

COMMUNITY HEALTH OFFICE SPACE LEASE

This Lease is entered into this 1st day of , 2021, between the County of Hand, 415 W 1st Ave, Miller, SD 57362 (“Tenant”) and Hand County Memorial Hospital, located at 300 W. 5th Street, Miller, SD 57362 (“Landlord”).

WEHREAS, Tenant provides community health services and seeks to secure an outreach office at Landlord’s location in Miller, South Dakota; and

WHEREAS, Landlord has agreed to lease certain space to Tenant so Tenant can offer public health services in the Miller area; and

WHEREAS, the parties agree to share certain personnel as more fully described herein.

NOW, THEREFORE, the parties do hereby agree as follows:

1. Use of the Premises.
Tenant agrees that the leased premises shall only be used for providing community health services.
2. Landlord agrees to:
 - (a) Lease 1,100 total square feet of space to Tenant so Tenant can operate its community health services on Landlord’s location. The address of the leased space is 31800 W. 5th Street, Miller, SD 57362.
 - (b) Maintain property insurance for the leased space with coverage in an amount equal to the full insurable value of the leased space (subject to reasonable loss deductible clauses). The term "full insurable value" shall mean the actual replacement cost less physical depreciation and exclusive of land, excavations, footings and parking lots. Landlord shall not provide insurance protection for Tenant's personal property or improvements situated in the leased space.
 - (c) Pay for housing utilities, including heating and cooling, water, sewer, and garbage. Note that business utilities, such as phone, internet, cable services, etc are not included in this lease.
 - (d) All lawn care, snow removal and maintenance requests for the building and property.
3. Tenant agrees to:
 - (a) Provide all equipment and supplies necessary for the operation of the community health services.
 - (b) Housekeeping,
 - (c) Hazardous waste disposal,
 - (d) Cleaning supplies,
 - (e) Repairs necessitated by Tenant’s actions (e.g., clogged plumbing, repair/replacement of broken glass, light bulb changes, etc.), and
 - (f) Telephone and internet services due to operational usage.
4. Access to Space. Tenant shall have access to the leased space at times mutually agreed to between the parties.

5. Payment. Landlord shall bill Tenant for any additional services or goods provided, such as clerical services and supplies, with payment due within 30 days of Tenant's receipt of Landlord's statement.
6. Terms and Termination. This Lease shall be effective as of July 1, 2021 and last for a term of one year and shall thereafter be automatically renewed for successive one-year terms unless either party provides written notice of termination to the other at least sixty (60) days prior to the end of the initial term of any subsequent renewal term. At the time of renewal, the rate of rent pursuant to Paragraph 2 above shall be subject to renegotiation. Notwithstanding the above, this Agreement may be terminated, with or without cause by either party, upon thirty (30) days' written notice to the other.
7. Payment of Rent. As compensation for the provision of leased space as set forth in Paragraph 1, Tenant agrees to remit to Landlord the sum of seven hundred-fifty dollars ~~—(\$750.00—)~~ per month, or nine-thousand dollars per year, a rate of \$8.18/square foot/year. This amount represents the leased space provided to Tenant under this Lease for the time occupied. In determining this amount, the parties have negotiated at arms-length and considered the value of the property used for general commercial purposes.
8. Governing Laws. This Agreement shall be interpreted, constructed, and governed according to the laws of the State of South Dakota.
9. Alterations or Repairs. Landlord shall not be liable in any manner for any alterations or improvements on the leased premises or for repairs other than such as are necessitated by ordinary wear and use of the premises except as may be noted on an exhibit attached to this Lease, but Tenant shall be permitted to make improvements in the premises upon the approval of Landlord, and as to any such improvements, the Tenant shall have the right to remove the same upon obtaining the prior written consent before installation of the same from Landlord, and Tenant shall have the duty to repair any remaining damage to the premises from the removal of said improvements.
10. Assignment. Tenant shall not assign or sublet the leased premises, or any part thereof, without the written consent of Landlord.
11. Insurance and Indemnity. Landlord agrees to carry property insurance for the leased premises with coverage under a Special Cause of Loss Form, subject to the standard exclusions, in an amount equal to one hundred percent (100%) of the full insurable value of the leased premises (subject to reasonable loss deductible clauses) with insurance companies authorized to do business in the State of South Dakota. The term "full insurable value" shall mean the actual replacement cost less physical depreciation and exclusive of land, excavations, footings and parking lots. Landlord shall not provide insurance protection for Tenant's personal property or improvements.

Tenant agrees to carry property insurance coverage under a Special Cause of Loss Form, subject to the standard exclusions, covering the contents and personal property of Tenant on the leased premises in such amount or amounts as selected by Tenant. Tenant also agrees to maintain a policy of commercial general liability insurance with a per event limit

of one million dollars for property damage and personal injury which emanate from Tenant's use of the leased premises. Tenant agrees to provide Landlord certificates evidencing said coverage upon request.

Tenant hereby expressly agrees to indemnify and hold Landlord harmless from any and all damages to persons or property or from any other claims, liabilities, costs or expenses (including attorney's fees), resulting from the acts or omissions, including default or negligence, of Tenant or its employees, principals, agents, successors or assigns arising from or as a result of the performance of this Lease. Landlord hereby expressly agrees to indemnify and hold Tenant harmless from any and all damages to persons or property or from any other claims, liabilities, costs or expenses (including attorney's fees), resulting from the acts or omissions, including default or negligence, of Landlord or Landlord employees, principals, agents, successors or assigns arising from or as a result of the performance of this Lease.

12. Mechanic's Liens. The leased premises shall not be subject to any mechanic's or materialman's liens and Tenant shall not permit the leased premises to be subject to any such liens.

13. Default by Tenant. In the event of the failure of the Tenant to make any of the leased payments or to perform any of the covenants of this agreement, Landlord shall give Tenant sixty (60) days notice in writing setting forth in said notice the amount due as of the date of the alleged nonperformance by the Tenant. If during the sixty (60) day period the Tenant cures the default, the parties agree to continue to perform under the Lease as if no temporary default had occurred.

It is further mutually agreed and understood between the parties to this Lease that sixty (60) days is a reasonable time period and sufficient notice to be given to Tenant in the event of its failure to perform. Landlord may then bring a cause of action for specific performance of this Lease agreement or resort to any other remedy authorized by law.

14. Obligation of Successors. Landlord and the Tenant agrees that all of the provisions of this Lease shall be construed as material covenants and agreements hereof as though the words importing such covenants and agreements were used in each separate paragraph hereof, and that all of the paragraphs and provisions hereof shall bind, extend to, and apply to the heirs, executors, administrators, assigns, and successors in interest to the respective parties hereto as fully as the respective parties themselves are bound.

15. Meetings. Landlord and Tenant shall be available to meet at mutually agreed upon times, at least annually. This meeting shall include but not be limited to; maintenance and operational concerns of the clinic and an annual update of the services offered at the clinic.

16. Entire Agreement: All understandings and agreements previously existing between the parties, if any, are merged into this agreement, which alone fully and completely expresses their agreement, and the same is entered into after full investigation, neither party relying upon any statement or representation made by the other not embodied herein. This Lease may not be changed or terminated unless such change or termination is reduced to writing.

IN WITNESS WHEREOF, the parties agree to be bound to the above terms and conditions by signing below.

COUNTY OF HAND

HAND COUNTY MEMORIAL HOSPITAL

By: _____
Gilbert Rodgers,
Its: Chairman

By: _____
Bryan Breitling
Its: Administrator

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