

# River Heights City

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River Heights  
City Council Agenda  
**Tuesday, December 3, 2024**

Notice is hereby given that the River Heights City Council will hold their regular meeting at **5:00 p.m.**, anchored from the River Heights City Office Building at 520 S 500 E. Attendance can be in person or through Zoom.

Pledge of Allegiance

Opening Thought (Thompson)

Adoption of Previous Minutes and Agenda

Approval of Payments and Purchase Orders

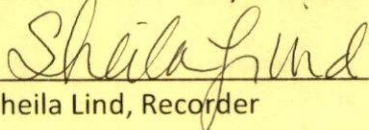
Clarification of Rental Rates for the Old School

Ratification of an Old School Rental Contract with Cache Valley Humanitarian Center

Ratification of an Old School Rental Contract with Brittany Cascio

Adjourn

Posted this 29<sup>th</sup> day of November 2024

  
\_\_\_\_\_  
Sheila Lind, Recorder

Zoom Link: <https://us02web.zoom.us/j/85036871560>

In compliance with the American Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Sheila Lind, (435) 770-2061 at least 24 hours before the meeting.

# River Heights City

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## Council Meeting

December 3, 2024

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7 Present: Mayor Jason Thompson  
8 Council members: Lana Hanover  
9 Janet Mathews  
10 Chris Milbank  
11 Lance Pitcher  
12 Blake Wright  
13  
14 Recorder Sheila Lind  
15 Treasurer Michelle Jensen  
16  
17 Excused Public Works Director Clayton Nelson  
18  
19 Others Present: Dwight Whittaker, Bryan and Brittany Cascio  
20  
21

22 The following motions were made during the meeting:

23  
24 **Motion #1**

25 Councilmember Pitcher moved to “adopt the minutes of the council meeting of November 19,  
26 2024, and the evening’s agenda.” Councilmember Wright seconded the motion, which passed with  
27 Hanover, Milbank, Pitcher, and Wright in favor. Mathews was absent. No one opposed.  
28

29 **Motion #2**

30 Councilmember Wright moved to “pay bills.” Councilmember Hanover seconded the motion,  
31 which passed with Hanover, Milbank, Pitcher, and Wright in favor. Mathews was absent. No one  
32 opposed.  
33

34 **Motion #3**

35 Councilmember Pitcher moved to “approve the lease agreement between River Heights City and  
36 the Cache Valley Humanitarian Center.” Councilmember Hanover seconded the motion, which passed  
37 with Hanover, Milbank, Pitcher, and Wright. Mathews was absent. No one opposed.  
38

39 **Motion #4**

40 Councilmember Wright moved to “ratify the lease agreement between the city and South Light  
41 Studio LLC, with an addendum that they would get licensed and insured contractors.” Councilmember  
42 Hanover seconded the motion, which passed with Hanover, Mathews, Milbank, Pitcher, and Wright in  
43 favor. No one opposed.  
44

Proceedings of the Meeting:

The River Heights City Council met at 5:00 p.m. in the Ervin R. Crosbie Council Chambers in the River Heights City Building on Tuesday, December 3, 2024, for their regular council meeting.

Pledge of Allegiance and Opening Thought: Mayor Thompson opened the meeting with a prayer.

Adoption of Previous Minutes and Agenda: Minutes for the November 19, 2024 meeting were reviewed.

**Councilmember Pitcher moved to “adopt the minutes of the council meeting of November 19, 2024, and the evening’s agenda.” Councilmember Wright seconded the motion, which passed with Hanover, Milbank, Pitcher, and Wright in favor. Mathews was absent. No one opposed.**

Approval of Payments: Treasurer Jensen presented and answered questions regarding the bills to be paid. Treasurer Jensen pointed out a bill to Raymond Construction in the amount of \$8,896.43, which was a changeover on the park project. It included an extra 100 yards of topsoil and the addition of asphalt and debris removal. Also on the list of bills to be approved was the invoice from Homer Roofing for rain gutters on the pavilion, which was approved as a PO at the last meeting.

**Councilmember Wright moved to “pay bills.” Councilmember Hanover seconded the motion, which passed with Hanover, Milbank, Pitcher, and Wright in favor. Mathews was absent. No one opposed.**

Clarification of Rental Rates for the Old School: Mayor Thompson explained that at the last meeting he felt he didn’t present the school rental rates as well as he had wanted to, due to the 3-2 vote. He ended up sending an email to each of the council members hoping for a better understanding. He showed a proforma for the old school’s projected income over 5 years, which totaled \$501,000 in revenue. He informed that the Cache Valley Humanitarian Center’s (CVHC) actual rent amount was \$11.84/sq ft/yr. He had built in a 3% yearly rate increase in rent and CAM fees, which was reflected in the proforma.

He noted that if the CVHC wanted additional space, and if it was available, they would rent it at the commercial rate, not the non-profit rate in their current lease.

The mayor said he had met with Dan Pond, the only property manager who turned in a proposal to manage the property. They are working through his contract and hope to have something by the end of the week. As soon as that happened he would schedule a workshop with Mr. Pond’s staff, Councilmembers Milbank and Wright, PWD Nelson, Recorder Lind, and Treasurer Jensen to work through the details of managing the building.

Ratification of an Old School Rental Contract with Cache Valley Humanitarian Center: Mayor Thompson highlighted some sections of the lease, specifically the spaces they would occupy, the amount they would pay in rent, and elaborating on what would happen if the city was to be billed property taxes (the amount would be passed on to the tenants). He also gave them a 50% discount for the month of December on rent, but not CAM fees.

He read 1.05. Conditions of the Property, which basically stated the tenants get the building AS IS. The city would not warrantee the HVAC system, but would be responsible for the boiler.

Councilmember Milbank asked if the property manager had seen the leases. The mayor said he had not. The city would draft their own leases, rather than have the property manager do it.

Councilmember Pitcher asked the length of the lease. The mayor answered it was for one year.

Councilmember Hanover asked if the city would still have access to their storage rooms in the building. The mayor explained that these rooms have electronic locks and wouldn’t be accessible to the tenants.

07 Councilmember Pitcher moved to “approve the lease agreement between River Heights City and  
the Cache Valley Humanitarian Center.” Councilmember Hanover seconded the motion, which passed  
94 with Hanover, Milbank, Pitcher, and Wright. Mathews was absent. No one opposed.

95 Ratification of an Old School Rental Contract with Brittany Cascio: Mayor Thompson explained the  
96 CVHC lease was used as a template for Brittany Cascio so they were very similar. He explained her rental  
97 rate. Hers was a two-year contract because her improvements to her space would have an extensive  
98 financial impact. Their lease also gave them a 50% discount for December. The mayor reviewed 2.01, Use  
99 of Subject Property, which stated that they would be subject to the lease and their conditional use permit  
100 (CUP). He asked Councilmember Wright to explain to Commission Chair Cooley that the CUPs needed to  
101 be very specific.

102 Councilmember Mathews arrived at the meeting at 5:40 p.m.

103 Councilmember Hanover asked about subletting (3.01). She wondered if each sublesser would be  
104 required to get their own CUP. The mayor said the sublessees would not need a CUP, but would be need  
105 to follow the stipulations of Ms. Cascio’s CUP.

106 Mayor Thompson reviewed 2.02, Improvements by Tenant, which stated that all alterations to the  
107 space would need to be approved by the city. Exhibit B showed a list of the improvements she planned to  
108 make. The mayor wanted to make sure the council was okay with the items on her list.

109 Councilmember Hanover asked about the process for future improvements. The mayor said  
110 tenants would bring their request to the mayor since approval would be an administrative function.

111 Councilmember Pitcher asked if the city would retain any of the furniture that was currently in the  
112 building. The mayor said he, PWD Nelson, and Recorder Lind walked through the building and decided on  
113 the items the city would want to keep. The rest of it will be available for free to the public at some point.  
Treasurer Jensen pointed out that council members were not allowed (by law) to take any of the free  
items.

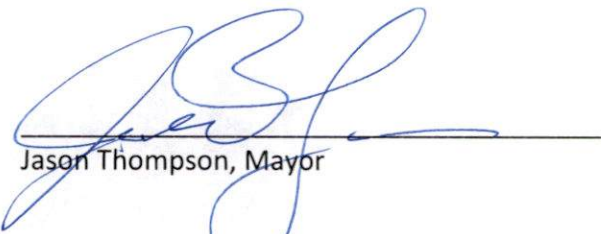
116 Mayor Thompson wanted a licensed contractor to work on any electrical improvements. He will  
117 have an addendum drawn up for each of the two leases being approved at the meeting.


118 Councilmember Pitcher asked about the possibility of asbestos in the building. The mayor said  
119 there surely was asbestos in the building, however, the improvements that had been brought to his  
120 attention wouldn’t involve any asbestos. The mayor said he would double check with the attorney.  
121 Councilmember Milbank said the building went through an asbestos mitigation process a number of years  
122 back.

123 Mayor Thompson asked Dwight Whittaker for a list of improvements the CVHC was looking at for  
124 their spaces so he could include the items in an addendum to their list. Mr. Whittaker said they didn’t  
125 have any at this point; it would depend on how much money they had down the road. The mayor said he  
126 had a contractor he could refer them to.

127 Councilmember Wright moved to “ratify the lease agreement between the city and South Light  
128 Studio LLC, with an addendum that they would get licensed and insured contractors.” Councilmember  
129 Hanover seconded the motion, which passed with Hanover, Mathews, Milbank, Pitcher, and Wright in  
130 favor. No one opposed.

131 The meeting adjourned at 5:55 p.m.

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\_\_\_\_\_  
Jason Thompson, Mayor

  
\_\_\_\_\_  
Sheila Lind, Recorder

Report Criteria:

- Invoices with totals above \$0 included.
- Only paid invoices included.
- [Report].Date Paid = 12/03/2024

| GL Account Number       | Vendor | Vendor Name            | Invoice Number | Description               | Invoice Date | Net Invoice Amount |
|-------------------------|--------|------------------------|----------------|---------------------------|--------------|--------------------|
| <b>Sewer Department</b> |        |                        |                |                           |              |                    |
| <b>5240</b>             |        |                        |                |                           |              |                    |
| 52-40-06                | 1070   | DS Accounting Services | 2024-0864      | Monthly Acct Services     | 11/29/2024   | 249.97             |
| 52-40-50                | 378    | Napa Auto Parts        | 817854         | Sewer vehicle repair      | 11/18/2024   | 162.61             |
| 52-40-75                | 246    | Enbridge Gas           | 202411         | Sewer Gas 6900830000      | 11/15/2024   | 46.72              |
| 52-40-78                | 863    | Verizon Wireless       | 9979462989     | Split                     | 11/23/2024   | 55.32              |
| 52-40-78                | 995    | Ask AllTech LLC        | A7137-409      | Sewer Phones              | 11/19/2024   | 356.07             |
| 52-40-78                | 995    | Ask AllTech LLC        | A7137-410      | Sewer Phones              | 11/19/2024   | 24.32              |
| 52-40-80                | 76     | City Of Logan          | 202412         | 029017-001 Sewer Pretreat | 11/20/2024   | 14,076.38          |
| 52-40-85                | 310    | The Clean Spot         | POS6049        | Supplies - Sewer          | 11/21/2024   | 6.41               |
| Total 5240:             |        |                        |                |                           |              | 14,977.80          |

|                         |      |                              |             |                              |            |          |
|-------------------------|------|------------------------------|-------------|------------------------------|------------|----------|
| <b>Water Department</b> |      |                              |             |                              |            |          |
| <b>5140</b>             |      |                              |             |                              |            |          |
| 51-40-06                | 1070 | DS Accounting Services       | 2024-0864   | Monthly Acct Services        | 11/29/2024 | 249.98   |
| 51-40-41                | 27   | Bear River Health Department | 202411      | Coliform test                | 11/01/2024 | 50.00    |
| 51-40-50                | 378  | Napa Auto Parts              | 817854      | Water vehicle repair         | 11/18/2024 | 162.60   |
| 51-40-51                | 188  | Logan City                   | 202411_1    | Account 003789-001           | 11/09/2024 | 166.99   |
| 51-40-51                | 188  | Logan City                   | 202412      | 003992                       | 11/20/2024 | 39.03    |
| 51-40-51                | 188  | Logan City                   | 202412      | 003993                       | 11/20/2024 | 30.23    |
| 51-40-51                | 188  | Logan City                   | 202412      | 003994                       | 11/20/2024 | 40.79    |
| -51                     | 188  | Logan City                   | 202412      | 003995                       | 11/20/2024 | 35.51    |
| -51                     | 188  | Logan City                   | 202412      | 003996                       | 11/20/2024 | 40.79    |
| 51-40-51                | 188  | Logan City                   | 202412      | 003997                       | 11/20/2024 | 39.03    |
| 51-40-51                | 188  | Logan City                   | 202412      | 020975                       | 11/20/2024 | 17.01    |
| 51-40-51                | 188  | Logan City                   | 202412      | 021927                       | 11/20/2024 | 85.84    |
| 51-40-85                | 328  | USABlueBook                  | INV00538013 | Materials & Supplies         | 11/08/2024 | 810.84   |
| 51-40-85                | 751  | Homer Roofing, Inc.          | 7802        | Gutter                       | 12/02/2024 | 1,257.00 |
| 51-40-66                | 310  | The Clean Spot               | POS6049     | Materials & Supplies - Water | 11/21/2024 | 6.41     |
| 51-40-75                | 246  | Enbridge Gas                 | 202411      | 2053895762                   | 11/15/2024 | 67.16    |
| 51-40-75                | 246  | Enbridge Gas                 | 202411      | Water Gas 6900830000         | 11/15/2024 | 46.72    |
| 51-40-75                | 246  | Enbridge Gas                 | 202411      | 7191650000                   | 11/15/2024 | 65.47    |
| 51-40-75                | 246  | Enbridge Gas                 | 202411      | 7953243487                   | 11/15/2024 | 38.55    |
| 51-40-78                | 863  | Verizon Wireless             | 9979462989  | Split                        | 11/23/2024 | 55.29    |
| 51-40-78                | 995  | Ask AllTech LLC              | A7137-409   | Water Phones                 | 11/19/2024 | 355.97   |
| 51-40-78                | 995  | Ask AllTech LLC              | A7137-410   | Water Phones                 | 11/19/2024 | 24.32    |
| Total 5140:             |      |                              |             |                              |            | 3,685.53 |

|                       |      |                              |           |                             |            |        |
|-----------------------|------|------------------------------|-----------|-----------------------------|------------|--------|
| <b>Administration</b> |      |                              |           |                             |            |        |
| <b>1041</b>           |      |                              |           |                             |            |        |
| 10-41-06              | 1070 | DS Accounting Services       | 2024-0864 | Monthly Acct Services       | 11/29/2024 | 250.05 |
| 10-41-46              | 40   | Brag Area Clerks & Recorders | 202412    | Dues and Subscriptions      | 12/03/2024 | 50.00  |
| 10-41-46              | 339  | Utah Municipal Clerks Assn   | 202412    | Mebershio Dues Jan-Dec 2025 | 12/01/2024 | 125.00 |
| Total 1041:           |      |                              |           |                             |            | 425.05 |

|                        |      |              |        |                      |            |          |
|------------------------|------|--------------|--------|----------------------|------------|----------|
| <b>Office Expenses</b> |      |              |        |                      |            |          |
| <b>1044</b>            |      |              |        |                      |            |          |
| 10-44-10               | 1030 | Promo Plus   | 202412 | #10 Envelopes Stamps | 11/25/2024 | 34.08    |
| -75                    | 246  | Enbridge Gas | 202411 | 1049100000           | 11/15/2024 | 47.28    |
| -75                    | 246  | Enbridge Gas | 202411 | 4012182621           | 11/15/2024 | 1,554.87 |

| GL Account Number             | Vendor | Vendor Name                     | Invoice Number | Description                    | Invoice Date | Net Invoice Amount |
|-------------------------------|--------|---------------------------------|----------------|--------------------------------|--------------|--------------------|
| 10-44-78                      | 863    | Verizon Wireless                | 9979462989     | Split                          | 11/23/2024   | 55.29              |
| 10-44-78                      | 995    | Ask AllTech LLC                 | A7137-409      | Admin Phones                   | 11/19/2024   | 355.96             |
| 10-44-78                      | 995    | Ask AllTech LLC                 | A7137-410      | Admin Phones                   | 11/19/2024   | 24.32              |
| <b>Total 1044:</b>            |        |                                 |                |                                |              | <b>2,071.80</b>    |
| <b>Community Affairs</b>      |        |                                 |                |                                |              |                    |
| <b>1048</b>                   |        |                                 |                |                                |              |                    |
| 10-48-21                      | 1040   | Bodily, Fizz                    | 100            | Christmas Santa - 10-48-21     | 11/21/2024   | 100.00             |
| 10-48-30                      | 1098   | Blue Collar Haulers             | 1534           | Garbage Dumpsters - Green West | 11/08/2024   | 945.00             |
| <b>Total 1048:</b>            |        |                                 |                |                                |              | <b>1,045.00</b>    |
| <b>Public Safety</b>          |        |                                 |                |                                |              |                    |
| <b>1054</b>                   |        |                                 |                |                                |              |                    |
| 10-54-40                      | 76     | City Of Logan                   | 202412         | 029017-001 911 Comm            | 11/20/2024   | 2,001.00           |
| <b>Total 1054:</b>            |        |                                 |                |                                |              | <b>2,001.00</b>    |
| <b>Capital Projects</b>       |        |                                 |                |                                |              |                    |
| <b>4060</b>                   |        |                                 |                |                                |              |                    |
| 40-60-03                      | 1129   | Raymond Construction            | #2 CHANGE O    | Park - Change Order #2         | 12/02/2024   | 8,896.43           |
| 40-60-08                      | 1140   | Integrated Electrical Solutions | 5857           | New Pavilion Power             | 11/25/2024   | 610.50             |
| <b>Total 4060:</b>            |        |                                 |                |                                |              | <b>9,506.93</b>    |
| <b>Roads</b>                  |        |                                 |                |                                |              |                    |
| <b>1060</b>                   |        |                                 |                |                                |              |                    |
| 10-60-50                      | 378    | Napa Auto Parts                 | 817854         | Roads vehicle repair           | 11/18/2024   | 162.65             |
| 10-60-55                      | 625    | Lacal Equipment, Inc.           | 0423383-IN     | Plow Blade Rubber 10-60-55     | 11/22/2024   | 936.05             |
| 10-60-75                      | 246    | Enbridge Gas                    | 202411         | Roads Gas 6900830000           | 11/15/2024   | 46.72              |
| 10-60-80                      | 310    | The Clean Spot                  | POS6049        | Tools & Maint. - Roads         | 11/21/2024   | 6.41               |
| <b>Total 1060:</b>            |        |                                 |                |                                |              | <b>1,151.83</b>    |
| <b>Parks &amp; Recreation</b> |        |                                 |                |                                |              |                    |
| <b>1070</b>                   |        |                                 |                |                                |              |                    |
| 10-70-30                      | 310    | The Clean Spot                  | POS6049        | Cleaning Supplies - Parks      | 11/21/2024   | 6.41               |
| 10-70-75                      | 246    | Enbridge Gas                    | 202411         | 1550009873                     | 11/15/2024   | 7.16               |
| 10-70-75                      | 246    | Enbridge Gas                    | 202411         | Parks Gas 6900830000           | 11/15/2024   | 46.71              |
| <b>Total 1070:</b>            |        |                                 |                |                                |              | <b>60.28</b>       |
| <b>Grand Totals:</b>          |        |                                 |                |                                |              | <b>34,925.22</b>   |

Mayor: \_\_\_\_\_

Second Signayure : \_\_\_\_\_

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

## LEASE AGREEMENT

THIS LEASE AGREEMENT (hereinafter "Agreement"), is made and entered into this 3 day of December, 2024, by and between RIVER HEIGHTS CITY (hereinafter referred to as "Landlord") and CACHE VALLEY HUMANITARIAN CENTER, a Utah nonprofit corporation (hereinafter referred to as "Tenant")

### RECITALS:

A. Landlord is the owner of that certain real property more fully described on Exhibit "A", attached hereto and by this reference incorporated herewith.

B. Tenant is in need of suitable space within which it may conduct some portion of its operations.

C. Landlord and Tenant have communicated to one another the above-described circumstances and their respective desires to lease the real property described on Exhibit "A" hereto, and have heretofore negotiated the terms of this Agreement and desire to memorialize the terms thereof by this instrument.

NOW, THEREFORE, in consideration of the above premises, the covenants and promises hereinafter set forth, and sufficiency of which is hereby acknowledged, the Landlord and Tenant hereby agree as follows:

### ARTICLE I - LEASE

1.01. Lease of Property. In consideration of the rents, covenants and agreements hereinafter set forth, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, a portion of the River Heights Elementary School located at 420 S 500 E, River Heights, UT 84321, with specific areas rented being rooms (areas) 18, 17, 13, 12, 11 and 10 described or illustrated fully on Exhibit "A" hereto, located in River Heights, Utah, together with all improvements and fixtures presently associated therewith, all of which is referred to hereinafter as the "Subject Property".

1.02. Term. The term of this Lease shall be for a one (1) year period, commencing on December 3, 2024 and ending on November 30, 2025.

1.03. Lease Payments. Tenant agrees to pay, and Landlord agrees to accept, the following amounts as the Lease payments for the Subject Property:

A. Fixed Rents. As and for the base monthly fixed rental for the Subject Property, which is net to Landlord, Tenant agrees to pay \$4,859.23 per month (Rent- \$2,748.96, CAM Fees- \$2,110.27) for the Term of this Agreement, which includes Common Area and Maintenance ("CAM"), electricity, gas. Should Tenant use excessive utilities, Landlord and Tenant shall renegotiate the Common Area and Maintenance to reflect actual use. Moreover, should property taxes be levied against the Subject Property, the parties agree to modify the CAM to include Tenant's pro rata share of property taxes. The Landlord agrees to extend a 50% discount on the Rent portion, not including CAM Fees, for month 1 (December 2024) of this Lease. The total month 1 (December 2024) amount due at signing is \$3,484.75.

B. Time and Method. The lease payments for each month during the lease period of this Agreement shall be payable in advance on the first day of each month during the term of this Agreement and shall be made payable to the Landlord at his below listed address, or such other address as may be later designated in writing, by the Landlord. If payments are not received by the 5<sup>th</sup> day of the month, they will be considered late.

1.04. Security Deposit.

A. Amount. The Tenant will deposit with the Landlord a security deposit of \$4,000.00 upon execution of this Agreement for the Subject Property which will be held by Landlord according to this Section 1.04.

B. Non-Payment. The above deposit shall be held by the Landlord (without liability for interest) as security for the faithful performance by the Tenant, of all of the terms, conditions and covenants of this Agreement, which are to be kept and performed by the Tenant during the term hereof. If at any time during the term of this Agreement, any of the lease payments herein reserved shall be overdue and unpaid, or any other sum payable by Tenant to Landlord hereunder shall be overdue and unpaid, then Landlord may, at its option (but Landlord shall not be required to), appropriate and apply any portion of said deposit to the payment of any such overdue lease payments or other sums.

C. Other Default. In the event of the failure by Tenant to keep and perform any of the terms, covenants and conditions of this Agreement to be kept and performed by Tenant, then Landlord, at its option, may appropriate and apply the entire deposit, or so much thereof as may be necessary, to compensate Landlord for loss or damage sustained or suffered by Landlord, due to such breach on the part of Tenant. Should the entire deposit, or any portion thereof, be appropriated and applied by Landlord for the payment of overdue lease payments or other sums due and payable to Landlord, by Tenant hereunder, then Tenant shall, upon the written demand of Landlord, forthwith remit to Landlord a sufficient amount, in cash, to restore said security to the original sum deposited, and Tenant's failure to do so within five (5) days after receipt of such demand shall constitute a breach of this Agreement. Should Tenant comply with all of said terms, covenants and conditions, and properly comply with all of the lease payments herein provided for, as they fall due, and all other sums payable by Tenant to Landlord



hereunder, the said deposit shall be returned in full to Tenant at the end of this Agreement, or upon the earlier termination of this Agreement.

D. Disposition Upon Sale. Landlord may deliver the funds deposited hereunder by Tenant to the purchaser of Landlord's interest in the Subject Property, in the event that such interest be sold, and thereupon Landlord shall be discharged from any further liability with respect to such deposit.

1.05. Condition of Property. **LANDLORD MAKES NO REPRESENTATIONS OR WARRANTIES CONCERNING THE CONDITION, SUITABILITY, OR ANY OTHER MATTERS RELATING TO THE SUBJECT PROPERTY. TENANT HEREBY ACKNOWLEDGES THAT TENANT LEASES THE SUBJECT PROPERTY FROM LANDLORD ON AN "AS IS, WHERE IS" BASIS, WITH ALL FAULTS, AND TENANT ACKNOWLEDGES THAT TENANT HAS AGREED TO LEASE THE PREMISES IN ITS PRESENT CONDITION RELYING ON ITS SOLE EXAMINATION AND INSPECTION OF THE SUBJECT PROPERTY.**

## ARTICLE II - RIGHTS AND DUTIES OF TENANT

2.01. Use of Subject Property. Tenant shall use the Subject Property for the purpose of conducting and carrying on ordinary operations for its nonprofit activities (i.e. office space, creating and storing hygiene kits, school supply backpacks, sleeping mats). Tenant shall not utilize the Subject Property for any unlawful purpose or activity.

2.02. Improvements by Tenant. The Tenant shall not make any alterations or improvements in or to the Subject Property without the prior consent of the Landlord. All alterations and improvements made or added to the Subject Property, may be removed by Tenant so long as the Tenant repairs any damages to the Subject Property occasioned by such removal or such removal does not result in any damage to the Subject Property.

2.03. Miscellaneous Expenses. Tenant agrees, at its own expense, to pay all cleaning and janitor costs relative to the Subject Property; to provide its own insurance on improvements and personal property installed or placed by Tenant in or on the Subject Property; to pay all costs and expenses of every nature in connection with Tenant's business activities on the Subject Property. In addition, Tenant at its own expense, shall pay all personal property taxes, and fire insurance related to Tenant's personal property and improvements and fixtures installed by Tenant. Landlord shall pay all cleaning and janitor costs relative to all other areas in the property other than the Subject Property, including, but not limited to the restrooms in the Common Areas.

2.04. Insurance. Tenant shall, at all times during the term of this Agreement, maintain in full force and effect, and pay all premiums for, public liability and general hazard insurance with a reputable insurance company or companies acceptable to Landlord covering Tenant's

personal property, inventory, and all improvements and fixtures of Subject Property. The general liability limits of said policy or policies shall not be less than \$1,000,000.00 per person and per occurrence. Tenant shall, upon request, furnish to Landlord a copy of each policy, and each such policy shall provide that it may not be canceled without prior written notice to Landlord. Landlord shall be listed as a loss payee as to any covered risk applicable to Landlord.

Landlord and Tenant waive and relinquish any right or claim, including rights of subrogation, against one another that may arise out of any fire or other hazard occurring upon or to the Subject Property or any property (real or personal) of either party located in or upon the Subject Property.

2.05. Repair and Maintenance. Tenant shall at all times during the term hereof, and any extensions thereof, keep the Subject Property in sightly condition, and in good repair, and shall not permit the accumulation of any rubbish on the Subject Property. The word "repair" as used in this paragraph shall include any repairs, replacements, changes and/or additions to the Subject Property which may be required by Tenant's use and occupancy thereof. In addition to maintaining the Subject Property the Tenant shall keep it free from liens, encumbrances and security interest, not sell, misuse, conceal, or in any way dispose of it or permit it to be used unlawfully or for hire or contrary to the provisions of any insurance coverage; and not permit it to become a fixture or an accession to other goods. The provisions of this paragraph shall not apply to repairs or reconstruction in the event of damage by fire, casualty or other destruction, or in the event of eminent domain, which shall be the responsibility of Landlord.

2.06 Liens and Encumbrances. Tenant agrees that it shall not take any actions, nor make any representations in connection with the Subject Property, nor Tenant's business activities on the Subject Property, which shall have the effect of, or result in, the attachment of any lien or other encumbrance to the Subject Property or otherwise to interfere with Landlord's title to the underlying real property.

2.07 Taxes on Real Property. Subject to 1.03 A. above, Landlord shall be responsible for all all real property taxes and general and special assessments (real property taxes) levied and assessed against the building, other improvements, and land of which the premises are part.

Each year Landlord shall notify Tenant of Landlord's calculation of the real property taxes and together with such notice shall furnish Tenant with a copy of the tax bill. Tenant shall pay the real property taxes to Landlord not later than ten (10) days after receipt of the tax bill, or not later than ten (10) days before the taxing authority's delinquency date, whichever is later.

### ARTICLE III - RIGHTS AND DUTIES OF LANDLORD

3.01. Assignment and Subletting. Tenant will not assign this Agreement in whole or in part, nor sublet all or any part of the Subject Property, without the prior written consent of

Landlord in each instance, which consent shall not be unreasonably withheld, conditioned or delayed. 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. If this Agreement be assigned, or if the Subject Property, or any part thereof, be sublet or occupied by anybody other than Tenant, Landlord may collect rent from the assignee, subtenant or occupant, and apply the net amount collected to the rent herein reserved; but no such assignment, subletting, occupancy or collection shall be deemed a waiver of this covenant, or acceptance of the assignee, subtenant or occupant as tenant, or a release of Tenant from the further performance by Tenant of its covenants and agreement specified herein. Notwithstanding any assignment or sublease, Tenant shall remain fully liable on this Agreement and shall not be released from performing any of the terms, conditions and covenants of this Agreement without the express written consent of Landlord.

3.02. Entry by Landlord. Landlord or its agents shall have the right to enter and inspect the Subject Property upon notice to Tenant and at reasonable times and in such manner so as not to interfere with Tenant's business, to examine the Subject Property and to show the Subject Property to prospective purchasers or lessees of the Subject Property and to make repairs, alterations, improvements or additions as Landlord may deem necessary or desirable. In the case of emergency, if Tenant or Tenant's agent shall not be personally present to open and permit an entry into the Subject Property at any time when, Landlord or Landlord's agent may enter the same by a master key or may forcibly enter the same without in any manner affecting the obligations and covenants of this Agreement, any damage caused to property by Landlord would be repaired by the Landlord at its cost. Nothing herein contained, however, shall be deemed or construed to impose upon Landlord any obligations, responsibility or liability whatsoever for the care, maintenance or repair of the Subject Property, or any part thereof, except as otherwise herein specifically provided.

3.03. Quiet Enjoyment. Landlord warrants and represents that it shall place and maintain Tenant in the peaceful and undisturbed possession of the Subject Property throughout the entire term of this Agreement (including any extensions thereof) so long as Tenant pays the lease payments and performs all of its covenants as specified herein. This Agreement shall be subject and subordinate to the lien of any mortgage or mortgages or trust deed or deeds which may be placed upon the Subject Property or the underlying real property, by Landlord, and Tenant covenants that it will execute and deliver to Landlord or to the nominee of Landlord or to the nominee of Landlord proper subordination agreements to this effect at a time upon the request of Landlord and without payment being made therefore. Landlord agrees not to create any lien or encumbrance on the Subject Property which shall adversely affect Tenant's right or interest in this Agreement or in the Subject Property, and to defend and indemnify Tenant against all damage or expense suffered by Tenant as a result of the creation or enforcement of any such lien or encumbrance. Any mortgage or deed of trust executed by Landlord upon the Subject Property shall be upon the condition that the mortgages or Trust Deed upon foreclosure or exercise of power of sale shall be subject to this Agreement and Landlord's rights hereunder as provided by law. In the event of any failure of Landlord to abide by the provisions hereof,

or in the event of any default of Landlord in performance of its obligations to the holder of an encumbrance on the Subject Property, Tenant may at its election cure any default under any such mortgage or deed of trust but shall not be obligated to do so, and Tenant may deduct the cost of curing such default from the lease payments thereafter to be paid pursuant to this Agreement, and Tenant shall thereupon be subrogated to the rights of the holder of such mortgage or deed or trust against Landlord.

3.04 Landlord's Lien. Reserved.

3.05. Destruction of the Subject Property. In the event of a partial destruction of the Subject Property during the term of this Agreement, or any extension thereof, from any cause, Landlord shall forthwith repair the same, provided such repairs can be made within ninety (90) days under the laws and regulations of state, federal, county or municipal authorities; but such partial destruction shall, in no way, annul or void this Agreement, except that the lease payments reserved to be paid hereunder shall be equitably adjusted according to the amount and value of the undamaged space. If such repairs cannot be made within ninety (90) days, this Agreement may be terminated at the option of either party.

3.06. Landlord's Duty to Maintain and Repair. Prior to commencement of the Lease, Tenant will examine the premises and accept them in their current condition. Landlord is responsible to create acceptable conditions upon the commencement of the Lease. Thereafter, Landlord shall keep in good order, condition and repair the exterior foundations, exterior walls (except in the interior faces thereof), down spouts, gutters, boiler systems, and roof of the premises, and the exterior plumbing lines, sewage system inside and outside of the building of which the premises are a part (but excluding the exterior and interior of all windows and doors), and repairs required by any casualty or act of God except as otherwise covered herein, except for reasonable use and wear and any damage to any thereof, caused by any act or negligence of Tenant and its employees, agents, invitees, licensees or contractors; provided, however, that there shall be no obligation to do so, prior to the expiration of ten (10) days written notice from Tenant to Landlord of the need thereof.

#### ARTICLE IV - EMINENT DOMAIN

4.01. Total Taking. If the whole of the Subject Property hereby demised shall be taken or condemned by any competent authority for any public use or purpose or if so much thereof shall be taken so that Tenant would be unable to continue normal business operations, then the Lease term hereby granted shall cease on the payments hereunder shall be paid and adjusted as of the date of such termination.

4.02. Partial Taking. If a portion of the Subject Property shall be taken and, as a result thereof, there shall be such a Tenant from using the same in substantially the same manner as theretofore used, then and in that event Tenant, upon fifteen (15) day's notice to Landlord, may either cancel and terminate this Agreement as of the date when that part of the Subject Property

so taken shall be required for such public purpose, or said Tenant may continue to occupy the remaining portion. In the event Tenant shall remain in possession and occupancy of the remaining portion of the Subject Property, all the terms and conditions of this Agreement shall remain in full force and effect with respect to be paid hereunder shall be equitably adjusted according to the amount and value of such remaining space; and provided, further that Landlord shall, at Landlord's own expense, promptly and with all reasonable diligence, do such work as to make a complete architectural unit of the remainder of the Subject Property and this Agreement shall continue for the balance of its term, subject to the terms and conditions herein stated. The portion, if any of the award or compensation paid on account of such taking to which Tenant is entitled pursuant to the provisions of paragraph C hereof shall be made available to and used by Tenant to pay for the cost of repairing, restoring or constructing said buildings and improvements. If any part of Tenant's portion of the award of compensation shall not be required to pay for the cost of such work, such portion shall, except for the rights of any first mortgagee, be divided equally between Tenant and Landlord.

#### ARTICLE V - EVENTS OF DEFAULT; REMEDIES

5.01. Default by Tenant. Upon the occurrence of any of the following events Landlord shall have the remedies set forth in Section 5.02.

A. Tenant fails to pay any rental or any other sum due hereunder within ten (10) days after the same shall be due.

B. Tenant fails to perform any other term, condition, or covenant to be performed by it pursuant to this Agreement within thirty (30) days after the written notice of such default shall have been given to Tenant by Landlord.

C. Tenant or its agents shall falsify any report required be furnished to Landlord.

D. Tenant of this Agreement shall become bankrupt or insolvent or file any debtor proceedings or have taken against such party in any court pursuant to state or federal statute, a petition in bankruptcy or insolvency, reorganization, or appointment of a receiver or trustee; and such proceeding shall not be dismissed, discontinued or vacated within thirty (30) days from the filing or appointment, or Tenant petitions for or enters into an arrangement; or suffers this Lease to be taken under writ of restitution.

E. The doing, or permitting to be done, by Tenant of any act which creates a mechanic's lien or claim against the land or building of which the Subject Property are a part if not released or otherwise provided for by indemnification satisfactory to Landlord within thirty (30) days thereafter.

5.02. Remedies. Upon the occurrence of the events set forth in Section 5.01, Landlord shall have the option to take any or all of the following actions, without further notice or demand

of any kind to Tenant or any other person:

A. Immediately re-enter and remove all persons and property from the Subject Property, storing said property in a public place, warehouse, or elsewhere at the cost of, and for the account of, Tenant, all without service of notice or resort to legal process and without being deemed guilty of or liable in trespass. No such re-entry or taking possession of the Subject Property by Landlord shall be construed as an election on its part to terminate this Agreement unless a written notice of such intention is given by Landlord to Tenant. No such action by Landlord shall be considered or construed be a forcible entry.

B. Collect by suit or otherwise each installment or rent or other sum as it becomes due hereunder, or enforce, by suit or otherwise, any other term or provision on the part of Tenant required to be kept or performed, including an accrued interest at the rate of 18% per annum on any amounts that are unpaid more than fifteen (15) days past-due.

C. Terminate this Agreement by ten (10) days written notice to Tenant. In the event of such termination, Tenant agrees to immediately surrender possession of the Subject Property. Should Landlord terminate this Lease, it may recover from the Tenant all damages it may incur by reason of Tenant's breach, including the cost of recovering the Subject Property, reasonable attorney's fees, and the worth at the time of such termination of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this Agreement for the remainder of the stated term over the then-reasonable rental value of the Subject Property for the remainder of the stated term, all of which amounts shall be immediately due and payable from Tenant to Landlord.

D. Should Landlord re-enter, as provided above, or should it take possession pursuant to legal proceedings or pursuant to any notice provided for by law, and whether or not it terminated this Agreement, it may make such alterations and repairs as may be necessary in order to relet the Subject Property, and relet the same or any part for such term or terms (which may be for a term extending beyond the term of this Agreement) and at such rentals and upon such other terms and conditions as Landlord in its sole discretion may deem advisable. Upon each such reletting shall be applied, first, to the payment of any indebtedness other than rent due hereunder from Tenant to Landlord; second, to the payment of any costs and expenses of such reletting, including brokerage fees and attorney's fees and costs of any alterations and repairs; third, to the payment of rent due and unpaid, and the residue, if any, shall be held by Landlord and applied in payment of future rents as the same may become due and payable. If such rentals received from such reletting during any month be less than that to be paid during such month by Tenant, Tenant shall pay any such deficiency to Landlord. Such deficiency shall be calculated and paid monthly. No such re-entry and reletting of the Subject Property by Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention be given to Tenant pursuant to subsection C., above. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Agreement for such previous breach. The remedies given to Landlord in this Section 5.02 shall be in addition and supplemental to all other rights or remedies which Landlord may have

under laws then in force.

## ARTICLE VI – MISCELLANEOUS

6.01. Environmental Matters. Landlord represents and warrants to Tenant that (i) the Subject Property is, at the time of Tenant's taking possession thereof, in full compliance in all respect with all applicable local, state and federal laws and regulations currently or previously in effect relating to environmental, natural resource, health or safety matters, (ii) there has not, at any time been a release (which has not been remediated in accordance with applicable law) nor is there present any pollutant, contaminant or toxic, hazardous or noxious material, substance or waste, whether solid, liquid or gas upon the Subject Property or, to Landlord's knowledge, upon any adjacent or nearby property. Landlord shall be solely responsible for and shall indemnify and hold Tenant harmless from any and all loss, liability, cost or expense (including reasonable attorney's fees and expenses) arising from Landlord's breach of the forgoing representation or warranty or any condition in, upon or under the Subject Property in existence on the date of this lease and not otherwise caused by Tenant. Tenant agrees that it will not release upon, in or under the Subject Property, any pollutant, contaminant or toxic, hazardous or noxious material, substance or waste, whether solid, liquid or gas and further agrees to indemnify and hold Landlord harmless from any and all loss, liability, cost or expense (including reasonable attorney's fees and expenses) arising from any such release.

6.02. Waiver. The waiver by Landlord of any breach of any term, covenants or condition herein contained shall not be deemed to be a waiver of such term, condition or covenant, or any condition herein contained. The subsequent acceptance of lease payments hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Agreement, other than the failure of Tenant to pay the particular lease payment so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such lease payment. No covenant, term or condition unless such waiver be in writing by Landlord.

6.03. Entire Agreement. This Agreement contains the entire Agreement between the parties, and no representations, inducements, promises or agreements, oral or otherwise, between the parties not embodied herein shall be of any force and effect.

6.04. Force Majeure. In the event that either party hereto shall be delayed or hindered in, or prevented from, the performance of any act required hereunder, by reason of strikes, lockouts, labor trouble, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, war, natural disaster, or other reason of a like nature not the required under the term of this Agreement, then performance of such for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this paragraph shall not operate to excuse Lessee from payment of any lease payment, additional lease payment or other payments required by the terms of this Agreement.

6.05. Delivery of Subject Property. Tenant agrees to deliver up the Subject Property to Landlord at the expiration of this Agreement in as good a condition as when the same was entered into by Tenant, reasonable wear and tear excepted.

6.06. Default. If either party defaults in any of the covenants or agreements contained herein, the defaulting party shall pay all costs and expenses, including a reasonable attorney's fee, incurred by the other party in enforcing its rights arising under this Agreement.

6.07. Notices. Any notices sent to the parties may be sent to them at the following addresses by certified or registered mail:

Landlord: RIVER HEIGHTS CITY  
Attn: City Recorder  
520 S 500 E  
River Heights, UT 84321

Tenant: CACHE VALLEY HUMANITARIAN CENTER  
Attn: Dwight Whittaker, Executive Director  
1853 E 3375 N  
North Logan, UT 84341

6.08. Headings and Paragraph Numbers. Headings and paragraph numbers have been inserted solely for convenience and reference and shall not be construed to effect the meaning, construction of effect of this Agreement.

6.09. Invalid Provision. If any provisions of this Agreement shall be determined to be void or unenforceable, such determination shall not affect the validity of any remaining portion of this Agreement, and any remaining portion shall remain in full force and effect as if this Agreement had been executed with the invalid portion eliminated.

6.10. Binding. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, agents, successors-in-interest, assigns and transferees.

6.11. Governing Law. The terms and conditions of this Agreement shall be governed according to the laws of the State of Utah.

6.12. Authority of Signatories. Each person executing this Agreement individually and personally represents and warrants that he is duly authorized to execute and deliver the same on behalf of the entity for which he is signing (whether it be a corporation, general or limited partnership, or otherwise), and that this Agreement is binding upon said entity in accordance with its terms.



**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the date first hereinabove written.

**LANDLORD:**  
RIVER HEIGHTS CITY

\_\_\_\_\_  
Jason Thompson, Mayor

**TENANT:**  
CACHE VALLEY HUMANITARIAN CENTER

\_\_\_\_\_  
Hugh Dwight Whittaker, Executive Director

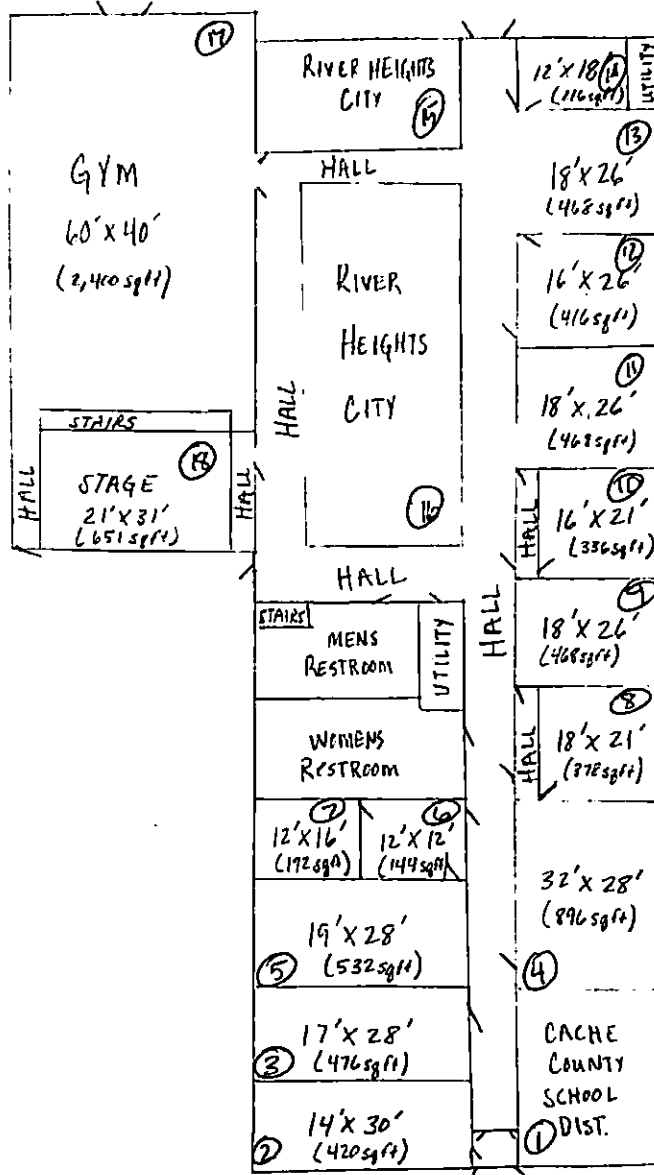
ATTEST:

\_\_\_\_\_  
City Recorder

**Exhibit A**  
**Map**

Measurements rounded to nearest FOOT

TOTAL square feet = 8,461 (Rentable)



## LEASE AGREEMENT

THIS LEASE AGREEMENT (hereinafter "Agreement"), is made and entered into this 3 day of December, 2024, by and between RIVER HEIGHTS CITY (hereinafter referred to as "Landlord") and SOUTH LIGHT STUDIO LLC, a Utah corporation (hereinafter referred to as "Tenant")

### RECITALS:

A. Landlord is the owner of that certain real property more fully described on Exhibit "A", attached hereto and by this reference incorporated herewith.

B. Tenant is in need of suitable space within which it may conduct some portion of its operations.

C. Landlord and Tenant have communicated to one another the above-described circumstances and their respective desires to lease the real property described on Exhibit "A" hereto, and have heretofore negotiated the terms of this Agreement and desire to memorialize the terms thereof by this instrument.

NOW, THEREFORE, in consideration of the above premises, the covenants and promises hereinafter set forth, and sufficiency of which is hereby acknowledged, the Landlord and Tenant hereby agree as follows:

### ARTICLE I - LEASE

1.01. Lease of Property. In consideration of the rents, covenants and agreements hereinafter set forth, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, a portion of the River Heights Elementary School located at 420 S 500 E, River Heights, UT 84321, with specific areas rented being rooms (areas) 5, 6, and 7 described or illustrated fully on Exhibit "A" hereto, located in River Heights, Utah, together with all improvements and fixtures presently associated therewith, all of which is referred to hereinafter as the "Subject Property".

1.02. Term. The term of this Lease shall be for a two (2) year period, commencing on December 3, 2024 and ending on November 30, 2026.

1.03. Lease Payments. Tenant agrees to pay, and Landlord agrees to accept, the following amounts as the Lease payments for the Subject Property:

A. Fixed Rents. As and for the base monthly fixed rental for the Subject Property, which is net to Landlord, Tenant agrees to pay \$1,326.85 per month (Rent- \$940.33 and CAM Fees- \$386.52) for year one of this Agreement, which includes Common Area and Maintenance ("CAM"), electricity, gas. Beginning December 1, 2025, Tenant agrees to pay \$1,366.66 per month (Rent- \$968.54 and CAM Fees- \$398.12) for year two of this Agreement, which includes Common Area Maintenance ("CAM"), electricity, gas. Should Tenant use excessive utilities, Landlord and Tenant shall renegotiate the Common Area and Maintenance to reflect actual use. Moreover, should property taxes be levied against the Subject Property, the parties agree to modify the CAM to include Tenant's pro rata share of property taxes. The Landlord agrees to extend a 50% discount on the Rent portion, not including CAM Fees, for month 1 (December 2024) of this Lease. The total month 1 (December 2024) amount due at signing is \$856.69.

B. Time and Method. The lease payments for each month during the lease period of this Agreement shall be payable in advance on the first day of each month during the term of this Agreement and shall be made payable to the Landlord at his below listed address, or such other address as may be later designated in writing, by the Landlord. If payments are not received by the 5<sup>th</sup> day of the month, they will be considered late.

1.04. Security Deposit.

A. Amount. The Tenant will deposit with the Landlord a security deposit of \$1,400 upon execution of this Agreement for the Subject Property which will be held by Landlord according to this Section 1.04.

B. Non-Payment. The above deposit shall be held by the Landlord (without liability for interest) as security for the faithful performance by the Tenant, of all of the terms, conditions and covenants of this Agreement, which are to be kept and performed by the Tenant during the term hereof. If at any time during the term of this Agreement, any of the lease payments herein reserved shall be overdue and unpaid, or any other sum payable by Tenant to Landlord hereunder shall be overdue and unpaid, then Landlord may, at its option (but Landlord shall not be required to), appropriate and apply any portion of said deposit to the payment of any such overdue lease payments or other sums.

C. Other Default. In the event of the failure by Tenant to keep and perform any of the terms, covenants and conditions of this Agreement to be kept and performed by Tenant, then Landlord, at its option, may appropriate and apply the entire deposit, or so much thereof as may be necessary, to compensate Landlord for loss or damage sustained or suffered by Landlord, due to such breach on the part of Tenant. Should the entire deposit, or any portion thereof, be appropriated and applied by Landlord for the payment of overdue lease payments or other sums due and payable to Landlord, by Tenant hereunder, then Tenant shall, upon the written demand of Landlord, forthwith remit to Landlord a sufficient amount, in cash, to restore said security to the original sum deposited, and Tenant's failure to do so within five (5) days after receipt of such demand shall constitute a breach of this Agreement. Should Tenant comply

with all of said terms, covenants and conditions, and properly comply with all of the lease payments herein provided for, as they fall due, and all other sums payable by Tenant to Landlord hereunder, the said deposit shall be returned in full to Tenant at the end of this Agreement, or upon the earlier termination of this Agreement.

D. Disposition Upon Sale. Landlord may deliver the funds deposited hereunder by Tenant to the purchaser of Landlord's interest in the Subject Property, in the event that such interest be sold, and thereupon Landlord shall be discharged from any further liability with respect to such deposit.

1.05. Condition of Property. **LANDLORD MAKES NO REPRESENTATIONS OR WARRANTIES CONCERNING THE CONDITION, SUITABILITY, OR ANY OTHER MATTERS RELATING TO THE SUBJECT PROPERTY. TENANT HEREBY ACKNOWLEDGES THAT TENANT LEASES THE SUBJECT PROPERTY FROM LANDLORD ON AN "AS IS, WHERE IS" BASIS, WITH ALL FAULTS, AND TENANT ACKNOWLEDGES THAT TENANT HAS AGREED TO LEASE THE PREMISES IN ITS PRESENT CONDITION RELYING ON ITS SOLE EXAMINATION AND INSPECTION OF THE SUBJECT PROPERTY.**

## ARTICLE II - RIGHTS AND DUTIES OF TENANT

2.01. Use of Subject Property. Tenant shall use the Subject Property for the purpose of conducting and carrying on ordinary operations for its business activities (i.e. office space and normal operations of a photography studio). Tenant shall not utilize the Subject Property for any unlawful purpose or activity. All Tenant use of the Subject Property shall be subject to the terms of this Lease Agreement and the conditions of a city issued Conditional Use Permit.

2.02. Improvements by Tenant. The Tenant shall not make any alterations or improvements in or to the Subject Property without the prior consent of the Landlord. All alterations and improvements made or added to the Subject Property, may be removed by Tenant so long as the Tenant repairs any damages to the Subject Property occasioned by such removal or such removal does not result in any damage to the Subject Property. See "Exhibit B" for an initial list of improvements.

2.03. Miscellaneous Expenses. Tenant agrees, at its own expense, to pay all cleaning and janitor costs relative to the Subject Property; to provide its own insurance on improvements and personal property installed or placed by Tenant in or on the Subject Property; to pay all costs and expenses of every nature in connection with Tenant's business activities on the Subject Property. In addition, Tenant at its own expense, shall pay all personal property taxes, and fire insurance related to Tenant's personal property and improvements and fixtures installed by Tenant. Landlord shall pay all cleaning and janitor costs relative to all other areas in the property other than the Subject Property, including, but not limited to the restrooms in the Common Areas.

2.04. Insurance. Tenant shall, at all times during the term of this Agreement, maintain in full force and effect, and pay all premiums for, public liability and general hazard insurance with a reputable insurance company or companies acceptable to Landlord covering Tenant's personal property, inventory, and all improvements and fixtures of Subject Property. The general liability limits of said policy or policies shall not be less than \$1,000,000.00 per person and per occurrence. Tenant shall, upon request, furnish to Landlord a copy of each policy, and each such policy shall provide that it may not be canceled without prior written notice to Landlord. Landlord shall be listed as a loss payee as to any covered risk applicable to Landlord.

Landlord and Tenant waive and relinquish any right or claim, including rights of subrogation, against one another that may arise out of any fire or other hazard occurring upon or to the Subject Property or any property (real or personal) of either party located in or upon the Subject Property.

2.05. Repair and Maintenance. Tenant shall at all times during the term hereof, and any extensions thereof, keep the Subject Property in slightly condition, and in good repair, and shall not permit the accumulation of any rubbish on the Subject Property. The word "repair" as used in this paragraph shall include any repairs, replacements, changes and/or additions to the Subject Property which may be required by Tenant's use and occupancy thereof. In addition to maintaining the Subject Property the Tenant shall keep it free from liens, encumbrances and security interest, not sell, misuse, conceal, or in any way dispose of it or permit it to be used unlawfully or for hire or contrary to the provisions of any insurance coverage; and not permit it to become a fixture or an accession to other goods. The provisions of this paragraph shall not apply to repairs or reconstruction in the event of damage by fire, casualty or other destruction, or in the event of eminent domain, which shall be the responsibility of Landlord.

2.06 Liens and Encumbrances. Tenant agrees that it shall not take any actions, nor make any representations in connection with the Subject Property, nor Tenant's business activities on the Subject Property, which shall have the effect of, or result in, the attachment of any lien or other encumbrance to the Subject Property or otherwise to interfere with Landlord's title to the underlying real property.

2.07 Taxes on Real Property. Subject to 1.03 A. above, Landlord shall be responsible for all all real property taxes and general and special assessments (real property taxes) levied and assessed against the building, other improvements, and land of which the premises are part.

Each year Landlord shall notify Tenant of Landlord's calculation of the real property taxes and together with such notice shall furnish Tenant with a copy of the tax bill. Tenant shall pay the real property taxes to Landlord not later than ten (10) days after receipt of the tax bill, or not later than ten (10) days before the taxing authority's delinquency date, whichever is later.

### ARTICLE III - RIGHTS AND DUTIES OF LANDLORD

3.01. Assignment and Subletting. Tenant will not assign this Agreement in whole or in part, nor sublet all or any part of the Subject Property, without the prior written consent of Landlord in each instance, which consent shall not be unreasonably withheld, conditioned or delayed. 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. If this Agreement be assigned, or if the Subject Property, or any part thereof, be sublet or occupied by anybody other than Tenant, Landlord may collect rent from the assignee, subtenant or occupant, and apply the net amount collected to the rent herein reserved; but no such assignment, subletting, occupancy or collection shall be deemed a waiver of this covenant, or acceptance of the assignee, subtenant or occupant as tenant, or a release of Tenant from the further performance by Tenant of its covenants and agreement specified herein. Notwithstanding any assignment or sublease, Tenant shall remain fully liable on this Agreement and shall not be released from performing any of the terms, conditions and covenants of this Agreement without the express written consent of Landlord.

3.02. Entry by Landlord. Landlord or its agents shall have the right to enter and inspect the Subject Property upon notice to Tenant and at reasonable times and in such manner so as not to interfere with Tenant's business, to examine the Subject Property and to show the Subject Property to prospective purchasers or lessees of the Subject Property and to make repairs, alterations, improvements or additions as Landlord may deem necessary or desirable. In the case of emergency, if Tenant or Tenant's agent shall not be personally present to open and permit an entry into the Subject Property at any time when, Landlord or Landlord's agent may enter the same by a master key or may forcibly enter the same without in any manner affecting the obligations and covenants of this Agreement, any damage caused to property by Landlord would be repaired by the Landlord at its cost. Nothing herein contained, however, shall be deemed or construed to impose upon Landlord any obligations, responsibility or liability whatsoever for the care, maintenance or repair of the Subject Property, or any part thereof, except as otherwise herein specifically provided.

3.03. Quiet Enjoyment. Landlord warrants and represents that it shall place and maintain Tenant in the peaceful and undisturbed possession of the Subject Property throughout the entire term of this Agreement (including any extensions thereof) so long as Tenant pays the lease payments and performs all of its covenants as specified herein. This Agreement shall be subject and subordinate to the lien of any mortgage or mortgages or trust deed or deeds which may be placed upon the Subject Property or the underlying real property, by Landlord, and Tenant covenants that it will execute and deliver to Landlord or to the nominee of Landlord or to the nominee of Landlord proper subordination agreements to this effect at a time upon the request of Landlord and without payment being made therefore. Landlord agrees not to create any lien or encumbrance on the Subject Property which shall adversely affect Tenant's right or interest in this Agreement or in the Subject Property, and to defend and indemnify Tenant against all damage or expense suffered by Tenant as a result of the creation or enforcement of



any such lien or encumbrance. Any mortgage or deed of trust executed by Landlord upon the Subject Property shall be upon the condition that the mortgages or Trust Deed upon foreclosure or exercise of power of sale shall be subject to this Agreement and Landlord's rights hereunder as provided by law. In the event of any failure of Landlord to abide by the provisions hereof, or in the event of any default of Landlord in performance of its obligations to the holder of an encumbrance on the Subject Property, Tenant may at its election cure any default under any such mortgage or deed of trust but shall not be obligated to do so, and Tenant may deduct the cost of curing such default from the lease payments thereafter to be paid pursuant to this Agreement, and Tenant shall thereupon be subrogated to the rights of the holder of such mortgage or deed or trust against Landlord.

3.04 Landlord's Lien. Reserved.

3.05. Destruction of the Subject Property. In the event of a partial destruction of the Subject Property during the term of this Agreement, or any extension thereof, from any cause, Landlord shall forthwith repair the same, provided such repairs can be made within ninety (90) days under the laws and regulations of state, federal, county or municipal authorities; but such partial destruction shall, in no way, annul or void this Agreement, except that the lease payments reserved to be paid hereunder shall be equitably adjusted according to the amount and value of the undamaged space. If such repairs cannot be made within ninety (90) days, this Agreement may be terminated at the option of either party.

3.06. Landlord's Duty to Maintain and Repair. Prior to commencement of the Lease, Tenant will examine the premises and accept them in their current condition. Landlord is responsible to create acceptable conditions upon the commencement of the Lease. Thereafter, Landlord shall keep in good order, condition and repair the exterior foundations, exterior walls (except in the interior faces thereof), down spouts, gutters, boiler systems, and roof of the premises, and the exterior plumbing lines, sewage system inside and outside of the building of which the premises are a part (but excluding the exterior and interior of all windows and doors), and repairs required by any casualty or act of God except as otherwise covered herein, except for reasonable use and wear and any damage to any thereof, caused by any act or negligence of Tenant and its employees, agents, invitees, licensees or contractors; provided, however, that there shall be no obligation to do so, prior to the expiration of ten (10) days written notice from Tenant to Landlord of the need thereof.

ARTICLE IV - EMINENT DOMAIN

4.01. Total Taking. If the whole of the Subject Property hereby demised shall be taken or condemned by any competent authority for any public use or purpose or if so much thereof shall be taken so that Tenant would be unable to continue normal business operations, then the Lease term hereby granted shall cease on the payments hereunder shall be paid and adjusted as of the date of such termination.

4.02. Partial Taking. If a portion of the Subject Property shall be taken and, as a result thereof, there shall be such a Tenant from using the same in substantially the same manner as theretofore used, then and in that event Tenant, upon fifteen (15) day's notice to Landlord, may either cancel and terminate this Agreement as of the date when that part of the Subject Property so taken shall be required for such public purpose, or said Tenant may continue to occupy the remaining portion. In the event Tenant shall remain in possession and occupancy of the remaining portion of the Subject Property, all the terms and conditions of this Agreement shall remain in full force and effect with respect to be paid hereunder shall be equitably adjusted according to the amount and value of such remaining space; and provided, further that Landlord shall, at Landlord's own expense, promptly and with all reasonable diligence, do such work as to make a complete architectural unit of the remainder of the Subject Property and this Agreement shall continue for the balance of its term, subject to the terms and conditions herein stated. The portion, if any of the award or compensation paid on account of such taking to which Tenant is entitled pursuant to the provisions of paragraph C hereof shall be made available to and used by Tenant to pay for the cost of repairing, restoring or constructing said buildings and improvements. If any part of Tenant's portion of the award of compensation shall not be required to pay for the cost of such work, such portion shall, except for the rights of any first mortgagee, be divided equally between Tenant and Landlord.

#### ARTICLE V - EVENTS OF DEFAULT; REMEDIES

5.01. Default by Tenant. Upon the occurrence of any of the following events Landlord shall have the remedies set forth in Section 5.02.

A. Tenant fails to pay any rental or any other sum due hereunder within ten (10) days after the same shall be due.

B. Tenant fails to perform any other term, condition, or covenant to be performed by it pursuant to this Agreement within thirty (30) days after the written notice of such default shall have been given to Tenant by Landlord.

C. Tenant or its agents shall falsify any report required be furnished to Landlord.

D. Tenant of this Agreement shall become bankrupt or insolvent or file any debtor proceedings or have taken against such party in any court pursuant to state or federal statute, a petition in bankruptcy or insolvency, reorganization, or appointment of a receiver or trustee; and such proceeding shall not be dismissed, discontinued or vacated within thirty (30) days from the filing or appointment, or Tenant petitions for or enters into an arrangement; or suffers this Lease to be taken under writ of restitution.

E. The doing, or permitting to be done, by Tenant of any act which creates a mechanic's lien or claim against the land or building of which the Subject Property are a part if not released or otherwise provided for by indemnification satisfactory to Landlord within thirty

(30) days thereafter.

5.02. Remedies. Upon the occurrence of the events set forth in Section 5.01, Landlord shall have the option to take any or all of the following actions, without further notice or demand of any kind to Tenant or any other person:

A. Immediately re-enter and remove all persons and property from the Subject Property, storing said property in a public place, warehouse, or elsewhere at the cost of, and for the account of, Tenant, all without service of notice or resort to legal process and without being deemed guilty of or liable in trespass. No such re-entry or taking possession of the Subject Property by Landlord shall be construed as an election on its part to terminate this Agreement unless a written notice of such intention is given by Landlord to Tenant. No such action by Landlord shall be considered or construed be a forcible entry.

B. Collect by suit or otherwise each installment or rent or other sum as it becomes due hereunder, or enforce, by suit or otherwise, any other term or provision on the part of Tenant required to be kept or performed, including an accrued interest at the rate of 18% per annum on any amounts that are unpaid more than fifteen (15) days past-due.

C. Terminate this Agreement by ten (10) days written notice to Tenant. In the event of such termination, Tenant agrees to immediately surrender possession of the Subject Property. Should Landlord terminate this Lease, it may recover from the Tenant all damages it may incur by reason of Tenant's breach, including the cost of recovering the Subject Property, reasonable attorney's fees, and the worth at the time of such termination of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this Agreement for the remainder of the stated term over the then-reasonable rental value of the Subject Property for the remainder of the stated term, all of which amounts shall be immediately due and payable from Tenant to Landlord.

D. Should Landlord re-enter, as provided above, or should it take possession pursuant to legal proceedings or pursuant to any notice provided for by law, and whether or not it terminated this Agreement, it may make such alterations and repairs as may be necessary in order to relet the Subject Property, and relet the same or any part for such term or terms (which may be for a term extending beyond the term of this Agreement) and at such rentals and upon such other terms and conditions as Landlord in its sole discretion may deem advisable. Upon each such reletting shall be applied, first, to the payment of any indebtedness other than rent due hereunder from Tenant to Landlord; second, to the payment of any costs and expenses of such reletting, including brokerage fees and attorney's fees and costs of any alterations and repairs; third, to the payment of rent due and unpaid, and the residue, if any, shall be held by Landlord and applied in payment of future rents as the same may become due and payable. If such rentals received from such reletting during any month be less than that to be paid during such month by Tenant, Tenant shall pay any such deficiency to Landlord. Such deficiency shall be calculated and paid monthly. No such re-entry and reletting of the Subject Property by Landlord shall be construed as an election on its part to terminate this Lease unless a written

notice of such intention be given to Tenant pursuant to subsection C., above. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Agreement for such previous breach. The remedies given to Landlord in this Section 5.02 shall be in addition and supplemental to all other rights or remedies which Landlord may have under laws then in force.

## ARTICLE VI – MISCELLANEOUS

6.01. Environmental Matters. Landlord represents and warrants to Tenant that (i) the Subject Property is, at the time of Tenant's taking possession thereof, in full compliance in all respect with all applicable local, state and federal laws and regulations currently or previously in effect relating to environmental, natural resource, health or safety matters, (ii) there has not, at any time been a release (which has not been remediated in accordance with applicable law) nor is there present any pollutant, contaminant or toxic, hazardous or noxious material, substance or waste, whether solid, liquid or gas upon the Subject Property or, to Landlord's knowledge, upon any adjacent or nearby property. Landlord shall be solely responsible for and shall indemnify and hold Tenant harmless from any and all loss, liability, cost or expense (including reasonable attorney's fees and expenses) arising from Landlord's breach of the forgoing representation or warranty or any condition in, upon or under the Subject Property in existence on the date of this lease and not otherwise caused by Tenant. Tenant agrees that it will not release upon, in or under the Subject Property, any pollutant, contaminant or toxic, hazardous or noxious material, substance or waste, whether solid, liquid or gas and further agrees to indemnify and hold Landlord harmless from any and all loss, liability, cost or expense (including reasonable attorney's fees and expenses) arising from any such release.

6.02. Waiver. The waiver by Landlord of any breach of any term, covenants or condition herein contained shall not be deemed to be a waiver of such term, condition or covenant, or any condition herein contained. The subsequent acceptance of lease payments hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Agreement, other than the failure of Tenant to pay the particular lease payment so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such lease payment. No covenant, term or condition unless such waiver be in writing by Landlord.

6.03. Entire Agreement. This Agreement contains the entire Agreement between the parties, and no representations, inducements, promises or agreements, oral or otherwise, between the parties not embodied herein shall be of any force and effect.

6.04. Force Majeure. In the event that either party hereto shall be delayed or hindered in, or prevented from, the performance of any act required hereunder, by reason of strikes, lockouts, labor trouble, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrections, war, natural disaster, or other reason of a like nature

not the required under the term of this Agreement, then performance of such for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this paragraph shall not operate to excuse Lessee from payment of any lease payment, additional lease payment or other payments required by the terms of this Agreement.

6.05. Delivery of Subject Property. Tenant agrees to deliver up the Subject Property to Landlord at the expiration of this Agreement in as good a condition as when the same was entered into by Tenant, reasonable wear and tear excepted.

6.06. Default. If either party defaults in any of the covenants or agreements contained herein, the defaulting party shall pay all costs and expenses, including a reasonable attorney's fee, incurred by the other party in enforcing its rights arising under this Agreement.

6.07. Notices. Any notices sent to the parties may be sent to them at the following addresses by certified or registered mail:

Landlord: RIVER HEIGHTS CITY  
Attn: City Recorder  
520 S 500 E  
River Heights, UT 84321

Tenant: SOUTH LIGHT STUDIO, LLC  
Attn: Brittany Cascio  
660 S 400 E  
River Heights, Utah 84321

6.08. Headings and Paragraph Numbers. Headings and paragraph numbers have been inserted solely for convenience and reference and shall not be construed to effect the meaning, construction of effect of this Agreement.

6.09. Invalid Provision. If any provisions of this Agreement shall be determined to be void or unenforceable, such determination shall not affect the validity of any remaining portion of this Agreement, and any remaining portion shall remain in full force and effect as if this Agreement had been executed with the invalid portion eliminated.

6.10. Binding. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, agents, successors-in-interest, assigns and transferees.

6.11. Governing Law. The terms and conditions of this Agreement shall be governed according to the laws of the State of Utah.

6.12. Authority of Signatories. Each person executing this Agreement individually and personally represents and warrants that he is duly authorized to execute and deliver the

same on behalf of the entity for which he is signing (whether it be a corporation, general or limited partnership, or otherwise), and that this Agreement is binding upon said entity in accordance with its terms.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the date first hereinabove written.

**LANDLORD:**  
RIVER HEIGHTS CITY

\_\_\_\_\_  
Jason Thompson, Mayor

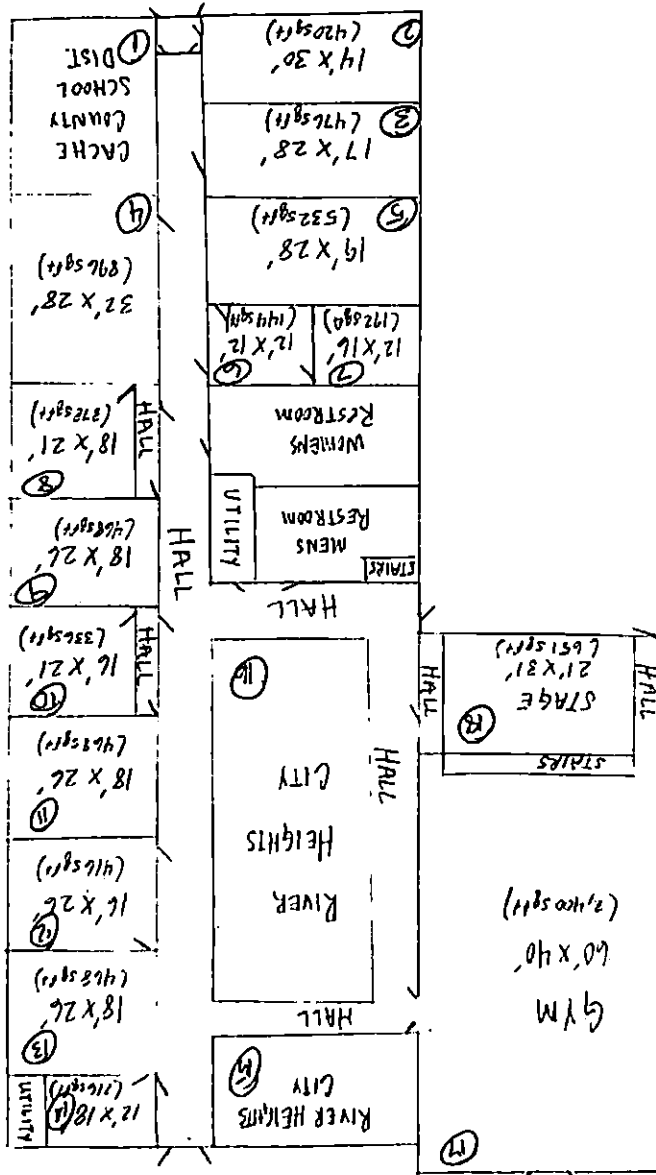
**TENANT:**  
SOUTH LIGHT STUDIO, LLC

\_\_\_\_\_  
Brittany Cascio, Owner

ATTEST:

\_\_\_\_\_  
City Recorder

**Exhibit A**  
**Map**



Measurements rounded to nearest foot  
 Total square feet = 8,461 (Rentable)



**Exhibit B**  
**List of Tenant Improvements**

Removal:

- Exterior window coverings
- Interior divider walls/doors
- Cabinets
- Office furniture
- Carpet on walls
- Carpet on floors
- Lighting fixtures

Improvements:

- Construct closet and changing room (adding electricity for lighting)
- Coat walls with mud or attach sheetrock (mud, tape, sand)
- Paint ceilings, walls, and interior door
- Attach wood design element to wall
- Install LVP flooring
- Install LED lighting fixtures
- Install cabinets, sink, counter top, floating shelves, and tile backsplash for kitchenette using existing plumbing connections
- Install internet communications (unless provided by landlord)
- Install security cameras
- Install smart lock keypad
- Install curtains
- Install vinyl signage on exterior of door

Approval of requested tenant improvements

**LANDLORD:**  
RIVER HEIGHTS CITY

\_\_\_\_\_  
Jason Thompson, Mayor