



City of Jonesboro

300 S. Church Street
Jonesboro, AR 72401

Signature Copy

Resolution: R-EN-141-2018

File Number: RES-18:154

Enactment Number: R-EN-141-2018

A RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR TO ENTER INTO A LEASE AGREEMENT WITH GOSHEN MEMBERSHIP SERVICES, INC TO UTILIZE OFFICE SPACE IN THE MUNICIPAL CENTER

WHEREAS, the City of Jonesboro, Arkansas desires to enter into a lease agreement with Goshen Membership Services, Inc. to lease office space in the Municipal Center located at 300 South Church Street, Jonesboro, Arkansas commencing September 1, 2018 and terminating on August 31, 2023; and

WHEREAS, Goshen Membership Services, Inc. desires to rent said office space for the sum of \$1,170.00 per month subject to the terms set forth in the attached agreement.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:

1. The City of Jonesboro approves the Lease Agreement for office space in the Municipal Center to be utilized by Goshen Membership Services, Inc.
2. The Mayor, Harold Perrin and City Clerk, Donna Jackson are hereby authorized by the City Council for the City of Jonesboro to execute all documents necessary to effectuate this agreement.

PASSED AND APPROVED this 2nd day of October, 2018.

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") dated the 1st day of September, 2018, between City of Jonesboro ("Landlord") and **GOSHEN MEMBERSHIP SERVICES, INC.**, an Illinois corporation ("Tenant").

WITNESSETH:

In consideration of the covenants and agreements herein and other good and valuable consideration the receipt of which is hereby acknowledged, Landlord and Tenant agree as follows:

1. Lease. Landlord hereby leases to Tenant and Tenant hereby accepts the following described premises:

a portion of the basement floor, consisting of approximately 300 net leasable square feet, in the Municipal Center (the "Building"), located at 300 South Church Street, City of Jonesboro, Craighead County, Arkansas (the "Premises")

for the exclusive purpose of using the Premises as an office for Tenant's business operations.

2. Term. Subject to the terms and conditions contained herein, this Lease shall commence on September 1, 2018 (the "Commencement Date"), and shall terminate on August 31, 2023 (such term referred to herein as the "Term").

3. Rent. Tenant agrees to pay to Landlord \$1,170.00 per month for the term of the lease agreement. Rent is payable in advance monthly installments as follows:

Beginning on the Commencement Date and continuing on the first (1st) day of each month thereafter until through and including August 1, 2023, Tenant shall pay to Landlord the sum of One Thousand One Hundred and Seventy and No/100 United States Dollars (\$1,170.00) in addition to any other sums which may be due and payable pursuant to this Lease.

All rentals due under this Lease shall be payable without demand to the order of Landlord at the address stated herein. In the event any installment of rent is not received within ten (10) days of the date due, Tenant shall pay a late charge for each such delinquent installment equal to five percent (5%) of the amount of such delinquent installment.

4. Common Areas. The "Common Areas" are the parts of the Building designated by Landlord from time to time for the common use of all tenants and their invitees, including among other facilities, parking area, sidewalks, landscaping, curbs, loading areas, private streets and alleys, lighting facilities, hallways, elevators, restrooms, the lobby and other areas and improvements provided by Landlord for the common use of all tenants, all of which shall be subject to Land lord's sole management and control and shall be operated and maintained in such

manner as Landlord, in its reasonable discretion, shall determine. Tenant and its employees, customers and invitees shall have the non-exclusive right and license to use the Common Areas as constituted from time to time, such use to be in common with Landlord, other tenants of the Building and other persons permitted by Landlord to use the same, and subject to such reasonable rules and regulations governing use as Landlord may from time to time prescribe. Tenant shall not take any action which would interfere with the rights of other persons to use the Common Areas without the prior written consent of Landlord. Landlord may temporarily close any part of the Common Area for such periods of time as may be necessary to make repairs or alterations, but such repairs or alterations shall be done in a manner so as to cause minimum interference with Tenant's business.

5. Proof of Payment. The burden of proof of any payment dues under this Lease in case of controversy shall be upon Tenant.

6. Nuisance, Waste, Environmental Laws, Etc. Tenant covenants and agrees with Landlord that the Premises shall be used and occupied in a careful, safe and proper manner; that no nuisance, trade or custom which is unlawful or known to be ultra-hazardous shall be permitted therein; that no waste shall be committed upon, nor any damages be done to the Premises. In addition, Tenant warrants and represents to Landlord that all activities by Tenant on or about the Premises will be in compliance with all state, federal, local or other laws, regulations and ordinances.

7. Alterations. Tenant shall not make any alterations to the Premises without Landlord's prior written consent and all additions and improvements made by Tenant, and all fixtures installed by Tenant shall become the property of Landlord and be surrendered with the Premises or removed by Tenant at the termination of the Lease. In the event that Tenant removes any additions or improvements put in place by Tenant, then Tenant shall return the Premises to their condition as existed at the inception of this Term, ordinary wear and tear excepted.

8. Subletting. Tenant hereby covenants and agrees that neither the Premises, nor any part thereof, shall be sublet without the prior consent in writing of Landlord, nor shall this Lease be assigned (whether for the benefit of the creditors of Tenant or otherwise) without such prior written consent. In no event shall any subletting or assignment of this Lease relieve Tenant of any of the covenants, agreements and obligations imposed on Tenant in this Lease. Any assignment or subletting in violation hereof shall be void. Tenant shall not mortgage, pledge or otherwise encumber its interest under this Lease.

Landlord's interest and obligations hereunder may be assigned, transferred or sold without Tenant's consent. In the event of any sale, transfer or assignment of Landlord's interest in this Lease or the premises, Tenant shall attorn to the purchaser, recognize such purchaser as Landlord hereunder, and promptly execute and deliver any instrument necessary to evidence such attornment. Tenant shall, upon Landlord's request, execute and deliver to Landlord, in form reasonably satisfactory to Landlord or Landlord's mortgagee, a written statement certifying that Tenant has accepted the Premises, that this Lease is unmodified (or, if modified, set forth the modifications) and that the Lease remains in full force and effect, that Landlord is not in default

hereunder, and the date to which Rent and other charges have been paid in advance, if any.

9. Delivery at End of Term. Tenant agrees to deliver the Premises to Landlord at the expiration of the Term of this Lease in good order and condition and make good all damages to the Premises, usual wear and tear excepted, and also to remain liable for Rent until all the Premises, with keys to the same be returned to Landlord in like good order, and no demand or notice of such delivery shall be necessary.

In the event Tenant fails to surrender the Premises as provided herein, Tenant will, in addition to any damages generally recoverable, be liable to Landlord for all damages Landlord may sustain, including claims made by any succeeding tenant against Landlord which are founded upon delay or failure in delivering possession of the Premises to the succeeding tenant.

10. Default. The happening of anyone or more of the following shall be deemed an event of default under this Lease:

(a) Tenant becomes bankrupt, makes an assignment for the benefit of its creditors or becomes insolvent;

(b) A receiver is appointed for Tenant or Tenant's leasehold interest hereunder or for any of Tenant's property used in connection with Tenant's business;

(c) A writ of execution or attachment is levied on or against Tenant's fixtures, equipment, or any other personal property within the Premises used in connection with Tenant's business if such writ is not released or discharged within thirty (30) days thereafter;

(d) Proceedings are instituted in a court of competent jurisdiction for the reorganization, liquidation, or involuntary dissolution of Tenant, or for its adjudication as a bankrupt or insolvent, and said proceedings not being dismissed, and any trustee or liquidator appointed therein not being discharged within thirty (30) days after the institution of such proceedings;

(e) Tenant's failure to pay any installment of Rent or other charge or money obligation herein required to be paid by Tenant within the time such payment is due and payable and following expiration of fifteen (15) days thereafter (such grace period not affecting the obligation of Tenant for late fees set forth in this Lease);

(f) Tenant's failure to comply with any other covenant or provision of this Lease and following expiration of fifteen (15) days thereafter.

11. Remedies. Upon occurrence of any event of default, Landlord shall have the option to pursue any right, claim or remedy to which Landlord may be entitled at law or in equity in case of Tenant's default. Pursuit by Landlord of an available remedy shall not preclude pursuit of any other remedy available at law or in equity; nor shall pursuit of any remedy constitute a forfeiture of waiver of any rent due to Landlord hereunder or of any damages accruing to

Landlord by reason of the violation of any of the covenants and provisions herein contained. Forbearance by Landlord to enforce one or more remedies herein set forth upon an event of default shall not be deemed or construed to constitute a waiver of such default. Acceptance of late performance or payment by Landlord shall not constitute modification of this Lease by course of dealing.

12. Lien. As security for the Rent and the performance of the covenants of Tenant herein contained, and as security for the payment of all damages which may be sustained by Landlord in the event there is a breach of any of the terms of this Lease by Tenant, Landlord shall have a lien on all furniture, fixtures and other property, excepting merchandise carried in stock for sale, which may be brought into or upon the Premises, including any additions and improvements constructed and installed by it, which may, at any time during the term hereof. Landlord shall have the right to file appropriate notices in public records evidencing and perfecting such lien. As an additional remedy, Landlord shall have the power to sell such furniture, fixtures or other property at a public sale, and to apply all amounts realized therefrom to the payment of the accrued rent or to the claim or claims of Landlord from damages. Before making such sale, Landlord shall comply with all applicable law for such sales including, the publication of a ten (10) day notice thereof by one (1) insertion in a daily newspaper published in Craighead County, Arkansas. Landlord may bid thereat as any third person might, and Tenant hereby waives any and all rights of redemption granted by the laws of the State of Arkansas.

13. Holdover. Should Tenant or any of its successors in interest hold over the Premises, or in any part thereof, after the expiration of the term of this Lease, such holding over shall not operate to extend the Term of this Lease, but such continued possession shall create a tenancy from month to month upon the same terms and conditions herein, except the monthly rental rate shall be one hundred fifty percent (150%) of the amount of Rent payable during the Term of this Lease. The rights of Landlord concerning the rental due from Tenant shall be determined by applicable Arkansas law concerning holdover of commercial property. No receipt of money by Landlord from Tenant after termination of this Lease shall reinstate or extend this Lease or affect any prior notice given by Landlord to Tenant.

14. Advertising/Signage. Except for all signage currently existing on the Premises, Tenant shall not affix or attach, or cause to be fixed or attached, any signs on the Premises without the prior written consent of Landlord. Landlord shall have the right to refuse such written permission if, in the opinion of and in the reasonable discretion of Landlord, any proposed sign is not aesthetically complimentary to the Premises. During the term of this Lease, Tenant agrees to keep any sign placed on the Premises in proper condition. Tenant agrees to either repair or remove any sign upon notice from Landlord that said sign, in the opinion of and at the reasonable discretion of Landlord, has not been maintained in an acceptable manner. Upon termination of this Lease, Tenant shall remove any sign, advertisement or notice painted on, affixed to or attached to the Premises and restore the place it occupied in the condition which it existed as of the date of this Lease, ordinary wear and tear excepted. Tenant shall be solely responsible for compliance with all applicable laws, ordinances and regulations regarding signs.

15. Increased Premium. Tenant is not to suffer anything to be or remain on or about the Premises nor carry on nor permit upon the Premises any trade or occupation or suffer to be

done anything causes an increased or extra premium payable for the insurance of property owned by Landlord adjacent to the Premises against fire, unless consented to in writing by Landlord and if so consented to, Tenant shall pay such increased or extra premium within ten (10) days after Tenant shall have been advised of the amount thereof.

16. Condition of Premises. It is hereby further agreed that Tenant has examined the Premises and is satisfied as to the condition thereof, accepts the Premises in AS IS, WHERE IS condition, and Tenant expressly agrees that no representation as to the condition of the Premises has been made by Landlord or agents of Landlord or relied upon by Tenant.

17. Liability for Repairs. Tenant will keep the Premises, including any plate glass located in the Premises, in good repair throughout the Term of this Lease. If Tenant refuses or neglects to repair and maintain the Premises, as required hereunder, to the reasonable satisfaction of Landlord as soon as reasonably possible, Landlord may but shall not be obligated to make such repairs and perform such maintenance, and Tenant shall upon demand pay Landlord's cost for making such repairs and performing such maintenance plus fifteen percent (15%) of such cost for Landlord's overhead expense and supervision as additional rent due hereunder. Upon the expiration or termination of this Lease, Tenant will restore the Premises to Landlord in as good condition as when possession was taken by Tenant, ordinary wear and tear excepted.

Landlord shall keep the Building, including without limitation the exterior of the Building, the roof, walls, plumbing, heating, electrical and air conditioning in good repair throughout the Term of this Lease. Landlord shall provide and maintain adequate facilities to allow Tenant to have access to electricity, telephone and internet services within the Premises.

18. Right of Entry. Landlord may enter the Premises at proper times to view and inspect same, or to make such repairs, additions and alterations, or to run such pipe or electric wire as Landlord may deem necessary for the safety, improvement, or preservation of the Premises. Such entry shall not operate to impose any obligation for repair or maintenance beyond the obligations of Landlord specifically set forth in Section 18 of this Lease, nor diminish the obligations of Tenant under this Lease.

19. Fire Clause. In case the Premises shall be so injured or damaged by fire or other cause as to be rendered untenable, and so that necessary repairs or rebuilding cannot be made within one hundred twenty (120) days, this Lease shall be terminated and Tenant shall be allowed an abatement of rent from the time the Premises were rendered untenable. However, if the damage is such that rebuilding and repairs can be completed within one hundred twenty (120) days, Landlord agrees to make such repairs with reasonable promptness and dispatch, and to allow Tenant an abatement in rent for such time as the building remains untenable and Tenant covenants and agrees that the terms of this Lease shall not be otherwise affected.

20. Taxes. Landlord shall pay all ad valorem real property taxes for the Premises, and Tenant shall be responsible for all taxes related to Tenant's personal property and business operations.

21. Utilities. All heat, water, electric current, gas or other utilities used on the

Premises shall be paid by Land lord. Any charges for telephone service, cable or satellite television, or internet service shall be paid by Tenant.

22. Attorney's Fees. In the event it becomes necessary for Landlord to employ an attorney to enforce collection of the rents agreed to be paid, or to enforce compliance of any of the covenants and agreements herein contained, Tenant shall be liable for reasonable attorney's fees, costs and expenses incurred by Landlord.

23. Permitted Use. The business to be conducted in the Premises shall be limited to storage of equipment and materials and general administrative offices, associated with Tenant's business operations. Tenant will not use the Premises for any other purpose without first obtaining the written consent of Landlord.

24. Notices. Any notice or document required or permitted to be delivered by this Lease shall be deemed to be delivered (when actually received or rejected) if delivered personally, when deposited in the United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the parties at their respective addresses set out below, or sent by any overnight carrier which routinely issues receipts. Either Landlord or Tenant may add additional addresses or change its address for purposes of receipt of any such communication by giving ten (10) days prior written notice of such change to the party in the manner prescribed in this Section.

If to Tenant: GOSHEN MEMBERSHIP SERVICES, INC.
 Attn: Tracy T. Wetzel
 318 Hillsboro
 PO Box 104
 Edwardsville, IL. 62025

If to Landlord: City of Jonesboro
 Mayor Harold Perrin
 300 South Church Street
 Jonesboro, Arkansas 72401

25. Eminent Domain. If the Premises are subjected to any eminent domain proceeding, or private purchase under threat thereof, or are taken for any public or quasi-public use under any governmental law, ordinance or regulation, the Lease shall terminate. In such condemnation proceedings Tenant may claim compensation for the taking of any removable installations which by the terms of this Lease, Tenant would be permitted to remove at the expiration of this Lease, but Tenant shall be entitled to no additional award, it being agreed that all damages allocable to full fee simple ownership of the Premises shall in any event be payable to Landlord.

26. Waiver of Breach. It is hereby covenanted and agreed that no waiver of a breach of any of the covenants of this Lease shall be construed to be a waiver of any succeeding breach of the same or any other covenant.

27. Quiet Possession. In consideration of the covenants and agreements herewith contained, as so long as Tenant is not in default under this Lease, Tenant may enjoy the quiet and peaceful possession of the Premises during the term of this Lease.

28. Binding Effect. It is further agreed by the parties to this Lease that all of the covenants and agreements enumerated herein shall be binding upon both parties' successors and assigns for the maximum period allowed by law.

29. Subrogation. Landlord and Tenant hereby waive any right of subrogation which they may have against the other for any losses paid to them on policy or policies carried on the Premises, each agreeing to use reasonable effort to cause all policies to be so endorsed.

30. Subordination. At the option of Landlord or Landlord's mortgagee, Tenant agrees that this Lease is subordinate to any mortgage, deed of trust or encumbrance which Landlord may have placed, or may hereafter place, on the Premises. Tenant agrees to execute, on demand, any instrument, which may be deemed necessary or desirable by any lender of Landlord to evidence that such mortgage, deed of trust or encumbrance whenever made, is superior and prior to this Lease. However, such subordination is subject to the right of Tenant to maintain its undisturbed possession of the building as long as Tenant remains in compliance with the terms of this Lease.

31. No Brokers; Agency; Disclosure. Landlord and Tenant each warrant to the other that it has not dealt with any broker or agent in connection with the negotiation or execution of this Lease.

32. Severability. If any clause or provision of this Lease is illegal, invalid or unenforceable under present or future laws, then the remainder of this Lease shall not be affected thereby and in lieu of such clause or provision, there shall be added as a part of this Lease a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

33. Governing Law. The laws of the State of Arkansas shall govern the validity, construction, enforcement and interpretation of this Lease.

34. No Oral Modification; Survival. This Lease may not be amended except by an instrument in writing referring to this Lease and signed by Landlord and Tenant. No provision of this Lease shall be deemed to have been waived by Landlord or Tenant unless such waiver is in writing signed by Landlord or Tenant, and no custom or practice which may evolve between the parties in the administration of the terms of this Lease shall waive or diminish the right of Landlord or Tenant to insist upon the performance by Landlord or Tenant in strict accordance with the terms hereof. The indemnification and hold harmless provisions of this Lease shall survive the expiration or termination of this Lease.

35. Captions; Construction; Counterparts. All captions contained in this Lease are for convenience of reference only and do not limit or enlarge the terms and conditions of this Lease.

This Lease may be executed in several counterparts, each of which shall be fully effective as an original and all of which together shall constitute one and the same instrument. The provisions of this Lease have been negotiated by Landlord and Tenant, each having the benefit of legal counsel and advice, and should not be construed more favorably to either Landlord or Tenant.

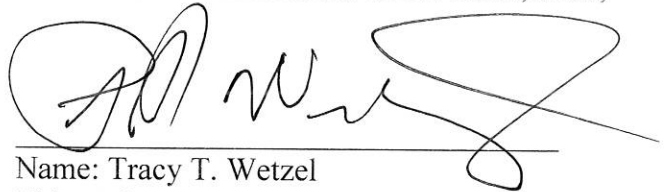
36. Entire Agreement. Landlord and Tenant mutually understand and agree that this Lease is the final and complete expression of their agreement. This Lease supersedes any prior discussions and agreements between Landlord and Tenant regarding the Premises. In the event of a conflict between this Lease and any other agreement between Landlord and Tenant concerning the Premises, this Lease shall supersede and control. The parties specifically warrant to each other that there are no other agreements, warranties or clauses not contained herein.

IN WITNESS WHEREOF, the parties of this Lease have set their hand and seals, this _____ day of September, 2018.

LANDLORD:

TENANT:
GOSHEN MEMBERSHIP SERVICES, INC.,

By:



Name: Tracy T. Wetzel
Title: Vice President