

## LEASE

This Box House Lease (the "*Lease*") is entered into effective the \_\_\_ day of \_\_\_\_\_, 2024 (the "*Effective Date*"), by and between \_\_\_\_\_ ("*Lessor*"), and Zibby Finance, LLC, a Delaware limited liability company ("*Lessee*").

## RECITALS

A. Lessor owns a 19' x 20' box house used as a personal residence and identified on **Exhibit A** attached hereto (the "*Box House*").

B. Lessor desires to lease to Lessee, and Lessee desires to lease from Lessor, the Box House for the purpose of installing the Box House as a residence on Lessee's lot at [Address] (the "*Premises*").

NOW, THEREFORE, Lessor and Lessee each acknowledge receipt herein of a valuable consideration and hereby agree as follows:

1. **Box House Lease**. Lessor hereby leases to Lessee, and Lessee hereby hires from Lessor, the Box House.

2. **Term of Lease**. The term of this Lease shall be 360 months commencing on the Effective Date and terminating on \_\_\_\_\_, 2054, unless otherwise terminated as provided hereinafter.

3. **Payment of Rent**. In consideration for the leasing of the Box House, Lessee agrees to pay to Lessor as rent for the Box House the following sums:

3.1. Lessee shall pay to Lessor the sum of Seven Hundred Seventy Seven Dollars and Eighty Cents (\$777.80) per month, payable on or before the first day of the month, with the first payment of which being due on or before \_\_\_\_\_, 2024.

3.2 All rent payments shall be made at Lessor's address shown below. Lessee acknowledges that Lessor is depending on the timely receipt of rent payments in order that Lessor may meet its financial obligations. Accordingly, in the event any payment of rent is not paid in full on or before the due date thereof, Lessee shall pay to Lessor an additional sum, as a service charge and not as a penalty, equal to ten percent (10%) of the amount unpaid.

4. **Use and Preservation of Box House**. Lessee shall use the Box House for subrental purposes and shall not remove the Box House from the Premises without the prior written consent of Lessor. Lessee shall use the Box House in a careful and proper manner, shall comply with all applicable laws and regulations in the conduct of its business, and shall maintain the Box House in good repair and condition. Lessee hereby assumes responsibility for all repairs, maintenance, all risks of loss and damage to the Box House from any cause whatsoever and agrees that upon termination of the Lease the Box House will be returned, at Lessee's sole

cost and expense, to Lessor at the same location from where Lessee obtained possession in the same appearance and condition as when received, ordinary wear and tear excepted.

5. Additional Obligations of Lessee. Lessee further warrants that it shall:

5.1 Notice of Judicial Proceeding. Deliver written notice to Lessor of any attachment or other judicial proceeding affecting any item or part of the Box House;

5.2 Encumbrances. Keep the Box House free and clear of any and all liens, charges and encumbrances that may be levied against or imposed upon the Box House except for any such liens and encumbrances which (i) may presently be attached to the Box House, (ii) are caused by any action of Lessor, or (iii) Lessor shall consent to in writing;

5.3 Assignment. Not sell, dispose of, assign, transfer, pledge, grant a security interest in, or hypothecate this Lease, the Box House or any interest therein to any third party unless Lessor shall first consent in writing. Notwithstanding the foregoing, Lessee may, without consent, sublease to subtenants leasing the Box House, provided that no sublease may have a term longer than one year without Lessor's prior consent;

5.4 Possession. Not part with possession of the Box House or remove or allow any person to remove the Box House from the Premises, or such other location as agreed to in writing by Lessor; and

5.5. Payment of Taxes, Fees Assessments. Pay (in addition to rent and other obligations herein) all license fees, assessments, and sales, use, property, and other taxes imposed on the Box House, either directly or by reimbursement of Lessor, excepting only taxes imposed on or measured by income of Lessor. Upon request, Lessee shall provide Lessor with proof of the payment.

6. Events of Default. The following shall constitute events of default ("Event of Default") under this Lease:

6.1. If Lessee shall fail to pay Lessor any rent due under Section 3.1 within fifteen (15) days of the due date thereof.

6.2. If Lessee shall fail to perform or comply with any of the other conditions of this Lease and if the failure to perform or comply shall continue for a period of fifteen (15) days after notice thereof by Lessor to Lessee (or, if such failure shall reasonably take more than fifteen (15) days to cure, shall not have commenced to cure the same within the fifteen (15) day period and thereafter diligently prosecuted the same to completion); or (b) if Lessee's failure to perform or comply causes an emergency situation, then notwithstanding anything in this Lease to the contrary, such failure is not cured within twenty-four (24) hours following Lessee's receipt of notice from Lessor specifying such failure (or, if such failure shall reasonably take more than twenty-four (24) hours to cure, shall not have commenced to cure the same within the twenty four (24) hour period and thereafter diligently prosecuted the same to completion).

7. Remedies in the Event of Default. In the event Lessee is in default hereunder, then, in any such event, Lessor may, at its option, exercise any one or more of the following remedies:

7.1 Allow Lessee to remain in possession of the Box House and sue for and recover all rents and other payments then due hereunder with respect to any or all items or parts of the Box House, including all attorneys' fees, service charges and expenses; or

7.2 Take possession of the Box House, without demand or notice, wherever the same may be located, without any court order or other process of law. Lessee hereby waives any and all damages occasioned by such taking of possession unless caused by Lessor's gross negligence or willful misconduct. Upon such repossession of the Box House Lessor may terminate this Lease, in which event Lessee shall be relieved of further rent obligations but shall pay all rent and service charges remaining unpaid as of the date of termination, and all expenses incurred or paid by Lessor in retaking, preserving, protecting, storing, repairing, the Box House (including reasonable attorneys' fees); or

7.3 Pursue any other remedy at law or in equity.

8. Remedies Cumulative. All such remedies available to Lessor as provided herein or by law or in equity are cumulative, and may be exercised concurrently or separately. In no event, however, shall these remedies be exercised in such a manner that Lessor recovers more than the balance of the rent and any other amounts payable by Lessee to Lessor hereunder.

9. Lessor's Right of Inspection. At all times during Lessee's business hours, Lessor shall have the right to enter the Premises where the Box House is located for the purpose of inspecting the Box House.

10. UCC Filing. Lessee hereby authorizes Lessor to file a UCC-1 or other appropriate form with the Utah Department of Commerce, Division of Corporations and Commercial Code, or such other filing location or entity as Lessor may determine appropriate in order to protect Lessor's interest in the Box House.

11. Insurance. Lessee shall furnish and carry casualty insurance on the Box House in the amount of the full replacement cost of the Box House during the term of his lease. Lessor shall be the named beneficiary of such insurance. In the event of damage or destruction of the Box House for which insurance proceeds are payable and except as provided in Section 8, the insurance proceeds shall be applied to repair or replace the Box House.

12. Indemnity. Lessee shall protect, defend, indemnify and hold harmless Lessor from any and all liability, damages, liabilities, claims, proceedings, actions, demands and costs

(including reasonable attorneys' fees) resulting, directly or indirectly, from Lessee's operation of its business at the Premises.

13. Interest. If any payment due under this Lease is not made when due, Lessee shall, in addition to any other charges, pay interest on the unpaid amount at the rate of eighteen percent (18%) per annum.

14. Miscellaneous.

14.1. Should any party default in any of the covenants or agreements herein contained, that defaulting party shall pay all costs and expenses, including a reasonable attorney's fee, which may arise or accrue from enforcing this Lease or in pursuing any remedy provided hereunder or by applicable law, whether such remedy is pursued by filing suit or otherwise. This obligation of the defaulting party to pay costs and expenses includes, without limitation, all costs and expenses, including a reasonable attorney's fee, incurred on appeal and in bankruptcy proceedings.

14.2. All notices or communications to be given under this Lease shall be given in writing and shall be deemed given when deposited in the mail to the address shown below of the party entitled to receive notice, postage prepaid, registered or certified. The address of either party may be changed by written notice to the other party.

14.3. All negotiations, understandings, representations and preliminary agreements are merged herein. The parties intend this document to be the final and exclusive expression of their agreement. This Lease may not be modified, amended or revoked unless by a writing signed by all the parties hereto.

14.4. The laws of the State of Utah (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Lease, including, without limitation, its validity, interpretation, construction, performance, and enforcement.

14.5. Each party waives, to the fullest extent permitted by law, any objection which it may now or later have to the laying of venue of any legal action or proceeding arising out of or relating to this Lease brought in any court of the State of Utah sitting in Washington County, or the United States District Court for the District of Utah; and any claim that any action or proceeding brought in any such court has been brought in an inconvenient forum.

14.6. Each party to this Lease submits to the exclusive jurisdiction of the United States District Court for the District of Utah and its appellate courts, and any court of the State of

Utah sitting in Washington County and its appellate courts, for the purposes of all legal actions and proceedings arising out of or relating to this Lease.

14.7. Each party shall execute, acknowledge and deliver such other documents and instruments and take such other action as the other party may reasonably require in order to document and carry out the transactions contemplated in this Lease.

4

14.8. This Lease shall apply to, inure to the benefit of and bind all parties hereto, their assigns, heirs, personal representatives and other successors.

14.9. It is expressly agreed that the terms, covenants and conditions of this Lease shall survive any legal act or conveyance required under this agreement.

14.10. The section and other headings contained in this Lease are for reference purposes only and shall not in any way affect the meaning or interpretation of this Lease.

14.11. The parties may execute this Lease in multiple counterparts, each of which constitutes an original, and all of which, collectively, constitute only one agreement. The signature page of each counterpart may be detached from such counterpart and attached to a single document which shall for all purposes be treated as an original. Transmittal and receipt of a signed copy of this Lease via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., [www.docusign.com](http://www.docusign.com)) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

**[SIGNATURES FOLLOW]**

**Lessor: Lessee:**

\_\_\_\_\_ Zibby Finance, LLC

By: \_\_\_\_\_ By: \_\_\_\_\_ Name:  
\_\_\_\_\_ Name: \_\_\_\_\_ Its:  
\_\_\_\_\_ Its: \_\_\_\_\_

Address: Address:

\_\_\_\_\_  
\_\_\_\_\_

6  
**Exhibit A**

**Box House Description**

<b>Size Model Number Serial Number</b>		
19' x 20' (380 square feet)		