

COMMERCIAL LEASE AGREEMENT

This Commercial Lease Agreement ("Lease") is made and effective **August 18th, 2025** By and between **Ladonna Ross / Bluejay Properties** ("Landlord") and, **The City of Broken Arrow** ("Tenant"). Landlord is the owner of land and improvements commonly known and numbered as **123 North Main, Broken Arrow, Oklahoma. 74012**, and legally described as follows (the "Building").

Landlord makes available for lease the building designated as approximately the **2900** square feet. The building at the effective date of this lease (the "Leased Premises").

Landlord desires to lease the Leased Premises to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the covenants, conditions and provisions herein set forth.

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

1. Term.

A. Landlord hereby leases the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for an "Initial Term" beginning **December 1st, 2025** and ending **November, 2030**

Landlord shall use its best efforts to give Tenant possession as nearly as possible at the beginning of the Lease term. If Landlord is unable to timely provide the Leased Premises, rent shall abate for the period of delay. Tenant shall make no other claim against Landlord for any such delay.

2. Rental.

A. Tenant shall pay to Landlord during the Initial Term rental of **\$42,000.00** per year, payable in installments of **\$3,500.00** per month. Each payment shall be due in advance on the first day of each calendar month during the lease term to Landlord at **124 South Elm Place, Broken Arrow, OK 74012** or at such other place designated by written notice from Landlord or Tenant. The rental payment amount for any partial calendar months included in the lease term shall be prorated on a daily basis. If Rent is not paid within 10 days after it is due, Landlord may collect a late charge in an amount equal to 5% of the delinquent sum.

B. Tenant may renew the lease for an extended term as the parties shall determine by agreement. Tenant shall exercise such renewal option, if at all; by giving written notice to Landlord not less than ninety (90) days prior to the expiration of the Initial term. The renewal term shall be at a negotiable rental rate per month for the duration of the extended term and otherwise upon the same covenants, conditions and provisions as provided in this lease.

C. If tenant shall hold possession of the premises after the initial term with landlord's consent and without an extended lease as provided by 1.B, Tenant shall become a tenant from month-to-month at a rental rate of **\$4,250.00** per month and upon the same terms and conditions as provided in this lease.

3. Use

Tenant shall utilize the leased premises as **Broken Arrow Convention & Visitors Bureau, Broken Arrow Economic Development , and Tulsa County Court Clerk Office** under the name of **The City of Broken Arrow, OK**. Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device. Tenant will continuously occupy and utilize the entire Premises in the active conduct of its business in a reputable manner.

4. Sublease and Assignment.

Tenant shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without Landlord's written consent, such consent not to be unreasonably withheld or delayed.

5. Repairs.

A. **TENANT'S RESPONSIBILITY:** During the term, Tenant shall make, at Tenant's expense, all necessary repairs to the Leased Premises. Repairs shall include such items as routine repairs of floors, walls, ceilings, and other parts of the Leased Premises damaged or worn through normal occupancy, except for major mechanical systems or the roof, subject to the obligations of the parties otherwise set forth in this Lease.

B. **LANDLORD'S RESPONSIBILITY:** During the Lease Term, Landlord shall maintain, service and keep in good repair all major systems such as Heating, Ventilation, Air Conditioning, plumbing, electrical and lighting (other than repairing and servicing lighting fixtures installed by and for the use of Tenant). This responsibility shall govern whether such systems are common to the building as a whole or pertain specifically to the Leasehold Premises. Landlord shall be responsible for repair and maintenance of the building Roof.

C. EMERGENCY REPAIRS: Notwithstanding any provision to the contrary of this paragraph 5, if any maintenance, repair or replacement which either party is required to perform hereunder is of an emergency nature which, if not attended to immediately, might result in injury or damage to persons or property, then either Party, without prior notice to the other Party, may (but is not required to) make such repairs or perform such maintenance necessary to meet the emergency. The Party not making the repairs agrees, upon receipt of an itemized statement from the Party making the repairs to pay the reasonable costs and expenses in connection therewith. If Tenant makes the repairs, Tenant may withhold such reasonable costs and expenses from the succeeding rental payments until reimbursement is complete.

D. All maintenance, repairs and replacements to the Premises made by either Party shall be performed in a good and workmanlike manner with materials and equipment of a quality at least equal to the originally installed or existing materials and equipment.

E. Glass breakage attributable to the Tenant, its customers or guests or determined to be interior damage shall be repaired by the Tenant.

6. Alterations and Improvements.

Tenant, at Tenant's expense, shall have the right following Landlord's consent to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Leased Premises from time to time as Tenant may deem desirable, provided the same are made in a workmanlike manner and utilizing good quality materials. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and fasten the same to the premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease term or placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Tenant at Tenant's expense.

7. Property Taxes.

Landlord shall pay, prior to delinquency, all general real estate taxes and installments of special assessments coming due during the Lease term on the Leased Premises, and all personal property taxes with respect to Landlord's personal property, if any, on the Leased Premises. Tenant shall be responsible for paying all personal property taxes with respect to Tenant's personal property at the Leased Premises.

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8. Insurance.

A. If the Leased Premises or any other part of the building is damaged by fire or other casualty resulting from any act or negligence of Tenant or any of Tenant's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs of repair not covered by insurance.

B Landlord shall maintain fire and extended coverage insurance on the building and the Leased Premises in such amounts, as Landlord shall deem appropriate. Tenant shall be responsible, at its expense, for fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in the Leased Premises.

C. Landlord shall, each at its own expense, maintain a policy or policies of comprehensive general liability insurance with respect to the respective activities of each in the building. Landlord shall not be required to maintain insurance against thefts within the Leased Premises or the Building.

9. Utilities.

Tenant shall pay all charges for water, sewer, gas, electricity, telephone and other services and utilities used by Tenant on the Leased Premises during the term of this Lease. Tenant acknowledges that the Leased Premises are designed to provide standard office use electrical facilities and standard office lighting. Tenant shall not use any equipment or devices that utilize excessive electrical energy or which may, in Landlord's reasonable opinion, overload the wiring or interfere with electrical services to other tenants.

10. Signs.

Following Landlord's consent, and the city of Broken Arrow, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable zoning ordinances and private restrictions. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

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11. Entry.

Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

12. Parking.

During the term of this Lease, Tenant shall have the use of parking areas, their guests and invitees, of the non-reserved common automobile parking areas, driveways, footways and parking spaces back of building.

13. Building Rules.

Tenant will comply with the rules of the building adopted and altered by Landlord from time to time and will cause all of its agents, employees, invitees and visitors to do so; all changes to such rules will be sent by Landlord to Tenant in writing.

14. Damage and Destruction.

Subject to Section 8 A. above, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Landlord shall promptly repair such damage at the cost of the Landlord. In making the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Landlord. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any

appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

15. Default.

If default shall at any time be made by Tenant in the payment of rent when due to Landlord as herein provided, and if said default shall continue for fifteen (15) days after written notice thereof shall have been given to Tenant by Landlord, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Tenant, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended and terminated by giving Tenant written notice of such intention, and if possession of the Leased Premises is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenant default, either in law or equity. Landlord shall use reasonable efforts to mitigate its damages.

16. Quiet Possession.

Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

17. Condemnation.

If any legally, constituted authority condemns the building or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and Landlord and Tenant shall account for rental as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

18. Notice.

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord:

**LaDonna Ross
124 South Elm Place
Broken Arrow, OK 74012**

If to Tenant:

**The City of Broken Arrow
220 South 1st. Street
Broken Arrow, Oklahoma. 74012**

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

19. Realtor Commissions:

It is understood and agreed that Larry R. Pennington Realtor has negotiated this Lease Contract and are entitled to a Five Percent (5%) commission based on the total rental during each period of the Lease Contract said commission to be paid in full at the beginning of each term unless agreed otherwise in writing between Larry R. Pennington Realtor and Lessor. Lessor is responsible for the payment of the commission and Lessor and Larry R. Pennington Realtor agree that the Lessee is not responsible for payment of commission.

20. Waiver.

No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

21. Memorandum of Lease.

The parties hereto contemplate that this Lease should not and shall not be filed for record, but in lieu thereof, at the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

22. Headings.

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

23. Successors.

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

24. Consent.

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

25. Performance.

If there is a default with respect to any of Landlord's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from Tenant to Landlord specifying the default, Tenant may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until Tenant shall have been fully reimbursed for such expenditures. If this Lease terminates prior to Tenant's receiving full reimbursement, Landlord shall pay the un-reimbursed balance to Tenant on demand.

26. Compliance with Law.

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

27. Final Agreement.

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

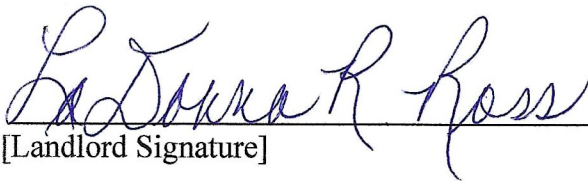
28. Governing Law.

This Agreement shall be governed, construed and interpreted by, through and under the Laws of the State of Oklahoma.

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

29. Special Conditions.

1. Tenant has first right of refusal should seller offer property for sale
2. Tenant at Tenant expense to install security cameras, alarm systems upgraded door hardware.
3. Tenant shall bear the cost of any improvements to the property.
4. Tenant to notify owner when and what is being done to property.
5. In Lieu of a the One Million Dollar Liability Policy The City of Broken Arrow, is self in-sured.

 8-27-2025
[Landlord Signature] Date:

[Tenant Signature] Date:

[Tenant Signature] Date: