rapids Public Schools, ("Landlord") and West Central MN Communities Action, Inc., a nonprofit corporation. The parties agree as follows:

1. PREMISES AND COMMON AREAS:

Landlord leases to WCMCA and WCMCA leases from Landlord, upon all of the terms and conditions hereof, the following premises (the "Premises"):

a. Approximately 1920 square feet of rentable area consisting of two classrooms and located on the ground floor of the building located on land and commonly known as 1 Viking Drive, Pelican Rapids MN 56572 such land and building being referred to as the "Building".
b. WCMCA and its invitees have the right to use all parking spaces and playground area associated with the Building.
c. WCMCA and its agents, employees and invites have the right together with Landlord and others designated by Landlord, to the use of the common areas in the Building (including bathrooms, hallways, and classroom storage areas) for the common areas' intended and normal purposes.

2. ALTERNATIONS, ADDITIONS and IMPROVEMENTS

a. WCMCA. WCMCA may, at its sole option and expense, make changes, additions, deletions, improvements, and alternations (collectively, "alternations") to the Premises provided WCMCA shall not make any alternations other than decorative or cosmetic changes to the Premises, without Landlord's prior written approval, which shall not be unreasonably withheld.

3. TERM

a. The term of this Lease shall begin on August 1, 2026, and shall continue, unless sooner terminated or extended as herein provided, until July 31, 2027.
b. EARLY TERMINATION. Notwithstanding anything to the contrary contained herein, WCMCA shall have the right to terminate this Lease by giving Landlord 30 days' written notice at any time during the term of this lease. Upon such termination of this Lease, WCMCA shall have no further obligations or responsibilities under this Lease or relating to the Premises, and Landlord shall be deemed to have released WCMCA from any such further obligations or responsibilities without the need for further action on the part of Landlord.

4. RENT. WCMCA agrees to pay, and Landlord agrees to accept, as rent for the Premises, the sum of Seven Thousand Five Hundred and no cents ($8,000) per year, payable in monthly installment, by the first of each month.

5. PROPERTY TAXES. Landlord shall be responsible for and shall pay when due all real estate taxes and special assessments which at any time during the term hereof may be assessed, levied, imposed upon or become due and payable with respect to the Premises.

6. COSTS AND UTILITIES.

   a. Paid by WCMCA: In addition to the monthly rent set out in Paragraph 4, WCMCA shall be responsible for direct payment of the following costs: NONE
   b. Paid by Landlord: The Landlord shall be responsible for direct payment of the following costs, which are included in the monthly rent set out in Paragraph 4: Landlord will pay all water, pest control, garbage, sewer, electric and gas cost of the facility. Landlord shall pay for phone and internet services.

7. DEPOSIT: Within ten (10) days of execution of this LEASE, WCMCA shall pay a deposit to Landlord to secure WCMCA performance of its obligations under the Lease. NO DEPOSIT REQUIRED

8. USE OF PROPERTY. WCMCA shall use and occupy the Premises only for the purpose of providing Head Start/Early Head Start services, and directly related activities, and for no other purpose. Landlord warrants as a term of this Lease that the Premises meets all federal, state and local standards applicable to the Head Start/Early Head Start activities taking place in the Premises. In the event that it is determined by WCMCA that the Premises fails to meet any federal, state or local standard applicable to program operations in the Premises, or the Premises cannot be licensed as a child care facility under applicable state law, the failure may constitute an event of default on the part of the Landlord.

   Landlord agrees, at its sole expense, to correct all violations of applicable laws, regulations or deficiencies thereof requested by WCMCA within a reasonable time period (as agreed upon by both parties) after identification thereof by WCMCA. If Landlord fails to correct any such violations or deficiencies, WCMCA may immediately terminate this Lease by notice to Landlord, in which event WCMCA shall have no further obligations hereunder.

9. INSURANCE.

   a. Landlord's Insurance. Landlord shall maintain insurance with respect to the Premises against loss or damage by fire, lightning, windstorm, tornado, hail and such other risks as are customarily covered by extended coverage endorsement in an amount sufficient to cover the replacement cost of the Premises. The cost shall be paid by Landlord. Landlord shall also maintain general liability insurance on any common areas shared by WCMCA with the Landlord and/or other tenants, in an amount of at least $1,000,000 per occurrence and $3,000,000 aggregate coverage.

   b. WCMCA Insurance. WCMCA shall, at its expense, at all times maintain:

      1. Insurance with respect to WCMCA alternations, if any, equipment, machinery, and personal property against loss or damage by fire, lightning, windstorm, tornado, hail and other risks as are customarily covered by extended coverage; and
      2. Commercial general liability insurance against claims for death and bodily injury arising on or about the Premises, with a limit of not less than $1,000,000 per occurrence, $3,000,000 in the aggregate.

   c. General. Within ten (10) days after the execution of this Lease, and prior to the expiration of each policy, each party shall furnish to the other a certificate of insurance evidencing the coverage required hereunder and upon request shall furnish a copy of any policy required hereunder.

10. WAIVER OF SUBROGATION. Notwithstanding any other provision in this Lease to the contrary, Landlord and WCMCA hereby agree, for themselves and their respective insurers, successors and assigns, that neither of them will, either directly or by way of subrogation or otherwise, assert against the other any claim that the other is liable or responsible for any loss or damage that is covered by property or liability insurance maintained by a party or that would be covered if each party maintained all insurance required to be maintained hereunder, even if such loss or damage shall have been caused by the fault or negligence of the other party, or of anyone for whom such party may be responsible. Each party shall take all necessary action to confirm that such party's insurer (s) has agreed to the foregoing limitation on recoveries by subrogation or otherwise.

11. REPAIRS AND MAINTENANCE.
    a. Routine Repairs and Maintenance. Subject to the provisions of Section 11b and 11c below, WCMCA shall, at its expense, perform all routine repairs and maintenance to the Premises, including such preventative maintenance as is customarily performed by tenants under leases for comparable terms; provided, however, that WCMCA shall not be required to pay the costs of such repair and maintenance per lease year. WCMCA obligations with respect to repair maintenance of the Premises shall be measured based upon the present condition of the Premises. Any repair or maintenance shall be Landlord's responsibility.
    b. Structural Repairs. Landlord shall promptly, as its expense, perform any necessary replacements or repairs to the structure, roof, heating, cooling, ventilating, electrical, mechanical or plumbing or other building systems or utility lines. Such repairs shall be made to keep the Premises in a condition comparable to or better than other comparable facilities in the area in which the Premises is located and in compliance with all applicable laws and regulations.
    c. Right of Entry. In the event that emergency repairs to the Premises are required, Landlord may enter the Premises immediately, and without notice to WCMCA. In all other circumstances, Landlord may enter the Premises for inspection, repair, alteration or improvement of the Premises in accordance with 11b above, but will provide WCMCA with 24 hours' notice of its intention to enter the Premises, and will not interfere with WCMCA business operations during entry of the Premises.

12. DAMAGE OR DESTRUCTION OF PREMISES. In the event the Premises are damaged or destroyed by fire or other casualty to the extent that a substantial part of the Premises are rendered substantially untenantable, WCMCA may terminate this lease by written notice to Landlord given within 30 days after such damage or destruction. If WCMCA does not give such notice to terminate, then Landlord shall restore the Premises to a condition at least as good as exists on the date hereof, and rent shall abate hereunder from the date the Premises are rendered untenantable until the date the Premises are restored to tenantability.

13. DEFAULT:

    a. By WCMCA: In the event that WCMCA defaults in the performance of any obligation under this Lease, including abandonment of the Premises, Landlord shall provide WCMCA with written notice of the default. If the default in performance by WCMCA is not cured within thirty (30) days after receipt of notice of default from Landlord, WCMCA shall vacate the Premises and return it to Landlord within the same thirty (30) day period. Subject to Paragraph 3(b) and the duty of Landlord to mitigate damages, Landlord shall retain the right to compensation for all amounts due and owed by WCMCA to Landlord under this Lease if Landlord re-takes possession of the Premises due to non-performance of this Lease by WCMCA.

b. By Landlord: In the event that Landlord defaults in the performance of any obligation under this Lease, WCMCA shall provide Landlord with written notice of the default. In the event that the default is not cured within thirty (30) days, this Lease shall terminate, and WCMCA may vacate the Premises and shall have no further obligations under the Lease or relating to the Premises. In the event that the default of Landlord results from failure of the Premises to meet any federal, state or local standard applicable to operation of a Head Start/Early Head Start program, this Lease may be terminated immediately upon written notice to the Landlord, if WCMCA determines that continued use of the Premises creates a danger to the health and safety of children or WCMCA staff or if the facility cannot be licensed as a child care facility under applicable state law.

14. ASSIGNMENT.
    a. Except as set forth in subparagraph (b) of this section, WCMCA shall not assign the Lease or sublet all or any part of the Premises without Landlord's prior written consent, which consent shall not be unreasonably withheld or delayed.
    b. Landlord and WCMCA agree that, notwithstanding anything to the contrary contained in the Lease, WCMCA may assign all its rights, duties and obligations under the Lease at any time to a grantee selected to replace WCMCA as the Head Start/Early Head Start provider for the Program, without Landlord's further consent. Upon such assignment, WCMCA shall have no further obligations or responsibilities under the Lease or relating to the Premises and Landlord shall be deemed to have released WCMCA from any such further obligations or responsibilities without the need for further action on the part of Landlord.

15. NOTICE: Notice under this Lease shall be given in writing, U.S. Mail, postage pre-paid and addressed as noted below, and shall be effective three (3) days after the date upon which notice is given:

If to Landlord:

Pelican Rapids Public Schools
Superintendent Brian Korf
P.O. Box 642
Pelican Rapids, MN 56572

If to WCMCA:
Missy Becker-Cook, CEO
West Central MN Communities Action, Inc.
411 Industrial Park Blvd.
Elbow Lake, MN 56531

16. MISCELLANEOUS.
    a. Severability: Amendment; binding Effect; Etc. If any term of this Lease or any application thereof shall be invalid or unenforceable, the remainder of this Lease and any other application of such term shall not be affected thereby. This Lease contains the entire agreement of the parties, and neither party is relying upon any representation not contained herein. The Lease may be changed, waived, discharged or terminated only by an instrument in writing signed by the Landlord and WCMCA. This Lease shall be binding upon and inure to the benefit of and be enforceable by the respective

successors and assigns of the parties hereto. The headings of this Lease are for purposes of reference only and shall not limit or define the meaning hereof.

b. Option to Renew. Landlord grants WCMCA the option, exercisable by written notice to Landlord at least 30 days prior to the expiration of the initial term of this Lease, to renew this Lease for an additional one-year term immediately following the end of such initial term. All provisions of this Lease shall be applicable to any such renewal term, and WCMCA shall have the right to terminate this Lease on 30 days written notice to Landlord, at any time during such extended term, with or without cause, and, upon such termination, WCMCA shall have no further obligations to Landlord under the Lease or relating to the Premises.

c. Holding Over. If WCMCA holds over after the expiration of the term of this Lease, or any extended term, if applicable, without written agreement providing otherwise, then WCMCA shall be deemed to be a tenant from month to month, at a monthly rent equal to the last monthly rent payable under this Lease, and subject to all of the other provisions and conditions of this Lease.

d. Attorney's Fees. In any action to enforce or contest any provision of this Lease, or to obtain a declaration of the rights or obligations of the parties hereunder, the prevailing party shall be entitled to recover all costs and expenses, including reasonable attorney's fees incurred by such party in connection with such action.

e. Surrender. Upon the expiration or earlier termination of this Lease, WCMCA shall remove its personal property and trade fixtures from the Premises, in accordance with the following terms, and surrender the Premises in as good condition as received, reasonable wear and tear accepted, free from debris and broom clean. To avoid any confusion regarding ownership, Landlord acknowledges that it has received a copy of WCMCA's Head Start inventory list which delineates items purchased by WCMCA or for utilization by the Head Start program, which items are located in the Premises as of the commencement of WCMCA's occupancy, and Landlord agrees that all items on such inventory list are the property of WCMCA and may be removed from the Premises at any time by WCMCA or a future operator of the Head Start program, with the exception of those items listed on Exhibit D, if any. Such inventory list is not intended to exclude other items brought into the Premises by WCMCA and constituting WCMCA's personal property or trade fixtures, which may be removed by WCMCA at any time (and all items purchased by WCMCA which are located in the Premises shall be considered to be WCMCA's personal property), but rather is intended to set forth the parties' agreements regarding the specified items located in the Premises at the commencement of WCMCA's occupancy. Any improvements, alternations or fixtures not removed by WCMCA from the Premises within 15 days after the expiration or earlier termination of this Lease shall be deemed abandoned and shall become the property of Landlord, and WCMCA shall have no further responsibility for such improvements, alternations or fixtures.

IN WITNESS WHEREOF, the undersigned have executed this Lease effective as of the date set forth above.

LANDLORD:

_____ a

_____

Taxpayer ID# _____

By: _____

Its: _____

Address: _____

_____

WCMCA:

West Central MN Communities Action, Inc., a Minnesota nonprofit corporation

Taxpayer ID # 41-0904808

By: _____

Its: _____

Address:
Missy Becker Cook, CEO
411 Industrial Park Blvd.
Elbow Lake, MN 56531