

## SPACE LEASE

AGREEMENT OF SPACE LEASE (the "Lease"), made this 6th day of December, 2022 between:

Quality Investments 1, LLC, herein called "Landlord," and Craig City School District herein called "Tenant."

Landlord owns a building on the below described real property and Tenant desires to lease space within such building from Landlord under the terms and conditions herein contained.

**NOW, THEREFORE, IT IS AGREED:**

### ARTICLE I SPACE LEASED

#### **Section 1.0 DESCRIPTION OF SPACE LEASED**

Landlord hereby leases to Tenant, and Tenant leases from Landlord, space comprising suite 101 which total approximately 1,550 rentable square feet of space, within the building located at 351 W. Parks Highway, Wasilla, Alaska and such space is designated in the floor plan(s) marked "Exhibit A", and is referred to herein as the "Premises". The address of the Premises will be 351 W. Parks Highway, Suite #101, Wasilla, Alaska 99654.

#### **Section 1.02 CONDITION OF PREMISES**

Tenant has leased the Premises after an examination of the same, and except as herein expressly provided, including the construction, if any, to be undertaken or completed by Landlord as contemplated in Section 10.01, accepts the Premises in its present condition., subject to provisions in this Lease.

#### **Section 1.03 SERVICES FURNISHED BY LANDLORD.**

Landlord shall furnish to and for the benefit of Tenant without additional charge, the following services: heat, ventilation, electricity, water, sewer, refuse pick up, common area maintenance including hallways, parking lot maintenance, landscape maintenance, exterior lighting, and snow removal.

#### **Section 1.04 SERVICES FURNISHED BY TENANT**

Tenant shall be solely responsible for establishing its own, telephone & IT services and for payment of all charges for installation and monthly fees.

#### **Section 1.05 QUIET ENJOYMENT**

- (A) Tenant, upon paying the rents and performing all of the terms and covenants on its part to be performed, shall peaceably and quietly enjoy the Premises under the terms of this Lease;
- (B) Tenant, at any time during the term of this Lease, shall permit inspection of the Premises during business hours by Landlord, or Landlord's agent or representatives, and during the three (3) months preceding the expiration of this

Lease, shall permit inspection of the Premises by or on behalf of prospective Tenants.

### **Section 1.06 CONTROL OF COMMON AREAS**

All common areas and other facilities in or about the Premises and the building in which it is situated shall be subject to the exclusive control and management of Landlord. Landlord shall have the right to construct, maintain and operate exterior lighting and other improvements in all said areas; to police the same; to change the area, level, location and arrangement for parking areas and other facilities, provided that Tenant shall have the same parking area and other facilities available after any said changes.

### **Section 1.07 SIGNAGE**

Landlord shall provide building signage for the Tenant at any interior building directory. Tenant may install signage on the existing road-side pylon sign. Tenant shall obtain, in writing, approval from Landlord prior to installation of any additional signage. Tenant shall bear all such signage cost including that of design, construction, installation, electrical connection, and restoration of the building and grounds after completion of such installation. If such proposed signage is in a form and manner approved by Landlord, which approval shall not be unreasonably withheld, then Tenant will apply, obtain and pay for any permits related to such signage and installation as may be required by the Municipality of Anchorage or other applicable government or regulatory agency. The attached Exhibit "D" shows the signage areas.

### **Section 1.08 PARKING**

Landlord shall provide parking for Tenant in existing parking areas on or about the Premises, such parking shall be available on a first come first serve basis for tenants and other users of and visitors to the building. There shall be no reserved parking areas except for those dedicated for handicap parking only.

## **ARTICLE II TERM**

### **Section 2.01 LENGTH OF TERM**

The term of this Lease shall be for three years following the commencement of the term, unless sooner terminated or extended as herein provided.

### **Section 2.02 COMMENCEMENT OF TERM**

The term of this Lease payments shall commence February 1, 2023 and expire at unless revised under the terms of Section 2.05. However the lease is still in effect during the rent abatement period.

### **Section 2.03 HOLDOVER**

If Tenant shall hold over after the expiration of the lease term such tenancy shall be from month to month and subject to all the terms, covenants and conditions of this Lease except that the rent for each holdover month or part thereof will be one hundred twenty five percent (125%) of the monthly rental amount provided herein for the last month of the term of the Space Leased.

### **Section 2.04 SURRENDER OF POSSESSION**

Upon expiration or on the sooner termination of this Lease, Tenant shall peaceably and quietly leave, surrender and yield up unto Landlord all and singular the Space Leased, broom clean in good order and repair, ordinary wear and tear excepted, together with all alterations, additions and improvements which may have been made upon the Space Leased, except personal property or moveable trade fixtures put in at the expense of Tenant. If the last day of the term of this Lease falls on Sunday, this Lease shall expire on the business day immediately preceding. Tenant, on or before said date, shall remove all such property from the Space Leased, and all such property not so removed shall be deemed abandoned by Tenant. If said Space Leased is not surrendered promptly at the end of the term, Tenant shall indemnify Landlord against loss or liability resulting from such delay by tenant, including without limitations any claims made by any succeeding Tenant founded on such delay.

### **Section 2.05 POSSESSION**

If Landlord is unable to give possession of the Space Leased on the date herein fixed for commencement of the demised term by reason of the fact that the Space Leased in the course of renovation is not complete sufficiently to make the Space Leased ready for occupancy, or for any other cause beyond Landlord's control, unless Landlord elects to terminate this Lease, as hereinafter provided, this Lease and all its provisions, including the date herein fixed for Lease and all its provisions, including the date herein fixed for expiration of the lease term, shall nevertheless continue in full force and effect. Tenant's remedies are expressly limited to the following:

- (A) The commencement and expiration date shall be extended in accordance with the actual date of Tenant's occupancy. Rent shall be abated until the commencement of such occupancy.
- (B) Landlord shall, at its sole expense, take such steps as may be necessary to complete said renovations, and shall give to Tenant prompt written notice as soon as the Space Leased is ready for Tenant's occupancy or possession of said space.
- (C) In the event said occupancy is delayed by Landlord's inability to complete said space for occupancy, through no fault of Tenant's beyond thirty (30) days from the date herein fixed for commencement, Tenant shall have the right to terminate this Lease in its entirety.
- (D) Landlord shall not be liable to Tenant for any damages including without limitation consequential damages or economic loss to Tenant's business as a result of Landlord's inability to give possession of the Space Leased on the date set for commencement.

**Section 2.06 POSSESSION PRIOR TO TERM OF LEASE**

If permission is given by Landlord to Tenant to enter into possession of the Premises, or prior to the date herein fixed for the commencement of the lease term, such occupancy by Tenant shall be deemed to be that of a tenant under all the terms, covenants and conditions of this Lease.

**ARTICLE III RENT**

**Section 3.01 COVENANT TO PAY RENT**

Tenant covenants to and shall pay to Landlord, Quality Investments 1, LLC at 3801 Centerpoint Drive, Suite 300, Anchorage, Alaska 99503, or at such other place as Landlord may designate, in advance, on the first day of each calendar month during the term hereof, base monthly rent as follows:

Period	Monthly Base Rent	Annualized
1/1/23 – 1/31/23	Abated	Abated
2/1/23 – 1/31/24	\$2,945.00 or \$1.90per sq. ft.	\$35,340.00
2/1/24 – 1/31/25	\$3,022.50 or \$1.95per sq. ft.	\$36,270.00
2/1/25 – 1/31/26	\$3,100.00 or \$2.00per sq. ft.	\$37,200.00

**Section 3.04 SECURITY DEPOSIT**

Upon execution of this Lease Tenant shall deposit with Landlord the sum of \$3,100.00 as a security deposit for the full and faithful performance by Tenant of each and every term, provision, covenant and condition of this Lease. In the event Tenant defaults with respect to any of the terms, provisions, covenants, and conditions of this Lease, including, but not limited to, payment of rent or Additional Rent, Landlord may use, apply or retain the whole or any part of the security so deposited for the payment of any rent in default or for any other sum which Landlord may expend or be required to expend by reason of Tenant's default. In the event Tenant shall fully and faithfully comply with all of the terms, provisions, covenants and conditions of this Lease, the security deposit, or any balance thereof, shall be returned to Tenant within thirty (30) days after the time fixed as the expiration of the lease term and after the removal of Tenant and surrender of possession to Landlord of the Space Leased. Tenant shall not be entitled to any interest on such security deposit. In the absence of evidence satisfactory to Landlord of an assignment of the right to receive the security , or the remaining balance thereof, Landlord may return the security to the original Tenant, regardless of one or more assignments of Tenants in this Lease.

**Section 3.05 LATE CHARGE ON UNPAID RENT**

Landlord may declare due and payable a one time late charge, in the amount of Five cents (\$0.05) per One Dollar (\$1.00) due, for any periodic rent (s) not received at the designated place of payment within five (5) days of its due date.

### **Section 3.06 INTEREST ON PAST DUE AMOUNTS**

All amounts due under the terms of this Lease that are not paid when due by Tenant shall bear interest at the statutory maximum allowable rate.

## **ARTICLE IV**

### **USE OF PREMISES**

#### **Section 4.01 USE OF PREMISES**

Tenant shall use the Premises for homeschooling administration office. Tenant shall not use, permit or suffer the use of the Premises any other purposes.

#### **Section 4.02 COMPLIANCE WITH LAWS**

Tenant shall comply with all applicable laws, ordinances and regulations of duly constituted public authorities now elected or hereafter amended in any manner affecting the Space Leased, whether or not any such law, ordinance or regulation which may be hereafter enacted involves a change of policy on the part of the governmental body enacting the same. Tenant further agrees it will not permit any unlawful occupation, business or trade to be conducted on said premises or any use to be made thereof contrary to any such law, ordinance or regulation.

#### **Section 4.03 RULES AND REGULATIONS OF BUILDING**

As a condition to use of the Premises Tenant shall comply with all reasonable rules and regulations promulgated by Landlord from time to time for all tenants in the building. See EXHIBIT F.

## **ARTICLE V**

### **MAINTENANCE, REPAIR, ALTERATIONS**

#### **Section 5.01 COVENANT TO MAINTAIN AND REPAIR**

- (A) Tenant shall, during the term of this Lease and any renewal extension thereof, at its sole expense, keep the interior of the space in good order & condition, reasonable wear and tear and damages by accidental fire or other casualty excepted, and be responsible for all day-to-day janitorial and light bulb and fluorescent tube replacement services and the associated expense. Tenant shall also be responsible for the maintenance and repair of all equipment, fixtures and other items unique to or resulting from its stated use under Section 4.01.
- (B) Landlord, during the term of this Lease and any renewal or extension thereof, shall keep the structural supports and exterior walls of the premises in good order and repair.

Landlord shall maintain and repair all plumbing lines and equipment installed for the general supply of hot and cold water, heat, ventilation and electricity, except that Tenant shall be responsible for any and all repairs to the above as a result of alterations negligence or damages thereto by Tenant, its employees, customers, servants, agents, licensees or invitee.

- (C) Landlord shall replace all broken glass and/or windows at Landlord's expense, except broken glass and / or windows caused by the acts of omission or negligence of Tenant, its employees, customers, servants, agents, licensees or invitee.

### **Section 5.02 ALTERATIONS. ADDITIONS**

- (A) Tenant agrees that no improvements will be provided by Landlord except as may be provided in Section 10.01. Tenant further agrees that it:

(1) shall not cut or drill or otherwise deface or injure the building:

(2) shall not obstruct or permit the obstruction of any light or skylight in or upon the building, or the adjoining skylight in or upon the building, or the adjoining sidewalk or street, or the entrance, or any part of the building to the exclusive use of which Tenant is not entitled;

(3) shall comply with all reasonable regulations of Landlord designed to promote the safety or good order of the building;

(4) shall not, without Landlord's prior written consent obtained in each instance, make any alterations, additions, decorations, or improvements in or about the Space Leased;

(5) shall not, without Landlord's prior written consent obtained in each instance, make any alterations or additions to the (i) electric wiring, (ii) plumbing, heating or ventilating equipment, appliances, or systems, (iii) water, sewer or gas lines, equipment, appliances, or systems, (iv) tap any mains or pipes to supply water for refrigeration or ventilating apparatus, or (v) to any other equipment, machinery, apparatus, or installation in or about the Space Leased or the building.

- (B) All alterations, additions or improvements made to the Premises by Tenant or Landlord, including, but not limited to partitions, wallpaper, paneling and built-in shelving, unless Landlord shall otherwise elect in writing, shall at the term of this Lease, become the property of Landlord and be surrendered as part of the Space Leased. Portable partitions and shelving not furnished by Landlord shall remain the property of Tenant, provided Tenant has complied with all other terms and conditions of this Lease.

- (C) Tenant shall not, without Landlord's prior written approval, place or permit any sign, advertisement(s), trademark(s) or logo(s) on Tenant's: (i) corridor or entrance door(s); (ii) stairwell doors; (iii) entrance glass or entrance panel(s), (iv) entry-way(s) or exit doors, panels or glass, except the type and size consistent with the building standard used to identify other tenant's places of business.

### **Section 5.03 PROHIBITION OF LIENS**

Tenant shall not do or suffer anything to be done causing the Space Leased to be encumbered by liens of any nature, and shall, whenever and as often as any lien is recorded

against said property, purporting to be for labor or materials furnished or to be furnished to Tenant, discharge the same of record within the ten (10) days after the date of filing.

#### **Section 5.04 NOTICE OF NON-RESPONSIBILITY**

**NOTICE** is hereby given that Landlord shall not be liable for any labor or materials furnished or to be furnished to Tenant on credit, and that no lien of any nature or type shall attach to or affect the reservation or other estate of Landlord in and to the premise herein demised. At least twenty (20) days before commencement of any work that is or may be the subject of a lien for work done or materials furnished to the Space Leased, Tenant shall notify Landlord in writing thereof, to allow Landlord, if it desires, to post and record notices of non-responsibility or to take any other steps Landlord deems appropriate to protect its interest. The provisions in this Section 5.04 do not eliminate the requirement of written consent of Landlord as contemplated in Section 5.02 above.

### **ARTICLE VI ASSIGNMENT AND SUBLETTING**

#### **Section 6.01 ASSIGNMENT AND SUBLETTING**

Tenant shall not assign, mortgage or encumber this Lease, in whole or in part, or sublet all or any part of the Space Leased without the prior written consent of Landlord. Such consent by Landlord shall not be unreasonably withheld. The consent by Landlord to any assignment or subletting shall not constitute a waiver of the necessity for such consent to any subsequent assignment or subletting. This prohibition against any assignment or subletting shall be construed to include a prohibition against any assignment or subletting by operation of law. If this Lease is assigned or if the Space Leased or any part thereof is occupied by anyone other than Tenant, Landlord may collect rent from the assignee or occupant, and apply the net amount collected to the rent herein reserved, but no such assignment, underletting, occupancy or collection shall be deemed a waiver of this provision or the acceptance of the assignee, undertenant or occupant as Tenant, or as a release of Tenant from the further performance of the provisions on its part to be observed or performed herein. Notwithstanding any assignment or sublease, Tenant shall remain fully liable and shall not be released from performing any of the terms, covenants and conditions of this Lease. Any assignment, hypothecation or sublease of the Space Leased, or any part thereof, whether by operation of law or otherwise, without the written consent of Landlord, shall be voidable at the option of Landlord. If Tenant assigns or subleases the Space Leased or any part thereof, for all or part of the Lease Term at a rental rate per square foot which is greater than that stated in Article III, the benefit of the higher payment shall accrue to the Landlord and shall be paid by Tenant to Landlord. Tenant's responsibility under Article III shall not be reduced by any assignment or sublease at a lesser rental rate than that contained in Article III.

**ARTICLE VII  
INSURANCE AND INDEMNITY**

**Section 7.01 INDEMNIFICATION OF LANDLORD**

Tenant shall indemnify, defend and save Landlord harmless from all suits, demands, claims, actions, damages, liability and penalties, judgements, awards, interest, costs and expenses, including all reasonable and actual attorney's fees incurred in connection with loss of life, bodily or personal injury or property damage arising from or out of any occurrence in, upon, at or from the Space Leased, from or out of any occurrence in, upon, at or from the Space Leased, or any occupancy or use by Tenant of said premises or any part thereof, including the sidewalks, common areas, restroom's and other facilities in or about the building, or occasioned wholly or in part by any act or omission of Tenant, its agents, contractors, customers, employees, servants, invitee, licensees or concessionaires or any person in or about the Space Leased with the expressed or implied consent of any of the above. The forgoing provision shall not be construed to make Tenant responsible for loss, damage, liability or expense resulting from injuries to third parties caused by an act, omission or negligence of the landlord or landlord's agent contractor or invitee of the landlord.

**Section 7.02 INSURANCE**

Tenant shall maintain insurance coverage at its own cost and expense. The following coverage requirements, and conditions shall apply:

- (A) **PHYSICAL DAMAGE INSURANCE** in an amount adequate to cover the full cost of replacement of all decorations, fixtures, contents and improvements in the Space Leased in the event of fire, vandalism, malicious mischief, or other casualty generally included in extended coverage policies.
- (B) **GENERAL COMPREHENSIVE LIABILITY INSURANCE** with single limits coverage in an amount of Two Million Dollars (\$1,000,000) for personal injury, property damage and third party liability.
- (C) Such insurance may not be cancelled or amended without thirty (30) days written notice by certified or registered mail to Landlord by the insurance company.
- (D) In the event of payment of any loss covered by such policy(s), payment shall be made to Tenant and Landlord as their interests may appear.
- (E) Landlord shall be named as an additional insured on such insurance policy. At Landlord's option and request, the original policy of all such insurance shall be delivered to Landlord by Tenant within ten (10) days of receipt of such request.
- (F) Tenant shall be solely responsible for payment of premiums for all such insurance.



(G) Tenant shall provide Landlord with a certificate of insurance providing for the above requirements within ten (10) days of the commencement of this Lease

(H) Tenant shall be responsible for payment of any increase(s) to existing insurance premiums or for additional insurance premiums required of Landlord to maintain its insurance coverage as a result of Tenant's occupancy of the Space Leased.

The minimum limits of any insurance coverage required herein shall not limit Tenant's liability under Section 7.01.

### **Section 7.03 NOTIFICATION**

Tenant shall give prompt notice to Landlord in case of fire, accidents, or defects in any fixtures or equipment in the Space Leased, in the building or on or about the premises of which the Space Leased is a part.

## **ARTICLE VIII CASUALTIES, DESTRUCTION**

### **Section 8.01 RESTORATION, ABATEMENT**

If all or any part of the Space Leased or the building in which such Space Leased is situated is damaged or destroyed by fire or other casualty insured under Landlord's standard fire insurance policy or any other standard fire insurance policy that Landlord may elect to obtain from time to time, Landlord, unless it otherwise elects as herein provided, shall repair the same with reasonable dispatch out of the insurance proceeds received from the insurer.

If the Space Leased or any parts thereof are damaged by fire or other casualties to such an extent corresponding with the part untenable, and for a period corresponding with the period during which such untenability exists, the rent shall be abated. If, due to fault or failure of Tenant, Tenant fails to adjust its own insurance claim within reasonable time, and as a result thereof the repair and restoration is delayed, there shall be no abatement of rent during the period of such resulting delay, or if the fire or damage to said premises is caused by carelessness, negligence or improper conduct of Tenant, then notwithstanding such damage or destruction, Tenant shall be liable for the rent during the unexpired period of the demised term, without an abatement.

### **Section 8.02 TERMINATION OF LEASE UPON DAMAGE OR CASUALTY**

(A) If Landlord, in its sole discretion shall decide within ninety (90) days after the occurrence of any fire or other casualty affecting the building in which the Space Leased is situated, even though the Space Leased may not have been affected by such fire or other casualty, to demolish, rebuild or otherwise replace or alter the building containing the Space Leased, then upon written notice given by Landlord to Tenant, this Lease shall terminate on a date specified in such notice, as if that date had been originally fixed as the expiration date of the term herein leased.

(B) In the event of damage to or destruction of or to the Space Leased, unless the Landlord shall have repaired such damage within ninety (90) days or had commenced repair within ninety (90) days and is proceeding with diligence and continuity, Tenant may, by written notice, terminate this Lease on the date specified in such notice, as if that date had been originally fixed as the expiration date of the term herein leased, provided such early termination date be not later than one hundred-fifty (150) days after the event of damage or destruction contemplated herein.

## **ARTICLE IX EMINENT DOMAIN**

### **Section 9.01 GENERAL**

If the whole or part of the Premises shall be taken for any public or quasi-public use, under any statute, or by right of eminent domain, or private purchase in lieu thereof by a public body vested with the power of eminent domain, then, at such time as possession shall be taken thereunder of the Space Leased, or any part thereof, the following provisions described in Section 9.02 through 9.04 shall be operative.

### **Section 9.02 TAKING OF ALL PREMISES**

If all of the Space Leased is taken, the term herein leased and all rights of Tenant hereunder shall immediately cease and terminate and the rent shall be adjusted as of the time of such termination so that Tenant shall have paid rent up to the time of taking only.

### **Section 9.03 TAKING OF SUBSTANTIAL PART OF PREMISES.**

If the taking reduces the area of the Space Leased which materially affects the use being made by tenant of the Space Leased, tenant shall have the right by written notice to Landlord, not later than thirty (30) days after possession is taken, to elect to terminate this Lease. If the taking reduces the use being made by Tenant, Landlord shall have the right by written notice to Tenant, effected not later than thirty (30) days after possession is taken, to elect to terminate this Lease.

(A) If such election of terminate is made by either Tenant or Landlord, the provisions for the taking of the whole shall govern, or:

(B) If such election to terminate is not made, this Lease shall continue and Landlord shall be entitled to the full condemnation proceeds and the rent shall be reduced in the same proportion that the rentable area of the Space Leased taken bears to the original rentable area leased and Landlord shall, upon receipt of the award in condemnation make all necessary repairs or alterations to the building which the Space Leased is located so as to constitute the portion of the building not taken a complete architectural unit, but such work shall not exceed the scope of the work done by Landlord in originally constructing said building, nor shall the cost such work be in excess of the amount received by Landlord as damages for the part of the premises so taken. "Amount received by Landlord" shall mean that part of the award in condemnation which is free and clear to Landlord of any collection by mortgagees for the value of the diminished security.

**Section 9.04 AWARD**

Tenant shall not be entitled to and expressly waives all claim to any condemnation award for any such taking, whether whole or partial, except Tenant shall have the right to claim from the condemnor, but not from Landlord, such compensation as may be recoverable by TENANT in its own right of damage to tenant's fixtures and improvements installed by Tenant at its expense or for relocation expense.

**ARTICLE X  
CONSTRUCTIONS**

**Section 10.01 CONSTRUCTION OR SPACE LEASED**

Landlord is not liable nor responsible for any tenant improvements except as provided for in the attached Exhibit A. The opening by Tenant of its business in the Space Leased shall constitute an acknowledgement by Tenant that the Space Leased is in the condition called for by this Lease and Landlord has performed all Landlord's work with respect thereto.

**Section 10.02 TENANTS INSTALLATIONS**

Any work or equipment other than those items specifically enumerated in this Lease shall be performed by Tenant at its own cost and expense and tenant shall fully equip the Space Leased with all trade equipment, lighting fixtures, (except existing 2x4 fluorescent ceiling lighting), furniture less what is provided by Landlord, operating equipment, furnishings and any other equipment necessary for the proper operation of Tenant's business. Tenant shall not do any construction work or install any equipment without first submitting plans and specification for such work to Landlord for its review and approval.

**ARTICLE XI  
DEFAULT AND REMEDIES**

**Section 11.01 DEFAULT OF TENANT**

Each of the following, but not limited thereto, shall be deemed a default by Tenant and a breach of this Lease:

(A) A failure in the payment of any rent herein reserved, or any part thereof, for a period of thirty (10) days after the date on which such rent is due.

(B) A failure in the performance of any other covenants or condition on the part of Tenant to be performed for a period of thirty (30) days after the service of notice thereof by Landlord, provide however, that no default on the part of Tenant shall be deemed to exist as the result of failure in the performance of work required to be performed or acts to be done or conditions to be modified if before the end of such thirty (30) day period, Tenant has begun to rectify the same, thereafter prosecutes the curing thereof to completion with diligence and continuity.

(C) The filing of a case, by or against Tenant, for any relief under the Federal Bankruptcy Code of 1978, as now or hereafter amended or supplemented or its successor, or the filing of any case by or against Tenant under any future bankruptcy act for the same or similar relief.

(D) The dissolution, or the commencement of any action or proceeding for the dissolution or for liquidation, of tenant, whether instituted by or against Tenant, or for the appointment of a receiver or trustee of the property of Tenant.

(E) The taking possession of the property of Tenant by any government office or agency pursuant to statutory authority for the dissolution or liquidation of Tenant.

(F) The making by Tenant of a general assignment for the benefit of creditors.

### **Section 11.02 REMEDIES OF LANDLORD**

In the event of any default of Tenant as above provided, Landlord shall have the following rights or remedies, in addition to any rights or remedies that may be given to Landlord by statute, law or otherwise:

(A) To immediately re-enter and re-let the Space Leased, in Landlord's name, at such price and on such terms as Landlord in its sole and absolute discretion deems fit, subject to any obligation Landlord may have to mitigate Tenant damages

(B) Re-entry or re-letting of all or part of the Space Leased shall not be deemed a termination of this Lease unless declared to be so by Landlord.

(C) Notwithstanding any such terminations, tenant shall remain liable to pay Landlord, and shall promptly pay Landlord, (1) all past due rent, (2) the present value, computed at a discount rate of six percent (6%) per annum of all future rents which Tenant will owe Landlord under this Lease, and (3) all direct and indirect costs, fees and damages incurred or suffered by Landlord as a proximately or foreseeable result of such default, including without limitation, all legal costs and full actual attorney's fees.

## **ARTICLE XII GENERAL PROVISIONS**

### **Section 12.01 WAIVER OF BREACH**

No failure by either Landlord or Tenant to insist upon the strict performance by the other of any covenant, agreement, term of condition of this Lease, or to exercise any right or remedies consequent upon a breach thereof, shall constitute waiver of any such breach or of such covenant, agreement, term or condition. No waiver of any breach shall affect or alter this Lease but each and every covenant, condition, agreement, and term of this Lease shall continue in full force and effect with respect to any other existing or subsequent breach.

### **Section 12.02 ENTIRE AGREEMENT, CHANGES, WAIVERS**

This Lease supersedes all other prior agreements and understanding between the parties and may not be changed or terminated orally. No change, termination or attempted waiver of any of the provisions hereof shall be binding unless in writing and sighted by the parties against whom the same is sought.

### **Section 12.03 CONSTRUCTION OF LEASE**

Words of any gender used in this Lease shall be held to include any other gender and words of the singular number shall be held to include the plural, when the sense requires.

### **Section 12.04 NOTICES**

Any notice or demand which under the terms of this Lease or any statute must be given or made by the parties hereto, shall be in writing and give or made by mailing the same by registered or certified mail, addressed to the other party, as follows

**Landlord: Quality Investments 1, LLC  
3801 Centerpoint Drive #300  
Anchorage, AK 99503**

**Tenant: Craig City School District  
351 W. Parks Hwy. #101  
Wasilla, AK 99654**

Either party may, however, designate in writing such new or other address to which such notice or demand shall thereafter be given, made or mailed. Any notice given hereunder by mail shall be deemed delivered when deposited in the United States Mail, at any general or branch post office, and mailed by registered or certified prepaid mail.

### **Section 12.05 ESTOPPEL CERTIFICATE**

Tenant shall, at any time and from time to time upon not less than fifteen (15) days prior request by Landlord, provide a statement in writing certifying that this Lease is in full force and effect and if modified, stating the modification and the dates to which the rent(s) and any other charges have been paid in advance. It is intended that any such statement delivered pursuant to this Section 12.05 may be relied upon by any prospective purchaser, assignee or encumbrancer of the premises.

### **Section 12.06 EXCUSE FOR NON-PERFORMANCE**

Either party hereto shall be excused from performing any or all of its obligations hereunder with respect to any repair and construction work required under the terms of this lease for such times the performance of any such obligation is prevented or delayed by an act of God, floods, explosion, war, invasion, insurrection, riot, mob violence, sabotage, inability to procure labor, equipment, facilities, material or supplies in the open market, failure of transportation, strikes, lockouts, action by labor unions, or laws or order of governmental agencies, or any other cause whether similar or dissimilar to the foregoing which is not within the reasonable control of such party.

### **Section 12.07 SUBORDINATION**

This Lease, at Landlord's option, shall be subordinate to any groundlease, mortgage deed of trust, or any other hypothecation for security now or hereafter placed upon the real property or building of which the Space Leased is a part and which constitute a mortgage or deed of trust lien or encumbrance against such real property or building of which the Space Lease is a part and to any and all advances made on security thereof and to all renewals, modifications, amendments, consolidations, replacements and extensions thereof.

Tenant agrees to execute any documents required to effectuate such subordination as the case may be, and failing to do so within ten (10) days after written demand shall give Landlord the right to either terminate the Leasehold or execute said document on Tenant's behalf.

#### **Section 12.08 EXCLUSIVE JURISDICTION/VENUE**

In the event that a question, dispute or requirement for interpretation or construction should arise with respect to this Lease, jurisdiction and venue therefor shall lie exclusively with the courts of the Third Judicial District for the State of Alaska, Anchorage, Alaska unless a nonwaivable federal or Alaska state law should require to the contrary.

#### **Section 12.09 REAL ESTATE AGENCY DISCLOSURE**

Each party to this Lease acknowledges that licensee Heidi Mobley of Premier Real Estate, LLC is a real estate licensee in the State of Alaska and has acted as agent and representative for the Tenant only; Jim Hegedus is related to the Landlord, and is a real estate licensee in the State of Alaska and has acted as agent and representative for the Landlord only, but either licensee may provide specific assistance to the other party to this transaction. The parties confirm that prior oral and/or written disclosure of representation was provided to them as required by AS 08.88.600.

#### **Section 12.10 TIME OF ESSENCE**

Time is of the essence of each and every provision hereof.

#### **Section 12.11 BINDING EFFECT**

This Lease, subject to the provisions of Section 6.01, shall be binding upon and inure to the benefit of the parties hereto, their legal representatives, successors and assigns.

#### **Section 12.12 EFFECTIVE DATE**

This Lease shall be effective the instant the dated signature of both Landlord and Tenant are affixed hereto.

#### **Section 12.13 ADA**

Americans with Disabilities Act (ADA): Landlord agrees to hold Tenant harmless from all legal fees, court costs, & penalties resulting from claims under the (ADA) insofar as the claims are a result of the buildings parking lot, sidewalks and building common areas non-conformance (if-any) to the act and not the Tenant's leased space. Tenant shall be responsible for any ADA requirements within the Tenant's leased space.

**IN WITNESS WHEREOF**, the parties have executed this Space Lease the day and year set opposite their respective signatures.

**LANDLORD: Quality Investments 1, LLC**

By: *Nasim Saadiev* Dated: *12/16/22*

Its: *owner*

**TENANT: Craig City School District**

By: \_\_\_\_\_ Dated: \_\_\_\_\_

Its: \_\_\_\_\_

## **EXHIBIT F**

### **RULES AND REGULATIONS:**

- 1. Tenant is not permitted to store business effects outside the Premises.**
- 2. Tenant is not permitted to park on the premises overnight. If Tenant must park a business vehicle on-site over night they must notify property management and accept any associated risk in doing so.**
- 3. Dogs are not permitted inside of the property.**
- 4. If Tenant needs more keys cut, they need to let property management know so an authorization can be provided in writing and Tenant may get more keys at their cost. If Tenant needs locks re-keyed as a result of losing keys, associated costs will be Tenant responsibility.**



# Exhibit A



351 W PARKS HWY

SUITE 101 GROSS INTERNAL  
AREA : 1550 sq. ft

# Exhibit D



Tenant  
Signage  
designation