11548 Theodore Trecker Way Lease

In consideration of the mutual promises and covenants contained in this lease ("Lease"), Landlord and Tenant agree as follows:

1. <u>Fundamental Lease Provisions, Definitions, and Exhibits.</u>

"Additional CAM Rent": A sum equal to approximately \$10,150.88 per month (27,069 sq.

ft. x $$4.50 \div 12$) based upon actual expenses incurred.

"Additional

Improvement Rent"

A sum equal to the cost of Landlord's Improvement Work, less (i) the Tenant Improvement Allowance and (ii) the Buyout Incentive actually paid to Landlord pursuant to Section 8.03 hereof, but not to exceed the sum of One Million Dollars (\$1,000,000.00) (the "Additional Improvement Rent Cap") to be amortized over the first five (5) years of Tenant's Lease Term at an interest rate of Five (5%) percent per annum as further set forth in Section 8.02 hereof.

"Building":

The building known as 11548 West Theodore Trecker Way, West Allis, Wisconsin, 53214, consisting of 51,074 rentable square feet.

"Commencement Date":

Upon the Tenant receiving a Certificate of Occupancy and the Landlord's substantial completion of Landlord's Improvement Work.

"Exhibits":

The following exhibits are attached to this Lease and incorporated herein by reference:

<u>Exhibit A</u> – Intentionally Omitted <u>Exhibit B</u> – Rules and Regulations

Exhibit C – WE Energies-3rd Party Notification Agreement

Exhibit D – Project Site Plan

Exhibit E – Floor Layout of Premises

Exhibit F – Buildout Scope

Exhibit G – Landlord Improvement Work

Exhibit H – Parking Exhibit

"Landlord's Notice

4015 - 80th Street, Kenosha, WI 53142

Address":

Attention: Stephen C. Mills

"Landlord":

Mills Hotel Wyoming, LLC

"Lease Term": The lease term shall be ten (10) years and five (5) months

beginning on the Commencement Date unless sooner terminated

or extended as permitted herein.

"Lease Year": Means a period of twelve (12) consecutive months beginning on

Commencement Date. If Commencement Date is not the first day of a month, the first Lease Year shall begin on Commencement Date and end at 11:59 p.m. on the date twelve (12) calendar months after the last day of the month in which Commencement

Date falls.

"Management Agent": Bear Property Management, Inc.

4015 - 80th Street, Kenosha, WI 53142

Phone: (262) 697-9616

"Permitted Use": Tenant shall only use the Premises for general office and all

business and activities in which Tenant, or its affiliates, are

authorized by law to perform.

"Premises": Suite 101, as shown on Exhibit E, consisting of Twenty-Seven

Thousand and sixty-nine (27,069) Rentable Square Feet.

"**Project**": The commercial center depicted on the Exhibit D, consisting of

11548 West Theodore Trecker Way, West Allis, Wisconsin, in

which the Building is located.

"Rentable Square Feet": As to the Premises, the Building and the Project, the respective

measurement of floor area as may from time to time be subject to lease by Tenant and all Tenants of the Project, as determined by Landlord and applied on a consistent basis throughout the Project.

11548 Theodore Trecker Way, Suite 101, West Allis, Wisconsin,

"Security Deposit": N/A.

"Tenant's Address For all

Notices": 53214

"**Tenant's Percentage**": The Premises is 53% of the Rentable Square Feet in the Property.

"Tenant": The City of West Allis, a Wisconsin Municipal Corporation, as

fiduciary for North Central HIDTA.

"**Termination Date**": The last day of the 125th full month following the Commencement

Date.

"Base Rent":

Lease Year	\$ Per Rentable Sq. Ft.	Annual Base Rent	Monthly Installment
1	\$12.00	\$324,832.34	\$27,069.36
2	\$12.30	\$332,953.15	\$27,746.10
3	\$12.61	\$341,276.98	\$28,439.75
4	\$12.92	\$349,808.90	\$29,150.74
5	\$13.25	\$358,554.12	\$29,879.51
6	\$13.58	\$367,517.98	\$30,626.50
7	\$13.92	\$376,705.93	\$31,392.16
8	\$14.26	\$386,123.58	\$32,176.96
9	\$14.62	\$395,776.66	\$32,981.39
10	\$14.99	\$405,671.08	\$33,805.92
11 (mos. 121-125)	\$15.36	\$415,812.86	\$34,651.07

- 2. <u>Lease of Premises</u>. Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord, for the term and upon the conditions set forth in this Lease.
- 3. Condition of Premises-Leasehold Improvements.
- 3.01. Except for the Landlord's Improvement Work, as hereinafter defined, Tenant accepts the Building and Premises in its existing condition, subject to the Tenant's prior inspection of the Premises by a qualified inspector if they so choose, and also Tenant's receipt of the HVAC condition report from Landlord referenced in Section 11.01. Upon execution of this Lease, Tenant shall diligently pursue and submit for Landlord's review and approval; which shall not be unreasonably withheld, conditioned or delayed, Tenant's final construction drawings for the improvements and build out of the Premises in a manner consistent with the Tenant's Buildout Scope affixed hereto as Exhibit F. Upon Landlord's approval of such plans and specifications ("Plans and Specifications"), such plans shall be initialed by the parties and affixed hereto as Exhibit G ("Landlord's Improvement Work"). Thereafter, Landlord shall enter into a Construction Contract with Landlord's related entity, Construction Management Associates, Inc. for the construction of said Landlord's Improvement Work. The parties agree and acknowledge that the Construction Contract shall be on an open book, cost plus basis, with a 4.5% profit. The costs incurred by Landlord under such Construction Contract, as the same shall be amended from time to time with Tenant's reasonable written approval, less the amount of the Tenant Improvement Allowance as hereinafter defined, shall determine the amount of Additional Improvement Rent due and owing under Section 1 of this Lease. Notwithstanding the foregoing, the parties acknowledge and agree that to the extent the cost of Landlord's Improvement Work, less the Tenant Improvement Allowance, shall exceed the Additional Improvement Rent Cap, such sums shall be due and payable from Tenant to Landlord within thirty (30) days of substantial completion of Landlord's Improvement Work.

- 3.02. Landlord shall give Tenant notice when the Landlord's Improvement Work has been substantially completed. "Substantial completion" will be mutually agreed upon by both Tenant and Landlord. Tenant shall also have the right, if Tenant so elects, to have their own representative periodically inspect the workmanship and progress of the improvements according to the Plans and Specifications and industry standards. After Landlord notifies Tenant of substantial completion of Landlord's Improvement Work, Tenant shall then have seven (7) days, upon substantial completion, to inspect the Premises. If, as a result of such inspection, Tenant discovers minor exceptions or variations from Exhibit E of a nature commonly found on a "punch list" (as that term is used in the construction industry), Tenant shall notify Landlord of such exceptions in writing within such seven (7) day period. Landlord shall correct or remedy actual exceptions within a reasonable time, not to exceed thirty (30) days. The existence of such punch list items shall not postpone the Commencement Date nor the obligation of Tenant to pay rent or other charges due under the Lease unless they are of such a nature to interfere with Tenant's occupying the Premises. Tenant's occupancy of the Premises shall be conclusive evidence that Tenant has accepted the Landlord's Improvement Work, subject to any punch list items.
- 3.03 Landlord shall use its best efforts to substantially complete any Landlord's Improvement Work within seven (7) months following final approval of the Plans and Specifications ("Estimated Completion Date"). All such Landlord's Improvement Work shall be done in good and workmanlike manner in accordance with all applicable Laws (as defined in Section 11.02). If Landlord, through no fault of Tenant, has not substantially completed the Landlord's Improvement Work within thirty (30) days after the Estimated Completion Date, then a rent credit shall commence to accrue in favor of Tenant in the amount of one (1) day free Base Rent for each day between the Estimated Completion Date and the actual date of substantial completion. The aforesaid rent credit shall be a credit against the monthly Base Rent for which Tenant is obligated hereunder during the entire Term. If Landlord, through no fault of Tenant, has not substantially completed the Landlord's Improvement Work within one hundred eight (180) days after the Estimated Completion Date, Tenant may terminate this Lease by giving written notice to Landlord within five (5) days after the end of such 180-day period, whereupon this Lease shall terminate and Landlord shall return any amounts paid by Tenant under this Lease; provided, however, that Landlord's time for completing the Landlord's Improvement Work shall be extended for a time period equal to the duration of any delay caused by strike, labor dispute, or inability to obtain labor, materials, or equipment which is beyond the control of Landlord. Termination of this Lease shall be Tenant's sole remedy and Tenant shall have no other rights or claims hereunder at law or in equity. If the Landlord's Improvement Work is substantially completed and Tenant occupies the Premises prior to the Estimated Completion Date, the Commencement Date shall be the actual date of Tenant's occupancy.
- 4. <u>Common Areas</u>. Tenant shall be entitled to the reasonable non-exclusive use of the parking areas, driveways, sidewalks and additional common areas serving the Project, all as they may from time to time exist, but such use shall be in common with Landlord and all others to whom Landlord has or may hereafter grant rights to use the same, and such use shall be subject to such rules and regulations ("**Rules and Regulations**") as Landlord may from time to time adopt governing the same, provided they are consistently enforced and not otherwise inconsistent with the terms of this Lease. Rules and Regulations now in force are attached hereto as <u>Exhibit B</u> and made a part hereof. Landlord shall at all times have full control, management and direction of the common areas, and shall maintain and repair same. Landlord reserves the right to reduce, increase, enclose, or

otherwise change from time to time the configuration, size, number, location and nature of the common areas and facilities and the other tenancies in the Project, construct additional improvements, and to place signs on the Building and the Project; except such shall not materially interfere with Tenant's access to or use of the Premises or be inconsistent with the terms of this Lease.

5. <u>Lease Term/Option to Renew.</u>

- 5.01. <u>Initial Term</u>. The Lease Term commences on the Commencement Date and expires at midnight on the Termination Date unless sooner terminated as hereinafter provided.
- 5.02. <u>Tenant Extension Option</u>. Tenant shall have the right, to be exercised as provided below, to extend Lease Term for three option periods of Five (5) years each on the following terms and conditions:
 - 5.02.01. So long as no Default is existing or continuing in the performance of any of the terms of this Lease; and
 - 5.02.02. That each extended or renewal term shall be on the same terms, covenants and conditions as are provided in this Lease except (i) for adjustment of Base Rent as herein provided, (ii) that no Additional Improvement Rents shall be payable and (iii) that there shall be no privilege to extend the Lease Term for any period of time beyond the expiration of the third extended term.
- 5.03. <u>Exercise Extension Option</u>. Tenant shall exercise its right to an extension or renewal in the following manner:
 - 5.03.01. At least one hundred eighty (180) days prior to the expiration of the initial term (and at least one hundred eighty (180) days prior to any subsequent extended term), Tenant shall notify Landlord in writing of its election to exercise the right to extend the Lease Term for the first (or a subsequent) extended term, as the case may be.
 - 5.03.02. On the giving of such notice of election, this Lease, subject to the terms of this provision, shall be deemed to be extended and the term thereof extended for a period of Five (5) years from the expiration date of the initial term (or from the expiration date of any extended term) during which such notice is given (as the case may be) without the execution of any further lease or instrument.
 - 5.03.03. In the absence of a written agreement of the Landlord and Tenant to the contrary, the annual Base Rent for each year of the renewal or extended term shall be increased by 2.5% over the annual Base Rent for the previous Lease Year.
- 6. Tenant Improvement Allowance. As an incentive to Tenant's execution of this Lease, Landlord shall provide a financial incentive in the form of a Tenant Improvement Allowance in an amount not to exceed Six Hundred Seventy-Six Thousand Seven Hundred Twenty-Five Dollars (\$676,725.00), hereinafter the ("Tenant Improvement Allowance") which shall be issued as a credit to Tenant against the cost of the Landlord's Improvement Work set forth in the Construction Contract as set forth in Section 3.01 hereof. Additionally, provided Tenant elects to work with

Partners in Design, Landlord shall cover space planning costs not to exceed \$0.15 per rentable square foot; and any costs incurred above that amount will be included in the cost of the Additional Improvement Rent. The foregoing space planning allowance shall be paid within thirty (30) days following the later of the execution of this Lease and the approval of the Plan and Specifications by all parties described in Section 3.01 hereof.

- 7. <u>Holding Over</u>. If Tenant retains possession of the Premises after termination or expiration of this Lease, then for each day, or part thereof the Tenant so retains possession of the Premises without Landlord's consent, Tenant shall pay Landlord 150% of the amount of the daily rate of Rent and other charges payable by Tenant as Rent during the calendar month immediately preceding such termination or expiration together with any damages sustained by Landlord as a result thereof. If such retention of the Premises is with the express or implied consent of Landlord, such tenancy shall be from month-to-month and, in no event, from year-to-year or any period longer than month-to-month at the rental rate in effect before the expiration of the Lease term or such rate agreed to by the parties.
- 8. Rent. Tenant covenants and agrees to pay to Landlord, as of the Commencement Date, at the Landlord's Notice Address set forth in Section 1 of this Lease, or at such other place designated by Landlord, without prior demand and without deduction or set-off, rent ("Rent") for the Premises consisting of the Base Rent and Additional Rent (which shall include Additional CAM Rent and Additional Improvement Rent) as provided in Sections 8.01, 8.02 and 8.03, and any other additional payments due under this Lease. Notwithstanding the foregoing, Tenant shall enjoy a period of abated rent of five (5) months ("Abated Rent") and shall not be responsible for Base Rent during such period of Abated Rent. Tenant shall be responsible for payments of Additional CAM Rent and utilities during such period of Abated Rent. All such payments due hereunder shall be made in advance on or before the first day of each month, or as otherwise provided in this Lease. Base Rent, Additional Rent, and any other payments for any partial month at the beginning or end of the Lease Term shall be prorated based upon the actual number of days of such month included in the Lease Term. Tenant shall pay Landlord the first monthly installment of the Base Rent upon execution of this Lease. The covenant to pay Rent is hereby declared to be independent of all other covenants in Lease. Tenant shall pay the first installment of Base Rent upon execution of this Lease.
 - 8.01. Operating Costs and Real Estate Taxes.
 - 8.01.01. For any calendar year falling partly or wholly within the Lease Term, Tenant shall pay to Landlord, as Additional CAM Rent, Tenant's Percentage of Operating Costs (as hereafter defined).
 - 8.01.02. As used in this Lease, the term "Operating Costs" means any and all expenses, costs and disbursements (other than Real Estate Taxes) of any kind and nature whatsoever incurred by Landlord during the Lease Term in connection with the ownership, management, operation, maintenance and repair of the Premises, the Building, the Project and the parcel of land on which they are located. Operating Costs shall include, without limitation, casualty insurance (including but not limited to fire and such other endorsements to a casualty policy as Landlord may, in its discretion, determine to be desirable); public liability insurance; insurance deductibles; water, sewer, electric and gas charges for common areas; repairs and

maintenance of the Project, including costs of materials and supplies used in connection therewith; costs incurred in connection with the operation, inspection and servicing (including outside maintenance contracts) of electrical, plumbing and mechanical equipment for common areas, and the cost of materials and supplies in connection therewith; repairs, resurfacing and restriping of the driveways and parking areas; the cost of snow plowing, snow and ice removal, landscaping and lawn mowing; reasonable and customary property management fees in accordance with BOMA standards (not to exceed three percent (3%) of Gross Rents); repainting and cleaning of common areas; and other costs necessary in Landlord's reasonable judgment for the maintenance of the common areas, the Building and the Project in a good and attractive condition. Operating Costs shall not include the following:

8.01.02.01. costs of alterations of Tenant's Premises;

8.01.02.02. depreciation;

8.01.02.03. interest and principal payments on mortgages, and other debt costs or ground lease payments;

8.01.02.04. the portion of any cost or expenditure (or portion thereof) for which Landlord is reimbursed, whether by insurance proceeds or otherwise; and

8.01.02.05. the cost of any service furnished to any other occupant of the Project which Landlord does not provide to Tenant hereunder.

8.01.02.06. Tenant's janitorial needs, which shall be handled directly by the Tenant, at its sole expense.

8.01.02.07. (a) advertising and promotional expenses, real estate brokerage and leasing commission; (b) legal fees for the negotiation or enforcement of leases; (c) Real Estate Taxes; (d) cost of repair from a casualty or taking; (e) the amount of any reimbursement, recapture or special assessment for all or a portion of the cost of any utilities, roads or other improvements heretofore or hereafter located on or in the vicinity of the Premises or the Project; (f) the cost of any maintenance, repair, replacement or other expense which is the Landlord's responsibility to pay under this Lease; (g) reasonable and customary management fees in accordance with BOMA standards in excess of three percent (3%) of Gross Base Rents; (h) cost of altering the space of other tenants or amounts expended by Landlord to perform the delinquent or defaulted obligations of other tenants of the Project; (i) costs and expenses of any insurance which is not required or permitted to be carried by Landlord pursuant to the provisions of this Lease; (j) costs, expenses, fines or penalties due to Landlord's violations of any governmental law or rule; (k) income, excess profit or corporate capital stock tax; (l) Landlord's general overhead and administrative expenses (including, without limitation, salaries and expenses of Landlord's executive officers); (m) costs related to maintaining Landlord's existence as a trust or other entity; and (n) any capital expense, except to the extent it is incurred to reduce, and then only the extent it actually reduces, Operating Costs, and if required by a new law or regulation not in effect as of the Commencement Date.

- 8.01.03. Landlord shall, at its cost and expense, separately meter any rentable area of the Premises for heating, ventilating, and air conditioning ("HVAC") and for water and sewer services; and Tenant shall contract with and pay the public utility or utilities directly for the measured consumption of services for the Premises.
- 8.01.04. For any calendar year falling partly or wholly within the Lease Term, Tenant shall pay to Landlord, as Additional CAM Rent, Tenant's Percentage of Real Estate Taxes (as hereafter defined).
- 8.01.05. As used in this Lease, the term "**Real Estate Taxes**" means:
 - 8.01.05.01. Any and all taxes, charges and assessments (general or special, ordinary or extraordinary) levied with respect to the Building, the parcel of land on which it is located, the Project or the land on which the Building or Project is located;
 - 8.01.05.02. any taxes levied or assessed in addition to or in lieu of, in whole or in part, such taxes and assessments;
 - 8.01.05.03. costs and expenses incurred by Landlord in connection with the attempt to reduce any of the foregoing, whether by negotiation or contest, but only to the extent Landlord is successful in obtaining such reduction.
- 8.01.06. During December of each year, or as soon thereafter as practicable, Landlord shall give Tenant written notice of its estimate of Additional CAM Rent payable under this Section 8.01 for the following year. On or before the first day of each month thereafter, Tenant shall pay to Landlord as Additional Rent one-twelfth (1/12) of such estimated amounts, provided that if such notice is not given in December, Tenant shall continue to pay on the basis of the prior year's estimate until the first day of the month after the month in which such notice is given. If, at any time, it appears to Landlord that the actual amounts payable hereunder for the then current year will vary from its estimate by more than seven percent (7%), Landlord may, by written notice to Tenant, revise its estimate for such year, and subsequent payments by Tenant for such year shall be based upon such revised estimate.
- 8.01.07. By April 15 of each year during the Lease Term, or as soon thereafter as practicable, Landlord shall deliver to Tenant a written statement ("Statement") setting forth the total amount of actual Operating Costs for the preceding year, the total amount of the actual Real Estate Taxes for the preceding year, and the Tenant's Percentage thereof. If Tenant's Percentage of the actual Operating Costs and Real Estate Taxes for such year exceed the estimated Additional CAM Rent paid by Tenant pursuant to this Section 8.01, Tenant shall pay the amount of such excess to Landlord, as Additional Rent, within thirty (30) days of receipt of such Statement by Tenant. If such Statement shows that Tenant's Percentage of the actual Operating Costs and Real Estate Taxes for such year was less than the estimated Additional CAM Rent paid by Tenant pursuant to this Section 8.01, the amount of such overpayment by Tenant shall be credited by Landlord to the next accruing Base Rent or Additional CAM Rent payable by Tenant. Notwithstanding the foregoing, "Controllable Operating Costs" (defined as all Operating Costs other than Real Estate Taxes, insurance,

utility costs and snow and ice removal charges), shall not increase by more than five percent (5%) per year on a cumulative basis, over the term of the Lease.

- 8.01.08. Tenant or its representatives shall have the right to examine Landlord's books and records of Operating Costs and Real Estate Taxes during normal business hours within thirty (30) days following the furnishing of the Statement to Tenant. Unless Tenant takes written exception to any item within forty-five (45) days following the furnishing of the Statement to Tenant (which item shall be paid in any event), such Statement shall be considered as final and accepted by Tenant. In addition, Tenant shall have the right to audit the Operating Costs, using an independent accountant with expertise in analyzing common area maintenance charges, at Tenant's sole expense. Landlord shall reimburse Tenant for any overpayments made by Tenant revealed by such audit and to the extent the overpayment is five percent (5%) or more for any Lease Year, Landlord shall reimburse Tenant for the cost of such audit.
- 8.01.09. For the years in which this Lease commences and terminates, Tenant shall pay only that proportion of the amount otherwise payable under this Section 8.01 which the number of days of the term of the Lease falling within such year bears to 365 days, based upon the actual amounts due for the year of commencement and the estimated amounts due pursuant to Section 8.01.05 for the year of termination.
- 8.02. Additional Improvement Rent. Tenant shall be responsible for the repayment of the Additional Improvement Rent, if any, as defined in Section 1 above. Tenant shall pay the monthly amortized amount on or before the first day of each month for the balance of the term or until otherwise paid in full as Additional Improvement Rent. In addition to the forgoing payments, Tenant shall pay, during the period of Abated Rent, the total sum of \$135,346.80 (or lesser portion thereof if sufficient to pay off the balance of the Additional Improvement Rent), in five (5) equal monthly installments, which shall be applied to the balance of the Additional Improvement Rent. The Additional Improvement Rent may be prepaid at any time by Tenant without penalty.
- 8.03. <u>Buyout Incentive</u>. As further incentive to Tenant's execution of this Lease, Landlord and its affiliate are currently negotiating a Buyout Incentive in the amount of \$450,000.00 for Tenant to terminate its existing lease at 801 W. Michigan Avenue, Milwaukee, Wisconsin. Upon receipt of the foregoing Buyout Incentive, Tenant shall promptly pay the same to Landlord and said Incentive shall be applied against the balance of the cost of Landlord's Improvement Work. In the event that the Buyout Incentive is not received by Tenant from its existing landlord on or before November 1, 2021, this Lease shall be deemed terminated and Landlord and Tenant shall have no further liability to one another with respect this Lease Agreement..
- 9. <u>Early Termination</u>. Notwithstanding any other provisions in this Lease, Landlord understands and acknowledges that the City of West Allis serves as the fiduciary for the North Central HIDTA (Tenant), which is a Federal Grant program funded annually by Congress through the Office of National Drug Control Policy. If at any time during the Lease Term the federal funding for the program/grant is not appropriated or terminated, all Rent, charges, fees, or other payments which would otherwise be due pursuant to this Lease shall cease without penalty or liability to Tenant and this Lease shall be terminated. Tenant will notify Landlord in writing, within ten (10) business days, of non-appropriation or termination of Grant funding.

- 10. <u>Use</u>. The Premises shall be used and occupied for the Permitted Use only.
 - 10.01. <u>Nonrepresentation of Landlord</u>. Tenant acknowledges that Landlord has made no representations or warranties as to the suitability of the Premises for the conduct of Tenant's business, other than its warranty that the Permitted Use is consistent with the zoning for the Premises. Notwithstanding the foregoing, Landlord agrees not to lease to conflicting uses (e.g. Criminal defense lawyers/firms, etc.) within the Project that may draw unwanted activity and attention to the Building while Tenant occupies the Premises.
 - 10.02. <u>Landlord's Permission for Additional Use</u>. The Premises may not be used for any purpose, except for the Permitted Use, without Landlord's prior, express and written consent, which shall not be unreasonably delayed or withheld.
 - 10.03. <u>Interference with Tenant's Rights</u>. Tenant shall not do or permit anything to be done in or about the Premises that will obstruct or interfere with the rights of other Project tenants, or injure, or interfere with their use of the common areas, or allow the Premises to be used for any immoral or unlawful purpose; nor shall Tenant cause, maintain, or permit any nuisance in, on, or about the Premises or common areas.
 - 10.04. <u>Designated Parking</u>. Landlord agrees to provide, at no additional cost to Tenant, 155 parking spaces as depicted on the attached Exhibit H. The parties shall collaborate, as part of Landlord's Improvement Work, to securitize and conceal 102 parking spaces in the parking field along the northern and northeast portions of the Building.
 - 10.05. <u>Building Access</u>. Tenant shall have access to the Building, with full Building services, 24 hours per day, 7 days per week, and 365 days per year. Building security system shall be outfitted per Tenant's requirements.

11. Maintenance and Repair.

Maintenance by Tenant. Tenant shall at all times keep and reasonably maintain the 11.01. Premises, including the interior of all ceilings, walls, partitions, glass, floor coverings, fixtures, equipment and appurtenances including, but not limited to the HVAC systems, as well as electrical and all plumbing, installed by Landlord which provide service exclusively to the Premises, whether installed or owned by Landlord or Tenant in reasonably good order, condition, and repair (to the extent not covered by warranty). Notwithstanding the foregoing, Tenant shall not be responsible for any HVAC repair(s) exceeding the sum of \$1,000.00 (collectively) during the first Lease Year, or any repair(s) exceeding the sum of \$2,000 (collectively) in any subsequent Lease Year. Landlord shall be given the opportunity to inspect the HVAC prior to Tenant undertaking such repairs and Landlord shall in all cases have the first option to perform said repairs. Tenant shall also reimburse Landlord for all repairs to the Project, or Premises which are made necessary as a result of any misuse or neglect by Tenant or any of its employees, contractors, agents, customers, or guests. Tenant agrees to have the HVAC equipment exclusively serving Premises serviced on a regular basis at least semi-annually and filters to be replaced as appropriate. Tenant shall provide Landlord a copy of its current maintenance contract for such equipment at least annually. Lee Plumbing, Heating, Cooling & Electric is an acceptable (but not required) contractor for performing such maintenance. Landlord shall inspect and tune up all existing HVAC units prior to the Commencement Date. Landlord shall have provided Tenant with an inspection report related to, at a minimum, the age and current condition of the HVAC units prior to the Tenant executing the final lease.

11.02. Maintenance by Landlord. Landlord shall, at its cost and expense, keep and maintain the foundations, roof, and structural portions of the walls of the Building of which the Premises are a part in good condition and repair, except for repairs thereto as may be required by reason of the acts of Tenant, its employees, agents, invitees, licensees and contractors. Landlord shall also maintain all main electric lines, main gas lines and main water lines which supply the Building. Landlord shall keep and maintain in good condition and repair all portions of the Building not leased and demised to Tenants thereof, and, subject to Tenant payment of expenses as Additional Rent. Landlord warrants and represents the Landlord has received no notices of non-compliance from any applicable governmental authority of the utilities servicing the Premises or the Building with any laws, statutes, ordinances, codes or governmental rules, regulations or requirements, including without limitation, all environmental and zoning laws and provisions of the Americans with Disabilities Act, as amended (collectively, the "Laws"). Landlord shall be responsible for any Premises HVAC repair(s) exceeding the sum of \$1,000.00 (collectively) during the first Lease Year, and any repair(s) exceeding the sum of \$2,000 (collectively) in any subsequent Lease Year.

12. Utilities and Services.

- 12.01. Basic Services. Landlord shall:
 - 12.01.01. Furnish electricity to the common areas.
 - 12.01.02. Provide water service to the common areas.
- 12.02. Extraordinary Services. Should Tenant require special services from time to time, Landlord shall, upon reasonable advance notice by Tenant, furnish such additional service and Tenant agrees to pay to Landlord, within ten (10) days after being billed therefore, as Additional Rent, Landlord's cost of labor, materials supplied and utilities consumed in providing such additional service plus five percent (5%) of such cost, subject to Tenant's prior approval of such costs. The amount of such payment and expenses shall be excluded from the determination of Operating Costs.
- 12.03. <u>Landlord Not Liable</u>. Landlord does not warrant that any of the services referred to in this Lease, or any other services which Landlord may supply, shall be free from interruption, curtailment, or suspension. Tenant acknowledges that any one or more of such services may be suspended by reason of accident or repairs, alterations or improvements, or by reason of causes beyond the reasonable control of Landlord. No interruption, curtailment, or suspension of service shall be deemed an eviction or disturbance of Tenant's use and possession of the Premises or any part thereof, or render Landlord liable to Tenant for damages, or relieve Tenant from the full and complete performance of all Tenant's obligations under this Lease, nor shall there be any abatement of Rent or other charges, except to the extent such interruption or suspension of service is caused by Landlord's negligence or willful misconduct.

13. <u>Tenant's Utility Service</u>. Landlord shall, at its sole cost and expenses, install separate meters for the Premises for electricity, gas, sewer and water, and Tenant agrees to contract with and pay the public utility directly for the measured consumption of electricity, gas, sewer, and water for the Premises. Landlord shall not be liable or responsible to Tenant for any loss, damage, or expense which Tenant may sustain or incur if the quantity or character of utility service is changed or is no longer available or is no longer suitable for Tenant's requirements. Tenant shall execute a copy of the WE Energies Notification Agreement in the form attached hereto as <u>Exhibit C</u>.

14. Tenant's Covenants. Tenant agrees that it shall, at its expense:

- 14.01. <u>Rules and Regulations</u>. Observe the Rules and Regulations and any amendments thereto as may be adopted by Landlord from time to time for the general safety, comfort, and convenience of Landlord, tenants and occupants of the Project, provided the same are uniformly applied to all tenants of the Project. Landlord shall not be responsible to Tenant for the noncompliance by any other tenant of the Project with any of the Rules and Regulations, and any failure by Landlord to enforce any Rules and Regulations against either Tenant or any other tenant in the Project shall not constitute a waiver hereof; however, Landlord shall use its best efforts to cause such noncomplying tenants to cure any violation(s).
- 14.02. <u>Landlord Access</u>. Give Landlord, its employees, contractors, agents and any other person or persons authorized by Landlord, access to the Premises at all reasonable times, with at least 24 hour notice, without charge or diminution of rent, to enable them to examine the Premises and to make such repairs, alterations, and improvements as Landlord may deem advisable, or to enter, view, show and inspect the Premises, provided it is done in a manner so as not unduly to interfere with the conduct of Tenant's business. Beginning ninety (90) days prior to the expiration of the Term, Landlord may exhibit a sign in a prominent window of Premises for re-renting purposes.
- 14.03. <u>Signage</u>. Not place any signs or any other projection upon the Project or the Premises or any lettering on the windows or doors without Landlord's written consent which shall not be unreasonably delayed or withheld.
- 14.04. <u>Compliance with Laws</u>. Comply with all laws, regulations, ordinances and orders of federal, state, county and municipal authorities and with any direction made pursuant to law of any public officer, relating to Tenant's use of the Premises.
- 14.05. <u>Hazardous Substances</u>. Not permit the use, storage, or disposal of any Hazardous Substances at the Premises. "**Hazardous Substances**" means any hazardous waste, substance, or toxic materials regulated under any federal, state, or local environmental law or regulation including, without limitation, asbestos containing materials, PCBs, and petroleum products. The foregoing shall not apply to items used in Tenant's business so long as said items are handled in accordance with all applicable rules and regulations, as well as industry standards.
- 14.06. <u>Personal Property Taxes</u>. Pay, before delinquency, any and all taxes levied or assessed and which become payable during the term hereof upon Tenant's fixtures, equipment, furniture and other personal property located in the Premises.

14.07. Surrender of Premises.

14.07.01. On expiration or termination of the Lease, Tenant shall, at Tenant's expense, remove all of Tenant's personal property and equipment (including but not limited to equipment, removable paneling and partitions and other personal property) which has not become a fixture attached to the Premises. In addition, Tenant shall leave all trade fixtures and improvements in place and surrender the Premises to Landlord. Notwithstanding any provision to the contrary, any such trade fixtures and/or improvements remaining on the Premises upon termination of this Lease, shall remain without compensation to Tenant. Further, any items of personal property or any items required to be removed from the Premises pursuant to Landlord's exercise of the option contemplated hereunder shall be considered abandoned and Landlord may dispose of the same as it deems expedient, but Tenant shall promptly reimburse Landlord for any reasonable expenses incurred by Landlord in connection therewith (net of any salvage value received by Landlord) including, without limitation, the cost of removal thereof and of repairing any damage occasioned by such removal. Tenant also agrees to deliver all keys for Premises to Landlord.

14.07.02. Notice of Vacate and Joint Inspection before Termination Date. Tenant shall give written notice to Landlord at least sixty (60) days prior to vacating the Premises at the end of the Lease Term and shall arrange to meet with Landlord for a joint inspection of the Premises prior to vacating. In the event of Tenant's failure to give such notice or arrange such joint inspection, Landlord's inspection at or after Tenant's vacating the Premises shall be conclusively deemed correct for purposes of determining Tenant's responsibility for repairs and restoration.

15. <u>Landlord's Covenant of Quiet Enjoyment</u>. So long as Tenant is not in Default, Tenant shall be entitled to peaceful and quiet enjoyment of Premises, subject to the Lease terms. Landlord agrees to make reasonable efforts to protect Tenant from interference or disturbance by other tenants or third persons. However, Landlord shall not be liable for any such interference or disturbance nor shall Tenant be released from any Lease obligations because of such interference or disturbance, provided Landlord has used, and continues to use, its best efforts to prevent such interference. Tenant covenants and agrees that it will not adversely affect the quiet enjoyment of other tenants in Project.

16. Insurance.

16.01. <u>Landlord's Obligation</u>. During the Lease Term, Landlord shall keep in full force and effect, as an Operating Cost the following insurance:

16.01.01. <u>Casualty</u>. Insurance against casualty, vandalism, malicious mischief and such other perils as are from time to time included in a standard extended coverage endorsement insuring the Project in an amount of not less than one hundred percent (100%) of its replacement value including coverage for Landlord's Improvement Work, Business Income, and losses or damages caused by floods if any portion of Project is in a flood plain. If such form does not provide sprinkler leakage coverage, the policy or policies shall be endorsed to cover the same in an amount equal to one hundred percent (100%) of the replacement value of the insured property.

- 16.01.02. General Liability. Landlord (with respect to common area) shall maintain or cause to be maintained, Commercial General Liability Insurance including contractual liability coverage. This insurance shall have minimum limits of not less than Five Million Dollars (\$5,000,000) (combined single limit) (or such higher amounts as Landlord shall from time to time determine). Landlord's insurance shall include coverage for: (a) loss, liability or damage caused by, occurring at or related to construction by Landlord or Landlord's contractors of Project; and (b) loss, liability or damage caused by, occurring at or related to common area; and (c) loss, liability or damage caused by, occurring at or related to acts of Landlord, its agents, employees, licensees, invitees or contractors on any portion of Project. Operating Cost shall include all charges, deductibles, and expenses incurred by Landlord and premiums paid by Landlord for the insurance required to be provided by Landlord pursuant to this Section.
- 16.02. <u>Tenant's Obligation</u>. During the Lease Term, Tenant shall keep in full force and effect, at its expense: (a) a policy of general liability insurance covering the Premises, with a combined single limit of not less than Three Million Dollars (\$3,000,000.00) (or such higher amount as Landlord may from time to time require of all Tenants); and (b) insurance against casualty, vandalism, malicious mischief, and such other perils as are from time to time included in a standard extended coverage endorsement, insuring Tenant's fixtures, equipment, furniture and all other items of personal property of Tenant located on or within the Premises in an amount equal to not less than their full replacement value. All policies of insurance to be carried by Tenant shall: (a) name Landlord, Management Agent, Tenant and any other parties in interest designated by Landlord as additional insureds; and (b) shall be on a primary, non-contributory basis; and (d) shall be in form and substance reasonably satisfactory to Landlord. A copy of the paid up policies evidencing such insurance or certificates of insurers certifying to the issuance of such policies shall be delivered to Landlord prior to the Commencement Date and upon renewals not less than thirty (30) days prior to the expiration of such coverage.
- 16.03. <u>Mutual Waiver of Subrogation</u>. Each party hereby expressly releases the other from liability it may have on account of any loss to the Premises or Building or contents of either, including, without limitation, personal property, trade fixtures, alterations, additions and leasehold improvements due to fire or any peril included in the coverage of any applicable fire and extended coverage and material damage insurance, however caused, including such losses as may be due to the negligence of the other party, its agents or employees, but only to the extent of any amount recovered by reason of such insurance, and each party hereby waives any right of subrogation which might otherwise exist in or accrue to such party on account thereof, provided that such release of liability and waiver of the right of subrogation shall not be operative in any case where the effect thereof is to invalidate such insurance coverage under applicable state law (or increase the cost thereof, unless the other party reimburses the insured for any cost increase). If either party fails to maintain in force any insurance required by this Lease to be carried by it, then for purposes of this waiver of subrogation it shall be deemed to have been fully insured and to have recovered the entire amount of its loss.
- 17. <u>Signage</u>. The parties acknowledge that the Premises are part of an integrated and uniform commercial center and that control of exterior signs by Landlord on the Property is essential to maintain uniformity and aesthetic value in the Project. Tenant may not erect and maintain any signs on the exterior of the Building without the advance, written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed. Such signage must be in accordance

with Landlord's specifications and contracted through a sign contractor approved in advance by Landlord. Installation of all door and window signage shall be subject to Landlord's advance, written approval and the Rules and Regulations for the Project. Upon termination of this Lease, Tenant, upon Landlord's request shall remove any such signage and restore and/or repair the façade of the Building or both, as the case may be, to its original condition prior to installation of any such signage.

- 18. Alterations and Improvements. Tenant may not make any alterations, additions, installations, substitutions (such as changing locks), improvements, or decorations ("Improvements") to the Premises without the prior written approval of Landlord which shall not be unreasonably delayed or withheld. Improvements by Tenant shall be made at Tenant's sole expense. Tenant shall obtain all necessary permits from governmental authorities and provide Landlord with copies thereof prior to commencement of construction. All Improvements shall be made in a good and workmanlike manner and in compliance with all governmental requirements. Tenant shall promptly repair any damage and perform any necessary cleanup resulting from any Improvements made by Tenant. Tenant agrees not to create or permit any lien against the Premises or the Project by reason of any Improvement and Tenant agrees to hold Landlord harmless from and against any such lien claim. At its expense, Tenant shall cause to be discharged, within thirty (30) days after the filing thereof, any construction lien claim filed against the Premises or the Project for Improvement(s) claimed to have been done for, or materials claimed to have been furnished to, or on behalf of Tenant; excluding however any lien claim(s) relating to Landlord's Improvement Work. Further, any alterations or improvements which require any penetration of the Building's roof must be done in a manner which does not void any warranties provided to Landlord and therefore must be performed by a contractor specified by Landlord. Failure to do so will result in Landlord performing any alteration, repair or inspection deemed necessary by Landlord at Tenant's sole cost and expense. All work shall be done so as to minimize interference with: (i) other tenants; (ii) Landlord's Project operation; and (iii) other construction work being done by Landlord.
 - 18.01. <u>Removal.</u> All Improvements shall become part of Premises and remain therein at the end of the Term; provided, however, that if Landlord gives Tenant a notice, concurrently with its approval of such Improvements, to remove any Improvements, Tenant shall do so and shall pay the cost of the removal and any repair required by the removal.
- 19. <u>Damage or Destruction</u>. In case of damage to the Premises or the Building by casualty, vandalism, malicious mischief, or any other casualty, Landlord shall (unless this Lease shall be terminated as hereinafter provided) diligently proceed to make all the repairs necessary to restore the Premises (excluding any property of Tenant or Improvements installed by Tenant) and the Building to substantially the condition in which they existed immediately prior to such destruction or damage subject to delays which may arise by reason of adjustment of loss under insurance policies and delays beyond the reasonable control of Landlord. To the extent that the Premises are rendered unrentable, the Rent shall proportionately abate unless such damage was caused by the intentional act of Tenant, its employees, contractors, agents, customers, or guests, in which case, there shall be no abatement of Rent. If the Premises or the Building are damaged to such an extent that Landlord, in its sole discretion, determines not to rebuild or repair, then this Lease shall be terminated upon written notice thereof to the Tenant within sixty (60) days after the date of such damage, the Rent shall be adjusted to the date of such damage, and Tenant shall thereupon promptly vacate the Premises.

20. Eminent Domain.

- 20.01. In the event the entire Premises or Building are lawfully condemned or taken in any manner for any public or quasi-public use or purpose, or sold or conveyed in lieu of condemnation, this Lease shall terminate as of the date of such taking or conveyance and Tenant shall have no interest in any award resulting from such taking except for moving expenses and Improvements included in the award which shall have been installed and paid for by Tenant.
- 20.02. In the event only a portion of the Building is taken or conveyed, the Base Rent and Tenant's Percentage shall be equitably adjusted, and Landlord shall, upon receipt of the award in condemnation, make all necessary repairs or alterations to the basic Building and exterior work so as to constitute the remaining Premises a complete architectural unit, unless Landlord or Tenant shall elect to terminate this Lease as of the date of such taking or conveyance, provided Tenant's right to terminate this Lease as a result of a partial taking shall only arise if such partial taking materially impairs the conduct of Tenant's business from the Premises. In such instance, Tenant may terminate this Lease upon written notice thereof within thirty (30) days of such taking or conveyance. Landlord shall notify Tenant of such equitable adjustment or its election to terminate this Lease within sixty (60) days of such taking or conveyance.

21. Indemnification.

- 21.01. <u>By Tenant</u>. Except as covered by insurance to be provided by Tenant, Tenant shall defend and indemnify Landlord and save it harmless from and against any and all liability, damages, costs, or expenses, including attorneys' fees, arising from any act, omission, or negligence of Tenant or its employees, contractors, agents, customers, or guests in or about the Premises or the Project, or arising from any breach or default under this Lease by Tenant. The indemnification set forth in this Section shall survive Lease termination.
- 21.02. <u>By Landlord</u>. Landlord agrees to indemnify and defend Tenant from and against any and all claims, actions, damages, liability, and expense (including, but not limited to, court costs, costs of investigation, and reasonable attorneys' fees) in connection with loss of life, bodily injury, and/or damage to property of Tenant or any other person arising from or out of Landlord's use or occupancy of the Premises or any other part of the Project, occasioned wholly or partially by act or omission of Landlord, its officers, partners, agents, employees, contractors, or invitees, including but not limited to, any failure by Landlord to perform any of its obligations under this Lease or the existence of any Hazardous Substances on the Premises or the Project as of the Commencement Date. The indemnification set forth in this Section shall survive Lease termination.

22. Landlord's Liability.

22.01. Landlord shall not be liable to Tenant except for liability, damages, costs, or expenses resulting from injuries to third parties caused solely by the negligence or willful misconduct of Landlord or its employees or agents, but only to the extent Tenant is not compensated therefore by insurance. Except to the extent caused by the negligence or willful misconduct of Landlord or its employees or agents, in no event shall Landlord be liable to Tenant or anyone claiming under Tenant for any damage to the Premises or for any loss, damage, or

injury to any property of Tenant located in the Premises caused by bursting, rupture, leakage, or overflow of any plumbing or other pipes (including without limitation, water, steam, or refrigerant lines), sprinklers, tanks, drains, drinking fountains, or wash stands, the failure of any systems or facilities in the Premises or the Building or other similar cause. Except to the extent caused by the negligence or willful misconduct of Landlord or its employees or agents, in no event shall Landlord be liable for any loss or damage to person or property sustained by Tenant or anyone claiming under Tenant, which may be caused by the Premises or the Project or other improvements being out of repair, or by theft, or by vandalism, or by any act or neglect of any Tenant or any other occupant of the Project, or of any other person, or by any other cause whatsoever.

22.02. Anything in this Lease to the contrary notwithstanding, the covenants, undertakings and agreements herein made on the part of Landlord are made and intended not as personal covenants, undertakings and agreements or for the purpose of binding Landlord personally or the assets of Landlord except Landlord's interest in the Premises and the Project, as the same may from time to time be encumbered. No personal liability or personal responsibility is assumed by, nor shall at any time be asserted or enforceable against Landlord or its officers or their respective heirs, legal representatives, successors and assigns arising from this Lease or Landlord's obligations with respect to the Premises and the Project, or arising from any covenant, undertaking, or agreement of Landlord contained in this Lease.

23. Assignment and Subletting.

- 23.01. <u>Assignment of Sublease</u>. Tenant shall not voluntarily, involuntarily, or by operation of law assign, transfer, mortgage, or encumber this Lease, nor sublease the whole or any part of the Premises, without first obtaining Landlord's written consent, which shall not be unreasonably withheld, conditioned or delayed. No such assignment or sublease shall relieve Tenant of any liability under this Lease. Consent to any such assignment or sublease shall not operate as a waiver of the necessity of a consent to any subsequent assignment or sublease, and the terms of such consent shall be binding upon any person holding by, under, or through Tenant. In the event Tenant desires to enter into such an assignment or sublease, Tenant shall provide a written request to Landlord, together with the proposed Assignment Agreement or Sublease and complete financial information (financial statements, tax returns, and lease application) for any proposed tenant or guarantor.
- 23.02. <u>Administrative Fee</u>. Tenant shall pay Landlord, in advance, an administrative fee of Five Hundred Dollars (\$500.00) for processing any request for consent to assignment or sublease.

24. Default by Tenant and Rights of Landlord.

- 24.01. <u>Defaults</u>. A default ("**Default**") shall have occurred if Tenant:
 - 24.01.01. fails to pay any installment of Rent or other charges due hereunder within five (5) days after written notice from Landlord; or
 - 24.01.02. after the Commencement Date, shall vacate, abandon, or fail to occupy for thirty (30) days all or a substantial portion of the Premises, or fail to continuously operate its

business in the Premises whether or not Tenant is in default of the rental payments due under this Lease; or

24.01.03. fails to perform any other covenant, term, agreement, or condition of this Lease within thirty (30) days after written notice of such failure from Landlord; provided, however, that if the nature of Tenant's default is such that more than thirty (30) days are reasonably required for its cure, then it shall not be deemed to be a breach of this Lease by Tenant if Tenant commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

24.02. <u>Remedies</u>. In the event of a Default, Landlord, in addition to any other remedies available at law or in equity, including the right to damages for breach of Lease by Tenant, shall have the immediate right, or the option at any time while such Default exists and without further notice:

24.02.01. to terminate Lease and all Tenant's rights hereunder; or

24.02.02. without terminating Lease, to terminate Tenant's right to possession of Premises; or

24.02.03. to cure the Default for the account and at the expense of Tenant, and Tenant shall reimburse Landlord upon demand for the reasonable cost (plus interest at the interest rate set forth in Section 28.02) of curing Tenant's Default plus an administration fee of ten percent (10%).

An election by Landlord to terminate Tenant's right to possession of Premises without terminating Lease shall not preclude a subsequent election by Landlord to terminate Lease. Upon Lease termination, whether by lapse of time or otherwise, or upon any termination of Tenant's right of possession without Lease termination, Tenant shall, without demand or notice of any kind from Landlord, surrender possession and vacate Premises immediately, and deliver possession thereof to Landlord, Landlord, upon such repossession of Premises, shall be immediately entitled to recover, as damages, a sum of money equal to all past due Base Rent and Additional CAM Rent due under this Lease; which shall become immediately due and payable. Tenant shall pay the same to Landlord, together with all loss which Landlord may sustain from termination and re-entry. Upon repossession, Landlord shall attempt to relet all or any part of the Premises for reasonable rent and on reasonable terms, whereupon Tenant's liability hereunder shall be reduced by the difference between the rent provided for herein and that provided for in any Lease covering reletting, for the period which would otherwise have constituted the balance of this Lease (less all costs and expenses for preparing the Premises for reletting). Actions to collect amounts due to Landlord may be brought without the necessity of waiting until expiration of the Lease but such amounts owed shall continue to be subject to offset by any rents received from the reletting of the Premises as provided herein. The Tenant will reimburse the Landlord for the costs of removing and storing Tenant's or other occupant's property and hold Landlord harmless for any damage there from. Neither acceptance of Rent or other charges by Landlord, with or without knowledge of breach or default, nor failure of Landlord to take action on account of any breach or default hereof or to enforce its rights hereunder shall be deemed a waiver of any breach or default, and absent

specific written notice or consent to the contrary, said breach or default shall be a continuing one. No reentry shall constitute an election to terminate Lease unless a written notice of such intention is given to Tenant.

- 24.03. <u>Termination of Possession.</u> Upon and after entry into possession without Lease termination, Landlord shall use reasonable efforts to relet Premises or any part thereof for the account of Tenant to any person, firm or corporation for such rent, for such time and upon such terms as Landlord, in Landlord's sole discretion, shall determine. In any such case, Landlord may make repairs, alterations, and additions in or to Premises and redecorate the same to the extent deemed necessary by Landlord. Tenant shall, upon demand, pay the cost thereof, together with Landlord's expenses of the reletting. Any rentals received from reletting Premises shall be first used to pay the cost of all repairs and alterations to Premises and the cost of such reletting. If the consideration, if any, collected by Landlord upon reletting of Premises for Tenant's account is not sufficient to pay the full amount of the monthly Rent then due, together with the costs of regaining possession and reletting Premises, Tenant shall pay to Landlord the amount of each monthly deficiency when the same shall become due.
- 24.04. <u>Mitigation</u>. Landlord shall mitigate its damages by making commercially reasonable efforts to relet Premises on any reasonable terms (including a reasonable amount of free rent), Landlord may relet for a shorter or longer period of time than the Term and make any reasonable and necessary repairs or alterations to Premises, at Tenant's expense. Landlord shall not be obligated to enter into a lease with any proposed Tenant that does not have, in Landlord's reasonable opinion, sufficient financial resources, or operating experience to operate Premises in a first-class manner.
- 24.05. Right of Landlord to Cure Defaults. If Tenant shall default in the observance or performance of any term or covenant of this Lease, or if Tenant shall fail to pay any sum of money, other than Base Rent and Additional Rent, required to be paid by Tenant hereunder, Landlord may, without waiving or releasing Tenant, remedy such default at the expense of Tenant, immediately and without notice in case of emergency, or in any other case only upon Tenant's failure to remedy such default (or commence such remedy and continue the same with diligence) within thirty (30) days after written notice to Tenant.
- 24.06. <u>Unpaid Sums, Returned Checks and Late Charge</u>. If any payment of Base Rent or Additional Rent is not paid within five (5) days of the date when due, Tenant shall pay a late charge equal to five percent (5%) of the amount of such overdue payment per month or portion thereof as liquidated damages for Landlord's extra expense in handling such past due account. In the event any check issued by Tenant, given to Landlord in payment of any obligation due hereunder is returned by the bank for non-payment, Tenant agrees to pay an administrative fee to Landlord in the amount of Fifty Dollars (\$50.00) per incident.
- 24.07. <u>Bankruptcy and Insolvency</u>. If, at the Lease Commencement Date or at any time during the Lease Term, there shall be filed by or against Tenant in any court pursuant to any statute either of the United States or of any state, a petition in bankruptcy or insolvency or for liquidation, reorganization or involuntary dissolution or for the appointment of a receiver or trustee of all or a portion of Tenant's property, or if Tenant makes an assignment for the benefit

of creditors or petitions for or enters into an arrangement with creditors, this Lease, at the option of Landlord, exercised within a reasonable time after notice of the happening of any one or more of such events, may be cancelled and terminated and, in which event, neither Tenant nor any person claiming through or under Tenant by virtue of any statute or of an order of any court, shall be entitled to possession or to remain in possession of the Premises, but shall forthwith quit and surrender the same, and Landlord, in addition to the other rights and remedies Landlord has by virtue of this Lease or any statute or rule of law, may retain as security for its damages any Base Rent, Additional rent, or monies received by Landlord from Tenant or others on behalf of Tenant.

24.08. Should Landlord default in the performance of its repair Landlord Default. obligations or any other obligation to be performed by Landlord under this Lease, Tenant may serve upon Landlord a notice specifying the default and requiring performance by Landlord within a period of time set forth in such notice, which shall not be less than thirty (30) days after receipt of said written notice (except that such cure period specified in the notice shall be automatically extended for an additional period of time reasonably necessary to cure such default, if such default cannot be cured within such cure period provided that Landlord commences the process of curing such default within said cure period and continuously and diligently prosecutes such cure to completion); provided, however, in the event of emergency, Tenant shall have the right (but not the obligation) to take emergency corrective action, and Tenant shall take reasonable steps to notify Landlord of such emergency. In the event of such default by Landlord after notice shall have been given as aforesaid which is not cured by Landlord, then Tenant, in addition to any other right or remedy Tenant may have a law or equity, shall have the right (but not the obligation) to cure Landlord's default and Tenant shall have the right of entry upon the Common Areas for such purposes, and Landlord, within thirty (30) days after receipt of Tenant's bill therefor, shall reimburse Tenant the reasonable costs incurred by Tenant in curing Landlord's default as aforesaid, with a five (5%) percent administrative charge and interest thereon at the rate of five percent (5%) on the amount of costs and expenses so incurred. If Landlord fails to reimburse Tenant as required under this Section, Tenant may abate Rent until the amount due Tenant from Landlord is fully satisfied.

24.09. <u>Prevailing Party Attorney's Fees</u>. In connection with any litigation (including, but not limited to, any appellate proceedings) arising out of this Lease, the prevailing party shall be entitled to recover from the non-prevailing party all costs incurred by such party, including, but not limited to, reasonable attorneys' fees and court costs. The terms of this Section 24.09 shall early termination of this Lease.

25. Sale or Mortgage of Landlord's Interest.

25.01. <u>Conveyance of Landlord's Interest</u>. Landlord may sell, assign, or otherwise transfer, in whole or in part, its interest in this Lease and its reversion hereunder. Landlord shall require the transferee to accept the interest transferred subject to this Lease. The transfer shall release Landlord from any further liability to Tenant hereunder and, after any such transfer, Tenant shall look solely to the transferee for the performance of the obligations of the party who from time to time is the Landlord under this Lease. If Landlord transfers to such a transferee any security deposit Landlord holds for performance of Tenant's obligations hereunder, Landlord shall have

no further liability to Tenant concerning such security and Tenant shall henceforth look solely to the transferee.

- Estoppel Certificate. Within ten (10) days after written request from Landlord, Tenant shall execute, acknowledge and deliver to Landlord an estoppel certificate in form and content acceptable to Landlord, which shall include at a minimum: (a) certification that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease as so modified, is in full force and effect), the dates to which rent and any other charges payable by Tenant hereunder are paid in advance, if any, and the amount of the Security Deposit; and (b) acknowledgment that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder or specifying such defaults if any are claimed. Tenant's failure to deliver such estoppel certificate to Landlord within said 10-day period shall conclusively evidence Tenant's representation and agreement that: (i) this Lease is in full force and effect, without modification, except as Landlord may represent; (ii) there are no uncured defaults in Landlord's performance hereunder; and (iii) Tenant has not paid more than one month's rent in advance nor made a Security Deposit in excess of one month's rent.
- 26. <u>Subordination</u>. This Lease, and the term and estate hereby granted, and all of the rights of Tenant hereunder, are subject and subordinate the liens of any mortgage or mortgages now or hereafter in force against the Project, as well as to any and all zoning laws, ordinances and regulations, conditions and agreements affecting said real estate at any time, and Tenant shall execute such further instruments, in form and content reasonably acceptable to Tenant, subordinating this Lease to the lien or liens of any such lease or mortgage as shall be requested by Landlord; provided, however, that this subordination and any such further instruments shall not, so long as Tenant is not in default in the performance of any of the terms, covenants and conditions of this Lease, terminate or modify this Lease or any of the rights of Tenant hereunder. Tenant shall, at all reasonable times, upon ten (10) days' prior written request from Landlord, provide a Subordination, Non-disturbance, and Attornment Agreement in form and content reasonably acceptable to Tenant,.

27. Miscellaneous Provisions.

- 27.01. <u>Attornment.</u> Tenant shall, in the event of the sale or assignment of Landlord's interest in Project, or in the event of any proceedings brought for the foreclosure thereof, or in the event of exercise of the power of sale pursuant to any mortgage made by Landlord covering Premises, attorn to the purchaser and recognize such purchaser as Landlord pursuant to the Lease, provided such Purchaser recognizes Tenant's rights pursuant to the Lease and does not disturb Tenant's quiet enjoyment of the Premises.
- 27.02. <u>Counterparts</u>. This Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument. Facsimile and electronic signatures shall be deemed original signatures and are binding on both parties.
- 27.03. <u>Entire Agreement</u>. This Lease constitutes the entire agreement between the parties and no modification shall be binding unless in writing and signed by both parties.

- 27.04. <u>Entry, Emergency.</u> In case of emergency (the existence of which shall be reasonably determined by Landlord), if Tenant shall not be present to permit entry, Landlord or its representatives may enter Premises forcibly without rendering Landlord or its representatives liable therefore or affecting Tenant's Lease obligations.
- 27.05. <u>Force Majeure</u>. Whenever a period of time is provided in Lease for Landlord or Tenant to do or perform any act or thing, neither shall be liable nor responsible for any delays of such performance due to strikes, lockouts, labor troubles, failure of power, casualties, weather, acts of God, war, governmental regulation or control, environmental litigation, riots, insurrection or other reason of a like nature beyond their respective control, and the time for performance of such act specified herein shall be extended for the period equivalent to the period of such delay.
- 27.06. <u>Governing Law.</u> It is agreed that this Lease shall be governed by, construed, and enforced in accordance with the laws of the State of Wisconsin.
- 27.07. <u>No Accord and Satisfaction</u>. No payment by Tenant or receipt by Landlord of a lesser amount than the Base Rent, Additional Rent, and other charges stipulated in this Lease shall be deemed to be other than on account of the earliest stipulated Base Rent, Additional Rent, or other charges, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord shall accept such check or payment without prejudice to Landlord's right to recover the balance of such Base Rent, Additional Rent and other charges or pursue any other remedy in this Lease.
- 27.08. <u>Non-Waiver</u>. Waiver by Landlord of any breach of any term, covenant, or condition contained in this Lease shall not be deemed to be a waiver of such term, covenant, or condition of this Lease.
- 27.09. <u>Notices</u>. Any notice, demand or request provided for or permitted to be given pursuant to Lease shall be in writing and shall be deemed to have been properly given (i) upon receipt, if hand delivered; (ii) five (5) days after deposit thereof at any main or branch United States Post Office, if sent by United States registered or certified mail, return receipt requested; or (iii) on the first business day following deposit thereof at the office or drop box of a nationally recognized overnight delivery service, if sent by such service; addressed to Landlord at Landlord's Address or to Tenant at Tenant's Address or at such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice.
- 27.10. <u>Paragraph Headings</u>. The titles to the paragraphs of this Lease are solely for the convenience of the parties and shall not be used to explain, modify, simplify, or aid in the interpretation of this Lease.
- 27.11. <u>Recording</u>. Neither Landlord nor Tenant shall record this Lease nor a short form memorandum of this Agreement without the written consent of the other, which consent shall not be unreasonably withheld, conditioned, or delayed.
- 27.12. <u>Severability</u>. In the event that any term or provision of this Lease is found by a court of competent jurisdiction to be void, invalid or otherwise unenforceable, such interpretation shall

have no effect on the remaining terms, conditions and provisions of this Lease which shall remain in full force and effect.

- 27.13. <u>Successors and Assigns</u>. The rights and obligations of the parties hereto shall inure to the benefit of and be binding upon their heirs, executors, personal representatives, successors and assigns. No third party, other than such successors and assigns shall be entitled to enforce any or all of the Lease terms or shall have any rights hereunder whatsoever.
- 27.14. <u>Tenant's Agreement to Defend</u>. If Landlord is named as a defendant in any suit brought against Tenant in connection with or arising out of Tenant's occupancy of the Premises under this Lease, Tenant shall pay to Landlord Landlord's costs and expenses incurred in such suit and any appeal of the suit including reasonable attorney fees and costs, except where such suit relates to the negligent conduct or intentional misconduct of Landlord, its agents, representatives, or employees.
- 27.15. <u>Time of the Essence</u>. Time is of the essence as to the payment of Rent and the performance of all other obligations of Tenant under this Lease.
- 27.16. <u>Use Restriction</u>. Landlord shall not lease any portion of the Project to any tenant whose primary business is that of a criminal defense attorney practice, or related uses that would materially impair or conflict with the use and operation of Tenant's Permitted Use hereunder.
- 27.17. <u>Brokerage Fee.</u> Landlord agrees to pay a brokerage commission to Lang LaSalle pursuant to the provisions of a separate agreement between Landlord and Lang LaSalle. The provisions of this Section 27.17 shall survive the expiration or sooner termination of this Lease.

(Signatures contained on the following page).

duly authorized, to be effective	on the last date signed by a party hereto.	
	LANDLORD: Mills Hotel Wyoming,	LLC
Dated:	By:	() ×
	Stephen C. Mills - Member	
	TENANT: City of West Allis, a Wisco Municipal Corporation	onsin

IN WITNESS WHEREOF, each party to this Lease has caused it to be executed by one

Dated:

EXHIBIT B

RULES AND REGULATIONS

The following rules and regulations have been adopted by Landlord:

- 1. The driveways, sidewalks, parking lot, exits, and entrances shall not be obstructed by Tenant or used for any purpose other than for ingress to and egress from its respective premises. Landlord shall, in all cases, retain the right to control and prevent access by all persons whose presence, in the judgment of Landlord, shall be prejudicial to the safety, character, reputation and interests of the Project and its tenants, provided that nothing herein contained shall be construed to prevent such access to persons with whom the tenants normally deal in the ordinary course of business, unless such persons are engaged in illegal activities. Tenant shall not and no employees and invitees of any tenant shall go upon the roof of the Project.
- 2. No sign shall be attached to or placed in windows without Landlord's prior written approval. No awning or shade shall be affixed or installed over or in the windows of the exterior of the Premises. The windows of the Project shall not be covered or obstructed.
 - 3. Except as is customary in an office and/or shop environment:
 - A. Electric and computer wiring of any kind shall be introduced and connected as directed by Landlord and no boring or cutting for wires will be allowed except with the consent of Landlord; and
 - B. The location of telephone service facilities, call boxes, etc., shall be prescribed by Landlord.
- 4. No additional lock or locks shall be placed by Tenant on any door in the Project if prohibited by local fire department or governmental agency, rule, or regulation and unless written consent of Landlord shall have first been obtained; which consent shall not be unreasonably withheld.
- 5. Tenant shall cause its employees to park in areas designated from time to time for employee parking.
- 6. No aerial or antenna (including "dish" antennas) shall be erected on the roof or exterior walls of the Premises, or on the grounds, without in each instance, the written consent of Landlord.
- 7. All garbage, refuse, or trash shall be placed by Tenant in the receptacles provided by Landlord for that purpose.
- 8. Tenant agrees that it shall comply with all fire and security regulations that may be issued from time to time by Landlord, and Tenant also shall provide Landlord with the name of a

designated responsible employee to represent Tenant in all matters pertaining to such fire or security regulations.

- 9. Tenant shall see that the doors of the Premises are closed and securely locked before leaving the Premises
- 10. The requirements of Tenant will be attended to only upon application to the Management Agent.
- 11. Landlord reserves the right, by written notice to Tenant, to add to, rescind, alter, or waive these Rules and Regulations at any time prescribed for the Project when, in Landlord's reasonable judgment, it is necessary, desirable, or proper for the best interest of the Project and its tenants, provided that no such addition, revocation, alteration, or waiver will adversely affect the use of the Premises as then carried on by Tenant unless required by governmental authority or regulation. No assent or consent to any waiver of any part hereof by Landlord in spirit or letter shall be deemed or taken as made except when the same is done in writing and attached to or endorsed hereon by Landlord.
- 12. Tenant shall not disturb, solicit, or canvass any occupant of the Project and shall cooperate to prevent same.
- 13. Tenant, its servants, employees, customers, invitees and guests shall, when using the common parking facilities in and around the Project, observe and obey all signs regarding fire lanes and no parking zones, and when parking, always park between the designated lines. Landlord reserves the right to tow away, at the expense of the owner, any vehicle which is improperly parked or parked in a no parking zone. All vehicles shall be parked at the sole risk of the owner, and Landlord assumes no responsibility for any damage to or loss of vehicles.
- 14. All city and county ordinances shall be observed by Tenants in the use of this Project and Premises.

In the event of any conflict between these rules and regulations or any further or modified rules and regulations from time to time issued by Landlord and the Lease provisions, the Lease provisions shall govern and control.

EXHIBIT C

WE ENERGIES-3RD PARTY NOTIFICATION AGREEMENT



To: WE Energies Customer Service

Small Commercial Center

Fax: 262-523-7823

RE: 3rd Party Notification Agreement

To Whom It May Concern:

I hereby authorize WE Energies to notify Bear Property Management, Inc. of any disconnect notices concerning my/our accounts for the property address(s) noted below from this date forward. Said notices are to be sent to Bear Property Management, Inc. at $4015-80^{th}$ Street, Kenosha, WI 53142

Property Address:	6100 Washington Aven Racine, WI 53406	ue, Suite Suite		
Approved by:		Accepted by: Bear Property Ma	nagement, Inc.	
Authorized Signature		Authorized Signature		
Printed Name		Printed Name		
Title	Date	Title	Date	
WE Energies Account Number		WE Energies Account Number		
WE Energies Account Number		WE Energies Account Number		

EXHIBIT D

SITE PLAN



EXHIBIT E

FLOOR LAYOUT OF PREMISES



EXHIBIT F

Collinker

EXTERNAL:

Lighting: Lighting at vehicle and pedestrian entrances should be 5-foot candles or 50 lumens at horizontal level and at least three-foot candle or 30 lumens in all other areas of the buffer zone. Local ordinances and may limit lighting particularly during non-business hours. Lighting should be optimized for tenant provided external cameras.

INTERNAL:

Perimeter Walls: Interior perimeter walls will be constructed with a minimum of 5/8 inch drywall mounted on two by four-inch studs reinforced with 9-gauge expanded steel mesh firmly fastened (welded or screwed at 12" intervals) to the interior wall extending from true slab to true slab. The expanded metal may be applied on the interior of the existing wall using manufacture specified washers and screws since internal welding may cause the fire alarm to annunciate. The walls will be acoustically treated to provide a Sound Transmission Classification (STC) of 45.

<u>Doors:</u> Perimeter doors will be

- a. 18 gauge steel hollow cored construction or solid cored wooden doors not less than 1-3/4 inches in thickness
- b. with 16-gauge steel frames
- c. and 14-gauge steel hinges
- d. and lock reinforcements
- e. and must be fire rated -
- 2. Additional external door requirements
 - a. Perimeter doors will be hung to open out where possible
 - b. Exposed hinges must have non-removable or welded, brazed, peened hinge pins or equipped with set screws to prevent hinge pin removal or be the hinge type with long studs with hospital tips
 - c. Will be alarmed by a tenant provided access control system
 - d. Will have electric strikes with at least a one-inch throw bolt
- 3. Exit only perimeter doors
 - a. Will be secured from the inside by panic hardware with a deadbolt lock with one-inch throw bolt extending into the doorframe
 - b. Should not have any external hardware
 - c. Will be alarmed with triple-bias balanced magnetic switched (door contacts) that remine in a 24-hour alarm condition through the IDS monitoring system
- 4. Locking hardware references

Locking Device	Applicable UL Standard(s)		
Key locks	UL Standard 437		
Electric door strikes	UL Standard 1034		
Automatic door closures	UL Standard 228		
Panic hardware	UL Standard 10B & 305		

Windows:

- 1. Cannot be opened
- Will be alarmed with a 24-hour glass break system or directional dual technology motion sensor that provides curtain coverage effect
- Blast film will be installed on all windows whenever a 100 foot set back from public vehicle access can not be obtained.

Hatches/Vents/Ducts:

- Hatches, ventilators, air shafts, heating and air conditioning ducts, which exceed 96 square inches, tat penetrate perimeter walls, floors, and ceilings will be secured with man-safe barriers constructed of securely anchored No. 9-gauge expanded steel mesh.
 - a. ½" steel security bars welded on 6 inch off center (OC), etc., ay be considered as an alternative to steel mesh in air supply and return ducts to minimize air flow reduction
- Access doors, windows or hatches must also be secured with deadbolt locks or secure padlocks and alarmed 24 hours daily with triple bias door contacts or balanced magnetic switches.

Reception Area:

- 1. The walls separating the lobby from inner office space will extend slab-to-slab
- 2. and will be acoustically treated to provide a sound transmission classification (STC) of 45:
- an Underwriters Laboratories (UL) standard 752 approved Class III builet resistant transaction window with integrated deal tray will be installed in the wall separating the lobby from the receptionist area;
- Walls surrounding the receptionist's transaction window will be shielded or cored slab-to-slab, through the installation of panels tat meet or exceed US Department of Justice (N.I.J) Standard 0108.01 Type IIIA for bullet resistant standards and UL SPSA
 - Level III UL Standard 752, Class III Ballistic fiberglass panels not less than 7/16 inch In thickness
 - b. or 3/16-inch steel or 1-inch aluminum plate meet the requirements
- 5. Doors from the lobby Into the office space will be:
 - a. 18 gauge steel hollow cored construction or solid cored wooden doors not less than 1-3/4 inches in thickness
 - b. with 16-gauge steel frames
 - c. and 14-gauge steel hinges
 - d. and lock reinforcements
 - e. will have a United Laboratory (UL) Standard 437 approved burglar-resistant deadbolt lock consisting of a 6-pin tumbler with one-inch throw blot
 - f. heavy-duty electric strike with proximity card reader
 - g. with a remote release installed at the reception desk

Offsite Secure Room Open Storage Requirements:

All Doors:

1 3/4 solid wood core door or

16 gauge metal clad door with wood or sound material infill

All doors must have:

Sound gaskets and door sweeps- meet STC 45 rating

Minimum 16 gauge metal frames in-filled with sound batting (mineral wool)

Sentrol 2707a High Security Triple-Biased, balanced Magnetic switch

Protected Hinge Pins if hinges are exposed

Automatic door closers

Primary Entrance Door:

Only one permitted

Must have:

GSA Approved KABA MAS lock

Hirsch dual authentication scramble/Prox card reader

Alarm Keypad located directly inside door

The only door allowed is an external high security keyway (1C Core)

Wall Type A6

Conduit/pipe penetrations through partition type A6 sealed all around

Duct Penetrations sealed all around

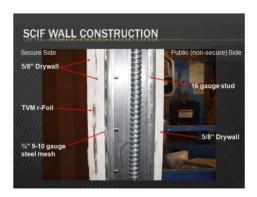
Partitions should be sealed with an acoustical sealant

Ultra NT-Radiant rFoil can be used between layers

Wall construction

5/8" drywall/TVM rFoil/5/8" drywall/ 3/4" 9-10 gauge steel mesh -16 gauge Stud-- 5/8" drywall

See example below:



Perimeter wall construction

Walls, true ceilings and true floor must be permanently attached to each other (slab to slab)

One layer 5/8" drywall on exterior side (non-Secure side)

Minimum 3 $\mbox{\em \%}"$ sound batting (mineral wool) between studs

¾" 9-10 gauge expanded metal mesh secured to the INSIDE of the Secure Room

5/8" Plywood equivalent to replace metal mesh

Two layers of 5/8" drywall on inside of Secure Room

RF Foil back ceiling tiles

Wall Construction

Top and Bottom of walls where drywall meets slab must be sealed with caulk sealant

Openings where pipes or wires run through must be filled with self-hardening sealant

All penetrations should be minimized, must service the space or need to be routed around room. No passage through room to anything that does not service to space.

Duct Work

Inspection Ports

Installed on the secure side for inspection of man bars

If installed on the exterior side of the Secure Room, the inspection port must be secured with a high security lock

Sound Attenuation

All ducts must be treated for acoustical protection

Man Bars

Required if duct openings are over 96 sq inches (unless one dimension is less than 6")

Mesh

9 gauge expanded metal mesh may be used in place of man bars

RF Protection * checking standards for offsite Secure room

TVM Foil (foil backed drywall)

Foil backed ceiling tiles

Window film

Metal doors

Non-Conductive Breaks

Breaks

Vibration Dampening can qualify as a Break

Grounding

Ducts- All ducts must have a non-metallic break within 6" of the inside

Pipes- All pipes must have non-conductive breaks installed within 6" of the inside of the perimeter

Telephone Equipment

Telephones in Secure Room must provide on-hook security

Built into the phone

Built into the switch

Phone blocks mounted off wall to provide 360 degree inspection

*Installation by cleared workers

Intrusion Detection System

IDS must be located totally within the perimeter of the Secure Room

Entire interior perimeter must be covered with PIR motion Sensors

*FBI will install IDS systems in Secure Room

Emergency Notification/PA Systems

Must use approved Speakers/Strobes/Horns

EXHIBIT G

)R[™] LANDLORD'S IMPORVEMENT WORK (To be attached)

EXHIBIT H

PARKING EXHIBIT

