

**Lease Extension Agreement
Between
Red Barn Farms Holdings, LLC
And
John Volken Academy Utah, LLC**

Prepared by D. Paul Smith for the John Volken Academy.

1. Parties and Contact Information

Landlord:

Red Barn Farms Holdings, LLC, a Utah limited liability company
Authorized Representative: Rich Haws, Manager

Tenant:

John Volken Academy Utah, LLC, a Utah limited liability company
with a single member: **The Volken Foundation**, a 501(c)(3) non-profit tax-exempt organization
Authorized Agent: Carson Brown

2. Property Description

This lease extension pertains to

A PART OF LOT 1 & LOT 20, BLK 34, BC PLAT. FARMINGTON TS SURVEY
BEING IN THE SE 1/4 OF SEC 14-T3N-R1W, SLB&M; BEG AT A
PT 468.46 FT S 00⁰⁰'21" E ALG THE SEC LINE & 822.58 FT N 89⁵⁶'57" W
FR THE E 1/4 COR OF SD SEC 14; & RUN TH S 89⁴⁰'36" E 55.76
FT TO THE WLY LINE OF THE RR RW LINE; TH (2) TWO COURSES ALG
SD WLY LINE AS FOLLOWS: (1) S 53³⁴'12" E 140.68 FT; & (2) S

50⁰36'18" E 760.80 FT; TH S 00⁰00'26" W 104.64 FT TO THE N R/W LINE OF BURKE LANE; TH N 89⁰41'17" W 464.26 FT ALG SD N R/W LINE

TO THE SE COR OF ARBINGER; TH FIVE (5) COURSES ALG THE E & N BNDRY OF ARBINGER AS FOLLOWS: (1) N 03⁰36'58" W 93.34 FT;

(2) N 27⁰16'55" E 70.93 FT; (3) N 81⁰14'35" W 81.46 FT; (4) N 00⁰18'43" E 182.03 FT; & (5) N 89⁰41'17" W 241.52 FT; TH N 00⁰19'24" E 316.90

FT TO THE POB.

CONT. 5.001 ACRES

(CORRECTIONS MADE FOR TAXING PURPOSES)

Parcel ID: 08-060-0053

Acreage: 5.001 acres

3. Permitted Use of Premises

The Tenant certifies that the premises shall be used exclusively for the operation of a non-profit Therapeutic Community, as defined by the **Utah Residential, Vocational, and Life Skills Program Act** (Utah Code § 62A-15-1201 et seq.), in full compliance with 501(c)(3) non-profit tax-exempt requirements.

4. Reference to Original Lease

This extension references the original lease agreement dated **March 15, 2025**, with a term of four (4) months beginning **March 15, 2025** and ending **July 15, 2025**.

Original Lease Payment Terms:

- Month 1: No payment
- Months 2, 3 and 4: \$20,000 per month

A copy of the original lease is attached.

5. New Lease Terms

Under this extension, the following new lease terms apply and definitions apply:

- **Monthly Rent:** \$35,000.00
- **Term:** Four (4) months, beginning **July 15, 2025** and ending **November 15, 2025**
- **First Payment Due:** On or about **July 15, 2025**

A copy of the new lease is attached.

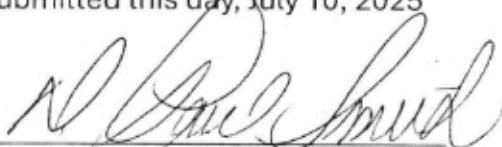
6. Boundary Conditions

There are changes to the boundaries described in the original lease. A certain section described as a future office parcel (Exhibit A contained in the First Amendment of Lease) is excluded.

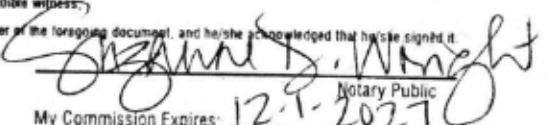
7. Notable Changes included in the First Amendment of Lease Agreement

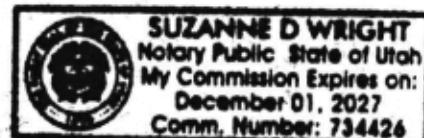
- Change (extend) the lease period, starting **July 15, 2025** and ending **November 15, 2025**.
- Change the monthly rent from **\$20,000.00** to **\$35,000.00** per month for the duration of the new lease term, a total of four payments.
- Change the original permitted use of premises description from **residential addiction recovery program** to **Therapeutic Community** to align with Utah State permitted license language for a non-profit organization.

Submitted this day, July 10, 2025



D. Paul Smith for the Volken Academy.

State of Utah
County of DAVIS
On this 10 day of JULY, 2025, Douglas Paul Smith
personally appeared before me,
 who is personally known to me,
 whose identity I verified on the basis of UT Driver license,
 whose identity I verified on the oath/affirmation of _____,
a credible witness;
to be the signer of the foregoing document, and he/she acknowledged that he/she signed it.

Notary Public
My Commission Expires: 12-1-2027



LEASE AGREEMENT
(John Volken Academy)

This LEASE AGREEMENT (this "Lease"), dated as of March 15, 2025 (the "Effective Date"), is entered into by and between RED BARN FARMS HOLDINGS, LLC, a Utah limited liability company ("Landlord"), and JOHN VOLKEN ACADEMY UTAH, LLC, a Utah limited liability company ("Tenant"). Landlord and Tenant are referred to collectively herein as the "Parties."

Tenant wishes to lease the buildings, real property, and other premises described in Exhibit A attached (the "Premises") from Landlord, and Landlord is willing to lease the Premises to Tenant on the terms of this Lease.

THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows.

1. Lease of Premises. Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord, on the terms stated in this Lease.

2. Term. The "Initial Term" of this Lease is one month from the Effective Date but may be extended for up to three additional months (collectively, the "Term") if the Tenant notifies the Landlord of the Tenant's election to extend the Initial Term (or the extended Term then in effect) for an additional month, up to a maximum of three additional months. Each extension notice must be given not less than twenty days before the end of the Term then in effect. This Lease shall expire by its terms upon the earlier to occur of (a) two days after the Landlord has not received timely notice of the Tenant's election to extend the Term and (b) July 15, 2025.

3. Rent. No rent shall be due Landlord during the Initial Term. Thereafter, Tenant shall pay rent ("Rent") in the amount of \$20,000 per month for each additional month of the Term as described in Section 2 above. Rent shall be due in advance on the fifteenth day of each calendar month. All rent shall be due and payable without demand or deduction, offset, abatement, counterclaim, or defense. If Tenant fails to pay any amount of Rent within five calendar days after the due date of such payment, Tenant shall pay to Landlord, as additional Rent, a "late charge" of 15% of the amount not paid when due, and Tenant shall pay, as additional Rent, interest at the rate of ten percent per annum from the due date of such late payment until the date payment is made.

4. Full Net Lease. This Lease is a full net lease. In addition to Rent, Tenant shall pay all insurance, taxes, repairs, maintenance expenses, and all other operating costs or similar costs relating to or benefitting the Premises. Landlord shall not be responsible for payment of any of the foregoing or any other costs or expenses relating to or benefitting the Premises while Tenant occupies the Premises. Landlord shall be entitled to retain the Rent herein specified undiminished by, without limitation, the cost of all repairs, maintenance, upkeep, improvements, and alterations of the Premises, the cost of insurance, all taxes of any kind, assessments for

water, electrical, gas, sewer or other utility charges or levies of any kind or nature whatsoever, now or at any time hereafter, while Tenant occupies the Premises, all of which costs shall be paid solely by and shall be the sole responsibility of Tenant.

5. Breach of the Lease. Landlord shall be responsible for costs incurred by Landlord resulting from Landlord's breach of the Lease or Landlord's negligence or willful misconduct.

6. Insurance. Commencing on the Effective Date and throughout the Term, Tenant shall procure, at Tenant's sole expense (i) commercial general liability insurance in the amount of One Million Dollars; and (ii) commercial property insurance, covering loss or damage to buildings, improvements and personal property located on the Premises, risk of fire, vandalism, theft and additional perils as are customarily covered for similar property as the Premises. Tenant shall include Landlord as an additional insured with respect to all insurance policies described herein.

7. "As-Is" Condition. Tenant accepts the Premises in their current, "as-is" condition. Landlord shall have no obligation to repair the Premises or any equipment, furniture, or personal property located on the Premises or to furnish or supply any work, services, furniture, fixtures, equipment, or decorations of or on the Premises before or during the Term or after. Tenant shall have the right but shall have no obligation to repair the Premises or any equipment, furniture, or personal property located on the Premises or to furnish or supply any work, services, furniture, fixtures, equipment, or decorations of or on the Premises during the Term. Tenant shall bear all risks of loss or damage to Tenant's property located on the Premises while this Lease is in effect. Tenant shall be fully responsible for all repairs required as a result of Tenant's use, misuse, negligence, or that of Tenant's employees, guests, or invitees. This includes, but is not limited to, damage to structures, equipment, and any other property improvements.

8. Rent Abatement. If damage, destruction, or condemnation that is not the fault of Tenant renders all or part of the Premises untenantable, Rent shall proportionately abate commencing on the date of the damage, destruction, or condemnation and ending on the date the Premises are delivered to Tenant with the restoration substantially completed. The extent of the abatement shall be based upon the portion of the Premises rendered unusable.

9. Removal of Personal Property Upon Termination. On or before termination of this Lease, the Tenant shall vacate the Premises and restore the Premises to the condition existing as of the Effective Date, ordinary wear and tear excepted. Upon termination of this Lease for any reason, Tenant shall remove all personal property of any kind from the Premises, leaving the Premises in condition to be safely demolished or sold as Landlord sees fit.

10. Alterations and Liens. Tenant shall not make any alterations on the Premises beyond necessary and customary repairs without advance approval of Landlord. Tenant shall keep the Premises free from any construction, mechanics' and/or material men's liens or other liens arising out of any work performed, materials furnished, or obligations incurred by Tenant. Tenant shall notify Landlord in writing at least seventy-two (72) hours before any work or activity is to commence on the Premises which may give rise to such liens to allow Landlord to post and keep posted on the Premises any notices which Landlord may deem to be proper for the protection of Landlord and the Premises from such liens.

11. Use of the Premises. Tenant shall use and occupy the Premises solely for the purpose of operating a residential addiction recovery program and directly related activities in full and complete compliance with the Utah Residential, Vocational and Life Skills Program Act (the "Life Skills Training Act"), Utah Code § 13-53-101 *et seq.* Without limiting the foregoing:

(a) Tenant shall conduct its business while occupying the Premises in full and complete compliance with the Life Skills Training Act. Tenant shall fully indemnify and hold Landlord harmless from and against any cost, expense, loss, or liability arising, directly or indirectly, out of any failure by Tenant to fully comply with the Life Skills Training Act in all respects;

(b) Tenant at all times shall comply with all federal, state, or local laws, ordinances, rules, decrees, orders, regulations, or court decisions relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions on, under, or about the Premises, the Building, or the Property, or soil and groundwater conditions, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), the Resource Conservation and Recovery Act (RCRA), the Hazardous Materials Transportation Act, any other law or legal requirement concerning hazardous or toxic substances, and any amendments to the foregoing; and

(c) Tenant shall not do or permit to be done any act or thing, or omit to do anything, which may constitute a breach or violation of any restrictive covenants, building codes, environmental laws, Landlord rules or regulations, or any other legal requirement applicable to the Premises.

(d) Tenant shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances, and governmental rules, regulations, or requirements now in force or which may hereafter be in force, the requirements of any board of fire underwriters or other similar body now or hereafter constituted, any direction or occupancy certificate issued pursuant to any law by any public officer or officers, as well as the provisions of all recorded documents affecting the Premises insofar as they relate to or affect the use or occupancy of the Premises.

(e) Tenant may not erect signs on the Premises or the land or building in or upon which the Premises are located without Landlord's prior written consent, which shall not be unreasonably withheld.

12. Assignment or Subletting. Tenant shall not sublet all or any portion of the Premises or assign, encumber, mortgage, pledge, or otherwise transfer this Lease (by operation of law or otherwise) or any interest therein, without the prior written consent of Landlord, which consent may be granted or withheld in Landlord's sole discretion.

13. Sale of the Premises. Landlord may sell the Premises at any time while this Lease is in effect, as long as the sale does not interfere with Tenant's rights under this Lease. If Landlord or any successor owner of the Premises sells or conveys the Premises, and the purchaser assumes the obligations of Landlord under this Lease, all liabilities and obligations on the part of Landlord, or successor owner, under this Lease shall terminate, and thereupon all such liabilities and obligations shall be binding upon the new owner. Tenant agrees to attorn to such

new owner. In such event, Landlord shall be released from any further obligations under this Lease.

14. Landlord's Right to Cure. All terms and provisions to be performed by Tenant under this Lease shall be at Tenant's sole cost and expense and without any abatement of Rent. If Tenant fails to pay any sum of money, other than Rents, required hereunder or fails to perform any other act required hereunder, Landlord may, but shall not be obligated, and without waiving or releasing Tenant from any obligations of Tenant, make any such payment or perform any such act on Tenant's part to be made or performed as provided in this Lease. All sums paid by Landlord and all incidental costs incurred by Landlord or the value of work performed by Landlord shall be deemed Rent hereunder and shall be payable within ten (10) days of written notice.

15. Indemnity. Each Party shall indemnify, defend, and hold the other Party harmless from and against any claims, losses, costs, liabilities, damages, and expenses, including, without limitation, penalties, fines, and reasonable attorneys' fees, to the extent incurred in connection with or arising from any breach of this Lease by such Party. Tenant shall also indemnify and hold Landlord harmless from and against all claims, liabilities, or damages, including without limitation claims by customers, vendors, guests, or invitees of Tenant, and including attorneys' fees and costs, that Landlord may sustain as a result of any breach of this Lease or any action or failure to act by Tenant, or the use or occupancy or manner of use or occupancy of the Premises or any injury or damage caused by Tenant or any person present on the Premises through Tenant. The obligations of Tenant under this Section 15 shall survive termination of this Lease.

16. Remedies. Upon the occurrence of an event of default by Tenant under this Lease, Landlord shall have all of the following rights and remedies in addition to all other rights and remedies available to Landlord at law or in equity:

(a) The right to terminate Tenant's right to possession of the Premises and to recover: (i) all Rent which shall have accrued and remains unpaid through the date of termination, plus any other amount necessary to compensate Landlord for all the damages caused by Tenant's failure to perform its obligations under this Lease (including, without limitation, reasonable attorneys' and accountants' fees, costs of alterations of the Premises, interest costs and brokers' fees incurred upon any reletting of the Premises); and

(b) The right to continue this Lease in effect after Tenant's breach and recover Rent as it becomes due.

17. Entire Agreement. This Lease and the Asset Transfer Agreement of even date herewith, entered into by the Parties, contain the entire agreement between the Parties concerning the subject matter hereof. All prior negotiations and agreements are merged herein.

18. Severability. If any provision of this Lease is held to be invalid or unenforceable in any respect, the validity, legality, or enforceability of the remaining provisions of this Lease shall remain unaffected.

19. Amendments and Modifications. This Lease may not be modified or amended except by a written agreement signed by both Parties.

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BK 8787 PG 892

20. Successors and Assigns. The covenants and agreements contained in this Lease shall bind and inure to the benefit of the Parties and their successors and assigns.

21. Interpretation. The captions of the paragraphs of this Agreement are for convenience only and shall not govern or influence the interpretation hereof. This Agreement is the result of negotiations among the Parties and, accordingly, shall not be construed for or against either Party regardless of which Party drafted this Agreement or any portion thereof.

22. Time. Time is of the essence under this Agreement.

23. Further Actions. Each of the Parties shall execute and deliver all such other and additional documents and perform all such acts, in addition to execution and delivery of this Agreement and performance of the Party's obligations hereunder, as are reasonably required from time to time in order to carry out the purposes, matters and transactions that are contemplated in this Agreement.

24. Choice of Law. This Lease shall be governed by and construed by the laws of the State of Utah without regard to conflict of law rules.

25. Incorporation of Exhibits. All exhibits attached to this Agreement are incorporated herein.

26. Jury Waiver. Each Party waives the right to trial by jury.,

27. Waiver. No delay by a Party in exercising any right or remedy shall constitute a waiver of a Party's rights under this Agreement, and no waiver by either Party of the breach of any covenant of this Agreement by the other shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement.

28. Counterparts. This Lease may be executed in any number of counterparts, each of which, when so executed and delivered, shall be deemed an original for all purposes, and all such counterparts shall together constitute but the same instrument. A signed copy of this Lease delivered by either facsimile or e-mail shall have the same legal effect as delivery of an original signed copy.

29. Notice. All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be considered given and delivered when personally delivered or when delivered by United States mail or when sent by email properly addressed to the other Party at the addresses respectively that each Party shall furnish to the other Party, as amended and updated from time to time.

[Signatures on next page]

Date: 3-15-25

By: RH
Name: Rich Haws
Title: Manager

JOHN VOLKEN ACADEMY UTAH, LLC, a Utah
limited liability company.

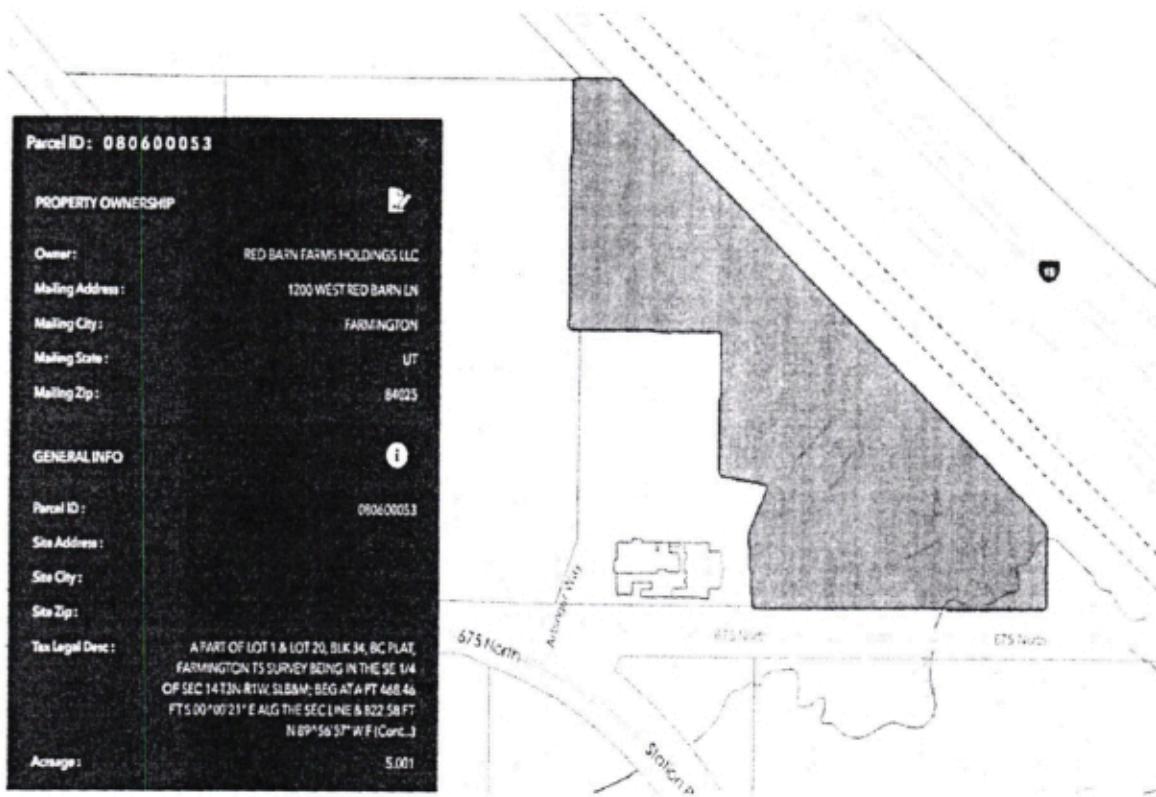
Date: 3/16/2025

By: C / D
Name: Carson Brown
Title: Authorized Agent

1702039

Exhibit A

Description of the Premises



Also including improvements and fixtures located on the foregoing real property.

FIRST AMENDMENT OF LEASE AGREEMENT
(John Voiken Academy Utah, LLC)

This FIRST AMENDMENT OF LEASE AGREEMENT (this "Amendment"), dated as of June 27, 2025 (the "Effective Date"), is entered into by and between RED BARN FARMS HOLDINGS, LLC, a Utah limited liability company ("Landlord"), and JOHN VOLKEN ACADEMY UTAH, LLC, a Utah limited liability company ("Tenant"). These entities are referred to collectively herein as the "arties."

Recitals

- A. As of March 15, 2025, Landlord and Tenant entered into a Lease Agreement (the "Lease").
- B. The Parties wish to amend the Lease as provided in this Amendment.

Agreement

THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows.

1. Amendment. This Amendment amends the Lease. Except as provided in this Amendment, the Lease remains in full force and effect. If there is any conflict between any term of the Lease and this Amendment, this Amendment governs. Unless otherwise defined herein, capitalized terms used in this Amendment have the meanings given in the Lease.
2. Term. The Term of the Lease is hereby extended for four months, until November 15, 2025. The time period from July 16, 2025, until November 15, 2025, is referred to herein as the "Extended Term." The entire period when the Lease is in effect, including the Extended Term, is the "Term."
3. Rent. Beginning on July 16, 2025, and continuing each month thereafter during the Extended Term, until November 15, 2025, Tenant shall pay to Landlord in advance Rent in the amount of \$35,000 per month. All Rent shall be due and payable without demand or deduction, offset, abatement, counterclaim, or defense. If Tenant fails to pay any Rent within five calendar days after the due date of such payment, Tenant shall pay, as additional Rent, a late charge of 15% of the amount not paid when due. Tenant shall also pay, as additional Rent, interest at the rate of ten percent per annum applied to any payment due under the Lease from the due date of such payment until the payment is made.
4. Early Termination. Tenant may terminate the Lease and vacate the Premises at any time if Tenant pays Landlord all Rent and any other amounts owed hereunder through November 15, 2025.
5. Leased Premises. Landlord plans to sell approximately 1.5 acres (the "Office Parcel") of the Premises covered by the original Lease to a third-party purchaser. Tenant does



not need the Office Parcel; therefore, as of the Effective Date, the Premises covered by the Lease are those shown in Exhibit A attached. On or before the date of expiration of the Extended Term, Tenant shall remove all structures, fixtures, personal, and other property belonging to Tenant from the Office Parcel.

6. Payment of Costs. The Lease continues to be a full net lease as described in Section 4 of the Lease. Accordingly, Tenant shall be responsible for paying all costs arising from Tenant's occupancy or use of the Premises, including, without limitation, utilities, maintenance, insurance, and other property-related expenses. If Landlord receives invoices or notices of costs or charges that relate or are attributable to Tenant's occupancy or use of the Premises, Landlord shall provide Tenant with a copy of the documentation and allow Tenant no fewer than fifteen (15) business days to verify that Tenant owes the charges and to pay the charges. If Tenant fails to pay charges owed by Tenant within the fifteen-day period, Landlord may pay the charges on behalf of Tenant, and, in that event, Tenant shall immediately reimburse Landlord the amount of the charges.

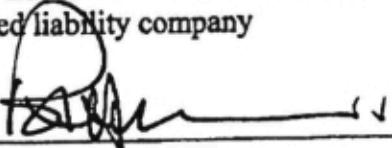
7. Removal of Revised Transferred Assets. On or before the expiration of the Extended Term, Tenant, at Tenant's sole expense, shall (a) vacate the Premises, (b) restore the Premises to their condition as of March 15, 2025, and (c) remove all of Tenant's assets located on the Premises. Before and as Tenant does so, Tenant shall allow a representative of Landlord to be present and fully informed in advance of Tenant's actions and plans for restoration and removal. Landlord's representative shall work with Tenant's president or her designee as necessary to ensure Tenant's compliance with this Section 6 and all other provisions of the Lease as amended by this Amendment.

8. Counterparts. This Amendment may be executed in any number of counterparts, each of which, when so executed and delivered, shall be deemed an original for all purposes, and all such counterparts shall together constitute but the same instrument. A signed copy of this Amendment delivered by either facsimile or e-mail shall have the same legal effect as delivery of an original signed copy.

IN WITNESS WHEREOF, the undersigned have executed and delivered this Amendment to each other on the dates set forth below, effective as of the Effective Date.

RED BARN FARMS HOLDINGS, LLC, a Utah limited liability company

Date: 6.28.25

By: 
Name: Rich Haws
Title: Manager

JOHN VOLKEN ACADEMY, UTAH, LLC, a
Utah limited liability company

Date: June 28th, 2025

By: Jayne Poulson
Name: Jayne Poulson
Title: President



