

LEASE AGREEMENT

This Lease Agreement (the "Lease"), is made and entered into this ___ day of April, 2026 (the "Effective Date"), by and between the **City Of Jonesboro**, hereinafter referred to as "Landlord" and **North Jonesboro Community Development Corporation**, an Arkansas not for profit corporation, hereinafter referred to as "Tenant," based on the mutual promises, undertakings, covenants and conditions herein expressed:

WITNESSETH:

1. Premises. The Landlord, for and in consideration of the covenants, conditions, agreements and stipulations of the Tenant, hereinafter expressed, does hereby demise and lease unto the Tenant the following described premises situated in Jonesboro, Craighead County, Arkansas, and more particularly described as follows, with all tenements and appurtenances thereunto belonging or in any way appertaining, said premises being hereinafter referred to as the "demised premises":

Building located at 911 Magnolia Road, Jonesboro, Arkansas.

2. Term. To have and to hold the same for a term of one (1) year, to commence on January 1, 2026, and to end on December 31, 2026 (the "Initial Term").

3. Renewal Terms; Termination. Upon the expiration of the Initial Term and any successive renewal term, if Tenant is not in default hereunder and the Lease is in full force and effect, this Lease shall automatically renew for a one (1) year renewal term. In the event either party desires to terminate this Lease, the party desiring to terminate shall provide written notice of its intent to terminate to the other party at least six (6) months prior to the termination taking effect. The termination shall be effective as of the date that is six (6) months from the date of the notice of intent to terminate (the "Termination Date").

4. Purpose. The premises shall only be used by Tenant to operate community-focused non-profit and charitable services and public meeting space.

5. Rent. During the term of this Lease, Tenant shall pay to Landlord as rental at the address shown above, without demand, counterclaim, deduction, or setoff, the sum of one dollar (\$1.00) per year which shall be payable in advance on the fifth day of January of each year of the lease term.

6. Taxes. Tenant hereby agrees to pay all real estate taxes and assessments of every nature, kind and description levied and assessed against the property as the same becomes due from time to time during the term hereof, if any. Tenant shall be responsible for all taxes attributable to the property of the Tenant on the leased premises and for all license, privilege and occupation taxes, levied, assessed, or charged against Tenant on account of operation of the business on the premises.

7. Insurance. Landlord shall maintain and pay for fire, hazard and extended coverage insurance on the structure of the leased premises. Tenant shall be responsible for insuring any contents of Tenant on the leased premises.

8. Improvement and Alterations. The Tenant shall not make any alterations, additions or improvements to the premises without the prior written consent of the Landlord, and all alterations, additions or improvements made by either of the parties hereto upon the leased premises, except movable equipment put in at the expense of Tenant, shall be the property of the Landlord, and shall remain upon and be surrendered with the leased premises without molestation or injury. Tenant may remove its equipment provided any damage done to the leased premises in the removal of any such equipment is promptly repaired by the Tenant, and if not repaired by Tenant in a reasonable time and manner, Landlord may repair same and Tenant shall pay the cost thereof. All property of the Tenant remaining on the leased premises after the day of the term of this Lease shall be conclusively deemed abandoned and may be removed by Landlord, and Tenant shall reimburse Landlord for cost of such removal.

9. Repairs and Maintenance.

(a) The Tenant shall, during the term of this Lease, at its sole expense, keep the interior of the leased premises, other than as described in item (b) below, in as good order and repair as it is at the date of commencement of the Lease.

(b) The Landlord, during the term of this Lease, shall be responsible for maintenance and repair of the structural supports, exterior walls, HVAC, electrical, plumbing, and roof in good order and repair.

10. Liens. Tenant agrees to pay promptly for any work or materials provided by laborers or materialmen in or about the leased premises, and Tenant shall not permit or suffer any lien to attach to the leased premises and shall promptly cause any such lien, or any claim therefor, to be released; provided, however, that in the event Tenant contests any such lien, Tenant agrees to indemnify Landlord and, if requested, to deposit with Landlord cash or surety bond in form and company satisfactorily to Landlord, in an amount equal to twice the amount of such contested claim.

11. Law, Ordinances, Etc.

(a) Landlord and Tenant agree to comply promptly with all laws, ordinances, orders and regulations affecting the leased premises and the cleanliness, safety, operation or use thereof and furthermore agree to comply with the regulations or requirements of any insurance underwriter, inspection bureau or similar agency with respect to the leased premises.

(b) Tenant agrees not to: (1) permit any unlawful or immoral practice to be carried on or committed on the premises; (2) make any use of or allow the premises to be used for any purpose other than that permitted under paragraph 3 that might invalidate or increase the rate of insurance thereof; (3) keep or use or permit to be kept or used on said premises any inflammable fluids (other than those normally kept or used) or explosives, without the written permission of the Landlord first obtained; (4) use the premises for any purpose whatsoever which might create a nuisance or injure the premises; (5) deface or injure the building or premises; (6) commit or suffer any waste; (7) install any electrical equipment that overloads the lines; (8) permit the accumulation of waste or refuse matter on the leased premises or anywhere in or near

the building; and (9) abandon the premises, or allow the premises to become vacant.

(c) In connection with the installation of any electrical equipment, Tenant shall, at Tenant's own expense, make from time to time whatever changes are necessary to comply with the requirement of the insurance inspectors, underwriters and governmental authorities.

12. Utilities. Landlord agrees to cause the necessary mains, conduits and other facilities to be provided to supply water and electricity to the leased premises. Tenant shall be responsible for any electrical, water, or other utilities needed for its particular use of the premises. Any cost of the utility services consumed on the premises shall be paid by Tenant.

13. Damages to Premises. If the demised premises are partially destroyed by fire or other casualty to the extent that all of the demised premises are partially destroyed and the cost of restoring the demised premises to its condition immediately prior to such damage shall equal or exceed fifty percent (50%) of its value immediately prior to such damage, as determined by estimates of damage compiled by the carrier of the insurance maintained by Landlord, the Landlord may, at its election, (a) proceed with due diligence to repair or restore the same condition as existed before such damage or destruction, or (b) cancel the Lease as of the date of such damage or destruction by written notice not less than thirty (30) days after such damage or destruction. Should the Landlord elect to repair or restore, all rent shall abate until the demised premises are repaired or restored and possession has been redelivered to the Tenant. Should the Landlord elect to cancel, then the rent shall be adjusted as of the date on which the damage occurs.

If the premises are partially destroyed or injured, whereby the Tenant shall be deprived of only a portion of said premises, and the cost of repairing such damage shall be less than fifty percent (50%) of the value of the premises immediately prior to such damage, as determined by estimates of damage compiled by the carrier of the insurance maintained by Landlord, the Landlord will proceed with due diligence to repair the same to the same condition as existed before such damage or injury and a proportionate allowance shall be made from the rent during the period required for such repairs, in the proportion which the number of square feet of which Tenant is deprived by such damage and the making of such repairs bears to the total square feet in the demised premises.

14. Assignment and Subletting. Tenant may not sublet the premises in part or in full without the written consent of the landlord, and shall not sell, assign, mortgage, pledge, or in any manner transfer this Lease, or any interest herein, without in each case having obtained Landlord's written consent, which consent shall not be unreasonable withheld; nor permit any transfer of Tenant's interest created hereby, except as herein provided, nor allow any lien upon Tenant's interest by operation of law. In no event shall any party other than Tenant be in privity with Landlord, with any possessory interest of a subtenant or assignee being subject to Tenant's continued possession of the premises.

15. Access to Premises. Tenant agrees that Landlord, its agents, employees or servants, or any person authorized by Landlord, may enter the premises at reasonable times for the purpose of: (a) inspecting the condition of the same; (b) making such repairs, additions or improvements thereto, or to the building of which they are a part, as Landlord may elect to make; and (c) exhibiting the same to prospective purchasers of the building in which the premises are contained. Tenant agrees that neither Tenant nor any person within Tenant's control will interfere with such entries.

16. Indemnification of Landlord. The Tenant shall defend indemnify and hold the Landlord harmless against any expense, claim, loss or liability as a result of any breach by the Tenant, Tenant's agents, servants, employees, customers, visitors or licensees, of any covenant or condition of this Lease, or as a result of the Tenant's use or occupancy of the premises, or the carelessness, negligence or improper conduct of the Tenant, Tenant's agents, servants employees, customers, visitors or licensees. The Tenant's liability under this Lease extends to the acts and omissions of any sub-tenant, and any agent, servant, customer, employee, visitor or licensee to any such sub-tenant. To facilitate the provisions hereof, the Tenant shall keep and maintain at all times during the term of this Lease, or any extension hereof, in full force and effect with a company or companies acceptable to Landlord, insurance in the following amounts: comprehensive general liability insurance in limits referred to at \$2,000,000 each person, \$2,000,000 each accident, and \$2,000,000 property damage. The policy shall cover accident or damage in or about the premises, the sidewalk in front thereof, parking areas, entranceways and all other portions of the building thereon and shall name Landlord as an additional named insured thereunder. The policy shall further contain a provision that it may not be cancelled without giving ten (10) days prior written notice of such cancellation to Landlord, which approval shall not be unreasonably withheld. A certificate of insurance shall be delivered to Landlord promptly after the commencement date hereof, and additional certificates shall be provided for each subsequent policy period.

17. Waiver of Claims. Landlord shall not be liable to Tenant, or to Tenant's employees, visitors, or to any other persons, for damage to persons or property caused by any act, omission, or neglect of Tenant, and Tenant agrees to hold Landlord harmless from all claims for any such damage, regardless of where it may occur.

18. Default of Tenant. If the Tenant defaults in the performance of any of the covenants, terms, conditions or provisions of this Lease, including nonpayment of rent, and after written notice from the Landlord, Tenant fails to cure such default within thirty (30) days after receipt of such notice (or fails to cure with due diligence if the default is of such nature as to require more than 30 days), then the Landlord may, at its option (but shall not be required to do so), perform the same for the account of the Tenant and any amount paid or expenses incurred by the Landlord in the performance thereof shall be deemed additional rent and payable when the next installment of rent shall become due. Additionally, if the Tenant defaults in performance of this Lease or if Tenant shall make an assignment for the benefit of creditors, or if the interest of the Tenant in the demised premises shall be sold under execution or other process of law, or if the Tenant shall be adjudged a bankrupt, or is a receiver or trustee shall be appointed for the Tenant by any Court, and, after written notice from the Landlord, Tenant fails to cure such default of condition within 30 days after receipt of such notice (or fails to cure with due diligence if the default is of such nature as to require more than 30 days), then the Landlord may lawfully re-enter the premises without any demand for possession therefor, and recover possession of the premises and the improvements thereof, expel the Tenant and those holding under the Tenant and no allowance shall be paid to the Tenant. Such re-entry shall not constitute trespass and shall not prejudice any other remedies which might otherwise be provided by law for breach of covenant, and upon entry, the rights of the Tenant under this Lease shall terminate and the Tenant agrees that in the event of such termination, Tenant will indemnify the Landlord against all unavoidable loss

of rent and expense of reletting, which the Landlord may incur by reason of such termination for the remainder of the unexpired term of this Lease.

19. Surrender of Premises. Subject to the provisions of paragraph 8, Tenant shall, upon termination of the term hereof, for any cause, surrender to Landlord the leased premises, including without limitation all the building improvements then upon the leased premises and all alterations, improvements, and other additions which may be made or installed by either party to, in, upon or about the leased premises shall be the property of the Landlord, and, on such termination, shall be surrendered to Landlord by Tenant without any damage, injury or disturbance thereto, or payment therefor.

20. Rules and Regulations. Landlord and Tenant agree to carry out rules and regulations as follows:

- (a) No awning or other projections shall be attached to the outside walls of the leased premises or the building of which they form a part without in each instance, the prior written consent of the Landlord.
- (b) No radio or television aerial shall be erected on the roof or exterior walls of the leased premises without the prior written consent of the Landlord. Any aerial so installed shall be subject to removal without notice at any time.
- (c) No auction, fire, bankruptcy or other sales shall be conducted on or about the premises without the prior written consent of the Landlord.
- (d) Tenant shall keep the leased premises at a temperature sufficiently high to prevent freezing of water pipes and fixtures.
- (e) The outside areas of the leased premises shall be kept clear by Tenant, and Tenant shall not place nor permit any obstructions in such areas.
- (f) Nothing is to be attached or placed on the roof or exterior walls of the leased premises without the prior consent of Landlord, which such consent shall not be unreasonably withheld.
- (g) Tenant assumes responsibility for pest control services at the premises, and further represents and warrants to Landlord that a pest management treatment contract will be maintained at Tenant's cost throughout the term of this Lease. If requested by Landlord, Tenant shall provide Landlord with any records related to pest control services at the premises. Further, tenant represents and warrants that it will provide Landlord with immediate notice of the detection of the presence of termites, evidence of any termite damage, or any insect infestations that have or are occurring at the premises.

In addition to any other legal and equitable rights or remedies available to Landlord, for the enforcement of the covenants, conditions, and agreements in this Paragraph 22 to be referred to as "Rules and Regulations," Landlord shall have all remedies available under this Lease for breach of the provisions hereof.

21. Notices. Wherever in this Lease it shall be required or permitted that notice or demand be given or served by either party to this Lease or on the other, such notice or demand shall be given or served and shall not be deemed to have been duly given or served unless in writing and forwarded by certified or registered mail, addressed as follows:

LANDLORD:

City of Jonesboro
Mayor's Office
300 S. Church
Jonesboro, Arkansas 72401

TENANT:

North Jonesboro CDC
Attn: Executive Director
911 Magnolia Road
Jonesboro, Arkansas 72405

22. Remedies. All rights and remedies of Landlord herein created or otherwise extending at law are cumulative and the exercise of one or more rights or remedies shall not be taken to exclude or waive the right to the exercise of any other. All such rights and remedies may be exercised and enforced concurrently and whenever and as often as deemed desirable.

23. Successors and Assigns. All covenants, promises, conditions and representations herein contained shall be binding upon, apply and inure to the parties hereto and their respective heirs, executors, administrators, successors and assigns; it being understood and agreed, however, that paragraph 14 is in no way impaired by this provision.

24. Representations. It is understood and agreed by Tenant that Landlord and Landlord's agents have made no representations or promises with respect to the leased premises or making or entry into this Lease, except as in this Lease expressly set forth, and that no claim or liability, or cause for termination, shall be asserted by Tenant against Landlord for, and Landlord shall not be liable by reason of, the breach of any representations or promises not expressly stated in this Lease. Tenant further represents and warrants that by executing below, the signing party has full authorization to enter into this Lease, with no further permissions, consents, or approvals required. Further, tenant represents and warrants that its entry into this Lease does not violate any other contract, agreement, law, regulation, or rule.

25. Waiver. The failure of the Landlord to insist upon strict performance by Tenant of any covenants, conditions and agreements of this lease shall not be deemed a waiver of any subsequent breach or default by Tenant in any of the covenants, conditions and agreements of this lease. No surrender of the leased premises shall be affected by Landlord's acceptance of rental or by any other means whatsoever unless the same be evidenced by Landlord's written acceptance of such a surrender.

26. Holding Over. If Tenant remains in possession of the leased premises after the expiration of this lease without a new lease reduced to writing and duly executed, even if Tenant shall have paid, and Landlord shall have accepted, rent in respect to such holding over, Tenant shall be deemed to be occupying the leased premises only as a Tenant from month to month, subject to all covenants, conditions and agreements of this lease.

27. Severability. If any provision of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be

invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

28. Interpretation. The parties hereto agree that it is their intention here by to create only the relationship of Landlord and Tenant, and no provision hereof, or act of either party hereunder, shall ever construed as creating the relationship of principal and agent, or a partnership, joint venture or enterprise between the parties hereto.

29. Amendment. This Lease may be modified or amended only by written agreement signed by all parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Lease Agreement as of the Effective Date.

City of Jonesboro, Landlord

Harold Copenhaver, Mayor

North Jonesboro Community Development Corporation, Tenant

Board President

ATTEST:

**April Leggett,
City Clerk**