

Lease Agreement

This Lease Agreement, made and entered into on, 2021 ("Effective Date"), between **West Shore Community College**, of 3000 N. Stiles Road, Scottville, MI 49454, referred to in this instrument as "Lessor," and **City of Manistee Downtown Development Authority**, which is a public body corporate established through City of Manistee Ordinance and MCL 125.4201 *et seq.*, of 70 Maple Street, Manistee, MI 49660, referred to in this instrument to as "DDA" and "Lessee."

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and the promises and covenants contained herein, the parties agree as follows:

1. Term and Premises

Lessor leases to Lessee that property specifically described below and located within Lots 1 thru 7, Block 1, Filer & Tysons Addition to the City of Manistee, Manistee County, Michigan, identified below as the "premises", for a twenty-five (24) year term beginning on June 1, 2021 and ending on the June 1, 2045 ("term").

Premises:

1. Twenty-one (21) parking spaces located on Lessor's property as described above to be dedicated to the public twenty-four (24) hours per day;
2. 18 additional parking spaces (these parking spaces shall be covered) located on Lessor's property as described above to be dedicated every day to public use between the hours of 5:00 pm and 9:00 am the following day;
3. Office space to be agreed to between the parties of approximately 200 square feet located on the ground-level of the building for use of the DDA Director, staff and records.

2. Rent

Lessee will pay to Lessor as rent for the premises each year during the term of the lease the amount of Twenty Thousand (\$20,000) Dollars (the "Annual Rent"). Upon the Effective Date, Lessee shall pay Lessor the amount of Thirty Thousand Dollars (\$30,000), which represents 1.5 payments of Annual Rent, an additional thirty Thousand Dollars (\$30,000) the second year of the lease, which represents 1.5 payments of Annual Rent. Thereafter, the Lessee shall pay the Annual Rent of \$20,000 on the first anniversary of the Effective Date and the same sum due on the same date of each succeeding year during the term of this Lease (22 years). Rent is paid in advance.

3. Use of Premises

The parking spaces leased shall be committed to the use by the public for off-street parking and shall include signage reasonably approved by Lessee identifying the spaces as public parking. The office space will be available to the DDA for its exclusive use and shall include appropriate signage identifying the location of the DDA Office consistent with other renters in the building. Lessee's office space shall include non-exclusive access and use of common areas on the ground level of the building available to other renters. The office space shall be used for general office purposes and

for no other use without Lessor's prior written consent. Lessee shall not make any use of the leased premises which is contrary to applicable law or ordinance, permit anything to be done which constitutes a nuisance, or commit or suffer to be committed any waste upon the leased premises. Lessee shall, at Lessee's expense, comply with all laws, ordinances, orders and regulations respecting the leased premises. Lessor, Lessor's agents and other representatives shall have the right to enter into and upon the leased premises, or any part thereof to inspect or maintain the leased premises.

4. Maintenance; Alterations and Condition of Leased Premises

Lessor shall be responsible, at its cost, for maintenance, repair and replacement of the building including the leased premises, except that Lessee shall reimburse Lessor for the cost of any such required maintenance, repairs or replacements, if the same are required as a result of Lessee's intentional misconduct or negligence. Lessee shall provide janitorial services for the Lessee's office space. Lessee shall keep its office space in a neat and clean condition and shall not allow garbage, paper, bottles, food, dirt, or other items to accumulate so as to create a health or fire hazard. Lessee shall not undertake any alterations or improvements to the leased premises without the prior written consent of Lessor. Lessee shall return the leased premises at the end of the term broom clean and in the same condition that existed at the commencement of the term, reasonable wear and tear and acts of God excepted. Lessor makes no representation or warranty with respect to the condition of the leased premises or the zoning status of the leased premises as it relates to Lessee's proposed use. By taking possession of the leased premises, Lessee accepts the leased premises in their "as-is" condition existing as of the date of this lease.

5. Insurance

Lessee, at Lessee's cost and expense, shall maintain a primary (not excess or contributory) liability insurance policy (ISO Commercial General Liability coverage) respecting its interest in the leased premises, and its business thereon, with coverage of at least \$2 million per occurrence for death and bodily injury, and \$2 million per occurrence for property damage, insuring against all liability of Lessee and its employees and agents that concerns, arises out of or is otherwise related to Lessee's use or occupancy of the leased premises. Lessor shall be named as an additional insured and loss payee under such policy. All of Lessee's personal property of every kind and description including trade fixtures on the leased premises shall be kept at Lessee's sole risk and Lessor shall not be responsible or liable to Lessee for any loss or damage to Lessee's personal property. The insurer under the aforesaid policies of insurance shall be required to give Lessor thirty (30) days prior notice of any cancellation thereof. Each of the parties to this lease hereby releases and discharges the other from any and all claims, losses, damages and liabilities (collectively, "**Claims**") which may be inflicted upon the person or property of such party or its agents or servants, regardless of whether such loss or damage was brought about by the fault or negligence of the other party or its agents or servants, to the extent that such Claims are covered (or are required to be covered under the lease) by one or more policies of insurance. Nothing contained herein shall limit Lessor's right to recover from Lessee any deductible under Lessor's insurance policies should a covered loss be the result of an intentional or negligent act or omission of Lessee. Lessee shall provide Lessor with proof of the aforesaid insurance coverage within seven (7) business days of any request for same. To the extent authorized by law, Lessee

agrees to indemnify and defend Lessor against and hold Lessor harmless from any liability, loss, damage, cost or expense (including attorneys' fees) based upon any claim, demand, suit or action by any person or entity with respect to any personal injury (including death) or property damages arising from Lessee's occupancy of or use of the leased premises, which obligations shall survive the expiration or earlier termination of this Lease Agreement.

6. Assignment

Lessee's leasehold interest may not be assigned or sublet in whole or in part without the written consent of Lessor.

7. Default

If Lessee defaults in fulfilling any covenant or condition of this lease, Lessor may, when applicable, give Lessee notice as is prescribed by law of Lessor's intention to terminate the tenancy, giving Lessee 30 days to cure the default. Should Lessee fail to cure the default in the time prescribed, Lessor, at the expiration of the notice period, may terminate Lessee's tenancy and/or exercise any remedy available to Lessor at law or in equity.

8. Notice

Notice required by statute will be given in accordance with the applicable statute. All other notices will be deemed sufficient if made as follows: All notices to Lessor will be directed (by personal delivery or first class mail) to Lessor at 3000 N. Stiles Road, Scottville, MI 49454, until Lessee is notified, in writing, to the contrary. All notices to Lessee will be directed (by personal delivery or first class mail) to Lessee at 70 Maple Street, Manistee, MI 49660 until Lessor is notified, in writing, to the contrary.

9. Modifications

No modifications to this lease will bind Lessor or Lessee unless agreed upon by them in writing.

10. Termination

The Lessee may terminate this Lease by giving sixty (60) days' written notice of termination to the Lessor if Lessee's funding is reduced to zero, provided, that Lessee shall be responsible for a pro rata share of its Annual Rent payment through the effective date of termination, after which all other duties and obligations of the parties shall terminate, except for any duties or obligations that expressly survive the termination of this Lease Agreement, and any pro rata portion of Lessee's prepaid rent shall be refunded to Lessee. If Lessee's funding is reduced by a nominal amount, as reasonably determined by Lessor and Lessee, then this Lease Agreement shall continue without adjustment, as Lessor's project at the real property on which the premises is located is a named project in the City of Manistee Amended and Restated Development Plan and Tax Increment Financing Plan 2019 and adopted February 19, 2020. If Lessee's funding is reduced by a significant amount, as reasonably determined by Lessor and Lessee, such that Lessee's ability to pay the Annual Rent under the Lease is materially impaired, then Lessor and

Lessee shall negotiate in good faith to adjust the Annual Rent to a reasonable rental amount so Lessee may pay such adjusted Annual Rent and continue its operations.

11. Severability and Interpretation Consistent With Law

This lease is intended to comply with all applicable Michigan statutes relative to rental agreements. If any provision of this lease is deemed by a court of competent jurisdiction to violate a Michigan statute, the violation is inadvertent. If a provision is found to be so violative, the provision will be considered void and severed from the lease and the balance of the lease will remain in full force and effect. Also, nothing contained in this lease will be construed as releasing either party from a duty to mitigate or minimize the damages to the other party. This agreement will be interpreted according to the laws of the State of Michigan.

12. Review by Counsel

Lessor acknowledge that this lease has been prepared by Mika Meyers PLC, attorneys at law, Manistee, Michigan, for and on behalf of the Lessee. The Lessor, prior to executing this lease, has had the opportunity to have this lease examined and reviewed by counsel of its choosing.

13. Authority

The individuals signing this Agreement represent and warrant that they have the authority on behalf of their respective Principal to sign the same.

14. Entire Agreement


This document includes all agreements of the parties as to the subject matter hereof and there are no other agreements, written or oral, relating thereto that are not incorporated into this agreement.

In witness of the above, the parties have executed this Lease on the day, month and year first written above.

[Signatures appear on the following page.]

Lessee

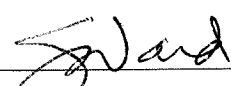
Manistee Downtown Development Authority

By: 

Its: chairman 6/1/21

Lessor

West Shore Community College

By: 

Its: 7/15/21