



Board of County Commissioners Agenda Request

6A

Agenda Item #

Requested Meeting Date: July 22, 2025

Title of Item: Aitkin County Health & Human Services Office Space Lease Agreement

<input checked="" type="checkbox"/> REGULAR AGENDA <input type="checkbox"/> CONSENT AGENDA	Action Requested: <input type="checkbox"/> Approve/Deny Motion <input checked="" type="checkbox"/> Adopt Resolution (attach draft) <input type="checkbox"/> Hold Public Hearing <i>*provide copy of hearing notice that was published</i>	<input type="checkbox"/> Direction Requested <input type="checkbox"/> Discussion Item <input type="checkbox"/> Information Only
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Submitted by: April Kellerman	Department: Admin.
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Presenter (Name and Title): Jim Bright, Facilities Coordinator and Sarah Pratt, HHS Director	Estimated Time Needed: 10 min.
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Summary of Issue:

Aitkin County Health and Human Services has a lease agreement to accommodate the relocation of Health and Human Services' employees with Pamela K. G. Heinecke.

Attached is the Office Space Lease Agreement and Resolution that authorizes the County Board Chair and County Auditor to sign the agreement.

County Attorney has reviewed the Agreement.

Alternatives, Options, Effects on Others/Comments:

Recommended Action/Motion:

Adopt resolution authorizing Board Chair and County Auditor to sign the Aitkin County Health & Human Services Office Space Lease Agreement with Pamela K. G. Heinecke.

Financial Impact:

Is there a cost associated with this request? Yes No

What is the total cost, with tax and shipping? \$

Is this budgeted? Yes No *Please Explain:*

CERTIFIED COPY OF RESOLUTION OF COUNTY BOARD OF AITKIN COUNTY, MINNESOTA

ADOPTED July 22, 2025

By Commissioner: xxx

20230722-xxx

Aitkin County Health and Human Services Office Space Lease Agreement with Pamela K. G. Heinecke

WHEREAS, Aitkin County Health and Human Services has a lease agreement to accommodate the relocation of Health and Human Services' employees with Pamela K. G. Heinecke at 38 Minnesota Avenue South, Aitkin, MN 56431.

WHEREAS, Aitkin County Health and Human Services will occupy the building and parking lot.

THEREFORE, BE IT RESOLVED, that Aitkin County enter into Office Space Lease with Pamela K. G. Heinecke for a term beginning at 12:00 a.m. on August 1, 2025, and ending at 11:59 p.m. on July 31, 2026.

BE IT FURTHER RESOLVED, Aitkin County Board authorizes the Board Chair and County Auditor to sign the Office Space Lease Agreement.

Commissioner xxx moved the adoption of the resolution and it was declared adopted upon the following vote

xxx MEMBERS PRESENT

All Members Voting xxx

STATE OF MINNESOTA}
COUNTY OF AITKIN}

I, John Welle, County Engineer, Aitkin County, Minnesota do hereby certify that I have compared the foregoing with the original resolution filed in the Administration Office of Aitkin County in Aitkin, Minnesota as stated in the minutes of the proceedings of said Board on the 22nd day of July 2025, and that the same is a true and correct copy of the whole thereof.

Witness my hand and seal this 22nd day of July 2025

John Welle
County Engineer

LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into as of the _____ day of July, 2025, by and between Pamela K. G. Heinecke, hereinafter referred to as "Lessor", and the County of Aitkin, a governmental entity of the State of Minnesota, hereinafter referred to as "Lessee".

RECITALS

The parties recite and declare:

1. Lessor is the sole owner of the Premises described below, and desires to lease the Premises to Lessee for governmental administrative purposes.
2. Lessee desires to lease the Premises for governmental administrative purposes under the terms and provisions as hereinafter set forth.
3. The parties desire to enter into a Lease Agreement defining their rights, duties and liabilities relating to the Premises.

In consideration of the mutual covenants contained in the Lease Agreement, the parties agree as follows:

SECTION ONE SUBJECT AND PURPOSE

Lessor hereby leases the land and the building situated thereon located at 38 Minnesota Avenue South, Aitkin, Aitkin County, Minnesota, (the "Premises"), having Aitkin County Tax Parcel ID No. 56-1-041600, and legally described as follows, to-wit:

All of Lot 6 and all of Lot 5, except the North 60 feet thereof, of the Amended Plat of Part of T. R. Foley's Addition to the Village of Aitkin,

to Lessee for use of governmental administrative purposes.

SECTION TWO TERM

The term of this Lease shall be for a period of twelve (12) months from and after 12:00 A.M., August 1, 2025 to 11:59 P.M., July 31, 2026.

**SECTION THREE
RENT**

Lessee shall pay to Lessor as annual base rent the sum of **Thirty Thousand and no/100ths Dollars (\$30,000.00)**, payable in equal monthly installments of **Two Thousand Five Hundred and no/100ths Dollars (\$2,500.00)**, due in advance on the first day of each month, commencing August 1, 2025. All rental payments shall be made directly to Lessor at 120 3rd Street Southwest, Aitkin, Minnesota 56431, or to such other address as Lessor may from time to time provide in writing to Lessee. Lessee shall pay the rent as specified in this Section and the additional amounts as set forth below.

**SECTION FOUR
ADDITIONAL RENT**

All charges, costs and expenses that Lessee assumes or agrees to pay hereunder, including, but not expressly limited to, all utilities, trash removal, snow removal and lawn mowing, shall be deemed to be additional rent. In the event of nonpayment, Lessor shall have all the rights and remedies as herein provided for failure to pay rent.

**SECTION FIVE
UTILITIES**

Lessee shall be responsible to reimburse Lessor for all charges billed to Lessor for water, electricity, gas, fuel, sewer, garbage or trash disposal, telephone, snow removal, lawn mowing and any other utility services furnished to the leased Premises. The parties agree that the following methodology will be used in the payment of these utilities:

1. Lessor shall, upon receipt of statements for the various utilities, pay the same as they become due.
2. Following Lessor's payments for the various utility services, Lessor will provide Lessee with copies of the appropriate utility statements, together with evidence that the

statements have been paid in full. Thereupon, within ten (10) calendar days from the day on which Lessor provides Lessee with evidence of such payment, Lessee shall reimburse Lessor the full amount of such utility statement by forwarding payment directly to Lessor at 120 3rd Street Southwest, Aitkin, Minnesota 56431, or to such other address as Lessor may from time to time provide in writing to Lessee.

**SECTION SIX
REAL ESTATE TAXES, SPECIAL ASSESSMENTS AND USE TAXES**

During the entire term of this Lease Agreement, Lessor agrees and covenants to pay as they become due, all real estate taxes, installments of special assessments, and any other taxes or public governmental charges levied, assessed or becoming due and payable against or applicable to the leased Premises or any part thereof to the extent that the same become due and payable during the term of this Lease or any extension thereof.

**SECTION SEVEN
INSURANCE**

Lessee represents that Lessee participates in and has insurance coverage through a Joint Powers Entity Agreement under the Minnesota Counties Intergovernmental Trust. In recognition thereof, during the term of this Lease Agreement, Lessee shall obtain and maintain at its expense the following types and amounts of liability coverage as detailed in the Certificate of Coverage attached hereto and made a part hereof by reference as Exhibit A.

**SECTION EIGHT
REPAIRS**

Lessee shall, at all times during the term of this Lease and at its sole cost and expense, repair, replace and maintain in a good, safe and substantial condition (including reasonable periodic painting and decorating, and including replacement as required), the building and every part thereof, including, but not expressly limited to, the exterior and interior portions of

all doors, glass and glass windows; all mechanical, plumbing, heating, air conditioning, and ventilating and electrical equipment and systems which, affixed to (roof mounted or otherwise), or otherwise exclusively serve the leased Premises; interior walls, partitions, floors and ceilings; and all fixtures, appliances and equipment furnished by Lessor, if any, and at the time of expiration of this Lease or any renewal thereof, will turn the same back to Lessor in as good a condition as the same are at the inception of this Lease, reasonable wear and tear excepted. Lessee shall keep the building upon the leased Premises and the ground around the same clean at all times and shall keep the sidewalks and parking areas upon the leased Premises free from ice and snow.

SECTION NINE ALTERATIONS

Notwithstanding the repair and maintenance obligations as set forth in Section Eight above, Lessee shall not make any structural alterations in any portion of the leased Premises, nor any alterations in the storefront or exterior of the leased Premises without, in each instance, first obtaining the written consent of the Lessor. Lessee shall be permitted to (i) repaint the interior of the leased Premises, replace any carpeting in the leased Premises, all without regard to cost or (ii) make other interior non-structural alterations and improvements costing less than \$2,500 in the aggregate without Lessor's prior written consent provided, however, that in any event, Lessee shall give Lessor prior written notice of and plans relating to such alterations or improvements. All such alterations or improvements shall be undertaken by Lessee at Lessee's expense and risk, shall be in a safe and workmanlike manner, and shall not cause or allow any mechanics or labor and materials liens for the work to be levied on the leased Premises. Any alterations or improvements made to the Premises with the written consent of Lessor shall be paid by Lessee and shall become the property of Lessor. In connection with any improvements, repairs, maintenance or alterations, Lessee

shall provide lien waivers, evidence of appropriate insurance and sworn construction statements if such items are reasonably requested by Lessor.

**SECTION TEN
UNLAWFUL OR DANGEROUS ACTIVITY AND COMPLIANCE WITH LAWS**

Lessee shall neither use nor occupy the leased Premises or any part thereof for any unlawful, disreputable or ultra hazardous purpose and Lessee shall comply with all the requirements of all laws, orders and regulations of the federal, state, county or other authorities with respect to the leased Premises and shall not commit or cause to be committed thereon any nuisance.

**SECTION ELEVEN
MAINTENANCE OF FIRE EXTINGUISHERS**

Lessee shall be solely responsible to maintain the fire extinguishers on the leased Premises in a safe and usable condition and in so doing Lessee shall abide by all applicable rules and regulations of any governmental agency whose responsibility it is to ensure that such extinguishers on the Premises are in proper operating condition.

**SECTION TWELVE
INDEMNITY**

Lessee shall indemnify and by this Agreement it hereby agrees to indemnify Lessee against any and all expenses, liabilities and claims of every kind or nature, including reasonable attorney's fees, by or on behalf of any person or entity arising out of either (i) a failure by Lessee to perform any of the terms or conditions of this Lease Agreement; (ii) any injury or damage to persons or property happening on or about the leased Premises; (iii) failure to comply with any law of any governmental authority; (iv) any negligence on the part of Lessee, its agents, contractors, licensees or invitees; (v) any prosecution or defense of any suit or other proceeding in discharging the leased Premises or any part thereof from any liens,

judgments, or encumbrances created upon or against the same or against Lessee's leasehold estate; (vi) any proceedings to obtain possession of the leased Premises after termination of this Lease by forfeiture or otherwise; (vii) any litigation commenced by or against Lessee to which Lessor is made a party without any fault on the part of Lessor; (viii) any mechanic's lien or security interest filed against the leased Premises or equipment, materials or alterations of the buildings or improvements on the leased Premises; and (ix) any failure on the part of Lessee to perform or comply with any covenant or agreement required to be performed or complied with by Lessee hereunder.

SECTION THIRTEEN DESTRUCTION OF PREMISES

1. **Destruction Less than Fifty Percent.** In the event of a partial destruction of the leased Premises during the term of this Lease not exceeding fifty percent from any cause, Lessor shall promptly repair such damage, provided that the repairs can be made within one hundred twenty (120) days under the laws and regulations of applicable governmental authorities. Any partial destruction shall neither annul or void this Lease, except that Lessee shall be entitled to a proportionate reduction of rent while the repairs are being made, any proportionate reduction being based on the extent to which the making of repairs shall interfere with the ability of Lessee to conduct business in the leased Premises. If the repairs cannot be made in the specified time, Lessor may, at her option, make repairs within a reasonable time, and this Lease shall continue in full force and effect and the rent shall be proportionately rebated as set forth in this Section. In the event Lessor elects not to make repairs that cannot be made in the specified time, or those repairs cannot be made under the laws and regulations of the applicable governmental authorities, this Lease may be terminated at the option of either party. In the event of any partial destruction the Lessor is

obligated to repair or may elect to repair hereunder, Lessee hereby waives any requirements to make repairs at the expense of Lessor.

2. **Destruction in Excess of Fifty Percent.** Should the building in which the leased Premises are situated be destroyed in excess of fifty percent of the replacement cost, the Lease shall be terminated.

SECTION FOURTEEN DEFAULT OR BREACH

Each of the following events shall constitute a default or breach of this Lease by the Tenant:

1. If Lessee shall fail to pay Lessor any rent or any other payment when due or shall fail to make the payment within five (5) days after notice thereof by Lessor to Lessee.
2. If Lessee shall fail to perform or comply with any conditions of this Lease and if the nonperformance shall continue for a period of ten (10) days after notice thereof by Lessor to Lessee; provided, however, that if Lessee has commenced action to cure such noncompliance and is proceeding diligently, then Lessee shall not be in default during the time reasonably required to cure the noncompliance; further provided, however, that the aforesaid time reasonably required to cure noncompliance shall not be extended beyond sixty (60) days.
3. If Lessee shall vacate or abandon the leased Premises.
4. If this Lease or the estate of Lessee hereunder shall be transferred to or pass or devolve on any other person or party except in the manner herein permitted.

SECTION FIFTEEN REMEDIES

In the event of any default under this Lease Agreement as set forth in the preceding Section Fourteen, the rights of the Lessor shall be as follows:

1. Lessor shall have the right to cancel and terminate this Lease, as well as all of the right, title and interest of Lessee under this Lease, by giving to Lessee not less than thirty (30) days notice of the cancellation and termination. On the expiration of the time fixed in the notice, this Lease

and the right, title and interest of Lessee under this Lease shall terminate in the same manner and with the same force and effect, except as to Lessee's liability, as if the date fixed in the notice of cancellation and termination were the end of the term originally set forth in this Lease.

2. Lessor may elect, but shall not be obligated, to make any payment required of Lessee in this Lease or comply with any agreement, term or condition required by this Lease to be performed by Lessee. Lessor shall have the right to enter the leased Premises for the purpose of correcting or remedying any such default and to remain until the default has been corrected or remedied, but any expenditure for the correction by Lessor shall not be deemed to waive or release the default of Lessee the right of Lessor to take any action as may be otherwise permissible under this Lease in the case of any default.

3. Lessor may re-enter the premises immediately without working a termination of this Lease and remove the property and personal items of Lessee and store the property in a public warehouse or in a place selected by Lessor at the expenses of Lessee. After re-entry Lessor may terminate the Lease by giving thirty (30) days written notice of termination to Lessee. After re-entry, Lessor may further relet the premises or any part thereof for any term, without terminating the Lease, at the rent and on the terms as Lessor may choose, which may be for a term extending beyond the term of this Lease. Lessor may make alterations and repairs to the leased Premises. The duties and liabilities of the parties if the Premises are relet as provided in this Section shall be as follows:

a. In addition to Tenant's liability to Landlord for breach of this Lease, Tenant shall be responsible for all expenses of the reletting, for the alterations and repairs made and for the difference between the rent received by Landlord under the new lease agreement and the rent installments that are due for the same period under this Lease.

b. Landlord shall have the right, but shall not be required, to apply the rent received from reletting the Premises to (i) reduce the indebtedness of the Lessee to Lessor under this Lease, not including indebtedness for rent; (ii) expenses of the reletting and alterations and repairs made; (iii) rent due under this Lease; or (iv) to payment of future rent under this Lease as it becomes due.

c. If the new Lessee does not pay a rent installment promptly to Lessor, and the rent installment has been credited in advance of payment to the indebtedness of Lessee other than rent, or if rentals from the new Lessee have been otherwise applied by Landlord as provided for in this Section and during any rent installment period are less than the rent payable for the corresponding installment period

under this Lease, Lessee shall pay Lessor the deficiency, separately for each rent installment deficiency period, and before the end of that period. Lessor may at any time after a reletting terminate this Lease for the breach on which Lessor had based the reentry and subsequently relet the leased Premises.

4. In case suit shall be brought for recovery of possession of the Premises, for the recovery of rent or other amount due under the provisions of this Lease, or because of the breach of any other covenant herein contained on the part of the Lessee to be kept or performed, and a breach shall be established, Lessee shall pay to Lessor all expenses incurred therefor, including reasonable attorney's fees.

SECTION SIXTEEN EASEMENTS, AGREEMENTS OR ENCUMBRANCES

The parties shall be bound by all existing easement agreements and encumbrances of record relating to the leased Premises, and the Lessor shall not be liable to Lessee for any damages resulting from any action taken by a holder of an interest pursuant to the rights of that holder.

SECTION SEVENTEEN LIABILITY OF LESSOR

Lessee shall be in exclusive control and possession of the leased Premises, and Lessor shall not be liable for any injury or damages to any property or to any person on or about the leased Premises or for any injury or damage to any property of Lessee. The provisions of this Lease permitting Lessor to enter and inspect the leased Premises are made to ensure that Lessee is in compliance with the terms and conditions of this Lease and to ensure that Lessee makes repairs which Lessee might have failed to make. Lessor shall not be liable to Lessee for any entry on the leased Premises for inspection purposes.

SECTION EIGHTEEN REPRESENTATIONS BY LESSOR

At the commencement of the term of this Lease, Lessee shall accept the buildings and improvements and any equipment in their existing condition and state of repair, and Lessee agrees that no representations, statements or warranties, express or implied, have been made by or on behalf of Lessor in respect thereto, except as contained in the provisions of this Lease. Lessor shall in no event be liable for any latent defects. Lessee accepts the buildings and improvements in an **"AS IS"** condition.

SECTION NINETEEN ASSIGNMENT AND SUBLETTING

Lessee shall not have the right to assign, transfer, convey or sublease its interest hereunder without the express prior written consent of Lessor, which consent shall not be unreasonably withheld.

SECTION TWENTY CONDEMNATION AND EMINENT DOMAIN

If the entire leased Premises shall be taken by any competent authority for any public or quasi-public use or purpose during the term of this Lease or any extension thereof as the result of the exercise of the power of eminent domain or shall during the term of this Lease or any extension thereof be sold to a public or governmental body or unit in lieu of or under the threat of condemnation or a taking by eminent domain proceedings, then in either of such events, this Lease and the term demised shall thereupon terminate. In the event that only a part of the leased Premises shall be so taken or condemned, Lessee may, at its option, terminate this Lease or may continue this Lease with the rent reduced in proportion to the decreased use suffered by Lessee as the parties may mutually agree. Each of the parties reserves its own rights in any condemnation award.

**SECTION TWENTY-ONE
LIEN ON LESSEE'S PROPERTY**

Lessor shall have a lien for the payment of the rent aforesaid upon all the goods, wares, chattels, fixtures, furniture and other personal property of Lessee that may be in or upon the leased Premises. Lessee hereby specifically waives any and all exemptions allowed by law and such lien may be enforced on the nonpayment of any installment of rent by the taking and selling of such property in the same manner as in the case of secured goods on default thereunder. Said sale shall be made upon twenty-one (21) days' notice served on Lessee by posting on the leased Premises, or in any other lawful manner at the option of Lessor.

**SECTION TWENTY-TWO
SURRENDER OF POSSESSION**

Lessee covenants, at the expiration or other termination of this Lease, to remove all goods and effects from the leased Premises not the property of Lessor, and to yield up to Lessor the leased Premises and all keys, locks and other fixtures connected therewith in good repair, order and condition and in all respects, reasonable wear and tear thereof and damage by fire, or other casualty, not caused by Lessee's acts or neglect, only excepted.

**SECTION TWENTY-THREE
SUBORDINATION CLAUSE**

This Lease shall be subject and subordinate at all times to the lien of any mortgage or deed or trust encumbrance or encumbrances, which may now or which may at any time hereafter be made to lien upon the building of which the Premises are a part or upon Lessor's interest therein. Lessee shall execute and deliver such further instrument or instruments subordinating this Lease to the lien of any such mortgage or deed trust encumbrance and

encumbrances as shall be desired by any mortgagee or party secured or proposed to be secured, and Lessee hereby irrevocably appoints Lessor as its attorney-in-fact to execute and deliver any such instrument or instruments for Lessee.

SECTION TWENTY-FOUR LESSEE HOLDING OVER

If Lessee shall not immediately surrender possession of the leased Premises at the termination of this Lease, Lessee shall become a Lessee from month to month, provided the rent shall be paid to and accepted by Lessor, in advance at the rate of rental payable hereunder just prior to the termination of this Lease; but unless and until Lessor shall accept such rental from Lessee, Lessor shall continue to be entitled to retake or recover possession of the leased Premises as hereinbefore provided in case of default on the part of Lessee, and Lessee shall be liable to Lessor for any loss or damage which Lessor might sustain by reason of Lessee's failure to surrender possession of the leased Premises immediately upon expiration of the term hereof. Lessee hereby agrees that all of the obligations of Lessee and the rights of Lessor applicable during the term of this Lease shall be equally applicable during such period of subsequent occupancy, whether or not a month to month tenancy shall have been created as aforesaid.

SECTION TWENTY-FIVE MISCELLANEOUS

1. **Hazardous Substances.** Lessee shall not use the leased Premises for the production of any toxic or hazardous material, nor shall Lessee use the leased Premises for sale or storage of any toxic or hazardous material. Lessee shall further not use any hazardous material in or on the leased Premises and shall not dispose of any hazardous material in or on

the leased Premises. Lessee agrees to indemnify and hold Lessor and its agents harmless from and against any claims, judgments, damages, fines, penalties, costs, liabilities, or loss, including attorneys' fees, consultants' fees and expert fees which arise during or after the Lease term or any extension or renewal thereof in connection with the presence of toxic or hazardous material in the soil, ground water or soil vapor on or under the leased premises resulting from any violation by Lessee, its officers, employees, agents, contractors or licensees of any of the covenants set forth above.

2. **Binding Effect.** All covenants, conditions and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

3. **Waivers.** The failure of Lessor to insist on strict performance of any of the terms and conditions of this Lease on a specific instance shall be deemed a waiver of the rights or remedies that Lessor may have regarding that specific instance only, and shall not be deemed a waiver of any subsequent breach or default in any terms and conditions.

4. **Consents.** Wherever in this Lease the consent of either the Lessor or Lessee is required for any action of the other to be taken, such consent shall not be unreasonably withheld.

5. **Governing Law.** This Lease and all of its terms and provisions shall be deemed made in and governed and construed according to the laws of the State of Minnesota. All proceedings with respect to this Lease, whether by arbitration or otherwise, shall be conducted and venued in the City of Aitkin, Aitkin County, Minnesota.

6. **Warranties of Title and Quiet Possession.** Lessor covenants that she is seized of the leased Premises in fee simple and has full right to make and enter into this Lease and that Lessee shall have quiet and peaceable possession of the leased Premises during the term of this Lease.

7. **Default by Lessor.** Lessor shall not be deemed to be in default under this Lease Agreement until Lessee has given Lessor written notice specifying the nature of the default, and the Lessor does not cure such default within thirty (30) days after receipt of such notice or within such reasonable time thereafter as may be necessary to cure such default where such default is of such character as to reasonably require more than thirty (30) days to cure.

8. **Covenants Against Liens.** Lessee shall, during the term of this Lease Agreement, promptly remove or release, by the posting of a bond or otherwise as required or permitted by law, any lien attached to or upon the leased Premises or any portion thereof by reason of any act or omission on the part of Lessee, and shall save and hold Lessor harmless from or against any such lien or claim of lien. In the event any such lien attaches sixty (60) days after notice thereof, Lessor, in her sole discretion, may pay and discharge such lien and relieve the leased Premises from such lien, but nothing herein contained shall be construed as requiring Lessor to do so, and Lessee shall pay and reimburse Lessor upon demand for or on account of any expense which is incurred by Lessor in discharging such lien or claim, which sum shall include interest at the rate of eighteen percent (18%) per annum from the date such lien is paid by Lessor until the date Lessor is reimbursed by Lessee; provided, however, that if Lessee has reasonable cause to contest the validity or correctness of any such lien, it may do so and in such event no breach of this Lease shall result, provided that any such contest shall not put the leased Premises in jeopardy.

9. **Lessor's Right of Entry.** Upon 24 hours advance notice by Lessor to Lessee, Lessee shall permit Lessor and the authorized representatives of Lessor to enter upon the leased Premises at all reasonable times during ordinary business hours for the purpose of inspecting the same and making any necessary repairs to comply with any laws, ordinances, rules, regulations or requirements of any public body, or the Board of Fire Underwriters, or

any similar body. The parties agree that at such times as Lessor shall enter upon the leased Premises pursuant to the aforesaid notice, Lessor shall be accompanied at all times by an authorized representative of Lessee. Nothing herein contained shall imply any duty on the part of Lessor to do any such work which, under any provision of this Lease, Lessee may be required to perform, and the performance thereof by Lessor shall not constitute a waiver of Lessee's default in failing to perform the same. Lessor may, during the progress of any work, keep and store upon the leased premises all necessary materials, tools and equipment. Lessor shall not in any event be liable to Lessee for inconvenience, annoyance, disturbance, loss of business or other damage by reason of making repairs or the performance of any work in or about the leased Premises or on account of bringing materials, supplies and equipment into, upon or through the leased Premises during the course thereof, and the obligations of Lessee under this Lease shall not be affected thereby.

10. **Keys.** Lessee may, in its sole discretion, change the locks, or, in the alternative, re-key the locks in the leased Premises. If Lessee should change the locks or re-key the same, Lessee shall place the original locks and keys in safekeeping and shall restore them to their original locations at such time as this Lease shall terminate. Lessee shall be liable to Lessor for any damages done to the Premises as a result of any change in locks or re-keying of the same.

11. **Move-in and Move-out Inspections.**

a. Move-in Inspection. Prior to the time at which Lessee moves in to the leased Premises and takes possession thereof, the parties shall conduct a mutual move-in inspection. The purpose of such inspection shall be to identify any existing repair issues and areas of damage to flooring, windows, doors, ceiling, walls, baseboards, outlets and switches, light fixtures, handrails, heating and plumbing, air conditioning and electrical systems, etc. Any and all discrepancies shall be noted in writing and each party shall retain a copy thereof.

b. Move-out Inspection. Within 48 hours of the expiration of the Term of this Lease, the parties shall conduct a mutual move-out inspection of the leased Premises. The purpose of such inspection shall be to identify any repair issues and areas of damage to flooring, windows, doors, ceiling, walls, baseboards, outlets and switches, light fixtures, handrails, heating and plumbing, air conditioning and electrical systems, etc., which did not exist during the move-in inspection. Any and all discrepancies which are found to exist in the move-out inspection, but which did not exist in the move-in inspection, shall be noted in writing and each party shall retain a copy thereof.

c. Responsibility for Damages. Lessee shall be responsible to repair those items identified in the move-out inspection, either by undertaking the repairs of the same or by reimbursing Lessor the reasonable repair costs thereof. Within this context the parties agree and understand that reasonable wear and tear of the leased Premises is to be expected and Lessee shall not be responsible for minor and unavoidable effects of occupying the Premises including, but not expressly limited to, minor scuffs on the walls and baseboards, small nail holes from hanging pictures, fading paint and frayed carpet edges.

12. **Display of "For Sale" Signs.** Lessee shall permit Lessor the right to enter upon the leased Premises at any reasonable time and to exhibit the same for the purpose of sale. During the final sixty (60) days of the Lease term, Lessor shall be entitled to display signs on the leased Premises in such manner as to not unreasonably interfere with Lessee's occupancy thereof, indicating that the leased Premises are for rent or for sale and suitably identifying the Lessor as the fee owner of the leased Premises.

13. **Notices.** Every notice, approval, consent or other communication authorized or required by this Lease Agreement shall be effective if given in writing and deposited in the United States Mail, registered and with postage prepaid and addressed to the Lessor or Lessee at the following addresses or at such other addresses as either party may

from time to time designate by written notice. Any notice shall be deemed given when deposited in the mail:

To Lessor: **Pamela K. G. Heinecke
120 3rd Street Southwest
Aitkin, MN 56431**

To Lessee: **County of Aitkin**

14. **Modification.** No purported amendment, modification or waiver of any provision hereof shall be binding unless set forth in a written document signed by all parties (in the case of amendments or modifications) or by the party to be charged thereby (in the case of waivers). Any waiver shall be limited to the circumstance or event specifically reference in the written waiver document and shall not be deemed a waiver of any other term hereof or of the same circumstance or event upon any recurrence thereof.

15. **Severability.** If any provision of this Lease is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable and this Lease shall be construed and enforced as if such illegal, invalid or unenforceable provision had never constituted a part hereof, and the remaining provisions shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance therefrom. Furthermore, in lieu of such illegal, invalid or unenforceable provision there shall automatically be added as part of this Lease a legal, valid and enforceable provision as similar in terms to the illegal, invalid or unenforceable provision as may be possible.

16. **Entire Agreement.** This Lease shall constitute the entire agreement between the parties. Any prior understanding or representation of any kind preceding the date of this Lease shall not be binding upon either party, except to the extent incorporated in this Lease.

17. **Attorney's Fees.** If any party is compelled to take legal action to enforce any provisions of this Lease, the prevailing party shall be entitled to recover its costs and expenses incurred in connection with such legal action, including reasonable attorneys' fees and costs.

18. **Counterparts.** This Agreement may be executed in any number of counterparts and the different parties hereto, each of which when so executed shall be deemed to be an original, but all of which taken together shall constitute one and the same Agreement.

19. **Authorized Representative.** It is agreed and warranted by the parties that the persons signing this Agreement respectively for Lessor and Lessee are the authorized representatives to sign such Agreement and that they have the legal authority to bind the respective parties to the terms hereof. No further proof of authorization is or shall be required.

**SECTION TWENTY-SIX
TIME OF THE ESSENCE**

It is specifically declared that time is of the essence of all provisions of this Lease.

**SECTION TWENTY-SEVEN
PARAGRAPH HEADINGS**

The titles to the paragraphs in this Lease are solely for the convenience of the parties and shall not be used to explain, modify, simplify or aid in the interpretation of the provisions of this Lease.

**SECTION TWENTY-EIGHT
SUMMARY OF MAJOR PROVISIONS**

Term of Lease	Twelve (12) months
Period of Lease	August 1, 2025 - July 31, 2026
Monthly rental	\$2,500.00
Real estate taxes	Paid by Lessor
Special assessments	Paid by Lessor

Electricity	Paid by Lessee
Heat and cooling	Paid by Lessee
Water	Paid by Lessee
Garbage, sewage	Paid by Lessee
Installation of Public Utilities	Paid by Lessor
Waste removal	Paid by Lessee
Snow removal/lawn care	Paid by Lessee
Hazard insurance	Paid by Lessee
Repairs	Made and paid by Lessee
Assignment and subletting	Not permitted
Hazardous substances	Not permitted

IN WITNESS WHEREOF, the parties hereto have set their hands the date, month and year first above written.

LESSOR:

LESSEE:

Pamela K. G. Heinecke

County of Aitkin, Minnesota

By _____