

## LEASE AGREEMENT

THIS LEASE AGREEMENT (hereinafter the "Lease") is made and entered into as of 23 June 2025,

by and between David & June Kang whose address is

1077 East 2500 North, Provo, Utah 84604

(hereinafter "Landlord") and

Chicken Boy L.L.C. Jared Cuevas and Jonny Cuevas, whose address is

218 North 2650 West, Provo, Utah 84601

(hereinafter "Tenant").

WITNESSETH

In consideration of the rents, covenants and agreements hereinafter set forth, Landlord and Tenant mutually agree as follows:

### ARTICLE 1: PREMISES

Landlord hereby leases and demises to Tenant, and Tenant hereby leases from Landlord that certain real property located in Utah County, State of Utah (hereinafter the "Property"), which is located on 1195 Canyon Road, Provo, Utah 84604, together with all buildings and other improvements now or hereafter located thereon and affixed thereto (hereinafter collectively "Improvements"), and any and all privileges, easements, and appurtenances belonging thereto or granted herein. The Property and the Improvements are hereinafter collectively referred to as the "Premises".

### ARTICLE 2: TERM COMMENCEMENT

#### Term of Lease.

This Lease shall be for a term of 5 Years commencing on 1 July 2025 (hereinafter the "Commencement Date") and ending at 30 June 2030 unless sooner terminated pursuant to the terms, covenants and conditions of this Lease or pursuant to law.

#### Delivery of Possession.

Tenant acknowledges and accepts the Premises in their current "as is" condition.

Tenant to provide kitchen plan, in case of modifications and obtain Landlord's approval, prior to starting its construction

Tenant is solely responsible for fulfilling city and county requirements.

## ARTICLE 3: RENT

### Payment of Monthly Base Rent.

As Monthly Base Rent for the Premises, Tenant shall pay to Landlord, in advance on or before the first day of each calendar month during the term of this Lease, an amount equal to the "Monthly Base Rent" as defined in Section **Monthly Base Rent**.

### Monthly Base Rent.

The "Monthly Base Rent" payable during each Lease Year shall be determined in accordance with the following: (a) For the First Lease Year, the Monthly Base Rent shall be equal to \$7084.88 per month via direct deposit. (b) Starting with the 2nd Year and each year thereafter, the rent will increase by 3 %.

### Triple Net (NNN)

Tenant shall pay its full share of real estate taxes, insurance, and common area maintenance (CAM) as additional rent, billed monthly by the Landlord in addition to the base rent

### Lease Extension

Tenant shall have the option to extend the term of this Lease for one (1) additional period of five (5) years (the "Extended Term") upon the same terms and conditions as set forth in this Lease, except that the Base Rent and the subsequent increase during the Extended Term will be renegotiated.

To exercise this option, Tenant must provide written notice to Landlord no later than ninety (90) days prior to the expiration of the initial Lease term. If Tenant fails to provide such notice within the required time frame, this option shall lapse and be of no further force or effect.

## ARTICLE 4: LATE CHARGES AND INTEREST

If Tenant fails to pay any Monthly Base Rent when such Monthly Base Rent is due and payable in accordance with Article III of this Lease or if Tenant fails to pay any additional amounts or charges of any character which are payable under this Lease, Landlord, at Landlord's election, may assess and collect a late fee charge equal to fifteen percent (15 %)

of each payment of rent not received within five (5) days from the date such rent payment is due. Furthermore, and in addition to any late charges payable pursuant to the provisions of this Article, to the extent that any payment of Monthly Base Rent or any other amount payable to Landlord by Tenant pursuant to any provision of this Lease is more than thirty (30) days past due, Tenant shall pay Landlord interest at the rate of twenty-five percent (25%) per annum on all such past due amounts.

### **Eviction Proceedings and Legal Fees**

In the event that the Tenant fails to pay rent or otherwise violates any term of this Agreement, and such default is not cured within thirty (30) days after written notice from the Landlord, the Landlord may initiate eviction proceedings in accordance with applicable laws. The Tenant agrees to be responsible for all costs incurred by the Landlord in connection with such proceedings, including, but not limited to, court costs, attorney's fees, and any other reasonable legal expenses.

## **ARTICLE 5: SECURITY DEPOSIT**

A Non-Refundable Security Deposit of \$21,254.74 is required. This fee is non-refundable under any circumstances, including upon termination of this lease.

### **Rent Abatement – First Month Free**

Notwithstanding anything to the contrary in this Lease, Tenant shall be entitled to one (1) month of abated Base Rent for the period of **July, 2025**. This rent abatement applies only to the Base Rent and does not apply to any other charges due under this Lease, including but not limited to utilities, taxes, insurance, or common area maintenance.

### **Amount Due at Lease Signing**

Upon execution of this Lease, Tenant shall pay to Landlord the following amounts:

1. **First Month's Rent:** \$7084.88
2. **Non-Refundable Security Deposit:** \$21,254.74

**Total Due at Signing:** \$28,339.62

All payments shall be made in certified funds or as otherwise agreed by the parties and must be received prior to occupancy.

## **ARTICLE 6: QUIET ENJOYMENT**

Landlord hereby covenants to Tenant that, subject to Tenant's compliance with the terms and provisions of this Lease, Tenant shall peaceably and quietly hold and enjoy the full possession and use of the Premises during the term of this Lease.

## **ARTICLE 7: TAXES, ASSESSMENTS AND OTHER CHARGES**

### **Real Estate Taxes and other Assessments.**

The Tenant shall be responsible for the payment of all real estate taxes and insurance premiums associated with the leased premises. Tenant agrees to contract, manage, and pay directly all of the following costs associated with the Common Area Maintenance (CAM), site lighting maintenance, landscaping & grounds maintenance, trash removal, snow removal, water & sewer, termite treatment, maintain grease trap, inside & on roof heating & air conditioning units including quarterly replacement of filters and water heater and roof maintenance. Any damage or repair by tenant or any maintenance performed by or contracted by Landlord for which Tenant is responsible will be paid by Tenant within 15 days of being billed by Landlord.

## **ARTICLE 8: UTILITIES**

Tenant shall be solely responsible for, and pay when due, all charges for water, gas, heat, light, power, telephone, and other utilities or services used by or supplied to Tenant or to the Premises, together with any taxes thereon, including any storm drain, or other fees or charges during the term of this Lease.

## **ARTICLE 9: INSURANCE**

### **Tenants Insurance Coverage.**

Tenant shall at all times during the term of this Lease, and at Tenant's own cost and expense, procure and continue in force the following insurance coverage: (a) Fire, related perils & Comprehensive liability, contents, loss of business, loss of rents insurance with limits of not less than \$1,000,000.00 per person and \$2,000,000.00 per occurrence insuring against any and all liability of the insured and landlord with respect to the Premises or arising out of the maintenance, use or occupancy thereof, and property damage liability insurance with a limit of not less than \$2,000,000.00 per accident or occurrence. The building will be covered for \$800,000.00.

### **Insurance Policies.**

The minimum limits of insurance policies as set forth in Section 9.1 shall in no event limit the liability of Tenant hereunder. The insurance policies shall name the Landlord as an additional insured, and shall be with companies having a rate of not less than an "A" company rating and a Financial Rating of Class VI in "Best's Insurance Reports." Tenant shall furnish from the insurance companies or cause the insurance companies to furnish to Landlord certificate of coverage once a year. No such policy shall be cancelable or subject to reduction of coverage or other modification or cancellation except after thirty (30) days prior written notice to Landlord by the insurer. All such policies shall be written as primary policies, not contributing with and not in excess of any coverage which Landlord may carry.

Tenant shall at least thirty (30) days prior to the expiration of such policies furnish Landlord with renewals or binders. If Tenant does not procure and maintain such insurance, Landlord may, but is not obligated to, procure such insurance on Tenant's behalf and all sums paid by Landlord shall bear interest at the rate of eighteen percent (18%) and shall be immediately due and payable. Tenant shall have the right to provide such insurance coverage pursuant to blanket policies obtained by Tenant provided such blanket policies expressly afford coverage to the Premises and to Landlord as required by this Lease.

### **Waiver of Subrogation.**

To the extent permitted under the insurance policies obtained by Landlord, if any, and Tenant, Landlord and Tenant each hereby waive any and all right of recovery against the other or against the officers, employees, agents and representatives of the other, on account of loss or damage occasioned to such waiving party or its property or the property of others under its control to the extent that such loss or damage is insured against under any fire and extended coverage insurance policy which either may have in force at the time of such loss or damage.

## **ARTICLE 10: USE OF PREMISES**

### **Use.**

The Premises shall be used and occupied by Tenant solely for its use; and for no other purpose without the prior written consent of Landlord, which consent may be withheld by Landlord in Landlord's sole discretion.

### **Suitability.**

Tenant acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty with respect to the Premises or the Improvements or with respect to the suitability of either for the conduct of Tenant's business, nor has Landlord agreed to undertake any modification, alteration or improvement to the Premises except as specifically provided in this Lease. The continued possession of the Premises by Tenant shall conclusively establish that the Premises and the Improvements are at the date of possession in satisfactory condition. Landlord shall not be responsible for any unknown latent defects or deficiencies in the construction of the Premises or the Improvements or any improvements or fixtures therein. Tenant shall have the right to inspect the property and contact the builder if there are any concerns.

### **Prohibited Uses.**

- (a) Tenant shall not do or permit anything to be done in or about the Premises, nor bring or keep anything therein which will cause a cancellation of any insurance policy covering the Premises, nor shall Tenant sell or permit to be kept, used or sold in or about the Premises any articles which may be prohibited by a standard form

policy of fire insurance unless Tenant provides additional insurance coverage extending protection to cover all risks associated with these articles.

- (b) Tenant shall not use the Premises or permit anything to be done in or about the Premises which will in any way conflict with any law, statute, ordinance or governmental rule or regulation requirement of duly constituted public authorities now in force or which may hereafter be enacted, promulgated or created. Tenant shall, at Tenant's sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force and with the requirements of any board of fire underwriters or other similar body now or hereafter constituted relating to or affecting the use or occupancy of the Premises, including structural changes that relate to or affect the use
- (c) Tenant shall comply with all requirements of any recorded restrictive covenants or bylaws of any association affecting the Premise
- (d) Tenant shall not permit smoking in the Premises at any time.

## **ARTICLE 11: MAINTENANCE AND REPAIRS**

### **Tenant Maintenance and Repairs.**

During the Term of the Lease, Tenant, at Tenant's expense, shall keep the Premises in good order and condition and shall maintain and shall make any and all repairs and replacements to the roof, interior surfaces of the Premises (including, but not limited to, floor coverings, window coverings, and wall coverings), all windows and glass which are part of the Premises, all light fixtures, all plumbing (including periodic, professional cleaning of grease trap), heating & air conditioning and all doors to the Premises. Tenant shall, at all times, and at Tenant's expense, keep the Premises in a neat, clean, and sanitary condition and shall comply with all valid federal, state, county and city laws and ordinances and all rules and regulations of any duly constituted authority, present or future, affecting or respecting the use or occupancy of the Premises by Tenant, at Tenant's expense, shall also repair any structural damage to the Premises caused by Tenant, or Tenant's employees, agents, contractors, invitees, licensees, customers, or clients. Tenant will provide all maintenance & repairs as in 7.1.

## **ARTICLE 12: HAZARDOUS SUBSTANCES**

### **Environmental Compliance. Tenant**

- (a) shall at all times comply with, or cause to be complied with, any "Environmental Law" (hereinafter defined) governing the Premises or the use thereof by Tenant or any of Tenant's employees, agents, contractors, invitees, licensees, customers, or clients,
- (b) shall not use, store, generate, treat, transport, or dispose of, or permit any of Tenant's employees, agents, contractors, invitees, licensees, customers, or clients to

use, store, generate, treat, transport, or dispose of, any Hazardous Substance" (hereinafter defined) on the Premises without first obtaining Lessor's written approval,

- (c) shall promptly and completely respond to, and clean up, in accordance with applicable laws and regulations, any Release (as hereinafter defined) occurring on the Premises as a direct result of actions of Tenant or Tenant's employees or authorized agents; and
  - (d) shall pay all costs incurred as a result of any failure by Tenant to comply with any Environmental Law, which failure results in a Release or other change in the environmental state, condition, and quality of the Premises necessitating action under applicable Environmental Laws, including with limitation the costs of any Environmental Cleanup Work (hereinafter defined) and the preparation of any closure or other required plans (all of the foregoing obligations of Tenant under this Section 12.1 are hereinafter collectively "Tenant's Environmental Obligations").
- Landlord indemnifies Tenant for pre-existing environmental issues. The provisions of this Article 12 shall survive the expiration or other termination of this Lease.

#### **Definitions. As used in this Lease:**

- (a) "Hazardous Substance" shall mean (1) any "hazardous waste", "hazardous substance", and any other hazardous, radioactive, reactive, flammable, infectious, solid wastes, toxic or dangerous substances or materials, or related materials, as deemed in, regulated by, or which form the basis of liability now or hereafter under any Environmental Law; (2) asbestos, (3) polychlorinated biphenyls (PCBs); (4) petroleum products or materials; (5) underground storage tanks, whether empty or filled or partially filled with any substance; (6) flammable explosives, (7) any substance the presence of which on the Premises is or become prohibited by Environmental Law; (8) urea formaldehyde foam insulation; and (9) any substance which under Environmental Law requires special handling or notification in its use, collection, storage, treatment or disposal;
- (b) "Environmental Cleanup Work" shall mean an obligation to perform work, cleanup, removal, repair, remediation, construction, alteration, demolition, renovation or installation in or in connection with the Premises in order to comply with any Environmental Law;
- (c) "Environmental Law" shall mean any federal, state or local law, regulation, ordinance or order, whether currently existing or hereafter enacted, concerning the environmental state, condition or quality of the Premises or use, generation, transport, treatment, removal, or recovery of Hazardous Substances, including building materials, and including, but not limited to, the following: (1) the Solid Waste Disposal Act as amended by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901, et seq), as amended, and all regulations promulgated hereunder; (2) the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. Section 9601, et seq), as amended, and all regulations promulgated hereunder; (3) the Hazardous Materials Transportation Act (49 U.S.C. Section 2601, et seq) as amended, and all promulgated hereunder, (4) the Toxic Substances Control Act (15 U.S.C. Section 2601, et seq), as amended, and all



regulations promulgated hereunder; (5) the Clean Air Act (42 U.S.C. Section 7401, et seq), as amended, and all regulations promulgated hereunder; (6) the Federal Water Pollution Control Act (33 U.S.C. Section 1251, et seq), as amended, and all regulations promulgated hereunder; and (7) the Occupational Safety and Health Act (29 U.S.C. Section 651, et seq) as amended, and all regulations promulgated hereunder; and

- (d) Release means any actual or threatened spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, presence, dumping, migration on or from the Premises or adjacent property, or disposing of Hazardous Substances into the environment.

## **ARTICLE 13: FIXTURES AND ALTERATIONS**

### **Alterations.**

Tenant shall not make any physical alterations in the Premises or any of the fixtures located therein or install or cause to be installed any trade fixtures, exterior signs, floor coverings, interior or exterior lighting, plumbing fixtures, shades or awnings or make any changes to the Improvements front without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld. Tenant shall present to Landlord plans and specifications for the installation of any improvements or fixtures at the time approval is sought from Landlord. Any physical change and all rearrangements which are made by Tenant with the approval of Landlord shall be made at Tenant's expense. Such alterations, decorations, additions and improvements shall not be removed from the Premises. Upon expiration of this Lease all such alterations, decorations, additions and improvements shall at once become the Property of Landlord. At Lease expiration, Tenant shall be responsible for removing any logo lettering on the glass door and/or windows of the unit.

### **Conditions and Limitations.**

Landlord may impose as a condition to granting any consent required by Section 13.1, such requirements, restrictions and limitations as Landlord may deem necessary in Landlord's sole discretion, including without limitation, the manner in which the work is done, the contractors by whom it is performed, and the time during which the work is accomplished.

### **Contractors and Material Men.**

If any fixtures, alterations or improvements are allowed by Landlord, Tenant shall promptly pay all contracts and material men, so as to eliminate the possibility of a lien attaching to the Improvements or the Land, and should any such lien be made or filed by reason of any fault of Tenant, Tenant shall bond against or discharge the same within ten (10) days after written request by Landlord. Landlord shall have the right, but not the obligation, to pay and discharge any such lien that attaches to the Premises and Tenant shall reimburse Landlord for any such sums paid together with interest at the rate of eighteen percent (18%) within thirty (30) days after written demand by Landlord.



## ARTICLE 14: DAMAGE OR DESTRUCTION

### Landlord to Repair Improvements.

Subject to the provisions of Sections 11.1; 14.2 and 14.3, if during the term of this Lease any of the Improvements are damaged or destroyed by fire or other casualty, Landlord shall repair or restore the Improvements. The work of repair or restoration, which shall be completed with due diligence, shall be commenced within a reasonable time after the damage or loss occurs. To the extent that such damage or destruction interferes with Tenant's ability to use the Premises, as determined by Landlord, rent shall be abated after the damage or destruction of the Improvements until the repair or restoration of the Improvements has been completed and will look to the insurance coverage to take care of any loss of rents.

### Landlord's Option to Terminate.

Notwithstanding anything to the contrary in this Article 14, in the event that any of the Improvements are damaged or destroyed by fire or other casualty, Landlord shall have the right to terminate this Lease, which termination shall be deemed to be effective as of the date of such casualty, upon the occurrence of any of the following events: (a) Insurance proceeds payable with respect to such damage or destruction are not sufficient to pay for the repair and/or restoration of the Improvements; (b) Repair and restoration of the Improvements cannot be completed within sixty (60) days after the occurrence of the casualty causing such damage or destruction, (c) More than thirty percent (30%) of the Improvements have been damaged or destroyed by such casualty. Landlord's option to terminate the Lease pursuant to the provisions of this Section 14.2 must be exercised within thirty (30) days of the date of the casualty causing such damage or destruction by written notice from Landlord to Tenant. In the event that Landlord elects to terminate the Lease pursuant to this Section 14.2, Tenant shall immediately surrender possession of the Premises to Landlord and shall assign to landlord (or if the same has already been received by Tenant, pay to Landlord) all of Tenant's right, title, and interest in and to the insurance proceeds payable with respect to the Premises. 14.3 Tenant's Option to Terminate. If no default by Tenant under this Lease has occurred and is then continuing and if no event has occurred and is then continuing which, with the giving of notice or lapse of time, or both, would become such a default, Tenant shall if the Improvements are damaged or destroyed by fire or other casualty and repair or restoration of the Improvements cannot be completed within sixty (60) days following the occurrence of the casualty causing such damage or destruction, have the option of terminating this Lease by written notice to Landlord, which termination shall be deemed to be effective as of the date of the casualty. Tenant's option to terminate the Lease pursuant to the provisions of this Section 14.3 must be exercised within thirty (30) days of the date of the casualty causing such damage or destruction. In the event that Tenant elects to terminate this Lease pursuant to this Section 14.3, Tenant shall immediately surrender possession of the Premises to Landlord and shall assign to landlord (or if the same has already been received by Tenant, pay to Landlord) all of Tenant's right, title, and interest in and to the insurance proceeds payable with respect to the Premises.

## **ARTICLE 15: CONDEMNATION**

If all or any part of the Premises is taken or appropriated for public or quasipublic use by right of eminent domain with or without litigation or transferred by agreement in connection with such public or quasi-public use, Landlord and Tenant shall each have the right within thirty (30) days of receipt of notice of taking, to terminate this Lease as of the date possession is taken by the condemning authority; provided, however, that before Tenant may terminate this Lease by reason of taking or appropriation, such taking or appropriation shall be of such an extent and nature as to substantially handicap, impede or impair Tenant's use of the Premises. No award for any partial or entire taking shall be apportioned, and Tenant hereby assigns to Landlord any award which may be made in such taking or condemnation, together with any and all rights of Tenant now or hereafter arising in or to the award or any portion thereof; provided, however, that nothing contained herein shall be deemed to give Landlord any interest in or to require Tenant to assign to Landlord any award made to Tenant for the taking of personal property and fixtures belonging to Tenant, for the interruption of or damage to Tenant's business and for Tenant's unamortized cost of leasehold improvements. In the event of a partial taking which does not result in a termination of this Lease, rent shall be abated in the proportion which the part of the Premises so made unusable bears to the rented area of the Premises immediately prior to the taking. No temporary taking of the Premises or Tenant's right therein or under this Lease shall terminate this Lease or give Tenant any right to any abatement of rent hereunder; and any award made to Tenant by reason of any such temporary taking shall belong entirely to Tenant, and Landlord shall not be entitled to any portion thereof.

## **ARTICLE 16: ASSIGNMENT AND SUBLETTING**

### **Landlord's Consent Required.**

Tenant shall not assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest therein, either voluntarily or involuntarily by operation of law or otherwise, and Tenant shall not sublet the Premises or any part thereof, without the prior written consent of Landlord and my attempt to do so without such consent being first bad and obtained shall be void and shall constitute a breach of this Lease, such consent shall not be unreasonably withheld.

### **No Release of Tenant.**

No consent by Landlord to any assignment or subletting by Tenant shall relieve Tenant of any obligation to be performed by Tenant under this Lease, whether occurring before or after such consent, assignment or subletting. The consent by Landlord to any assignment or subletting shall not relieve Tenant from the obligation to obtain Landlord's express written consent to any other assignment or subletting. The acceptance of rent by Landlord from any other person or legal entity shall not be deemed to be a waiver by Landlord of any provision of this Lease or to be consent to any assignment, subletting. The acceptance of

rent by Landlord from any other person or legal entity shall not be deemed to be a waiver by Landlord of any provision of this Lease or constitute consent to any subsequent assignment, subletting or other transfer. Consent to one assignment, subletting or other transfer shall not be deemed to constitute consent to any subsequent assignment, subletting or other transfer.

### **Increased Expenses.**

Tenant shall pay Landlord the amounts of any increase in costs or expenses incident to the occupancy of the Premises by such assignee or subtenant, including but not limited to, reasonable attorney's fees incurred in connection with giving such consent.

## **ARTICLE 17: SUBORDINATION, ATTORNMENT AND ESTOPPEL CERTIFICATES**

### **Subordination.**

This Lease at Landlord's option shall be subject and subordinate to the lien of any mortgages or deeds of trust in any amount or amounts whatsoever now or hereafter placed on or against the Premises, the Improvements, or on or against Landlord's interest or estate therein, without the necessity of the execution and delivery of any further instruments on the part of Tenant to effectuate such subordination. Notwithstanding anything to the contrary in this Article 17, this Lease shall remain in full force and effect for the full term hereof, including any extensions, so long as Tenant is not in default hereunder.

### **Subordination Agreements.**

Tenant shall execute and deliver upon demand without charge therefore, such further instruments evidencing such subordination of this Lease to the lien of any such mortgages or deeds of trust as may be required by Landlord.

### **Attornment.**

In the event of any foreclosure or the exercise of the power of sale under any mortgage or deed of trust made by Landlord covering the Premises or the Building, Tenant shall attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as the Landlord under this Lease, provided said purchaser expressly agrees in writing to be bound by the terms of this Lease.

### **Estoppel Certificates.**

Tenant shall, from time to time and within thirty (30) days from receipt of prior written notice from Landlord, execute, acknowledge and deliver to Landlord a statement in writing (a) certifying that this Lease is unmodified and in full force and effect or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect and the date to which the rent and other charges are paid in advance, if any, (b)

certifying that the Lease and any modifications of this Lease constitute the entire agreement between Landlord and Tenant with respect to the Premises and, except as set forth in this Lease and any modification of this Lease, Tenant does not claim any right, title, or interest in or to the Premises or any part thereof; (c) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder, or specifying such defaults, if any are claimed, and (d) certifying such other matters with respect to the, Lease and/or the Premises as Landlord may reasonably request.

#### **Failure to Deliver Certificate.**

If Tenant fails to deliver such statement within the time period referred to in Section 17.4 above, it shall be deemed conclusive upon Tenant that the (a) this Lease is unmodified and in full force and effect, (b) this Lease constitutes the entire agreement between Landlord and Tenant with respect to the Premises and, except as set forth in this Lease, Tenant does not claim any right, title, or interest in or to the Premises, or any part thereof; (c) there are no uncured defaults in Landlord's performance of Landlord's obligations under this Lease, and (d) not more than one month's Monthly Base Rent has been paid in advance.

#### **Transfer of Landlord's Interest.**

In the event of a sale or conveyance by Landlord of Landlord's interest in the Premises other than a transfer for security purposes only, Landlord shall be relieved from and after the date specified in any such notice of transfer of all obligations and liabilities to Tenant which accrue after such sale or conveyance on the part of Landlord, provided that any funds in the possession of Landlord at the time of transfer in which Tenant has an interest shall be delivered to the successor Landlord.. This Lease shall not be affected by any such sale or transfer and Tenant shall attorn to the purchaser or other transferee provided that all of Landlord's obligations accruing hereunder from and after such sale or transfer are assumed in writing by such purchaser or transferee.

## **ARTICLE 18: DEFAULT AND REMEDIES**

### **Default.**

The occurrence of any of the following shall constitute a material default and breach of this Lease by Tenant: (a) Any failure by Tenant to pay the Monthly Base Rent, or any other monetary sums required to be paid under this Lease, where such failure continues for five (5) days after written notice thereof by Landlord to Tenant; (b) Any material false statement made by Tenant to Landlord or its agents in any document delivered to Landlord in connection with the negotiation of this Lease. (c) The abandonment or vacation of the Premises by Tenant; (d) A failure by Tenant to observe and perform any other term, covenant or condition of this Lease to be observed or performed, by Tenant, where such failure continues for thirty (30) days after written notice thereof by Landlord to Tenant; provided, however, that if the nature of the default is such that the default cannot reasonably be cured within the thirty (30) day period, Tenant shall not be deemed to be in default if Tenant shall within the thirty (30) day period commence action to cure the

default and thereafter diligently prosecute the same to completion; (e) The making by Tenant of any general assignment or general arrangement for the benefit of creditors; the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or of a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or the attachment, execution, or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within thirty (30) days.

### **Nonexclusive Remedies.**

In the event of any such material default or breach by Tenant, Landlord shall have, in addition to any other remedies provided in this Lease, the following nonexclusive remedies: (a) At Landlord's option and without waiving any default by Tenant, Landlord shall have the right to continue this Lease in full force and effect and to collect all Monthly Base Rent, and any other amounts to be paid by Tenant under this Lease as and when due. During any period that Tenant is in default, Landlord shall have the right, pursuant to legal proceedings or pursuant to any notice provided for by law, to enter and take possession of the Premises, without terminating this Lease, for the purpose of re-letting the Premises or any part thereof and making any alterations and repairs that may be necessary or desirable in connection with such re-letting. Any such re-letting or re-lettings may be for such term or terms (including periods that exceed the balance of the term of this Lease), and upon such other terms, covenants and conditions as Landlord may in Landlord's sole discretion deem advisable. Upon each and any such re-letting, the rent or rents received by Landlord from such re-letting shall be applied as follows: (1) to the payment of any indebtedness (other than rent) due hereunder from Tenant to Landlord; (2) to the payment of costs and expenses of such re-letting, including brokerage fees, reasonable attorney's fees, court costs, and costs of any alterations or repairs; (3) to the payment of any Monthly Base Rent and any other amounts due and unpaid hereunder; and (4) the residue, if any, shall be held by Landlord and applied in payment of future Monthly Base Rent and any other amounts as they become due and payable hereunder, if the rent or rents received during any month and applied as provided above shall be insufficient to cover all such amounts including the Monthly Base Rent and any other amounts to be paid by Tenant pursuant to this Lease for such month, Tenant shall pay to Landlord any deficiency; such deficiencies shall be calculated and paid monthly. No entry or taking possession of the Premises by Landlord shall be construed as an election by Landlord to terminate this Lease, unless Landlord gives written notice of such election to Tenant or unless such termination shall be decreed by a court of competent jurisdiction. Notwithstanding any re-letting by Landlord without termination, Landlord may at any time thereafter terminate this Lease for such previous default by giving written notice thereof to Tenant. (b) Terminate Tenant's right to possession by notice to Tenant, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default, including without limitation the following: (1) all unpaid rent which has

been earned at the time of such termination plus (2) the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that is proved could have been reasonably avoided; plus (3) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform Tenant's obligations under this Lease, or in addition to or in lieu of the foregoing such damages as may be permitted from time to time under applicable State law. Upon any such reentry Landlord shall have the right to make any reasonable repairs, alterations or modifications to the Premises, which Landlord in Landlord's sole discretion deems reasonable and necessary.

## **ARTICLE 19: ENTRY BY LANDLORD**

Landlord shall, during the term of this Lease, have the right to enter the Premises at reasonable times and upon reasonable notice to Tenant, to inspect or to show to prospective tenants or purchasers, or to make necessary repairs. For purposes of this section, twenty-four (24) hours is deemed to be reasonable notice. In the event of an emergency, however, Landlord shall not be required to give Tenant such notice, provided that Landlord furnishes Tenant with the reason for the emergency entry within three days of such entry.

## **ARTICLE 20: INDEMNITY**

Tenant shall indemnify and hold Landlord harmless from any and all claims of liability for any injury or damage to any person or property whatsoever occurring in, on or about the Premises or any part thereof during the term of this Lease. Tenant shall further indemnify and hold Landlord harmless from and against any and all claims arising from breach or default in performance of any obligation on Tenant's part to be performed under the terms of this Lease, or arising from any act or negligence of Tenant, or any of Tenant's agents, contractors, employees, licensees or invitees and from and against all costs, reasonable attorney's fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon. Tenant shall not, however, be liable for damage or injury occasioned by the negligence, intentional acts, or omissions of Landlord and Landlord's designated agents or employees. Tenant's obligations under this Article 20 shall survive the expiration or other termination of this Lease.

## **ARTICLE 21: SURRENDER**

### **Surrender.**

Upon the expiration or other termination of this Lease, Tenant shall quit and surrender to Landlord the Premises, together with the Improvements and all other property affixed to the Premises, excluding Tenant's fixtures, in good order and condition, ordinary wear and tear excepted. Tenant shall, prior to the expiration or other termination of this Lease



remove all personal property belonging to Tenant and failing to do so, Landlord may cause all of said personal property to be removed at the cost and expense of Tenant. Tenant's obligation to observe and perform this covenant shall survive the expiration or other termination of this Lease. In the alternative, Landlord may, at Landlord's option, treat any and all items not removed by Tenant on or before the date of expiration or of the termination of this Lease as having been relinquished by Tenant and such items shall become the property of Landlord with the same force and effect as if Tenant had never owned or otherwise had any interest in such items.

### **Hazardous Substances.**

No spill, deposit, emission, leakage or other release of Hazardous Substance in the soils, ground waters or waters shall be deemed to result in either (a) wear and tear that would be normal for the term of the Lease; or (b) a casualty to the Premises. Tenant shall be responsible to promptly and completely cleanup any Release occurring on the Premises during the term of the Lease which directly results from the actions of Tenant or its employees or authorized agents. Tenant shall surrender the Premises free of any contamination or other damage caused by such a Release during the term of the Lease. Tenant's obligation to cleanup the Premises pursuant to the provisions of this Article 21 shall survive the expiration or other termination of this Lease.

## **ARTICLE 22: MISCELLANEOUS**

### **Signs.**

Tenant, at its own cost, may place and maintain a sign advertising Tenant's business approved by city of Provo.

### **Parking Spaces.**

Tenant shall be entitled to the use of 5 unreserved parking spaces appurtenant to the Premises for the benefit of Tenant, its employees, agents, and invitees for the Term of the Lease.

### **Entire Agreement.**

This instrument along with any exhibits and attachments hereto constitutes the entire agreement between Landlord and Tenant relative to the Premises and this Lease and the exhibits and attachments may be altered, amended or revoked only by an instrument in writing signed by both Landlord and Tenant. All prior or contemporaneous oral agreements between and among Landlord and Tenant and their agents or representatives relative to the leasing of the Premises are merged in or revoked by this Lease.

### **Severability.**

If any term or provision of this Lease shall to any extent be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Lease shall not



be affected thereby and each term and provision of this Lease shall be valid and be enforceable to the fullest extent permitted by law.

### **Costs of Suit.**

If Tenant or Landlord shall bring any action for any relief against the other, declaratory or otherwise, arising out of this Lease, including any suit by Landlord for the recovery of rent or possession of the Premises, the losing party shall pay the successful party a reasonable sum for attorney's fees whether or not such action is prosecuted to judgment.

### **Time and Remedies.**

Time is of the essence of this Lease and every provision hereof. All rights and remedies of the parties shall be cumulative and nonexclusive of any other remedy at law or in equity.

### **Binding Effect Successors and Choice of Law.**

All time provisions of this Lease are to be construed as both covenants and conditions as though the words importing such covenants and conditions were used in each separate Section of this Lease. Subject to any provisions restricting assignment or subletting by Tenant as set forth in Article XVI, all of the terms hereof shall bind and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns. This Lease shall be governed by the laws of the State of Utah.

### **Waiver.**

No term, covenant or condition of this Lease shall be deemed waived, except by written consent of the party against whom the waiver is claimed, and any waiver of the breach of any term, covenant, or condition shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other term, covenant or condition. Acceptance by Landlord of any performance by Tenant after the time the same shall have become due shall not constitute a waiver by Landlord of the breach or default of any term, covenant or condition unless otherwise expressly agreed to by Landlord in writing.

### **Holding Over.**

If Tenant remains in possession of all or any part of the Premises after the expiration of the term of this Lease, with or without the express or implied consent of Landlord, such tenancy shall be from month to month only, and not a renewal hereof or an extension for any further term, and in such case, rent and other sums due hereunder shall be payable at one hundred fifty percent (150%) of the Monthly Base Rent in effect immediately prior to such holdover period

### **Recording.**

No copy of this Lease will be recorded on behalf of either party, but in lieu thereof, Landlord and Tenant agree that each will, upon the request of the other, execute, in recordable form, a "short form" of the Lease, which "short form" shall contain a description

of the Premises, the term of the Lease, the parties to the Lease. The "short form" of the Lease shall not modify the terms of the Lease or be used in interpreting the Lease and in the event of any inconsistency between this Lease and the "short form" of the Lease, the terms and conditions of this Lease shall control.

### **Reasonable Consent.**

Except as limited elsewhere in this Lease, wherever in this Lease Landlord or Tenant is required to give consent or approval to any action on the part of the other, such consent or approval shall not be unreasonably withheld. In the event of failure to give any such consent, the other party shall be entitled to specific performance at law and shall have such other remedies as are reserved to such party under this Lease.

### **Notice.**

Any notice required to be given under this Lease shall be given in writing and shall be delivered in person or by registered or certified mail, postage prepaid, and addressed to the addresses for Landlord and Tenant set forth above. Such notice shall be deemed delivered when personally delivered or upon deposit of the notice in the United States mail in the manner provided above.

### **No Partnership.**

Landlord does not, as a result of entering into this Lease, in any way or for any purpose become a partner of Tenant in the conduct of Tenant's business, or otherwise, or joint venture or a member of a joint enterprise with Tenant.

### **Exhibits and/or Addendums.**

None

IN WITNESS WHEREOF, the parties hereto have executed this Lease the day and year first above written.

Landlord

By/Date\_\_\_\_\_

By/Date\_\_\_\_\_

Tenant:

By/Date\_\_\_\_\_

By/Date\_\_\_\_\_

If Tenant is a corporation, each individual executing this lease on behalf of Tenant represents and warrants that he is duly authorized to execute and deliver this lease on behalf of the corporation, in accordance with a duly adopted resolution of the Board of

Directors of the corporation or in accordance with the By-Laws of the corporation, and that this lease is binding upon said corporation in accordance with its terms.