

COMMERCIAL LEASE EXTENSION AND MODIFICATION AGREEMENT

This Commercial Lease Extension and Modification Agreement (hereinafter AGREEMENT), made and entered into this _____ day of May, 2024, by MARTHA SUTER, of P.O. Box 1097, Polson, Montana 59860 (hereinafter LESSOR) and the FLATHEAD RESERVATION WATER MANAGEMENT BOARD, of P.O. Box 37, Ronan, Montana 59864 (hereinafter LESSEE), agree as follows:

- 1) This AGREEMENT extends and modifies the existing lease (hereinafter the EXISTING LEASE), enacted by the LESSOR and the LESSEE on April 21, 2022, for approximately 2,600 square feet of the south side of the building located at 400 Main Street Southwest, Ronan, Montana 59864 (hereinafter the PREMISES), which is located within the real property described as follows:

Lot 16 in Block 3 of the STANLEY SCEARCE ADDITION to the City of Ronan, Lake County, Montana, according to the map or plat thereof on file and of record in the office of the Clerk and Recorder of Lake County, Montana.

All previous terms and conditions of the EXISTING LEASE that are not specifically modified by this AGREEMENT remain in effect.

- 2) This AGREEMENT recognizes lease extension and termination options in exchange for the LESSOR providing PREMISES upgrades, which include adding an air-cooling system, capable of cooling the PREMISES to a temperature of 68°F, by the end of June 2024. Failure to install such a system shall constitute a violation of this AGREEMENT.
- 3) The LESSOR agrees to make timely repairs to the PREMISES, for anything which compromises the habitable nature of any portion of the PREMISES, including but not limited to: failures of the heating system, failures of the air-cooling system, failures of the sump-pump system, failures of the water-heating system, failures of the electrical system, failures of other mechanical or structural components of the PREMISES not under the control or obligation of the LESSEE. The LESSEE shall provide notice to the LESSOR of such necessary repairs or maintenance, which the LESSOR shall promptly address no less than 7 days after notice, unless an extension is agreed upon by the Parties. Should the LESSOR fail to maintain and/or repair the PREMISES, the LESSEE may withhold rent until the LESSOR addresses such repairs and/or maintenance. Should LESSOR have two consecutive failures within six months, the LESSOR may terminate the lease under the EXISTING LEASE and/or the extensions under this AGREEMENT.
- 4) The four-year lease extension dates and rent are as follows:
- Years 1-3: covered under the EXISTING LEASE
- Year 4: commencing May 15, 2025 and expiring at midnight on May 14, 2026 at a rate of \$2,250/month
- Year 5: commencing May 15, 2026 and expiring at midnight on May 14, 2027 at a rate of \$2,400/month
- Year 6: commencing May 15, 2027 and expiring at midnight on May 14, 2028 at a rate of \$2,550/month
- Year 7: commencing May 15, 2028 and expiring at midnight on May 14, 2029 at a rate of \$2,700/month
- 5) Starting on March 01, 2027, the LESSEE may terminate the lease any time before midnight on the May 14, 2029 upon providing the LESSOR written notice a minimum of two months in advance of the last month the LESSEE intends to pay rent and occupy the building. Upon termination, the LESSEE will vacate the PREMISES between April 01 and September 30 of the terminating year.

LESSOR:

LESSEE:

Martha Suter

FRWMB Chair, Clayton Matt