

LEASE AGREEMENT

This lease is entered into by and between Gera Investments LLC (“Landlord”), and the City of Jonesboro (“Tenant”), to be effective this _____ day of April, 2026 (the “Effective Date”). The terms and conditions of this Lease are as follows:

1. **Leased Premises.** In consideration of the rents, covenants, and agreements herein reserved and contained on the part of Tenant to be observed and performed, Landlord demises and leases to Tenant, and Tenant leases and accepts from Landlord the premises located at the common address of 1421 South Caraway Road, Jonesboro, Arkansas (Parcel No. 01-144204-00420) (the “Premises”).
2. **Term.** The initial term of this Lease shall begin on _____, 2026 (the “Lease Commencement Date”). On the Lease Commencement Date, Landlord shall deliver possession of the Leased Premises to Tenant. The first payment of rent shall become due on the Lease Commencement Date and rental payments shall continue thereafter for a period of five (5) years from the first day of the month following the Lease Commencement Date.
3. **Options.** Landlord hereby grants unto Tenant two (2) options of five (5) years to renew this Lease. Should Tenant desire to exercise either option, then Tenant shall provide Landlord written notice thereof at least six (6) months prior to termination of the then existing lease term. Failure to provide timely notice shall constitute termination of this Lease unless otherwise agreed between Landlord and Tenant in writing. All of the terms and conditions contained in this Lease shall apply through the applicable option period.
4. **Rent.** During the primary term, Tenant shall have the following options for the payment of rent by placing an “X” in one (1) of the two (2) brackets below:

[] to pay via ACH payment to the account provided by Landlord, or at such location as Landlord may from time to time designate in writing, annual rent of One Hundred Ninety-two Thousand Dollars (\$192,000.00) in equal monthly installments of Sixteen Thousand Dollars (\$16,000.00) each, payable in advance on the first day of every calendar month, provided that the Premises are taken by the Tenant in its current “as is” condition.

[] to pay via ACH payment to the account provided by Landlord, or at such location as Landlord may from time to time designate in writing, annual rent of Two Hundred Sixteen Thousand Dollars (\$216,000.00) in equal monthly installments of approximately Eighteen Thousand Dollars (\$18,000.00) each, payable in advance on the first day of every calendar month, provided that Tenant elects to receive from Landlord a \$200,000.00 Tenant improvement allowance.

5. **Use.** The Premises shall be used and occupied by Tenant for police, fire, public safety, or for such other needs of Tenant, in Tenant’s reasonable discretion. Any other use shall require the

consent of Landlord, which shall not be unreasonably withheld. Such use and occupancy shall be in compliance with all applicable laws, ordinances, and governmental regulations.

6. **Subordination.** Tenant agrees that this Lease shall be subordinate to any mortgages now or hereafter placed upon the Premises, provided that the mortgagee shall recognize this Lease in the event of foreclosure if Tenant is not in default. In the event the mortgagee elects to have this Lease declared a prior lien to its mortgage, then and in such event upon such mortgagee notifying Tenant to that effect, this Lease shall be deemed prior to the lien of the mortgage, whether this Lease is dated prior or subsequent to the date of the mortgage.
7. **Repairs and Maintenance.** Tenant shall, during the entire term of the Lease, be responsible for all repair and maintenance of every kind and manner, whether required by reasonable use and wear, or damage by fire or other casualty, including without limitation the roof, outside walls, foundations, sidewalks, parking area, drainage, interior walls, floors and ceilings, breakage and repairs, doors and outside windows, heating, air conditioning, plumbing systems, and interior wiring. Tenant shall use and occupy the Premises in a careful, safe and proper manner, and shall keep the Premises in a clean and safe condition in accordance with local ordinances and the lawful directions of proper public officials.

If Tenant refuses or neglects to commence such maintenance, repairs, or replacements within ten (10) days after written demand, or to adequately complete such repairs within a reasonable time thereafter, Landlord may (without any obligation) take such action without liability to Tenant for any loss or damage that may accrue to Tenant's stock or business by reason thereof, and in such event, Tenant shall pay to Landlord on demand as additional rent the costs with interest at two (2) percentage points higher than the Prime Rate as then reflected in the *Wall Street Journal* from the date of completion of such maintenance, repairs, or replacements.

8. **Improvements.**
 - a. **Landlord's Improvements.** Within ten (10) days of the Lease Commencement Date, Landlord shall authorize its contractor to perform the full scope of work as more specifically set forth in Exhibit "1" attached hereto. In the event Tenant elects to receive the proposed Tenant improvement allowed described above, then Landlord's Improvements and Tenant's improvements made under the allowance shall both be concurrently constructed.
 - b. **Tenant's Improvements.** All interior and exterior improvements, additions, alterations, structures, betterments, fixtures, or changes made by Tenant which are attached to and become a part of the wall, floor, or ceiling shall become a permanent part of the building and the Premises. Except for improvements performed by Tenant under its initial Tenant allowance, Tenant however shall not make, construct or install improvements, additions, alterations, structures, betterments, fixtures, or changes of any kind or nature on the interior or exterior of the building or on the Premises without first obtaining the written permission of Landlord. All additions, changes and other improvements erected or placed

on the Premises during the lease term shall remain thereon and shall not be removed therefrom, and, at the expiration of this Lease, all such improvements shall be the property of Landlord.

9. **Real Estate Taxes and Assessments.** Tenant shall pay all real estate taxes, special assessments, and any other taxes and fees imposed upon the Premises or Tenant's property during the term hereof, or of any renewal or extensions. Upon request by Landlord, Tenant shall provide documentary evidence that such taxes and fees, if any, have been paid. If Tenant refuses or neglects to pay said taxes and fees within ten (10) days after written demand, Landlord may (without any obligation) pay such amounts, and in such event, Tenant shall pay to Landlord on demand as additional rent the costs with interest at two (2) percentage points higher than the Prime Rate as then reflected in the *Wall Street Journal* from the date of any such payment by Landlord.
10. **Insurance.** Tenant shall place and maintain at all times during the term of this Lease and any extension period, fire insurance with extended coverage endorsement and including, at its option, "all risk" endorsement insuring the Premises in such amounts and coverage as Landlord deems necessary naming Landlord and its lender as additional insured. Such policy or policies of insurance may also at the option of Landlord, be endorsed to provide for the full payment of rent due under this Lease in the event of an abatement of rent or other casualty as hereinafter provided. Upon request by Landlord, Tenant shall provide documentary evidence that such insurance is in force.

Tenant shall place and maintain at all times during the term of this Lease, minimum fire and extended coverage insurance insuring the improvements, betterments, fixtures and merchandise owned or installed by Tenant in the Premises, in an amount equal to the full insurable replacement value thereof, with at least an eighty percent (80%) co-insurance clause.

Tenant shall not be liable to Landlord, and Landlord shall not be liable to Tenant, and neither of them shall be liable to any insurance company insuring them or either of them, for any loss or damage which is covered by insurance as set out herein, even though such loss or damage may have been occasioned by the negligence of Tenant or Landlord. This waiver is limited to the amounts equally received under such insurance coverage.

Tenant shall provide and keep in force during the term hereof and any extensions hereof comprehensive public liability policy or policies of insurance not cancelable without at least ten (10) days' notice to Landlord, indemnifying Landlord and Tenant against liability for injury or death to persons and damage to property occurring in, about or upon the Premises, in a company or companies acceptable to Landlord, with limits of liability of not less than One Million Dollars (\$1,000,000.00) with respect to any one person, in the amount of One Million Dollars (\$2,000,000.00) with respect to any accident, and in the amount of One Hundred Thousand Dollars (\$1,000,000.00) with respect to property damage. Tenant shall pay all insurance premiums when and as they become due and deliver certificates of such insurance with Landlord.

11. **Covenants to Hold Harmless.** Unless the liability for damage or loss is caused by the willful act or gross negligence of Landlord, its agent or employees, Tenant shall indemnify and hold harmless Landlord from any and all claims, actions, damages, liability, and expense, including reasonable attorneys' fees, and costs incurred in connection with defending the same thereof, in connection with loss of life, personal injury and/or damage to the property and persons in, upon, or from the Premises and the sidewalks adjoining the Premises, arising out of or in connection with the occupancy or use by Tenant of the Premises or any part thereof, or occasioned wholly or in part by any act or omission of Tenant, its agents, contractors, employees and servants. All property kept, stored, or maintained in the Premises shall be so kept, stored or maintained at the sole risk of Tenant. Tenant agrees to pay all sums of money with respect to any labor, services, materials, supplies, or equipment furnished or alleged to have been furnished to Tenant in or about the Premises which may be secured by any mechanic's, materialmen's, or other liens against the Premises or Landlord's interest therein and will cause each such lien to be discharged at the time performance of any obligation secured thereby matures, provided that Tenant may contest such lien, but if such lien is reduced to final judgment and if such judgment or process thereon is not stayed, or if stayed and said stay expires, then and in such event Tenant shall forthwith pay and discharge such judgment.
12. **Assignment or Subletting.** Tenant agrees not to assign or in any manner transfer this Lease or any estate or interest hereunder and not to sublet the Premises or any part thereof and not to permit any licensee or concessionaire therein without the prior written consent of Landlord in each instance. Consent by Landlord to one assignment of this Lease or to one subletting of the Premises shall not be a waiver of Landlord's right under this Paragraph as to any subsequent assignment or subletting. Landlord's rights to assign this Lease are and shall remain unqualified. Upon any sale of the Premises and providing the purchaser assumes all obligations under this Lease, Landlord shall thereupon be entirely freed of all obligations of the Landlord hereunder and shall not be subject to any liability resulting from any act or omission or event occurring after such conveyance.
13. **Access to Premises.** Landlord reserves the right to enter upon the Premises at reasonable hours to inspect the same, or to make repairs or perform maintenance to the Premises in accordance with paragraph 7, or to enter at any time in the event of an emergency.
14. **Utilities.** Tenant shall promptly pay all charges for heat, water, gas, electricity, air conditioning, and all other utilities used, consumed, or furnished to the Premises during the term of this Lease or any extension or renewal hereof. In no event shall Landlord be liable for any interruption or failure from whatever cause, whether from the Landlord's negligence or otherwise, in the supply of any such utilities to the Premises.
15. **Destruction of Premises.** In the event of a partial destruction of the Premises during the term of any cause, Tenant, using insurance proceeds shall forthwith repair the same, provided the repairs can be made within ninety (90) days. Any partial destruction shall neither annul or void the Lease, except that Tenant shall be entitled to a proportionate reduction being based on the extent to which the making of repairs shall interfere with the use of the Premises carried on by Tenant. If the repairs cannot be made in the specified time, Tenant may, at Tenant's option, make repairs within a reasonable time, this Lease continuing in full force and effect and the rent to be proportionately abated as previously set forth. In the event Tenant does not elect to make repairs that cannot be made in the specified time, this Lease may be terminated

at the option of either party. In the event sixty (60) percent or more of the building in which the Premises are located, should be damaged or destroyed by fire or other cause, Tenant may terminate the Lease.

16. **Eminent Domain.** If the whole of the Premises shall be acquired or condemned by eminent domain, then the term of this Lease shall terminate as of the date of title vesting in such proceeding and all rentals shall be paid up to that date. If only a part of the Premises shall be acquired or condemned as aforesaid, and in the event that such partial taking or condemnation shall render the Premises unsuitable for the Tenant's use then the term of this Lease shall terminate as of the date of title vesting in such proceeding and rent shall be adjusted to the date of such termination. In the event of a partial taking or condemnation which is not extensive enough to render the Premises unsuitable for Tenant's use, then the minimum rent shall be reduced in proportion to the amount of the Premises taken.

All damages awarded for such taking under the power of eminent domain, whether for the whole or a part of the Premises, shall be the property of Landlord, whether such damages shall be awarded as compensation for any leasehold improvements or diminution in value thereof, or for diminution in or the value of the leasehold and/or for the fee of the Premises, and Tenant hereby assigns to Landlord all of Tenant's right, title and interest in and to any and all such compensation, together with any and all rights, estate, and interest of Tenant now existing or hereafter arising in and to the Premises.

17. **Short Form or Memorandum of Lease.** Tenant agrees that it will upon Landlord's request, promptly execute duplicate originals of an instrument, in recordable form, which will constitute a short form of this Lease, setting forth a description of the Premises, the term of this Lease and any other provisions, as Landlord may request.
18. **Permits and Zoning.** Tenant shall obtain and maintain in force and effect all permits, licenses, and similar authorizations to use the Premises for the purpose referred to above required by any governmental authority.
19. **Offset Statement; Attornment.** Within ten (10) days after request therefore by Landlord, Tenant agrees to deliver a certificate to Landlord or any mortgagee, certifying (if such be the case) that this lease is in full force and effect and that there are no defenses or offsets, or stating those claimed by Tenant.

Tenant shall, in the event any proceedings are brought for the foreclosure of the Premises, attorn to the mortgagee or purchaser upon any such foreclosure and recognize the mortgagee or purchaser as Landlord under this Lease.

20. **Default of Tenant.** In the event of any failure of Tenant to pay any rental due hereunder within fifteen (15) days after it shall be due, or any failure to perform any other of the terms, conditions, or covenants of this Lease to be observed or performed by Tenant for more than thirty (30) days after written notice of such default shall have been given to Tenant, or if Tenant shall become bankrupt or insolvent, or file any debtor proceedings or take or have taken against Tenant in any court pursuant to any statute either of the United States or of any state a petition in bankruptcy or insolvency or for reorganization or for the appointment of a receiver or trustee of all or a portion of Tenant's property, or if Tenant makes an assignment for the benefit of

creditors, or petitions for or enters into an arrangement, or if Tenant shall abandon said Premises or suffer this Lease to be taken under any writ of execution, then Landlord besides other rights or remedies it may have, shall have the immediate right of re-entry and may remove all persons and property from the Premises and such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of Tenant, all without service of notice or resort to legal process and without being deemed guilty of trespass or becoming liable for any loss or damage which may be occasioned thereby.

In case suit shall be brought for recovery of possession of the Premises, for the recovery of rent or any other amount due under the provisions of this Lease, or because of the breach of any other covenant herein contained on the part of Tenant to be kept or performed and a breach shall be established, Tenant shall pay to Landlord all expenses incurred therefor, including reasonable attorney's fees.

21. **Notices.** Any notice required or permitted under this Lease shall be deemed sufficiently given or served if personally delivered, transmitted electronically, or sent by Certified Mail, Return Receipt Requested, to Landlord and Tenant as follows:

Landlord: Gera Investments LLC
Attention: Prateek Gera
2505 Southwest Square
Jonesboro, AR 72401
e-mail: prateekgera93@yahoo.com
e-mail: carrollcaldwell1@gmail.com

With Copy to: Hurst Burnett PLC
Attention: Ronald S. Burnett, Jr.
P.O. Box 1149
Jonesboro, AR 72403
e-mail: rburnett@hbfirm.net

Tenant: City of Jonesboro
Attention: _____

e-mail: _____

With Copy to: _____

but either party may, by written notice, at any time designate a different address to which notices shall subsequently be sent.

22. **Option to Purchase.** For ten (\$10.00) dollars and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord hereby grants Tenant an option to purchase the Premises provided that Tenant is not in default of the terms of this Lease.

- a. **Exercise of Option.** Tenant may exercise the option at any time during the term of this Lease by providing sixty (60) days written notice to Landlord. Upon Tenant's notice, a contract shall thereupon result in which Landlord agrees to sell and Tenant agrees to purchase the Premises for the Option Purchase Price (as defined below). In the event that adequate notice is not provided by Tenant during the term of this Lease, this option shall at once cease and terminate and Tenant shall have no further rights thereunder.
- b. **Option Purchase Price.** The Option Purchase Price may be determined by one (1) qualified appraiser as mutually agreed upon by the Landlord and Tenant. In the event the Landlord and Tenant are unable to mutually agree on a qualified appraiser within fourteen (14) days of Tenant's notice provided under Section 22a, then Landlord shall promptly appoint a qualified appraiser and shall provide written notice to Tenant of such appointment. Within ten (10) days of Landlord's providing written notice to Tenant, Tenant shall appoint a qualified appraiser and shall provide written notice to Landlord of such appointment. Both the Landlord's appraiser and the Tenant's appraiser shall appraise the Premises, and the Option Purchase Price shall be the average appraised value of the two (2) appraisals. The determination of the appraisers, or of the sole appraiser, as the case may be, shall be conclusive upon the parties. The appraisers, or the sole appraiser, as the case may be, shall notify the parties in writing of their determination and shall furnish each party with a signed copy of such appraisal. If any appraiser fails, refuses, or is unable to act, a new appraiser shall be appointed in his place. Such appointment shall be made in the same manner as provided above for the appointment of an appraiser who fails, refuses, or is unable to act. The parties shall bear equally the expenses of the appraisal conducted by the appraisers.
- c. **Title Documents.** Upon the exercise of this option, Landlord shall provide to Tenant as promptly as possible a commitment for title insurance, without exceptions other than for current taxes, for marketable fee simple absolute title to the Premises. If other exceptions are noted by Tenant, Tenant shall allow Landlord a reasonable time within which to cure the same. In the event that Tenant does not assert any material defects in the title offered, or if the title is found acceptable to the parties, a closing date shall be set for a time mutually agreeable to the parties, but not later than ten (10) days following the expiration of the length of time necessary to cure said objectionable defects. In the event that title is not found to be marketable and the defects therein are not cured by Landlord within a reasonable time, Tenant shall have the sole and exclusive remedy of terminating the then-existing contract for the purchase of the Premises.
- d. **Closing.** On the closing date, Landlord shall provide, execute, and deliver to

Tenant a warranty deed in proper form conveying a marketable fee simple absolute title to the Premises under consideration subject only to liens for subsequent taxes. The purchase price shall be paid, in cash, at the closing by Tenant to Landlord.

e. **Taxes.** All unpaid taxes will be paid by Tenant on the closing date.

23. **General.** This Lease does not create a relationship of principal and agent or of partnership or of joint venture or of any association between Landlord and Tenant, the sole relationship between Landlord and Tenant being that of landlord and tenant. No waiver or any default of Tenant hereunder shall be implied from any omission by Landlord to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition. The consent to or approval by Landlord of any act by Tenant requiring Landlord's consent or approval shall not waive or render unnecessary Landlord's consent to or approval of any subsequent similar act by Tenant. The laws of the State of Arkansas shall govern the validity, performance and enforcement of this lease.
24. **Quiet Enjoyment.** Landlord covenants and agrees with Tenant and upon Tenant paying the rent and performing all of the terms and conditions on Tenant's part to be observed and performed Tenant may peaceably and quietly enjoy the Premises hereby leased, subject, nevertheless, to the terms and conditions of this Lease.
25. **Surrender.** On the last day of the term demised or on the sooner termination thereof, Tenant shall peaceably surrender the Premises in good order, condition and repair, broom-clean, fire and other unavoidable casualty, reasonable wear and tear only excepted. On or before the last day of the term or the sooner termination thereof, Tenant shall at its expense, remove its trade fixtures, signs and other personal property from the Premises and any property not removed shall be deemed abandoned. Any damage caused by Tenant in the removal of such items shall be repaired by and at Tenant's expense. All alterations, additions, improvements, and fixtures (other than Tenant's trade fixtures and signs) which shall have been made or installed by either Landlord or Tenant upon the Premises and all hard surface bonded or adhesively affixed flooring and carpeting shall remain upon and be surrendered with the Premises as a part thereof, without disturbance, molestation or injury, and without charge, at the expiration or termination of this Lease.
26. **Waste and Governmental Regulations.** Tenant shall not commit or suffer to be committed any waste upon the Premises. Tenant shall at Tenant's sole cost and expense, promptly comply with all laws, ordinances, and regulations now in force or which may hereafter be enforced pertaining to the Premises, improvements thereon, or the use and occupancy thereof by Tenant.
27. **Successors and Assigns.** The covenants, agreements, and obligations herein contained shall extend to, bind, and inure to the benefit of, not only the parties hereto, but their respective successors and assigns.

EXECUTED this ____ day of April, 2026.

LANDLORD:

GERA INVESTMENTS LLC,
an Arkansas limited liability company

By: _____
Authorized Member

TENANT:

CITY OF JONESBORO, an Arkansas
municipality

By: _____

Attest: _____