

LEASE AGREEMENT

This lease agreement is made the 30th day of April, 2009, between Ridge Creek Investment Company, a Wyoming limited partnership, of PO Box 608, Jackson, Wyoming 83001 ("lessor"), and Town of Star Valley Ranch, a Wyoming, a Wyoming municipality, of HC 62, PO Box 7007, Star Valley Ranch, Wyoming, ("lessee").

RECITALS

- A. Lessor is the sole owner of the premises described below and desires to lease the premises to lessee for business purposes.
- B. Lessee desires to lease the premises for the purpose of conducting the business of the Town of Star Valley Ranch and for use as a town hall.
- C. The parties desire to enter a lease agreement defining their rights and duties relating to the premises.

In consideration of the matters described above and of the mutual benefits and obligations set forth in this agreement, the parties agree as follows:

SECTION ONE. SUBJECT AND PURPOSE

Lessor leases the middle floor of the building located at 171 Vista Drive, Star Valley Ranch, Wyoming, and more particularly described as follows: approximately 2500 square feet of space on the middle floor inclusive of all the space inside the two exterior doors, to lessee for lessee's use as a town hall and to conduct Town of Star Valley Ranch business. (The exterior door on the north side of the building will be assumed to be the door between the office area and the stairwell.)

Lessor shall install, prior to the commencement date, window coverings and "cat 5" wire the demised premises for hardwired communications including telephones. Lessor shall also be responsible to landscape and maintain the surrounding areas of the building.

Kitchen cabinets shall include both under counter cabinets as well as above counter cabinets. Lessor shall also install the following appliances: drinking fountain, kitchen range with oven, range hood, sink with disposal and a refrigerator.

Lessor and lessee shall equally split the cost of floor coverings for the space leased by lessee, except that lessor shall be solely responsible for all costs to purchase and install the floor coverings in the restrooms. Prior to any purchase or cost for labor is incurred, the floor coverings and installation costs shall be agreed upon by both parties. This paragraph shall only apply to the initial purchase and installation of floor coverings and shall not apply to any future replacement, subject to the terms of this lease.

The Lessor shall be responsible to ensure that the demised premises are compliant with the Americans with Disabilities Act and that the demised premises are accessible by the public.

SECTION TWO. TERM AND RENT

A. Lessor demises the above-described premises for a term of five (5) years, commencing on July 1, 2009 or sooner as agreed by the parties provided that the building is completed and certified for occupancy and the Town of Star Valley Ranch is able to terminate its current lease without penalty, and terminating on five years from the commencement date, or sooner as provided in this lease agreement, at the monthly rental of \$3,650.00 payable on or before the fifteenth (15th) day of each month for that month's rental, during the term of this lease agreement. If payment is more than seven (7) days late, the Lessee shall pay a one percent (1%) late fee.

B. All rental payments shall be made to lessor at the address specified in Section Seventeen – Notices.

C. Lessor may, at its option, increase the monthly rental on each anniversary of the commencement date. However, percentage increase of the rental amount shall not exceed the average of the immediate preceding twelve (12) months of the Consumer Price Index (CPI) for All Urban Consumers as set by the U.S. Bureau of Labor Statistics.

SECTION THREE. ALTERATIONS, ADDITIONS, AND IMPROVEMENTS

A. Subject to the limitation that no substantial portion of the building on the demised premises shall be demolished or removed by lessee without the prior, express, and written consent of lessor, and, if necessary, of any mortgagee, lessee may at any time during the lease term, subject to the conditions set forth below and at its own expense, make any alterations, additions, or improvements in and to the demised premises and the building. Alterations shall be performed in a satisfactory manner and shall not weaken or impair the structural strength or lessen the value of the building on the demised premises.

B. Before commencement of any work, all plans and specifications shall be provided to, and approved by, the lessor.

C. All alterations, additions, and improvements on or in the demised premises at the commencement of the term and that may be erected or installed during the term shall become part of the demised premises and the sole property of lessor, except that all moveable trade fixtures installed by lessee shall be and remain the property of lessee.

D. Lessee shall be responsible to install, maintain and repair all office equipment, tables, chairs, desks, telephones, copiers, etc. necessary to conduct the business of lessee. Lessee shall retain ownership of such personal property and such shall be removed by lessee at the expiration of this lease agreement.

SECTION FOUR. MAINTENANCE AND REPAIRS

Lessor shall maintain and repair the parking area(s) and sidewalk(s) with the exception of snow removal as outlined below. Lessor shall also maintain and repair all landscaping and outside lighting as well as all common areas such as the vestibule area and stairs. Lessee shall not be responsible to repair any part of the demised premises, other than equipment purchased and/or installed by lessee, unless damage to such is a result of the lessee's, or its employees', agents' or invitees', negligence or willful conduct.

So long as the Town of Star Valley Ranch is the lessee of the demised premises, lessee will remove snow from the parking area of Lot #1, entrance from Vista West Drive into the parking area of Lot#1, and the

sidewalks located on Lot #1. Lessee will also remove snow from the entrance off Vista Drive along the paved easement to the parking area of Lot #1 until future lots are developed, at which point the cost will be renegotiated amongst all tenants.

Lessee shall clean the interior space used by the lessee as well as the clock tower vestibule area. Lessee shall also remove the trash from the interior leased area.

Lessor shall provide a confined area for outdoor garbage dumpsters on the premises. Lessee may place a garbage dumpster in said area to be used exclusively by lessee and lessee shall be responsible for the removal of its trash deposited therein.

SECTION FIVE. TAXES

Lessor shall pay all taxes, assessments, or other governmental charges that shall or may become due during the lease term which shall or may be imposed on, or arise in connection with the use of, the demised premises or any part of the demised premises.

SECTION SIX. UTILITIES

Lessee shall pay for the electricity used exclusively by lessee. Lessor shall install a separate electric meter specific to the portion of the building used by the lessee to measure the amount of electricity used by lessee. Lessee shall also pay all fees for monthly telephone, internet and other telecommunication resources.

Lessee shall permanently waive the water connection fee for Lot #1. In addition, lessee shall waive any monthly water use fees for Lot #1 as long as the Town of Star Valley Ranch is the lessee of the demised premises.

SECTION SEVEN. RIGHT OF FIRST REFUSAL

In the event of any offer acceptable to lessor, or to lessor's successor in interest, at any time or times during the original or extended term hereof, for a lease to commence upon the expiration or earlier termination of the original or extended term hereof, the lessor, prior to acceptance thereof, shall give the lessee, with respect to each such offer, written notice thereof and a copy of said offer including the name and address of the proposed lessee; and lessee shall have the option and right of first refusal for thirty (30) days after receipt of such notice within which to elect to lease the premises on the terms of said offer. If Lessee shall elect to lease the premises pursuant to the option and first refusal herein granted, it shall give notice of such election within such thirty (30) day period. Lessee's failure at any time to exercise its option under this paragraph shall not affect this lease and the continuance of lessee's rights and options under this and any other paragraph herein.

SECTION EIGHT. INSURANCE

A. During the term of this lease agreement and for any further time that lessee shall hold the demised premises, lessor shall obtain and maintain at its expense the following types and amounts of insurance:

1. Fire insurance. Lessor shall keep all buildings, improvements, and equipment on the demised premises, including all alterations, additions, and improvements, insured against loss or damage by fire, with all standard extended coverage that may be required by any first mortgagee. The insurance

shall be in an amount not less than 100% of the full insurable value of the demised premises, excluding the cost of excavation and of foundations.

2. Personal injury and property damage insurance. Lessor shall keep and maintain insurance against liability for bodily injury and property damage.

B. During the term of this lease agreement and for any further time that lessee shall hold the demised premises; lessee may obtain and maintain at its expense the insurance to cover the office equipment and personal property of the lessee. Lessee further agrees to maintain liability insurance in the amount of two hundred fifty thousand dollars (\$250,000.00) to any claimant for any number of claims arising out of a single transaction or occurrence; or the amount of five hundred thousand dollars (\$500,000.00) for all claims of all claimants arising out of a single transaction or occurrence.

SECTION NINE. UNLAWFUL OR DANGEROUS ACTIVITY

Lessee shall neither use nor occupy the demised premises or any part of the demised premises for any unlawful, or ultra hazardous business purpose.

SECTION TEN. DEFAULT OR BREACH

Each of the following events shall constitute a default or breach of this lease agreement by lessee:

A. If lessee shall fail to pay lessor any rent or additional rent when the rent shall become due and shall not make the payment within thirty (30) days after notice by lessor to lessee.

B. If lessee shall fail to perform or comply with any of the conditions of this lease agreement and if the nonperformance shall continue for a period of thirty (30) days after notice of nonperformance given by lessor to lessee or if the performance cannot be reasonably had within the thirty (30) day period, lessee shall not in good faith have commenced performance within the thirty (30) day period and shall not diligently proceed to completion of performance.

C. If lessee shall vacate or abandon the demised premises.

D. If this lease agreement or the estate of lessee under this lease agreement shall be transferred to or shall pass to or devolve on any other person or party, except in the manner permitted in this lease agreement.

SECTION ELEVEN. EFFECT OF DEFAULT

In the event of any default under this lease agreement the lessor shall have the right to pursue any lawful action against lessee.

SECTION TWELVE. DESTRUCTION OF PREMISES

In the event of a partial destruction of the premises during the term of this lease agreement from any cause, lessor shall promptly repair such damage, provided the repairs can be made within sixty (60) days under the laws and regulations of applicable governmental authorities. Any partial destruction shall neither annul nor void this lease agreement, 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 business carried on by lessee on the premises. If lessor does not elect 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 agreement may be terminated at the option of either party.

SECTION THIRTEEN. ACCESS TO PREMISES; SIGNS POSTED

Lessee shall permit lessor or its agents to enter the demised premises at all reasonable business hours to inspect the premises or make repairs in accordance with the provisions of this lease agreement. Lessee shall, within three (3) months prior to expiration of the term of this lease agreement, permit the usual notices of "For Rent" and "For Sale" to be placed on the demised premises and to remain on the premises without hindrance and molestation.

Lessee shall have the right to place a "Town Hall" sign on the demised premises subject to the approval of the lessor, which shall not be unreasonably withheld.

SECTION FOURTEEN. QUIET ENJOYMENT

Lessor warrants that lessee shall be granted peaceable and quiet enjoyment of the demised premises free from any eviction or interference by lessor if lessee pays the rent provided in this lease agreement and otherwise fully and punctually performs the terms and conditions imposed on lessee.

SECTION FIFTEEN. REPRESENTATIONS BY LESSOR

At the commencement of the term, 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 to the buildings, improvements, and equipment, except as contained in the provisions of this lease agreement.

SECTION SIXTEEN. WAIVERS

The failure of lessor to insist on strict performance of any of the terms and conditions of this lease agreement 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.

SECTION SEVENTEEN. NOTICES

A. All notices, demands, or other writings in this lease agreement provided to be given or made or sent, or which may be given or made or sent, by either party to the other shall be deemed to have been fully given or made or sent when made in writing and deposited in the United States mail, registered and postage prepaid, and addressed as follows:

Town of Star Valley Ranch
HC 62 Box 7007
Star Valley Ranch, WY 83127

Ridge Creek Investment Company
PO Box 608
Jackson, WY 83001

B. The address to which any notice, demand, or other writing may be given or made or sent to any party as above provided may be changed by written notice given by such party as above provided.

SECTION EIGHTEEN. ASSIGNMENT, MORTGAGE, OR SUBLEASE

Neither lessee nor its successors or assigns shall assign, mortgage, pledge, or encumber this lease agreement or sublet the demised premises, in whole or in part, nor shall this lease agreement be assigned or transferred by operation of law without the prior, express, and written consent in writing of lessor in each instance. If this lease is assigned or transferred or if all or any part of the demised premises is sublet or occupied by anybody other than lessee, lessor may, after default by lessee, collect rent from the assignee, transferee, subtenant, or occupant and apply the net amount collected to the rent reserved in this lease agreement. However, any such assignment, subletting, occupancy, or collection shall not be deemed a waiver of any agreement or condition of this lease agreement or the acceptance of the assignee, transferee, subtenant, or occupant as lessee. The consent by lessor to an assignment, mortgage, pledge, or transfer shall not be construed to relieve lessee from obtaining the express written consent of lessor to any future transfer of interest.

SECTION NINETEEN. SURRENDER OF POSSESSION

Lessee shall, on the last day of the term or on earlier termination and forfeiture of this lease agreement, peaceably and quietly surrender and deliver the demised premises to lessor free of subtenancies, including all buildings, all in good condition and repair, normal wear and tear excepted.

SECTION TWENTY. ENTIRE AGREEMENT

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

SECTION TWENTY-ONE. MODIFICATION OF AGREEMENT

Any modification of this lease agreement or additional obligation assumed by either party in connection with this lease agreement shall be binding only if evidenced in a writing signed by each party or an authorized representative of each party.

SECTION TWENTY-TWO. BINDING EFFECT

This lease agreement shall bind and inure to the benefit of the respective heirs, personal representatives, successors, and assigns of the parties.

SECTION TWENTY-THREE. APPLICABLE LAW

This lease agreement shall be governed by and construed in accordance with the laws of Wyoming. Lessor acknowledges that lessee is a governmental entity and that by entering into this lease agreement, lessee does not waive any immunity it may have under state or federal law.

SECTION TWENTY-FOUR. TIME OF THE ESSENCE

It is specifically declared that time is of the essence in all provisions of this lease agreement.

