

**COMMERCIAL OFFICE SPACE LEASE
CITY OF HAWLEY – Hawley Downtown Business Center**

Parties: City of Hawley Hereinafter "Lessor"
305 6th Street
PO Box 69
Hawley, MN 56549
(218) 483-3331

_____ Hereinafter "Lessee"
Business Name _____
_____ (Address)
_____ (Phone Number)
_____ (E-Mail Address)

LEASE SUMMARY

Lease of Suite # _____, _____ Square Feet x \$18.00 ÷ 12 = Monthly Lease \$ _____

LESSOR AND LESSEE AGREE AS FOLLOWS:

1. **LEASED PREMISES:**

LESSOR grants and LESSEE accepts the lease of the following described Leased Premises located at the HAWLEY DOWNTOWN BUSINESS CENTER Building, 407 6th Street, Clay County, Minnesota, Suite # _____, containing _____ square feet.

2. **USE:**

LESSEE shall use and occupy the Leased Premises only for a Commercial Business use and/or Business services and for such related activities as listed here: _____

3. **TERM:**

The minimum term for a new Lease Agreement is six (6) months commencing on the date of the signed lease. Thereafter, the Lease is automatically extended for additional three (3) month periods until such time either the Lessee or Lessor gives a 90 day written notice to terminate the lease.

4. **RENT/PAYMENT OF RENT/DEPOSIT:**

As rent for the Leased Premises and in consideration for all covenants, representations and conditions of this Lease Agreement, LESSEE agrees to pay LESSOR the sum of \$18.00 per square foot per month year for a monthly total of \$_____ made payable to the City of Hawley.

Monthly rental payments shall be paid on or before the 1st of each month. If payment is not made by the 10th of the month, a \$20.00 late fee shall be added to the amount due. If payment is 30 days late, LESSEE shall be in default.

Upon execution of this Lease, the LESSEE shall pay the LESSOR a deposit equal to one month's rent, to be held by the LESSOR without interest until such time the Lease is terminated.

Upon execution of this Lease, the LESSEE shall pay the LESSOR the first month's rent up front.

5. **POSSESSION:**

LESSEE shall be entitled to possession on the first day of the term of the Lease and shall yield possession to LESSOR on the last day of the term of the Lease unless otherwise agreed by both parties in writing. At the expiration of the term, LESSEE shall remove its goods and affects and peaceably yield up the premises to LESSOR in as good condition as when delivered to LESSEE ordinary wear and tear excepted.

6. **RENEWAL TERMS:**

The Lease shall be subject to renewal by mutual agreement of the parties. LESSOR has not made a final decision as to the use of the building after 2017.

7. **DUTIES OF LESSOR:**

LESSOR shall, at its expense, provide the following: Utilities, heating, cooling, ventilation, janitorial service for the common areas, trash removal, and regular maintenance and repair. LESSEE shall be responsible to keep the public sidewalks adjacent to the building and any sidewalks or stairways leading from the public sidewalks to the building free from snow, ice and debris.

8. **DUTIES OF LESSEE:**

LESSEE shall pay rent in a timely manner.

Use the premises only for the purposes stated in this Lease and refrain from use of the property for any purpose forbidden by law.

LESSEE shall not assign, sublet, or otherwise transfer its interest in this Lease Agreement unless

prior written consent is obtained.

LESSEE shall make no alterations, additions, or changes in the Leased Premises without the advance written consent of LESSOR. All alterations, additions, improvements and fixtures, which may be made or installed by LESSOR upon the Leased Premises and which in any manner are attached to the floors, walls, or ceilings, at the termination of this Lease shall remain the property of LESSOR, and shall remain upon and be surrendered with the Leased Premises as a part thereof, without damage or injury beyond normal wear and tear and floor covering affixed to the floor shall likewise become the property of LESSOR.

LESSEE agrees to observe reasonable precautions to prevent waste of heat, electricity, water, air conditioning, and other utility or any service, whether such is furnished by LESSOR or obtained and paid for by LESSEE.

Smoking: Pursuant to Minnesota Statute 16B.24, Subd. 9 (1993), the occupants of the Leased Premises shall not smoke nor permit smoking on the Leased Premises.

Pets/Animals: No pets or animals are allowed to be kept in the common areas of the building unless authorized to do so by law.

9. **SNOW REMOVAL:**

LESSEE shall keep the public sidewalks adjacent to the building and any sidewalks or stairways leading from the public sidewalks to the building free from snow, ice and debris. Shovel and snow melt products will be supplied by the LESSOR for the use of the LESSEE.

10. **JANITORIAL SERVICE:**

LESSEE shall provide janitorial services and cleaning of the Leased Premises, bathrooms, and common areas of the building, including the individually rented office spaces.

11. **USEABLE SPACE MEASUREMENTS:**

It is understood by LESSOR and LESSEE that the rent schedule is based upon the number of useable square feet of space occupied in the Unit by LESSEE. Usable square feet for purposes of the Lease Agreement and calculating rent shall be computed by measuring the inside finished surface of exterior walls to the inside finished surface of the building corridor and other permanent walls or to the center of the walls separating the Leased Premises from other tenant space. Restrooms, corridors, lobbies and receiving areas which are used in common with other tenants are also excluded. No deductions are made for columns, pilasters or other projections to the building if each is less than four (4) square feet.

12. **DESTRUCTION OF PREMISES:**

If the Leased Premises shall be destroyed or damaged by fire, tornado, flood, civic disorder, or any cause whatsoever, so that the Leased Premises become untenable, the rent shall be abated from the time of such damage and LESSEE shall have the option of terminating this Lease Agreement immediately or allowing LESSOR such amount of time as LESSEE deems reasonable to restore the damaged Leased Premises to tenantable condition.

13. **PROPERTY INSURANCE:**

LESSOR and LESSEE shall each maintain appropriate insurance for their respective interests in the premises and property located on the premises. LESSOR shall be named as an additional insured in such policies. LESSEE shall deliver appropriate evidence to LESSOR as proof that adequate insurance is in force issued by companies reasonably satisfactory to LESSOR. LESSOR shall receive advance written notice from the insurer prior to any termination of any such insurance policies. LESSEE shall also maintain any other insurance which LESSOR may reasonably require for the protection of LESSOR's interest in premises. LESSEE is responsible for maintaining casualty insurance on its own property.

14. **BUILDING ACCESS:**

LESSOR shall provide a key for access to the Leased Premises 24 hours/7 days a week for authorized employees of LESSEE. This is not a public building and LESSEE is responsible to secure the building and only allow use by their employees and customers for normal business use.

15. **PARKING:**

LESSEE shall utilize parking located at the north side of Hartford Street, south side of Main Street or the City Hall parking lot for the use of LESSEE, its invitees, licensees and guests. LESSEE and their employees agree not to park directly in front of this building nor businesses on the west side of 6th Street, as that area is designated for customers of all the suites in the building. It is understood by LESSOR and LESSEE that there is no additional rental charge for parking provided in this Lease Agreement.

16. **TELECOMMUNICATIONS:**

LESSOR shall provide, at its expense, access to wireless internet service. The LESSEE shall keep the code for such service confidential and only use it for the LESSEE's business use.

17. **NOTICES:**

All notices, or communication between LESSOR and LESSEE shall be deemed sufficiently given or rendered if in writing and delivered to either party personally or sent by registered or certified mail addressed as follows:

LESSOR: City of Hawley
305 6th Street
PO Box 69
Hawley, MN 56549
(218) 483-3331

LESSEE: _____

18. **SALE OF BUILDING:**

In the event the Leased Premises or the building of which the same is a part shall be sold the City of Hawley shall provide ninety (90) days notice of termination to all LESSEES. The City shall give the new owner and LESSEE information to negotiate future leases on their own.

19. **DEFAULT BY LESSEE:**

LESSEE shall be in default of this Lease if LESSEE fails to fulfill any lease obligation or term by which LESSEE is bound. Subject to any governing provisions of law to the contrary, if LESSEE fails to cure any financial obligation within five (5) days or any other obligation within ten (10) days after written notice of such default is provided by LESSOR to LESSEE, LESSOR may take possession of the premises without further notice (to the extent permitted by law), and without prejudicing LESSOR's rights to damages. In the alternative LESSOR may elect to cure any default and the cost of such action shall be added to LESSEE's financial obligations under the Lease. LESSEE shall pay all costs, damages, and expenses (including reasonable attorney's fees and expenses) suffered by LESSOR by reason of LESSEE's default. All sums of money or charges required to be paid LESSEE under this Lease shall be additional rent, whether or not such sums or charges are designated as "additional rent". The rights provided by this paragraph are accumulative in nature and are in addition to any of the rights afforded by law.

20. **GOVERNING LAW:**

This Lease shall be construed in accordance with the laws of the State of Minnesota.

21. **ENTIRE AGREEMENT:**

This Lease Agreement contains the entire agreement of the parties and there are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Lease. The Lease may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

22. **SEVERABILITY:**

If any portion of this Lease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a Court finds that any provision of the Lease is invalid or unenforceable but that by limiting such provisions, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

23. **WAIVER:**

The failure of either party to enforce any provisions of this Lease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Lease.

24. **BINDING EFFECT:**

The provisions of this Lease shall be binding upon and inured to the benefits of both parties and their respective legal representatives, successors and assigns.

Dated this ___ day of _____, 20__

LESSOR:

LESSEE:

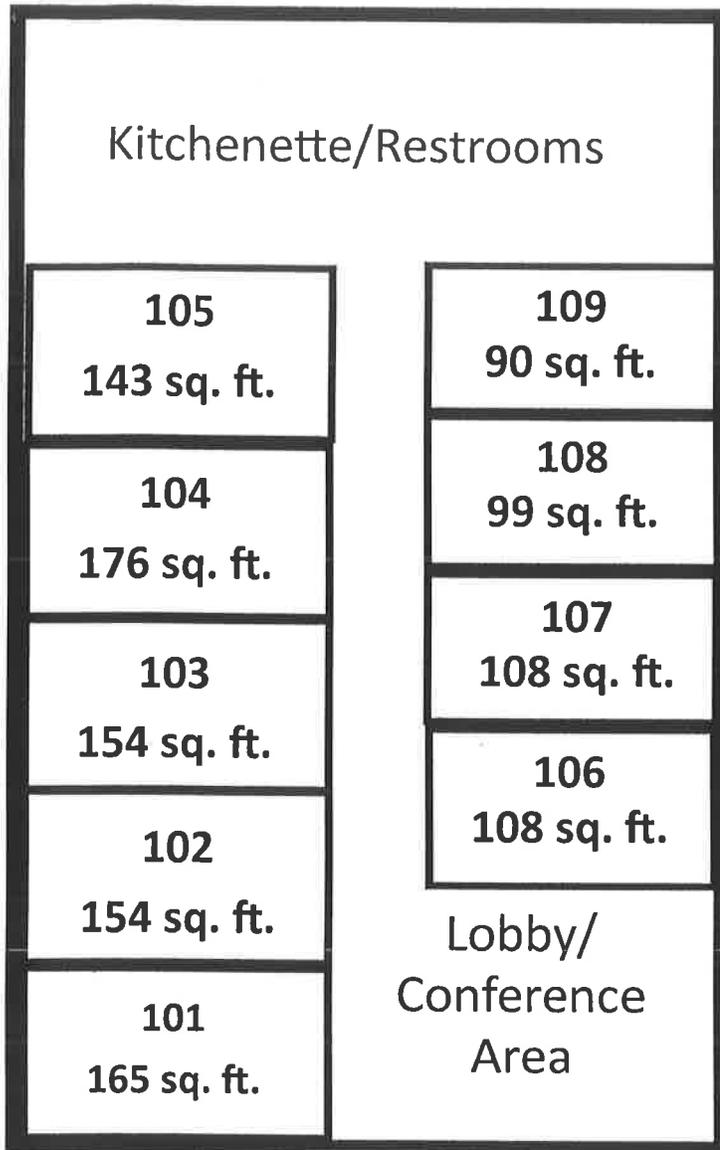
City of Hawley

By: _____

By: _____

Hawley Downtown Business Center

407 6th St
Hawley, MN 56549



Office Number	Square Footage	Annual Cost per Foot	Monthly Rental Rate
101	165	\$18	\$247.50
102	154	\$18	\$231.00
103	154	\$18	\$231.00
104	176	\$18	\$264.00
105	143	\$18	\$214.50
106	108	\$18	\$162.00
107	108	\$18	\$162.00
108	99	\$18	\$148.50
109	90	\$18	\$135.00