

Commercial Lease

LEASE

THIS LEASE, made this ____ day of ____, 2008, by and between Tom Benedetti, of Technology Properties LLC ("Landlord") and the _____, ("Tenant").

The parties in consideration of the leasing by Landlord to Tenant and the taking by Tenant from Landlord of the premises hereinafter described and in further consideration of the obligations of each party to the other hereby undertaken, covenant and agree as follows:

1. Leased Premises. Landlord leases to Tenant and Tenant takes from Landlord the premises described on Exhibit A, together with all easements, rights of ingress and egress, use of common parking areas or other common areas, and facilities and all appurtenances and fixtures belonging to or appertaining to said premises. Exhibit A details the parking areas, if any, that are provided for the exclusive use of Tenant. Tenant accepts the premises in as-is condition. The leased premises are part of a non-smoking building.

2. Term. The term of this lease shall commence on _____, and shall continue for a period of five (5) years thereafter until midnight, _____.

3. Use of Premises. During the term Tenant shall use and occupy the premises for purposes of _____ and for no other use or purpose without the prior written consent of Landlord, which will not be unreasonably withheld.

4. Peaceful Possession. Landlord covenants that Tenant, on paying the rental and fully performing its covenants herein contained, shall and may peaceably and quietly have, hold and enjoy the premises for the term set forth in this lease.

5. Rental. Tenant in consideration of the premises herein and of the covenants and obligations of Landlord hereunder, shall pay as rental for the premises during the term of the lease as follows:

_____ : _____ Dollars (\$) at the rate of _____ Dollars (\$) per month;

_____ : _____ Dollars (\$) at the rate of _____ Dollars (\$) per month;

_____ : _____ Dollars (\$) at the rate of _____ Dollars (\$) per month;

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_____ : _____ Dollars (\$) at the rate
of _____ Dollars (\$) per month;

_____ : _____ Dollars (\$) at the rate
of _____ Dollars (\$) per month.

All rentals shall be payable in advance and shall be due on the 1st day of each month. Rental for partial months at the beginning and end of the term, if any, shall be appropriately prorated.

Tenant shall pay a late fee of five percent (5%) of the monthly rent for each payment of rent not received by the Landlord by the tenth (10th) day of the month in which it is due.

Tenant shall pay a security deposit of \$_____ to be applied by Landlord to any damages to the premises or to cure any other defaults of Tenant during or at the conclusion of the lease term, to the greatest extent permitted by applicable law.

6. Holding Over. If Tenant remains in occupancy after the end of the lease term provided above, it shall be deemed to be a month-to-month tenancy on the same terms as set forth in this lease, except terminable on sixty (30) days notice, and at a rental rate established by the Landlord in a written notice to Tenant, or, in the absence of such written notice, at a rental rate ten (20%) percent greater than the rate during the last month of the lease term. Landlord's acceptance of rent during any holdover term does not constitute agreement to a renewal or extension of the lease, nor shall acceptance of a rental amount less than that provided in this paragraph be deemed to be Landlord's agreement to such lesser rental rate.

7. Taxes and Special Assessments.

A. Real Estate Taxes: Landlord shall timely pay, on or before the last day on which payment may be made without penalty or interest, all taxes, assessments and other governmental impositions and charges, extraordinary as well as ordinary, seen or unforeseen, charged, assessed or becoming due during the lease term upon the premises, appurtenances or real estate fixtures thereon.

B. Personal Property Taxes: Tenant shall timely pay, on or before the last day on which payment may be made without penalty or interest, all personal property taxes due for personal property located on the premises.

C. Proof of Payment: The party liable for payment of taxes under this lease shall, upon request of the other, within twenty one (21) days after the time

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above provided for payment, provide the other party with satisfactory evidence of payment thereof.

8. **Alterations.** Tenant shall not make any alterations, additions or improvements to the premises without the advance written consent of Landlord. All alterations, replacements, changes, additions, improvements, equipment and appurtenances on the premises at the commencement of the term and any that may be erected, installed or affixed during the lease term are and shall be deemed to be part of the realty and shall be the sole property of Landlord except that all movable trade fixtures purchased by and installed by Tenant shall be and remain the property of Tenant. At the conclusion of the lease term, Tenant shall leave in place all alterations or non-moveable trade fixtures installed.

9. **Maintenance and Repair.**

A. **Landlord's Repairs:** Landlord shall maintain in good repair (reasonable wear and tear excepted) the foundation, roof and four outer walls (except for plate glass on the premises, which shall be Tenant's responsibility to repair or replace), major structural elements, and heating, hot water heating, and electrical facilities, as well as the following: common areas, exterior landscaping, exterior sidewalks and parking lot (except as may be otherwise provided in this lease with respect to snow removal). Landlord shall have the right to inspect the premises on reasonable notice and at reasonable times and may notify the Tenant of any needed repairs or maintenance.

B. **Tenant's Repairs:** Tenant shall maintain the premises and all improvements thereon in good repair, including electrical, heating, cooling, and plumbing fixtures and plate glass located on the premises (reasonable wear and tear excepted). Tenant shall use all reasonable precaution to prevent waste, damage or injury to the premises. Failure of the Tenant promptly to undertake these repairs shall be a default in the terms of this lease.

C. **Snow and Rubbish Removal:** Tenant shall keep all exterior walkways, routes of ingress and egress and parking areas in front of and behind the building in which the premises are located, free of snow and ice.

10. **Utilities and Services.** Tenant shall pay all charges for gas, electricity, lights, heat, power, water & sewer, telephone and other communication services, janitorial costs, and rodent or pest control as provided in this lease. For any utilities that are separately billed or metered for the premises, Tenant shall arrange to be billed directly and shall make timely payment of all bills rendered for such utilities. For those utilities that are not separately billed or metered, Tenant shall pay its pro rata share of the monthly charges within seven (7) days after receiving a statement from Landlord. Tenant's pro rata share is fifty (33 %) percent. NOTE: Tenants are required to keep the toilets in good working order.

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Failure to do so can result in excessive water/sewer charges. The tenant found responsible for excessive water/sewer usage will be responsible for the excess charges as determined by the Landlord.

11. **Compliance with Laws.** During the lease term Tenant shall, at its own cost and expense, promptly observe and comply with all present and future laws, ordinances, requirements, orders, directions, rules and regulations of the federal, state, county and municipal governments and of all other governmental authorities having jurisdiction over the premises or appurtenances or any part thereof, and of all their respective departments, bureaus and officials, and of the insurance underwriting board or insurance inspection bureau having or claiming jurisdiction, or any other body exercising similar functions, and of all insurance companies writing policies covering the premises or any part thereof, whether or not such laws, ordinances, requirements, orders, directions, rules or regulations require alterations, changes, additions, structural or non-structural, extraordinary or ordinary, seen or unforeseen, or otherwise, to, in or about the premises or any building thereon. Tenant shall specifically comply fully with all environmental regulations including those governing use or disposal of medical or hazardous wastes, and Tenant warrants that as of the date of this lease, it has complied with all such regulations.

12. **Insurance.** During the term hereof Tenant, at its own cost and expense shall:

A. Keep in force comprehensive general public liability insurance, including contractual liability, against claims for personal injury, death, or property damage occurring on, in or about the premises and on, in or about the adjoining streets, property and passageways, such insurance to afford minimum protection, during the term of this lease, in a single limit of at least One Million (\$1,000,000) Dollars.

B. Provide and keep in force such other insurance and in such amounts as may from time to time be required by Landlord against such other insurable hazards as at the time are commonly insured against in the case of premises similarly situated.

C. Provide and keep in force such insurance as is reasonably necessary to cover its personal property and trade fixtures located on the premises and, if deemed necessary by Tenant, any loss of business, document loss, or business interruption insurance. Tenant understands that Landlord does not insure these items and is not responsible for loss or damage thereto.

All insurance provided by Tenant as required by this Section shall name as an additional insured the Landlord and any mortgagee designated by Landlord, as their respective interests may appear. All such insurance shall be taken in responsible companies, licensed to do business in the State of Michigan, and

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approved by Landlord. Tenant shall deliver to Landlord copies of the policies or certificates of such insurance at the beginning of the lease term and upon request from time to time thereafter. All such policies shall be non-assessable and shall require fifteen (15) days *notice to Landlord* of any cancellation thereof or change affecting Landlord's coverage thereunder.

Tenant shall not violate or permit to be violated any of the conditions or provisions of any such policy of insurance whether carried by Landlord or Tenant, and Tenant shall so perform and satisfy the requirements of the companies writing such policies that at all times companies of good standing, satisfactory to Landlord of any cancellation thereof or change affecting Landlord's coverage thereunder.

Tenant shall not violate or permit to be violated any of the conditions or provisions of any such policy of insurance whether carried by Landlord or Tenant, and Tenant shall so perform and satisfy the requirements of the companies writing such policies that at all times companies of good standing, satisfactory to Landlord or any mortgagee designated by Landlord, shall be willing to write and/or continue such insurance.

13. Waiver of Subrogation. Each party hereto does hereby release, and discharge the other party and any officer agent, employee or representative of such party, of and from any liability arising from loss, damage or injury caused by fire or other casualty for which insurance (permitting waiver of liability and containing a waiver of liability and containing a waiver of subrogation) is carried by the injured party at the time of such loss, damage or injury, to the extent of any recovery by the injured party under such insurance.

14. Destruction. If, during the lease term, the premises are destroyed in whole or part by fire or other insured casualty, Landlord shall restore the premises to tenantable condition with reasonable dispatch, except as provided in this lease. If the premises are rendered partly untenable, rent shall abate pro rata for the portion rendered untenable until the premises are restored to tenantable condition, but the lease shall not terminate. However, if Landlord in its reasonable discretion determines that the premises cannot be restored to tenantable condition within six (6) months of the loss, then Landlord shall so notify Tenant in writing within one month after the loss, and either party shall then have the right to terminate this lease effective one month after the service of the notice. Further, if the premises are wholly destroyed, then this lease shall terminate effective on the date of destruction. If the leased premises are damaged to the extent of more than one half their value, then either party may terminate this lease effective on one month's written notice to the other. If the premises are damaged due to fire or other casualty, Tenant shall, at its expense, remove from the premises such furniture or belongings as Landlord may require in order to repair the premises. Except as provided in this paragraph, no damage or destruction to the premises shall be deemed an actual or constructive eviction nor result in abatement of rent or other payment obligations on the part of the Tenant.

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15. **Condemnation/Eminent Domain.** In the event that the premises or any part thereof shall be taken by exercise of the power of eminent domain (including governmental purchase in lieu of completion of bona fide condemnation or eminent domain proceedings) the rent payable thereafter shall be decreased in proportion to the amount or portion of the premises as shall be taken under such proceedings; provided, however, that if all the premises shall be so taken, or if the taking shall preclude Tenant from utilizing reasonably the Premises as contemplated in Section 3, this lease shall terminate at the time possession must be surrendered and Tenant shall be relieved of all future rental payments provided for herein. In no event, however, shall Tenant have the right to compensation for the value of the term, Tenant's rights being solely those of reduced rent or termination as set forth above. All payments of compensation for any taking shall belong to the Landlord free of any claim by Tenant.

16. **Subordination to Mortgages.** This lease and all rights of Tenant hereunder are and shall be subject and subordinate to the lien of any and all mortgage or mortgages, or consolidated mortgage or mortgages, which may now or hereafter affect the premises, or any part thereof, or the premises and other land, and to any and all renewals, modifications, consolidations, replacements and extensions of any such mortgage or mortgages.

17. **Indemnification; Uninsurable Losses.**

A. Tenant shall indemnify and hold harmless Landlord from all costs, expenses, liabilities, claims and demands of every kind or nature, including court costs and reasonable counsel fees, by or on behalf of any person, party or governmental authority whatsoever arising out of (a) any act or omission of Tenant, its agents, employees, licensees, or invitees; (b) any failure by Tenant to perform any of the agreements, terms, covenants or conditions of this lease on Tenant's part to be performed; (c) any failure by Tenant to comply with any laws, ordinances, requirements, orders, directions, rules or other regulations of any federal, state, county or city governmental authority, (d) any mechanic's lien, conditional bill of sale or chattel mortgage filed against the premises or any equipment therein or any materials used in construction or alteration of any building or improvement thereon; or (e) Tenant's occupancy, maintenance, or use of the premises including any common areas, except and only to the extent caused by the gross negligence of Landlord.

B. During the term of this lease, and any extension thereof, the risk of loss with respect to total uninsurable losses to the premises, which are subject to control or prevention by Tenant, shall rest upon Tenant.

C. To the maximum extent permitted by law, Tenant agrees to use and occupy the premises and such other portions of the building and appurtenances as Tenant is permitted to use at Tenant's own risk, and Landlord shall have no

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liability for any injury, loss or damage to any person or property occurring on or about the leased premises or common areas or appurtenances arising out of acts or omissions of persons other than the Landlord.

D. Landlord shall not be liable to any person, including Tenant, for any injury or damage to persons or property resulting (a) from latent defects in the premises; (b) from acts or omissions of persons occupying adjacent premises or any other part of the building of which the leased premises are part, nor (c) from bursting, stoppage or leaking of gas, sewer, water or steam pipes.

18. Default. This lease is made upon the condition that Tenant shall timely perform all covenants and agreements herein set forth to be performed by Tenant, and if at any time rent, taxes, insurance premiums or other charges and payments, or any of them, or any part thereof, shall become in arrears and unpaid for a period of fourteen (14) days or if any of the covenants or agreements of this lease shall not be performed by Tenant, Landlord, at Landlord's election, may enter upon the premises and take immediate possession thereof. Time is of the essence in performance of Tenant's obligations under this lease.

In the event Landlord shall retake possession of the premises this lease shall not terminate, unless Landlord so elects to terminate this lease and Landlord shall have the right to relet the premises or any part thereof for all or any portion of the remainder of the term to a tenant or tenants satisfactorily to Landlord. Should the rental received from such tenants be less than that agreed to be paid during any month by Tenant, then Tenant agrees to pay such deficiency to Landlord on a monthly basis together with the costs and expenses incurred by Landlord in such re-letting. At Landlord's option, Landlord may instead declare an acceleration of all reasonably ascertainable deficiencies and may collect the present value of these deficiencies in a lump sum payment.

If the Tenant fails to pay taxes, insurance, or to make requested repairs or other expenditures required by this lease within fourteen (14) days after written notice from Landlord, then Landlord may at its sole option, cure such defaults and the sum so paid shall be added to and enforceable as additional rent, together with seven (7%) percent interest on the unpaid sums. Landlord's payment of any obligation of the Tenant is not a waiver of the right to any other remedies provided by this lease or by applicable law.

Tenant shall pay all court costs or attorneys fees reasonably incurred by Landlord in interpreting or enforcing any term of this lease or in reentering or securing possession of the premises after a default by Tenant, and shall also pay all commissions or expenses of advertising or re-letting the premises, as well as all other damages permitted by applicable law.

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No default or claimed default by Landlord shall give rise to a right of reduction or offset in rent by Tenant unless Landlord agrees to such reduction in a writing signed by Landlord.

19. **Severability of Rights.** The rights and remedies given to Landlord in this lease are distinct, separate and cumulative, and no one of them, whether or not exercised by Landlord, shall be deemed to be in exclusion of any of the others.

The failure of Landlord to insist upon a strict performance of any of the terms of this lease shall not be deemed a waiver of any rights or remedies that Landlord may have and shall not be deemed to have waived any subsequent breach or default in any of such terms.

20. **Assignment and Subletting.** Tenant shall not assign or sublet all or any portion of the premises without the prior written consent of Landlord, which shall not be unreasonably withheld. Tenant shall, however, remain primarily liable for the payment of rent and for the performance of all other terms of this lease required to be performed by Tenant, notwithstanding any assignment or subletting.

Landlord shall have the right to assign its interest in the premises or to assign, from time to time the whole or any part of the rent at any time payable hereunder. Such assignment shall be effective as to Tenant upon written notice by Landlord to Tenant of such assignment.

21. **Partial Invalidity.** If any term, covenant or condition of this lease or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each term, covenant or condition of this lease shall be valid and be enforced to the fullest extent permitted by law.

22. **Entire Agreement.** This lease contains the entire agreement between the parties and cannot be changed or terminated orally, but only by an instrument in writing executed by the parties.

23. **Law of Michigan to Apply.** This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan.

24. **Binding Effect and Construction.** The agreements, terms, covenants and conditions herein shall bind and inure to the benefit of Landlord and Tenant and their respective heirs, legal representatives, successors and, except as otherwise provided herein, their assigns. This Lease shall not be construed strictly in favor of or against a party by reason of that party's having drafted the language in question.

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25. Notices. Notices to be served pursuant to this lease shall be sufficient if served upon Landlord at: 2948 Patterson Lake Road, Pinckney, MI 48169 and Tenant at: _____ by personal delivery of first class mail. Mailed notice is deemed effective three days after mailing.

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this instrument on the date set forth. This lease may be executed in counter-parts.

**Tom Benedetti, Technology Properties
Landlord**

Tenant

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EXHIBIT A

Description of Premises

The following described premises situated in the Village of Pinckney, County of Livingston and State of Michigan:

(for 2nd Floor) -102 W Main Street, rear lower first floor

(for 1st Floor south) -102 W Main Street, first floor, South space

(for 1st Floor north) -102 W Main Street, first floor, North space

22x60 parking area directly north of the building can be used for parking by tenants.

Basement area is considered a tenant common area and can be used for storage by all current tenants. Landlord is not responsible for any contents stolen or missing from basement.