

**FIRST AMENDMENT TO LEASE AGREEMENT**

THIS FIRST AMENDMENT TO LEASE AGREEMENT (hereinafter referred to as this "First Amendment"), is made and entered into this \_\_\_\_\_ day of 6/28/2021, 2021, by and between MILLER TROIS, LLC, a Montana limited liability company, of Billings, Montana (hereinafter referred to as "Lessor"), and CITY OF BILLINGS, MONTANA, of Billings, Montana (hereinafter referred to as "Lessee").

**RECITALS**

WHEREAS, Lessor and Lessee entered into that certain LEASE AGREEMENT, dated 11<sup>th</sup> day of March, 2013 (collectively, the "Lease") and ADDENDUM TO LEASE AGREEMENT, dated 17<sup>th</sup> day of October, 2016 (collectively, the "Addendum"), whereby Lessee leased from Lessor certain space in the premises commonly known as 2825 3<sup>rd</sup> Avenue North, Billings, Montana (hereinafter referred to as "Miller Building") per Section 1 of Lease and Addendum.

WHEREAS, Lessor desires to amend Lease to add termination option to Section 4 of Lease.

WHEREAS, Lessor desires to amend Lease to add obligations to Section 7 of Lease.

WHEREAS, Lessor desires to amend Lease to add Surrender Obligations.

WHEREAS, Lessee desires to exercise its second option to renew the Lease.

**AGREEMENTS**

NOW, THEREFORE in consideration of mutual covenants contained herein, the mutual covenants hereinafter expressed, and other good and valuable considerations, the receipt and sufficiency of which is acknowledged, the Lease is hereby amended, and the Lessor and Lessee hereto do hereby agree as follows:

1. **Lease Option Extension Agreement.** The Lessee now exercises its second option to renew the Lease for a 3-year extension term, and the second option extension term shall commence August 1, 2021, subject to the 2% annual rent increases, all as provided in paragraph 4 of said Lease.
2. **Section 4.1. Early Termination Option.** Lease is amended to add the new section as follows:  
**Section 4.1 Early Termination Option.** Effective October 31, 2022, Lessee shall have the option of terminating its tenancy with sixty (60) days written notice of such intent to exercise this option and a contemporaneous payment of a termination fee equal to three (3) months of rent due and payable to Lessor. Written notice of Lessee's option to terminate the lease will be given as set out in Section 17 of the Lease.
3. **Section 14 Binding Effect.** Lease is amended as follows:  
**Section 14 Binding Effect.** It is agreed and understood that the provisions of this lease shall apply to and bind the heirs, executors, personal representatives, successors and assigns of the

respective parties hereto as if in each provision particularly mentioned, provided however, that only the current Lessor named herein shall be liable for obligations accruing before the beginning of the current Term, and thereafter the original Lessor and each successive owner of the Premises shall be liable only for obligations accruing during the period of their respective ownership. In the event of the transfer by the Lessor of the Lessor's interest in the Premises, the Lessor will be released and discharged from all obligations of the Lessor thereafter.

4. **Section 22 Surrender Obligations.** Lease is amended to add the following section:

**Section 22 Surrender Obligations.** Lessee agrees to surrender the Premises to Lessor at the expiration of the Term in as good a condition and state of repair as the Premises was upon Lessee's occupancy of the Premises under Lease; excepting ordinary wear and tear of any portion of the Premises.

IN WITNESS WHEREOF, the parties have hereunto executed this Amendment to Lease Agreement the day and year first written above.

LESSOR  
MILLER TROIS, LLC

LESSEE  
CITY OF BILLINGS, MONTANA

By: *Norman F. Miller*  
NORMAN F. MILLER  
MANAGER

DocuSigned by:  
*Chris Kukulski*  
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CHRIS A. KUKULSKI  
CITY ADMINISTRATOR