# RED CLOUD EDUCATIONAL HUB COMMERCIAL SUB-LEASE AGREEMENT

This Sub-Lease agreement ("Lease", "Sub-Lease", or "Agreement") made and
entered into this <u>1st</u> day of <u>October</u> , 20 <u>25</u> (Effective Date), by and between
Central Community College, Area of Nebraska, hereinafter referred to as "Sublandlord",
and <u>Discover Red Cloud</u> , hereinafter referred to as "Subtenant" (Sublandlord and
Subtenant are referred to individually as "Party" and collectively as "Parties")

#### **RECITALS**

WHEREAS, Sublandlord is a tenant under a lease agreement dated April 2, 2024 ("Prime Lease") with 402 Loft LLC ("Prime Landlord") and leased the commercial real estate, improvements, and building having a street address of 402 N. Webster, Red Cloud, Nebraska 68970; and

WHEREAS, With Prime Landlord approval, Sublandlord desires to sublease a portion of the commercial real estate on the premises described herein to Subtenant and Subtenant desires to sublease a portion of the commercial real estate on the premises described herein from the Sublandlord. NOW, THEREFORE, the parties agree as follows:

## ARTICLE 1 TERMS OF LEASE

- 1.1 <u>Leased Premises:</u> Sublandlord hereby leases to the Subtenant and the Subtenant hereby leases from the Sublandlord the following property:
  - An office space on the main floor in the east portion of the building located at 402 N. Webster Red Cloud, Nebraska 68970, which is comprised of approximately 300 (17' X 17') square feet. (hereinafter referred to as "Leased Property"), along with access to common areas outlined in 1.7.
- 1.2 <u>Term of Lease:</u> Unless terminated in accordance with the terms of this Agreement, this lease and all of its terms shall automatically renew pursuant to the following terms:

- 1.2.1 Commencing on the effective date through April 1, 2027 ("Initial Term")
- 1.2.2 Commencing on May 1, 2027, through June 30<sup>th</sup>, 2030 ("Second Term")
- 1.2.3 This Sublease will terminate after the Second Term unless renewed in writing by the parties.
- 1.2.4 Subtenant shall not be entitled to exercise any options to extend or renew the term of the Primary Lease.
- 1.2.5 If for any reason the Primary Lease is terminated prior to the Sublease termination, this Sublease shall terminate on the date of such termination and Sublandlord shall not be liable to Subtenant for such termination.
- 1.3 Rental Payments: Subtenant shall pay to the Sublandlord the monthly rental payment set forth below ("Rental Payments") for the lease of said Real Estate that shall be paid of the first day of the month. If the lease payments herein are not paid by the tenth (10<sup>th</sup>) day of the month after which they were due, Subtenant shall pay a late fee of \$100.00 per day for each day the payment is late.
  - 1.3.1 During the initial term, Subtenant shall pay Sublandlord \$375.00 per month as rent.
    During the second term, Subtenant shall pay Sublandlord \$385.00 per month as rent, a 3% increase.
- 1.4 <u>Damage Deposit</u>: Subtenant shall not pay any separate damage deposit.
- 1.5 <u>Real Estate Taxes</u>: Subtenant shall not be responsible to pay any Real Estate taxes. Sublandlord shall pay Real Estate taxes and special assessments, which accrue on the real estate compromising the Leased Premises during the term of this lease.
- 1.6 <u>Personal Property Taxes</u>: For all terms of this lease, Subtenant shall be responsible for and pay for all personal property taxes, which may accrue on furniture, fixtures, signs, equipment and any other personal property installed or located on or within the Lease Premises during the term of this lease. Such taxes shall be paid as additional rent.
- 1.7 <u>Common Areas</u>: Subtenant will have access to common areas in the Leased Property, including parking spaces, sidewalks, restrooms, hallways, shared

meeting rooms, and a kitchenette. Subtenant shall keep all common areas in good, clean and orderly condition. Subtenant shall not commit any waste or damages in common areas, and shall be responsible for any and all damages or waste caused by Subtenants guests and invitees. Subtenant will be respectful of other Subtenants' use of the common areas.

- 1.8 <u>Tobacco-Free Campus</u>: The Leased Property is a tobacco-free campus.
  Subtenant, and any guests or invitees, will not use any tobacco products in or on the Leased Property, except for any designated smoking areas.
- 1.9 <u>Utilities</u>: Utilities will be paid for by the Sublandlord. Subtenant is responsible for and shall maintain their own access to data and voice communications including Internet connections with prior approval of Prime Landlord and Sublandlord for building modifications and install.
- 1.10 <u>Commercial Property / Building Insurance</u>: The Sublandlord will maintain the Commercial Property/ Building Insurance for the area occupied by the Subtenant.
- 1.11 <u>Commercial General Liability Insurance</u>: Subtenant shall maintain a Commercial General Liability insurance policy in a reasonable amount for any and all of the Subtenant's operations on the Leased Premises including Subtenant's employees and agents.
- 1.12 Repairs and Maintenance: Subtenant shall keep and maintain the Leased Premises in a clean and sanitary condition at all times, and upon termination of the tenancy shall surrender the Leased Premises to the Sublandlord in the same condition or better as when received, wear and damage by the elements to be expected. Sublandlord shall be responsible for and shall pay as its separate costs all other costs to repair or maintain the Leased Premises which shall include but not limited to interior walls, interior doors, interior windows, lighting and electrical systems, heating and HVAC systems, plumbing systems and fixtures, and flooring.
- 1.13 Improvements, Alterations, and Structural Changes: Subtenant shall have the right to make improvements, alterations, and other structural changes in or upon the Leased Premises, subject to the approval of the Sublandlord. Sublandlord shall have discretion to approve or deny any requests from

- Subtenant to make improvements to said Leased Premises, but the Parties agree that such approval shall not be unreasonably withheld.
- 1.14 Termination of Lease: Subtenant may terminate this lease for any reason prior to April 1, 2027 (Early Termination Period) by providing 60 days written notice to the Sublandlord. If the Subtenant elects to terminate during this Early Termination Period, Subtenant shall pay Sublandlord a surrender fee of \$1,000. After July 1,2028 the Subtenant may only terminate this lease for legal cause until June 30<sup>th</sup>, 2030, when this lease will terminate or be reissued under a new sub-lease agreement.
- 1.15 Right of Occupancy: In the event that the Sublandlord desires to terminate this lease prior to its expiration for any reason other than an occurrence of any event of default as set forth herein, Sublandlord shall provide 12 months written notice prior to termination to the Subtenant.
- 1.16 <u>Notices</u>: All payments, notices, and communications called for hereunder shall be mailed or delivered to Sublandlord or Subtenant at the address listed below or at such other place as Sublandlord or Subtenant designate in writing.

#### Sublandlord:

3134 W. Highway 34 P.O. Box 4903

Grand Island, NE 68802-4903

With copies via e-mails as follows

Matthew Gotschall at mcotshall@cccneb.edu

Joel L. King at joelking@cccneb.edu

#### Subtenant:

Discover Red Cloud 402 N. Webster Red Cloud, NE 68970

Jarrod McCartney at

imccartney@redcloudnebraska.com

### ARTICLE II ADDITIONAL TERMS

2.1 <u>Authorized Uses</u>: Subtenant shall utilize said Leased Premises for its general business operations which include general office use, meetings, and other activities normally engaged by the Subtenant and related to activities associated therewith.

- 2.2 <u>Signage</u>: Subtenant shall have the option to erect, place, or install a sign or signs on or to the Leased Premises at Subtenant's costs subject to the approval from the Prime Landlord and Sublandlord, which shall not be unreasonably denied.
- 2.3 <u>Prohibited Uses</u>: Subtenant hereby agrees that neither Subtenant nor any of Subtenant's employees, agents, guests or invitees shall undertake in any of the following activities in or on the Leased Premises:
- a. Violate any city, state or federal ordinance, regulation or law in or about said Leased Premises;
  - b. Smoke or use any tobacco products inside said Leased Premises;
- c. The storing of any pets, junk, debris, or other refuse on the Leased Premises; and
- d. Conduct any activities that our loud or obnoxious or create unreasonable noise and odors or disturb or threaten the rights, comfort, health, safety or convenience others or neighbors.
- 2.4 <u>Default</u>: Upon the occurrence of any event of default ("Event of Default") by Subtenant, Sublandlord may, in addition to any other remedy or right given by law, terminate this lease by service of written notice of such termination upon Subtenant and thereupon enter upon said Leased Premises, or any other part thereof upon the date specified in such notice and retake possession of said Leased Premises. Each of the following constitute an Event of Default under this Agreement.
- (a) Subtenant fails to make any rental payment under this Agreement for a period of thirty (30) or more days after the rental payment was due. Acceptance by Sublandlord of any rental payment after its due date shall not constitute a waiver of the default nor a waiver as to the time of making future rental payments;
- (b) Subtenant fails to comply with or to perform any other term, condition, obligation or covenant contained in this Agreement;
- (c) Subtenant abandons the Leased Premises; or
- (d) Dissolution or termination of Subtenant as existence as a going business or organized legal entity, the death of Subtenant, the insolvency of Subtenant, the appointment of a receiver for any part of the Subtenant's property, any assignment for the benefit of creditors, any type of creditor workout, or the

commencement of any proceeding under any bankruptcy or insolvency laws by or against the Subtenant.

- 2.5 <u>Condemnation</u>: In the event the whole or any part of the Leased Premises shall be taken by the right of eminent domain or by conveyance in lieu thereof or in connection therewith, any compensation or damage shall be paid to Subtenant and Sublandlord separately as their respective interests and rights are established. In addition, if all or substantially all of the Leased Premises shall be deemed to have been taken or if taken under any such proceeding shall involve such an area of the Leased Premises, building and common parking areas including a portion of the improvements thereon, that Subtenant cannot reasonably operate the remainder of the Lease Premises or the business being conducted on the Leased Premises by the Subtenant at the time of such taking, this agreement may be terminated at the option of the Subtenant.
- 2.6 <u>Indemnification</u>: Subtenant shall indemnify and hold harmless Sublandlord for any liability as a result of the use of the Leased Premises by Subtenant, its agents, employees and guests. Sublandlord shall not be liable to Subtenant for any damage occasioned to the property of Subtenant for use of the Leased Premises unless the same shall be directly attributable to the negligence of the Sublandlord or the Sublandlord's agents. All personal property situated on the Leased Premises shall be used at the sole risk of the Subtenant and Sublandlord shall not be or become liable for any damage to personal property, to Leased Premises or to Subtenant or to any other persons or property whatsoever.
- 2.7 <u>No Agency</u>: No agency, partnership, joint venture, or any other special relationship between the parties was created by this Agreement.
- 2.8 <u>Authorized Signers</u>: Each signer to the Agreement on behalf of any entity Party warrants that he or she has the requisite authority to enter into this Agreement, and that to the extent required by law, all necessary papers and documents to establish that authority have been executed, filed, and served.
- 2.9 <u>Advice of Counsel</u>: The Parties acknowledge that they, and each of them, have been either represented by counsel of their choice in the preparation of this Agreement, or have had full opportunity to consult with an attorney of their selection pertaining to the terms and conditions of this particular Agreement

and to advise them as to the legal effect of this Agreement so that they would understand the terms, provisions and other aspects that may affect their rights. In the event that any Party has not consulted an attorney pertaining to the terms and conditions of this Agreement, that Party acknowledges full understanding of the terms and conditions and expressly waives any objection at a later time based on the fact of not being advised by an attorney of that Party's own selection of the legal effect of this Agreement

- 2.10 <u>Mutually Drafted Document</u>. The Parties acknowledge and agree that each Party has participated in the drafting of this Agreement, and that this document has been reviewed by the respective legal counsel for the Parties, or that each Party has had the full opportunity to consult with an attorney of their selection, and that the normal rules of construction to the effect that any ambiguity is to be resolved against the drafting Party shall not apply to the interpretation of this Agreement. No inference in favor of, or against, any Party shall be drawn by the fact that one Party has drafted any portion of this Agreement.
- 2.11 <u>Right of Entry</u>: Sublandlord shall have the right to go upon Leased Premises at reasonable times and hours and inspect the same, after reasonable notice, unless there is an emergency, for the purpose of appertaining compliance with the terms of this Lease by Subtenant and for undertaking any repair which is the obligation of Sublandlord.
- 2.12 <u>Redelivery of Possession:</u> Upon the expiration or termination of this Lease in any maimer herein provided, Subtenant shall surrender possession and occupancy of said Leased Premises to Sublandlord without any other or further notice or action required from Sublandlord. Subtenant shall be entitled to remove his trade fixtures prior to expiration or termination of this lease.
- 2.13 <u>Separate Property:</u> Each Party hereby asserts that neither Party shall obtain any right, title and interest in and to the property of the other Party located on said Leased Premises.
- 2.14 <u>Binding Effect</u>. This Lease shall be binding upon the Parties, their heirs, personal representatives, successors and assigns.
- 2.15 <u>Modification of Lease</u>: Any modification of this Lease or additional Leases assumed by either Party connected with this Lease shall be binding only if

evidenced in a writing signed by each Party or authorized representative of each Party.

- 2.16 <u>Time of the Essence</u>: Whenever any periods of time are provided for in this Lease, it is agreed that time is an essential element of the same.
- 2.17 <u>Governing Law</u>: This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Nebraska and without regard to the conflict of laws provisions therein. Any legal action involving this Agreement in any way shall be instituted in a court of competent jurisdiction located in the State of Nebraska.
- 2.18 <u>Entire Agreement</u>: This Agreement contains the entire Agreement and understanding of the Parties and no representations or promises have been made except those set forth herein.

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SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the Parties hereto set their hands on the day and year set forth above. Central Community College, Area Discover Red Cloud Central Community College, Area President, Discover Red Cloud Matthew Gotschall, President **TBD** STATE OF NEBRASKA) County of Hall ) The foregoing instrument was acknowledged before me on this \_\_\_ day of \_\_\_\_\_ 2025, by Dr. Matthew Gotschall, President of Central Community College. **Notary Public** STATE OF NEBRASKA) County of \_\_\_\_\_\_) The foregoing instrument was acknowledged before me on this \_\_\_ day of \_\_\_\_\_\_, lt's \_\_\_\_\_\_.

**Notary Public** 

### **RESOLUTION**

The Central Community College Board of Governors authorizes the College President to sign the
commercial sub-lease agreement for the Red Cloud Educational Hub.